

MTA 2017

Final Proposed Budget

November Financial Plan 2017 – 2020



Volume 2
November 2016



Metropolitan Transportation Authority

OVERVIEW

MTA 2017 Final Proposed Budget November Financial Plan 2017-2020 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 2017 Final Proposed Budget and the Financial Plan for 2017 through 2020. Also included are the Agency sections which incorporate descriptions of Agency Programs with supporting baseline tables and required information related to the MTA Capital Program.

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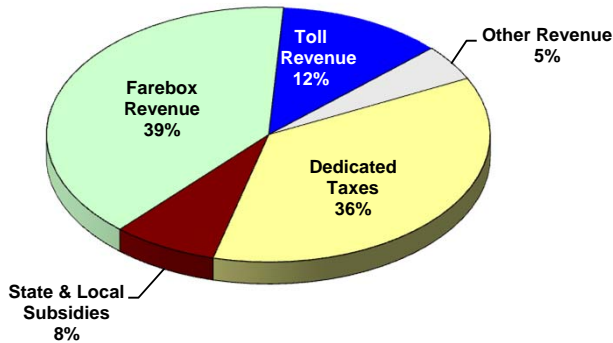
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I. MTA Consolidated Financial Plan

MTA 2017 Final Proposed Budget
Baseline Expenses Before Below-the-Line Adjustments
Non-Reimbursable

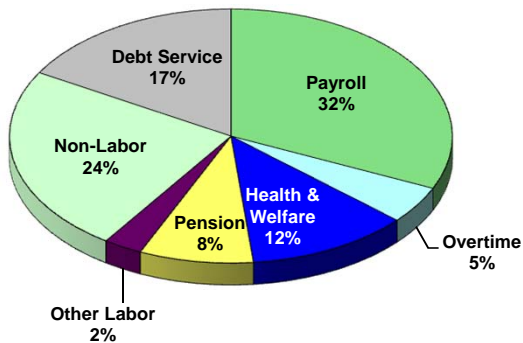
Where the Dollars Come From ...



By Revenue Source (\$ in millions)	
Farebox Revenue	\$6,087
Toll Revenue	1,867
Other Revenue	707
Dedicated Taxes	5,609
State & Local Subsidies	1,181
Total ¹	\$15,451

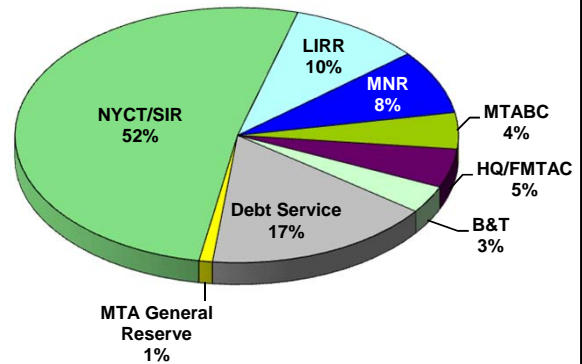
Where the Dollars Go ...

By Expense Category



By Expense Category ² (\$ in millions)	
Payroll	\$5,027
Overtime	756
Health & Welfare	1,878
Pension	1,317
Other Labor	448
Non-Labor	3,766
Debt Service	2,641
Total ¹	\$15,833

By MTA Agency



By MTA Agency ² (\$ in millions)	
NYCT/SIR	\$8,169
LIRR	1,524
MNR	1,288
MTABC	726
HQ/FMTAC	777
B&T	553
Debt Service	2,641
MTA General Reserve	155
Total ¹	\$15,833

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 2017-2020
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line No.	Non-Reimbursable	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
10	Operating Revenue						
11	Farebox Revenue	\$5,961	\$6,032	\$6,087	\$6,126	\$6,149	\$6,183
12	Toll Revenue	1,809	1,869	1,867	1,865	1,878	1,885
13	Other Revenue	689	688	707	733	762	790
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$8,459	\$8,589	\$8,661	\$8,725	\$8,789	\$8,858
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$4,696	\$4,840	\$5,027	\$5,160	\$5,273	\$5,418
20	Overtime	755	764	756	764	778	794
21	Health & Welfare	1,050	1,179	1,286	1,354	1,443	1,533
22	OPEB Current Payment	502	547	592	633	687	746
23	Pensions	1,249	1,355	1,317	1,330	1,332	1,322
24	Other-Fringe Benefits	861	867	874	910	934	966
25	Reimbursable Overhead	(380)	(419)	(426)	(406)	(405)	(400)
26	Sub-total Labor Expenses	\$8,732	\$9,132	\$9,426	\$9,746	\$10,042	\$10,379
28	Non-Labor Expenses:						
29	Electric Power	\$474	\$412	\$511	\$531	\$552	\$591
30	Fuel	162	128	158	164	173	188
31	Insurance	57	43	51	60	66	76
32	Claims	331	275	281	287	295	301
33	Paratransit Service Contracts	379	391	411	435	472	511
34	Maintenance and Other Operating Contracts	579	678	789	765	767	797
35	Professional Service Contracts	380	436	530	465	451	463
36	Materials & Supplies	543	592	650	641	632	698
37	Other Business Expenses	196	178	185	183	193	199
38	Sub-total Non-Labor Expenses	\$3,101	\$3,133	\$3,565	\$3,531	\$3,602	\$3,824
40	Other Expense Adjustments:						
41	Other	\$37	\$53	\$46	\$47	\$49	\$51
42	General Reserve	0	0	155	160	165	170
43	Sub-total Other Expense Adjustments	\$37	\$53	\$201	\$207	\$214	\$221
45	Total Operating Expense before Non-Cash Liability Adj.	\$11,871	\$12,318	\$13,192	\$13,484	\$13,857	\$14,424
47	Depreciation	\$2,443	\$2,496	\$2,588	\$2,660	\$2,728	\$2,794
48	OPEB Liability Adjustment	1,490	1,850	1,939	2,008	2,081	2,158
49	GASB 68 Pension Expense Adjustment	(410)	(188)	(94)	(104)	(101)	(130)
50	Environmental Remediation	21	6	6	6	6	6
52	Total Operating Expense after Non-Cash Liability Adj.	\$15,414	\$16,481	\$17,631	\$18,053	\$18,572	\$19,253
54	Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$3,543)	(\$4,163)	(\$4,439)	(\$4,569)	(\$4,715)	(\$4,829)
56	Debt Service (excludes Service Contract Bonds)	2,373	2,458	2,641	2,781	2,934	3,085
58	Total Operating Expense with Debt Service	\$14,244	\$14,776	\$15,833	\$16,265	\$16,791	\$17,509
60	Dedicated Taxes and State/Local Subsidies	\$6,596	\$6,735	\$6,789	\$6,966	\$7,127	\$7,318
62	Net Surplus/(Deficit) After Subsidies and Debt Service	\$811	\$548	(\$382)	(\$574)	(\$875)	(\$1,333)
64	Conversion to Cash Basis: GASB Account	0	0	0	(8)	(18)	(29)
65	Conversion to Cash Basis: All Other	(661)	(272)	(96)	278	28	131
67	CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	\$150	\$276	(\$478)	(\$303)	(\$865)	(\$1,231)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Accrued Statement of Operations By Agency
(\$ in millions)

Line No	Non-Reimbursable	Final					
		Actual 2015	November Forecast 2016	Proposed Budget 2017	2018	2019	2020
9	Total Operating Revenue						
10	New York City Transit	\$4,827	\$4,849	\$4,894	\$4,946	\$4,986	\$5,035
11	Bridges and Tunnels	1,845	1,897	1,893	1,892	1,904	1,911
12	Long Island Rail Road	751	769	773	774	777	779
13	Metro-North Railroad	740	751	780	791	798	804
14	MTA Bus Company	233	235	236	237	238	239
15	MTA Headquarters	50	57	53	52	54	56
16	Staten Island Railway	9	9	9	9	9	9
17	First Mutual Transportation Assurance Company	4	22	23	23	24	25
18	Total	\$8,459	\$8,589	\$8,661	\$8,725	\$8,789	\$8,858
20	Total Operating Expenses before Non-Cash Liability Adjs. ¹						
21	New York City Transit	\$7,475	\$7,792	\$8,120	\$8,288	\$8,550	\$8,900
22	Bridges and Tunnels	453	501	553	611	628	642
23	Long Island Rail Road	1,355	1,391	1,524	1,599	1,638	1,782
24	Metro-North Railroad	1,195	1,231	1,288	1,326	1,366	1,396
25	MTA Bus Company	674	683	726	749	756	763
26	MTA Headquarters	603	622	726	674	678	699
27	Staten Island Railway	50	64	72	52	52	54
28	First Mutual Transportation Assurance Company	28	4	5	1	(2)	(6)
29	Other	37	30	177	183	189	195
30	Total	\$11,871	\$12,318	\$13,192	\$13,484	\$13,857	\$14,424
32	Depreciation						
33	New York City Transit	\$1,692	\$1,728	\$1,778	\$1,828	\$1,878	\$1,928
34	Bridges and Tunnels	110	120	128	137	146	156
35	Long Island Rail Road	325	336	339	343	346	350
36	Metro-North Railroad	231	231	241	241	241	241
37	MTA Bus Company	50	42	43	44	44	44
38	MTA Headquarters	27	30	51	60	65	68
39	Staten Island Railway	8	8	8	8	8	8
40	First Mutual Transportation Assurance Company	0	0	0	0	0	0
41	Total	\$2,443	\$2,496	\$2,588	\$2,660	\$2,728	\$2,794
43	OPEB Liability Adjustment						
44	New York City Transit	\$1,130	\$1,443	\$1,501	\$1,561	\$1,624	\$1,689
45	Bridges and Tunnels	71	67	71	74	78	82
46	Long Island Rail Road	85	83	86	89	91	94
47	Metro-North Railroad	56	68	68	68	68	68
48	MTA Bus Company	61	100	100	100	100	100
49	MTA Headquarters	79	80	106	108	113	118
50	Staten Island Railway	7	8	8	8	8	8
51	Total	\$1,490	\$1,850	\$1,939	\$2,008	\$2,081	\$2,158
53	GASB 68 Pension Expense Adjustment						
54	New York City Transit	(\$315)	(\$355)	(\$296)	(\$306)	(\$296)	(\$303)
55	Bridges and Tunnels	(9)	(10)	(9)	(8)	(7)	(5)
56	Long Island Rail Road	(31)	169	174	173	174	162
57	Metro-North Railroad	(26)	(22)	(3)	(1)	(7)	(14)
58	MTA Bus Company	(12)	40	43	43	42	37
59	MTA Headquarters	(16)	(10)	(4)	(4)	(5)	(7)
60	Staten Island Railway	(2)	(1)	(1)	(1)	(1)	(1)
61	Total	(\$410)	(\$188)	(\$94)	(\$104)	(\$101)	(\$130)
63	Environmental Remediation						
64	New York City Transit	\$13	\$0	\$0	\$0	\$0	\$0
65	Bridges and Tunnels	0	0	0	0	0	0
66	Long Island Rail Road	2	2	2	2	2	2
67	Metro-North Railroad	4	4	4	4	4	4
68	MTA Bus Company	0	0	0	0	0	0
69	Staten Island Railway	1	0	0	0	0	0
70	Total	\$21	\$6	\$6	\$6	\$6	\$6
72	Net Surplus/(Deficit) ¹						
73	New York City Transit	(\$5,169)	(\$5,759)	(\$6,209)	(\$6,425)	(\$6,769)	(\$7,179)
74	Bridges and Tunnels	1,220	1,219	1,151	1,078	1,059	1,036
75	Long Island Rail Road	(986)	(1,212)	(1,353)	(1,431)	(1,475)	(1,611)
76	Metro-North Railroad	(721)	(762)	(818)	(847)	(875)	(891)
77	MTA Bus Company	(540)	(630)	(677)	(699)	(704)	(705)
78	MTA Headquarters	(642)	(664)	(825)	(785)	(796)	(821)
79	Staten Island Railway	(56)	(70)	(78)	(58)	(59)	(60)
80	First Mutual Transportation Assurance Company	(24)	19	18	22	26	31
81	Other	(37)	(30)	(177)	(183)	(189)	(195)
	Total	(\$6,955)	(\$7,892)	(\$8,969)	(\$9,328)	(\$9,783)	(\$10,395)

Notes: ¹ Excludes Debt Service

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Cash Receipts and Expenditures
(\$ in millions)

Line No.		Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
7	Cash Receipts and Expenditures						
10	Receipts						
11	Farebox Revenue	\$6,001	\$6,057	\$6,111	\$6,150	\$6,173	\$6,206
12	Other Operating Revenue	718	754	707	850	786	825
13	Capital and Other Reimbursements	1,863	1,866	2,116	1,907	1,859	1,820
14	Total Receipts	\$8,583	\$8,677	\$8,935	\$8,907	\$8,818	\$8,851
16	Expenditures						
17	Labor:						
18	Payroll	\$5,245	\$5,315	\$5,562	\$5,657	\$5,764	\$5,900
19	Overtime	955	952	897	890	903	921
20	Health and Welfare	1,109	1,202	1,328	1,389	1,476	1,565
21	OPEB Current Payment	496	532	581	622	676	734
22	Pensions	1,285	1,385	1,372	1,379	1,378	1,368
23	Other Fringe Benefits	795	830	852	873	886	911
24	Contribution to GASB Fund	0	0	0	8	18	29
25	Reimbursable Overhead	0	0	(0)	0	0	0
26	Total Labor Expenditures	\$9,886	\$10,216	\$10,592	\$10,818	\$11,101	\$11,427
28	Non-Labor:						
29	Electric Power	\$485	\$408	\$505	\$525	\$546	\$584
30	Fuel	165	126	156	162	169	184
31	Insurance	58	41	47	57	63	72
32	Claims	269	269	255	241	249	257
33	Paratransit Service Contracts	381	389	409	433	470	509
34	Maintenance and Other Operating Contracts	522	663	725	631	610	599
35	Professional Service Contracts	314	477	534	460	423	425
36	Materials & Supplies	727	706	772	764	729	801
37	Other Business Expenditures	213	192	197	184	196	194
38	Total Non-Labor Expenditures	\$3,133	\$3,271	\$3,601	\$3,457	\$3,455	\$3,627
40	Other Expenditure Adjustments:						
41	Other	\$33	\$133	\$140	\$148	\$138	\$158
42	General Reserve	0	0	155	160	165	170
43	Total Other Expenditure Adjustments	\$33	\$133	\$295	\$308	\$303	\$328
45	Total Expenditures	\$13,052	\$13,620	\$14,488	\$14,583	\$14,860	\$15,382
47	Net Cash Deficit Before Subsidies and Debt Service	(\$4,469)	(\$4,943)	(\$5,552)	(\$5,676)	(\$6,042)	(6,532)
49	Dedicated Taxes and State/Local Subsidies	\$6,357	\$7,019	\$7,021	\$7,447	\$7,368	\$7,612
50	Debt Service (excludes Service Contract Bonds)	(\$1,738)	(\$1,801)	(\$1,947)	(\$2,074)	(\$2,191)	(2,311)
52	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$150	\$276	(\$478)	(\$303)	(\$865)	(\$1,231)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Cash Statement of Operations By Agency
(\$ in millions)

Line Number		Actual	November Forecast	Final Proposed Budget	2018	2019	2020
		2015	2016	2017			
9	<u>Total Receipts</u>						
10	New York City Transit	\$5,945	\$5,898	\$6,082	\$6,011	\$6,037	\$6,055
11	Long Island Rail Road	1,113	1,090	1,128	1,081	1,071	1,073
12	Metro-North Railroad	948	1,020	1,076	1,062	1,048	1,046
13	MTA Bus Company	236	245	247	248	252	253
14	MTA Headquarters	297	350	331	433	337	353
15	Staten Island Railway	11	16	12	11	11	10
16	Capital Construction Company	29	36	37	38	38	37
17	First Mutual Transportation Assurance Company	4	22	23	23	24	25
18	Total	\$8,583	\$8,677	\$8,935	\$8,907	\$8,818	\$8,851
19							
20	<u>Total Expenditures</u>						
21	New York City Transit	\$8,403	\$8,686	\$9,055	\$9,162	\$9,433	\$9,753
22	Long Island Rail Road	1,699	1,706	1,887	1,918	1,945	2,091
23	Metro-North Railroad	1,528	1,563	1,641	1,647	1,627	1,678
24	MTA Bus Company	632	700	710	733	741	748
25	MTA Headquarters	702	849	924	866	845	864
26	Staten Island Railway	51	77	74	54	54	55
27	Capital Construction Company	29	36	37	38	38	37
28	First Mutual Transportation Assurance Company	4	22	23	23	24	25
29	Other	3	(20)	135	142	151	131
30	Total	\$13,052	\$13,620	\$14,488	\$14,583	\$14,860	\$15,382
31							
32	<u>Net Cash Surplus/(Deficit)</u>						
33	New York City Transit	(\$2,458)	(\$2,788)	(\$2,973)	(\$3,151)	(3,396)	(3,698)
34	Long Island Rail Road	(586)	(616)	(760)	(837)	(874)	(1,019)
35	Metro-North Railroad	(580)	(543)	(565)	(585)	(579)	(632)
36	MTA Bus Company	(396)	(455)	(464)	(485)	(489)	(495)
37	MTA Headquarters	(405)	(500)	(593)	(434)	(508)	(511)
38	Staten Island Railway	(40)	(61)	(63)	(43)	(43)	(45)
39	Capital Construction Company	-	-	-	-	-	-
40	First Mutual Transportation Assurance Company	-	-	-	-	-	-
41	Other	(3)	20	(135)	(142)	(151)	(131)
42	Total	(\$4,469)	(\$4,943)	(\$5,552)	(\$5,676)	(\$6,042)	(\$6,532)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated November Financial Plan Compared with JULY FINANCIAL PLAN
Cash Reconciliation before Below-the-Line Adjustments
(\$ in millions)

	Favorable/(Unfavorable)				
	2016	2017	2018	2019	2020
JULY FINANCIAL PLAN 2017-2020					
CASH BALANCE BEFORE PRIOR YEAR CARRYOVER	(\$7)	(\$447)	(\$339)	(\$908)	(\$1,208)
Agency Baseline Adjustments	\$17	\$16	\$84	\$72	\$76
<i>Farebox Revenue</i>	5	16	12	10	8
<i>Toll Revenue</i>	4	4	2	1	0
<i>Rates:</i>					
<i>Energy</i>	9	8	20	41	48
<i>Health & Welfare (includes retirees)</i>	(14)	(6)	14	20	32
<i>Pension (Cash)</i>	(3)	(7)	(7)	(9)	(11)
<i>Other Baseline Re-estimates (includes timing) ^{1,2}</i>	17	0	43	8	(1)
New Needs/Investments	\$23	(\$81)	(\$114)	(\$102)	(\$156)
<i>Maintenance and Operations</i>	13	(31)	(35)	(28)	(82)
<i>Customer Experience Improvements</i>	11	(25)	(51)	(47)	(46)
<i>Service Adjustments/Service Support</i>	1	(16)	(19)	(19)	(19)
<i>All Other New Needs</i>	(1)	(9)	(10)	(9)	(9)
Savings Programs	\$6	\$36	\$44	\$47	\$50
<i>2016 BRP (New Savings Programs)</i>	6	36	44	47	50
Policy Actions	\$145	\$0	\$0	\$0	\$0
<i>Release of 2016 General Reserve</i>	145	-	-	-	-
Changes in Subsidies	\$2	(\$18)	\$10	\$13	(\$14)
<i>Petroleum Business Tax</i>	10	-	-	-	-
<i>Real Estate Taxes</i>	(30)	(26)	(1)	0	(26)
<i>Payroll Mobility Tax</i>	16	1	5	6	6
<i>MTA Aid</i>	6	6	6	6	6
Other Subsidy Adjustments	\$62	(\$6)	(\$20)	(\$31)	(\$31)
<i>Forward Energy Contracts</i>	22	3	1	-	-
<i>Other Funding Agreements</i>	9	(6)	21	13	12
<i>B&T Operating Surplus Transfer</i>	31	(2)	(41)	(44)	(43)
Debt Service	\$27	\$22	\$31	\$45	\$52
<i>Refunding Savings (TRB 2016B and TRB 2016C)</i>	2	7	8	8	10
<i>Borrowing Rate Assumption Impact</i>	0	1	3	7	12
<i>Variable rate savings</i>	11	-	-	-	-
<i>Timing of Bond Issuances/Lower than projected actual bond</i>	14	15	20	30	30
NOVEMBER FINANCIAL PLAN 2017-2020					
CASH BALANCE BEFORE PRIOR YEAR CARRYOVER	\$276	(\$478)	(\$303)	(\$865)	(\$1,231)

* Totals may not add due to rounding

¹ Other Baseline re-estimates includes changes from timing, inflation, operating capital and reimbursable and cash adjustments.

² B&T Operating Surplus Transfer is captured as a subsidy. While B&T's impacts are also captured in individual reconciliation categories within the Agency Baseline Adjustments above, the duplication is eliminated within the line "Other Baseline Re-estimates."

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Baseline Farebox Recovery and Farebox Operating Ratios
(excluding projected fare increases)¹

FAREBOX RECOVERY RATIOS					
	November Forecast 2016	Final Proposed Budget 2017	Plan 2018	Plan 2019	Plan 2020
New York City Transit	38.4%	36.6%	36.0%	34.9%	33.7%
Staten Island Railway	9.3%	8.4%	10.8%	10.7%	10.5%
Long Island Rail Road	30.9%	28.8%	27.9%	27.4%	25.9%
Metro-North Railroad	41.5%	40.4%	40.1%	39.5%	39.2%
Bus Company	<u>25.5%</u>	<u>24.1%</u>	<u>23.7%</u>	<u>23.6%</u>	<u>23.7%</u>
MTA Total Agency Average	36.9%	35.1%	34.5%	33.6%	32.5%

FAREBOX OPERATING RATIOS					
	November Forecast 2016	Final Proposed Budget 2017	Plan 2018	Plan 2019	Plan 2020
New York City Transit	57.7%	55.7%	54.9%	53.4%	51.5%
Staten Island Railway	13.1%	11.7%	16.3%	16.2%	15.8%
Long Island Rail Road	50.8%	46.2%	44.6%	43.7%	40.3%
Metro-North Railroad	57.9%	56.6%	56.6%	56.6%	56.0%
Bus Company	<u>33.4%</u>	<u>31.5%</u>	<u>30.7%</u>	<u>30.5%</u>	<u>30.4%</u>
MTA Total Agency Average	55.1%	52.8%	52.0%	50.9%	49.0%

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.

¹ Fare increases recommended for 2017 and 2019 are not captured in Agency projections until after Board approval.

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II. Major Assumptions

Agency Baseline Assumptions

Agency Baseline Assumptions

The November Financial Plan (the “Plan”) consists of the 2016 November Forecast, the 2017 Final Proposed Budget, and 2018 through 2020 projections. Plan-to-plan comparisons for the years 2016 through 2019 are made against the February Plan, and for the years 2016 through 2020 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 references to fare and toll increases proposed for 2017 and 2019, and savings targets that have not yet been approved and implemented. This section focuses on Agency forecasts, while subsidies and debt service are covered in other sections of this Volume.

This Plan updates the Agency Baseline forecasts that were included in the July Plan; as such, it captures programmatic changes and re-estimates of revenues and expenses. To recap the July Plan, when compared with the Adopted Budget, the MTA forecasted unfavorable farebox revenue and expenses, while favorable trends in toll revenue were expected to continue. With the aid of greater savings identified through the Budget Reduction Program (BRP) and other efficiencies, MTA funded initiatives critical to improving the overall travel experience for its customers, and invested further in maintenance of fleet, facilities and infrastructure as well as service, systems, and safety.

In the November Plan, Agency forecasts, in aggregate, have improved relative to the update presented in July, reflecting mainly beneficial changes projected for energy, farebox and toll revenue, health & welfare, and IT-related consolidation savings. Also contributing to this favorable Baseline improvement are additionally identified efficiency savings (BRP). Moreover, revised assumptions in the scope and timing of the Capital Program will produce larger recoveries of capital overhead that benefit the operating budget. Constrained spending and some timing-related savings contribute to a favorable 2016 position and timing impacts also shift some expenses to 2017 from 2016, and in a few cases to the outer years.

The November Plan builds upon the many investments made over the years, including this past July, that benefit MTA customers directly. Major investments proposed in July included support for station enhancements, real-time information display signs and USB ports on bus fleet, retrofitting 600 subway cars with digital screens, Wi-Fi in underground stations and buses, and expanding homeless outreach efforts. A major new customer service investment proposed in this Plan supports the operational functions of Open Road Tolling (ORT), which utilizes the next generation technology to collect tolls through E-ZPass and by mail, and will be implemented at all B&T bridges and tunnels by end of 2017.

Since 2012, MTA has annually invested in service and service-related initiatives and this Plan continues this practice. Additional “platform” service adjustments included in this Plan reflect the impact of schedule changes needed to improve the reliability and frequency of service in response to ridership trends, operating conditions and

maintenance requirements. Included within these adjustments are schedule changes that will improve service on nine of MTA Bus's under-performing routes; and enhance weekend Tappan Zee Express bus service between Rockland and Westchester Counties. The Plan also provides for increasing MTA's presence on social media. Furthermore, investments are being made to safeguard the reliability of its fleet through overhauls and the replacement of critical components. Additionally investments are being made to fund the clearing of tracks, stations and work yards of debris, the swap-out of railroad ties, and the safeguarding of customers, employees, and operations.

The Plan captures operating expenses associated with "Mega" capital projects, including Phase I of the Second Avenue Subway and "ramp-up" costs for East Side Access of the LIRR. It also appropriates monies to support customer-oriented investments (funded either by the capital program or the operating budget), which, once completed, will require funding for operations, maintenance and cleaning of those assets. A shortlist of those investments include: the enhancement of 31 subway stations (30 NYCT and one SIR); the installation of real-time information display signs, and USB ports on buses, B Division countdown clocks and automated passenger counters on buses to right size service plans. Resources are also being appropriated to support customers during construction of the Farley-Moynihan Station.

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

Baseline November Plan Changes from the 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.

AGENCY BASELINE
NOVEMBER CHANGES FROM JULY PLAN

Favorable/(Unfavorable)
(\$ in millions)

	2016	2017	2018	2019	2020
Agency Baseline Adjustments	\$17	\$16	\$84	\$72	\$76
Revenue:					
Farebox	5	16	12	10	8
Toll	4	4	2	1	0
Rates:					
Energy	9	8	20	41	48
Health & Welfare (including retirees)	(14)	(6)	14	20	32
Pensions (Cash)	(3)	(7)	(7)	(9)	(11)
Other Baseline Re-estimates (includes timing) ¹	17	0	43	8	(1)
New Needs/Investments	\$23	(\$81)	(\$114)	(\$102)	(\$156)
Maintenance and Operations	13	(31)	(35)	(28)	(82)
Customer Experience Improvements	11	(25)	(51)	(47)	(46)
Service Adjustments/Service Support	1	(16)	(19)	(19)	(19)
All Other New Needs	(1)	(9)	(10)	(9)	(9)
Savings Programs	\$6	\$36	\$44	\$47	\$50
2016 BRP (New Savings Programs)	6	36	44	47	50
MTA Adjustments	\$145	\$0	\$0	\$0	\$0
General Reserve	145	0	0	0	0
Net Cash Baseline Changes	\$192	(\$29)	\$14	\$17	(\$29)

¹ Includes changes from timing, inflation, operating capital and reimbursable and cash adjustments.

New Needs/Investments:

MTA continues to take steps to improve the reliability, efficiency and performance of its fleet, facilities and infrastructure. Also, additional support augments existing investments to improve the customer experience, including service and service support. Other investments include safety-related and MTA-wide information technology-related initiatives.

Below lists major Plan investments by subject:

Maintenance/Operations:

The November Plan retains the \$145 million investment in maintenance and operations proposed in July and adds another \$163 million over the course of the Plan. The July Plan proposed investments in fleet overhauls and major component change-outs reaching key life-cycle milestones, All Electronic and Open Road Tolling initiatives, diesel shop and New Dorp Station repairs, underground storage tank testing and repairs to fuel tanks. Additional investments proposed in the November Plan include:

NYCT:

- Refurbish 288 subway cars scheduled for a 14-year overhaul in accordance with the Scheduled Maintenance Service program.
- Replace/rebuild diesel engines at seven to eight years of bus life in accordance with the Bus Shop Program.

LIRR:

- Assess current M7 fleet systems and maintenance plans, and establish funding for components critical to safeguarding the reliability of service through its Lifecycle Asset Maintenance Plan (kickoff is scheduled to begin in 2020).
- Replace “natural” sand railroad ties, manufactured in 2001, with “pure” sand railroad ties on the Port Jefferson and Port Washington lines, and in work yards.

MNR:

- Dedicate maintenance gangs to handle waste in a prioritized fashion and establish a system-wide cyclical right-of-way clean-up initiative.
- Overhaul 12 revenue service diesel push/pull locomotives nearing 10-year cycle refurbishment as part of the Reliability Centered Maintenance Program. These locomotives service branch lines in Connecticut, including New Canaan, Danbury and Waterbury, and are used on shuttle trains operating on routes where there is no third rail.
- Revise estimate to repair four M8 railcars damaged in the 2013 Bridgeport derailment.
- Increase frequency of wheel inspections in order to ensure safe and reliable operations, and perform shop equipment and station repairs.

B&T:

- Perform state-of-good-repair bridge painting maintenance work.

MTA Bus:

- Establish a third shift to support increased bus shop work and achieve production goals, which will increase bus availability and reliability of service.

SIR:

- Revise labor and material requirements for R44 car fleet, which have remained in service for 45 years, ensuring safe and reliability of service until replacement fleet is available.

NYCT and MTA Bus:

- Replace rear tires on all revenue service buses with all-weather tires, decreasing mileage on front and middle tires, and the use of chains on rear tires which damage fleet and streets.

Customer Experience Improvements (Priority Projects):

The November Plan retains the \$195 million investment proposed in July to enhance the customer experience and adds another \$160 million over the course of the Plan. The July Plan proposed investments to support capital program funded projects, e.g., the enhancement of 31 stations, real-time information display signs, USB ports on subway cars and buses, B Division count down clocks, construction of the Farley-Moynihan Station as well as the provision of operating support for Wi-Fi in all underground stations and buses. It also funded the leasing of 10 electric buses, the implementation of a track cleaning blitz, and expanded homeless outreach efforts. Additional investments proposed in the November Plan include:

B&T:

- Increase back-office support (e.g., bill processing, image reviews, violation enforcement, and legal actions) for Open Road Tolling, which will provide customers with the option to pay tolls through E-ZPass or by the Tolls by Mail program.

NYCT and SIR:

- Fund operating budget impacts of the Enhanced Renewal Station Initiative, which, once operational, will require additional cleaners and maintainers to upkeep 31 newly renovated underground and elevated stations located in Brooklyn (eight), the Bronx (seven), Manhattan (eight), Queens (seven) and Staten Island (one). *Due to time constraints, this proposed investment was captured below-the-line in Volume I of the July Plan, as part of Other Baseline Re-Estimates and is now captured within NYCT's baseline forecast in this Plan.*

NYCT and Commuter Railroads:

- Significantly enhance presence on social media, improving ability to inform and interact with customers and potential business partners in a timelier and comprehensive fashion. Ensure 24/7 coverage, posting content on Facebook, Twitter and Instagram that will inform customers about weekend service diversions, FASTRACK, capital projects, public hearings, customer self-service and courtesy efforts, counterterrorism (*See something, Say something*), and weather alerts. This medium will also be used to promote MetroCard programs, commuter railroad deals & getaway campaigns as well as increase awareness and interest in MTA-issued bonds among underwriting and investment communities.

MTAHQ:

- Revise the scope of the “Don’t Block the Box” initiative, which will increase markings around grade crossings, and provide new signage and technologies that will visually and audibly warn drivers when they are stopped on tracks and intersections. This initiative also includes a public education and awareness campaign.

Service Adjustments/Service Support:

The November Plan retains the \$78 million in service and service investments proposed in July and adds another \$72 million over the course of the Plan. The July Plan proposed investments to implement express bus service on key routes, weekend service and trains timed to connect with ferries, address “Platform” budget guidelines as well as to mitigate subway delays and to support Customer Service Center operations. Additional investments proposed in the November Plan include:

NYCT and MTA Bus:

- Increase platform service adjustments to improve the reliability and frequency of service in response to ridership trends, operating conditions and maintenance requirements; and permanently reopen the New South Ferry station in mid-year 2017.

MNR:

- Enhance Saturday and commence Sunday Tappan Zee Express bus service between Rockland County and the Hudson and Harlem lines in Westchester County.

Safety & Security:

The November Plan maintains the \$46 million in safety and security investments proposed in July and adds another \$6 million over the course of the Plan. The July Plan proposed investments to reduce accidents at railroad crossings, augment security coverage at stations and facilities, and to increase support of emergency intercoms in subways. Additional investments proposed in the November Plan include:

MNR:

- Reorganize and expand the Fire Brigade, ensuring 24/7 coverage required to support fire and emergency management functions within Grand Central Terminal.
- Protect crews and customers from conditions associated with power washing stations located in Croton Harmon, Yonkers, Brewster, North White Plains, Stamford and New Haven.

Information Technology:

The November Plan maintains the \$74 million investment in technology proposed in July and appropriates an additional \$8 million, reflecting a mix of timing impacts, caused by the acceleration of projects now scheduled to begin within the plan years (the favorable offset will be captured in years beyond the Plan), and funding for a provision for future IT needs.

Dark Fiber is part of optical infrastructure, consisting of cables, switches and repeaters, which supports communications and Wi-Fi functions within the subway system. Part of this infrastructure will be leased to telecommunication carriers, e.g., Verizon, Sprint, T-Mobile and AT&T, and become a new revenue source for NYCT.

Savings Programs:

The growth in non-discretionary costs remain a challenge. Certain 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 reducing health & welfare costs.

In addition to these strategies, the MTA and its Agencies continue to identify new opportunities for efficiencies and raising the savings bar. Total annual savings from savings initiatives implemented since 2010 has now reached \$1.6 billion. These savings will continue to grow and when combined with additional MTA Efficiency savings, captured as “below-the-line” Plan adjustments in Volume I, will approach \$2 billion by 2020. The following list capture Agency-specific baselined savings programs from this year’s July and November Financial Plans:

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017 - 2020

(\$ in millions)

Favorable/(Unfavorable)

2016 Budget Reduction Program by Agency and Category										
	2016		2017		2018		2019		2020	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
Agency:										
New York City Transit/SIR	26	49.2	95	53.1	95	81.9	109	87.4	109	90.9
Long Island Rail Road	-	5.2	-	6.0	-	6.1	-	6.1	-	6.2
Metro-North Railroad	5	14.3	3	6.2	3	6.3	3	6.7	3	7.0
Bridges & Tunnels	-	10.2	-	0.4	-	0.5	-	0.5	-	0.5
MTA Headquarters	67	23.1	67	32.3	67	25.3	67	25.6	67	26.0
Total (Excluding MTA Bus)	98	\$102.0	165	\$98.1	165	\$120.0	179	\$126.3	179	\$130.6
MTA Bus	4	5.1	(6)	0.9	-	1.1	-	0.9	1	1.1
Total	102	\$107.2	159	\$99.0	165	\$121.1	179	\$127.2	180	\$131.7
Category:										
Administration	74	49.0	119	77.0	119	87.1	119	89.8	119	92.7
Customer Convenience/Amenities	-	1.1	-	0.7	-	0.7	14	2.2	14	2.2
Maintenance/Inventory	16	18.8	40	10.7	40	10.8	40	11.1	40	11.4
Revenue Enhancement	-	0.0	-	2.1	-	3.6	-	3.6	-	3.6
Safety/Security	3	1.1	2	1.1	2	1.1	2	1.2	2	1.2
Service	-	21.8	-	5.7	-	16.0	-	17.8	-	18.8
Service Support	5	0.2	4	0.6	4	0.7	4	0.7	4	0.7
Other	-	10.0	-	0.0	-	0.0	-	0.0	-	0.0
Total (Excluding MTA Bus)	98	\$102.0	165	\$98.1	165	\$120.0	179	\$126.3	179	\$130.6
MTA Bus - Other	4	5.1	(6)	0.9	-	1.1	-	0.9	1	1.1
Total	102	\$107.2	159	\$99.0	165	\$121.1	179	\$127.2	180	\$131.7

The 2016 MTA Budget Reduction Program (BRP) identifies approximately \$184 million in greater savings over the course of the November Plan. Included within that program are MTA-wide savings resulting from a six-month delay in the implementation of a 2% cost of living allowance (COLA) increase for non-represented employees, reflecting the impact of an effective date which was scheduled to begin on January 1st. The revised effective July 1st date recurs annually. All Agency proposed BRP savings have been incorporated into their baselines within the category construct of the MTA's financial statements.

In addition to the COLA savings noted above, major budget reduction initiatives comprising the total 2016 BRP (July and November Plans) are summarized below by Agency. Specific details can be found in the BRP worksheets located in Agency sections.

NYCT BRP Savings:

- Realize fuel savings, lower insurance, and lower scheduling and certification costs in Paratransit service, resulting from improved adherence to eligibility requirements and more trips diverted to lower cost taxis and vouchers from higher cost “primary” providers.
- Realize efficiency savings from the Employer Group Waiver Plan -- a discount prescription drug plan for Medicare-eligible retirees made available through the Affordable Care Act.
- Increase revenue from the Paratransit Reduced Fare Program.
- Reduce administrative costs by eliminating positions and streamlining non-payroll expenses.
- De-staff auxiliary full-time booths at seven station complexes with minimal impact on customers.
- Recover overpayments from prior medical plans (“one-shot”).
- Reduce maintenance requirements due to the delivery of new buses and facility repair savings.
- Realize efficiency savings from terminal car cleaning processes.
- *New Nov. Plan BRP*: Greater efficiency savings projected from renegotiated higher discounts and lower pricing on medical benefits.

LIRR BRP Savings:

- Realize “one-shot” vacancy savings resulting from attrition and length of time to hire.
- Enforce tighter management controls and prioritization of non-payroll budgets.
- Adjust out-year cost sharing assumptions associated with the Joint Facility Agreement/Passenger Rail Investment Act Agreement (PRIAA).

MNR BRP Savings:

- *New Nov. Plan BRP*: Close ticket windows at select NHL stations, i.e., Stamford, Norwalk, and New Haven. This initiative is a directive from the State of Connecticut.
- *New Nov. Plan BRP*: Reduce overtime coverage for overnight car cleaning originating at New Haven, Stamford and Bridgeport facilities, and coverage for

Connecticut station maintenance and cleaning, and ticket windows (with the exception of holidays and emergencies). This initiative is a directive from the State of Connecticut.

MTAHQ BRP Savings:

- *New Nov. Plan BRP*: IT-related one-shot vacancy savings.

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. The relevant operating expense projections have been updated to reflect revised assumptions:

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Operating Budget Impacts of Capital "Mega" Projects
(\$ in millions)

		2016 November Forecast		2017 Final Proposed Budget		2018		2019		2020	
		Pos	(\$000)	Pos	(\$000)	Pos	(\$000)	Pos	(\$000)	Pos	(\$000)
East Side Access											
<i>Revenue Service Date: Year 2022</i>											
LIRR		0	-	19	2.357	203	27.076	335	50.692	494	96.453
MTAHQ		-	-	-	-	-	-	30	0.894	75	6.274
Subtotal		0	\$ -	19	\$ 2.357	203	\$ 27.076	365	\$ 51.587	569	\$ 102.727
2nd Avenue Subway											
<i>Revenue Service Date: December 2016</i>											
NYCT		335	10.153	359	42.709	368	44.681	365	46.358	365	48.468
TOTAL		335	\$ 10.153	378	\$ 45.066	571	\$ 71.756	730	\$ 97.944	934	\$ 151.195

NOTE: The 7-line Extension and the Fulton Street Transit Center projects, previously captured in the July Plan, have been completed and operational, and no longer appear in this table.

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 8.8 million passengers on its subways, buses and commuter railroads, and there are 860 thousand crossings at MTA Bridges & Tunnels facilities.

The level of 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, employment levels have steadily improved as the regional economy has recovered. Utilization, as measured by 12-month average ridership levels, also improved through most of this period, but began leveling off at the start of 2015 and has been relatively flat since then. The utilization estimates in November Financial Plan incorporate updated forecasts of regional employment, which are higher than those used in the July Plan; by 2020, the number of jobs in New York City is expected to reach 4.41 million, surpassing the July Plan employment projection by 59.9 thousand. While employment projections remain strong, the relationship between employment levels and utilization appears to have reverted to a dynamic more consistent with the long-term historical relationship rather than that of the past few years when ridership and vehicle traffic surged.

While economic conditions are an important influence on system-wide utilization, severe winter weather during the first couple of months in 2016 was also a determinant. Overall weather conditions were fairly typical, but two events had significant adverse impacts on utilization. On Saturday January 23, Winter Storm Jonas dumped 26 inches of snow, as measured in Central Park, resulting in a system shut down. Most operations were back in service by the next afternoon, with LIRR service fully functioning in time for the Monday morning commute. Over the Presidents' Day weekend, extremely low temperatures – an average of 20 degrees below normal over the three-day weekend – adversely affected discretionary ridership over the long weekend. The impact from these weather-related events was captured in the Mid-Year Forecast.

Further impacting utilization was the fire under Metro-North's Park Avenue Viaduct in northern Manhattan, which forced the suspension of service on May 17. Partial service was restored the next morning and regularly scheduled service went back into effect two days after the fire. The impact from the fire on ridership and farebox revenue is first being captured in this Plan forecast.

Farebox and toll revenues also reflect the four percent average fare and toll increases that went into effect in late March 2015. On a year-to-year basis, 2016 farebox and toll revenues are based on the fully annualized impact of the four percent increase while 2015 included just nine months under the higher fares and tolls, and this affects the

2015 to 2016 year-to-year comparison. For Metro-North, utilization figures also reflect the projected impact resulting from the recently approved fare increase on the New Haven Line for travel to or from Connecticut that is scheduled for implementation on December 1, 2016.

Utilization figures include fare media liability and farebox revenue for paratransit operations at NYCT. Utilization for MNR's West-of-Hudson operations are not included, since it is netted against expenses within MNR's reported financials and not included in farebox revenue.

The 2016 November Forecast for MTA consolidated ridership is projected to total 2,718 million passengers, while crossings are expected to reach 307 million at B&T facilities. Consolidated ridership is projected to decrease by 6 million trips (0.2%) from 2015 ridership, while B&T traffic is forecast to grow by 9 million crossings (3.1%). NYCT ridership (combined subway, bus and paratransit) is projected to total 2,414 million, accounting for 89% of MTA consolidated ridership. Commuter railroad operations each account for 3% of MTA consolidated ridership, with 2016 ridership projected to be 89 million for LIRR and 85 million for MNR's East-of-Hudson operations. Ridership for MTA Bus is projected to be 126 million, which accounts for 5% of MTA consolidated ridership, while SIR ridership is projected to be 5 million (0.2% of MTA ridership). Compared with 2015, ridership for LIRR, MNR, MTA Bus and SIR is expected to increase – along with B&T traffic – while ridership for NYCT is expected to be lower. Underlying these changes are the continued expansion of the regional economy and, for B&T traffic, continued low gasoline prices. While NYCT and MTA Bus utilization were impacted more significantly by the January blizzard and the extreme low temperatures in mid-February than the other Agencies, the ridership decline from 2015 at NYCT is more of a reflection of overall ridership trends; as noted earlier, NYC employment has continued to increase, but NYCT ridership plateaued during 2016.

Consolidated ridership is expected to fall short of the Mid-Year Forecast projection by 3 million trips (0.1%), while B&T traffic is expected to surpass the Adopted Budget forecast by 2 million trips, a 0.5% improvement. The plan-to-plan ridership shortfall is concentrated at NYCT, where ridership is projected to be lower by 3 million trips, or 0.1%, and at MNR, which is expecting ridership to fall short by 1 million trips, or 1.6%. Ridership projections have been increased over the Mid-Year Forecast level for MTA Bus, up 2 million trips or 1.5%. LIRR, up 0.3 million trips or 0.3%, and SIR ridership, down 0.1 million trips or 1.5%, are essentially unchanged. At NYCT, the lower ridership projection reflects unrealized Subway trips, while the reduced MNR projection is due to lower than expected non-commutation ridership.

MTA consolidated farebox revenue for the 2016 November Forecast is expected to be \$6,032 million, and toll revenue is expected to be \$1,869 million. Compared with 2015 results, consolidated farebox revenue is projected to increase by \$71 million (1.2%), while B&T toll revenue is expected to grow by \$60 million (3.3%). The variances for both farebox and toll revenue, in addition to reflecting changes in ridership and traffic levels, are impacted by the four percent increase in fares and tolls implemented in March 2015

that are fully annualized in 2016. NYCT farebox revenue (combined subway, bus, paratransit and fare media liability) is projected to total \$4,412 million, accounting for 73% of MTA consolidated farebox revenue. LIRR and MNR's East-of-Hudson operations account for 12% and 11%, respectively, of consolidated farebox revenue, with LIRR projected at \$712 million and MNR projected at \$687 million. MTA Bus farebox revenue is forecast to be \$214 million, comprising 4% of consolidated farebox revenue, and SIR farebox revenue is forecast to be \$7 million, comprising less than 1% of consolidated farebox revenue. Compared with 2015, farebox revenue for all Agencies is expected to increase – along with B&T toll revenue – although year-to-year growth is weaker for NYCT and MNR. Along with the full annualization of the March 2015 fare and toll increases, these changes reflect the continued expansion of the regional economy and, for B&T, continued low gasoline prices. NYCT and MTA Bus utilization were severely impacted by the January blizzard and the extreme low temperatures in mid-February, and these events had a tempering effect on farebox revenue.

Consolidated farebox revenue is expected to be greater than the Mid-Year Forecast by \$5 million (0.1%), while B&T toll revenue is projected to exceed the Mid-Year Forecast by \$4 million (0.2%). Plan-to-plan improvements in farebox revenue are concentrated at NYCT, where farebox revenue is projected to be higher by \$12 million trips, or 0.3%, at MTA Bus, which is expecting farebox revenue to improve by \$4 million, or 1.7%, and at LIRR, which is expecting farebox revenue to exceed the Mid-Year Forecast by \$2 million (0.2%). Farebox revenue projections have been reduced over the Mid-Year Forecast level for MNR, down \$13 million or 1.8%; the SIR farebox revenue forecast, while down 1.5%, is projected to fall short of the Mid-Year Forecast by just \$0.1 million.

Compared with the Adopted Budget, 2016 consolidated ridership is 60 million trips (2.2%) lower; the shortfall is predominately at NYCT due to ridership growth that did not materialize as well as an estimated loss of 4 million trips from adverse weather issues experienced in January and February. B&T traffic is expected to exceed the Adopted Budget projection by 11 million crossings (3.6%). Farebox revenue is expected to fall short of the Adopted Budget forecast by \$40 million (0.7%), while B&T toll revenue is expected to surpass the Adopted Budget forecast by \$61 million (3.4%).

The 2017 Final Proposed Budget anticipates growth over 2016 in ridership and farebox revenues, as the regional economy and the associated employment picture continue to modestly grow; also contributing to the farebox revenue growth is the additional revenue associated with the MNR fare increase in Connecticut. B&T traffic and toll receipts are essentially flat, with higher gasoline prices and a further reduction in the average toll paid – the result of additional E-ZPass market share – offsetting favorable employment-related impacts. MTA consolidated ridership is expected to increase by 15 million trips (0.5%) compared with 2016, and B&T vehicular crossings are expected to be virtually unchanged. Farebox revenue is projected to increase \$55 million (0.9%) over 2016, while toll revenue is forecast to decline by \$2 million (0.1%). MTA consolidated ridership for the 2017 Final Proposed Budget is expected to be lower than the July Plan projection by 3 million trips (0.1%), reflecting the impact of reduced 2016 ridership, which forms the basis for 2017 projections, particularly at NYCT and MNR. At B&T

facilities, traffic is projected to surpass the July Plan forecast by 2 million crossings (0.5%). MTA consolidated farebox revenue for 2017 is expected to surpass the projections in the July Plan by \$16 million (0.3%), with only MNR and SIR showing unfavorable variances; the MNR shortfall reflects lower non-commutation ridership, which is only partially offset by additional revenue generated from the Connecticut fare increase. B&T toll revenue for 2017 is expected to be \$4 million (0.2%) above the July Plan forecast.

Compared with the February Plan, 2017 consolidated ridership is 57 million trips (2.0%) lower; as with 2016, the shortfall is predominately at NYCT due to ridership growth that did not materialize. B&T traffic is expected to exceed the Adopted Budget projection by 9 million crossings (3.0%). Farebox revenue is expected to fall short of the Adopted Budget forecast by \$31 million (0.5%), while B&T toll revenue is expected to surpass the Adopted Budget forecast by \$49 million (2.7%).

MTA consolidated ridership and farebox revenue are both expected to increase annually from 2018 to 2020. By 2020, consolidated ridership is projected to reach 2,771 million passengers, and farebox revenue is expected to reach \$6,183 million. B&T crossings are also projected to increase each year, reaching 312 million crossings in 2020, with toll revenue forecast to reach \$1,885 million. Compared with the July Plan, MTA consolidated ridership is unfavorable by 0.2% in 2018 and by 0.3% in both 2019 and 2020, and this decline primarily reflects the reduced 2016 ridership projections for NYCT and MNR that form the basis for the projections throughout the Plan period. Traffic forecasts for B&T facilities are higher than in the July Plan, by 0.4% in 2018 and by 0.3% in both 2019 and 2020. MTA consolidated farebox revenue is expected to be 0.2% higher in both 2018 and 2019 and higher by 0.1% in 2020 relative to the July Plan, while B&T toll revenue is projected to be higher by 0.1% in 2018 and 2019, and virtually unchanged in 2020.

Compared with the February Plan, consolidated ridership is lower by 57 million trips (2.0%) in 2018 and 58 million trips (2.1%) in 2019; the shortfall is predominately at NYCT due to ridership growth that did not materialize in 2016. B&T traffic is expected to exceed the Adopted Budget projection by 6.5 million crossings (2.2%) in 2018 and 6.4 million crossings in 2019. Farebox revenue is expected to fall short of the Adopted Budget forecast by \$32 million (0.5%) in 2018 and \$34 million (0.6%) in 2019, while B&T toll revenue is expected to surpass the Adopted Budget forecast by \$35 million (1.9%) in 2018 and \$34 million (1.8%) in 2019.

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

	November Financial Plan				
	November Forecast	Final Proposed Budget			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Traffic					
Bridges & Tunnels	307.1	307.1	307.4	309.9	311.7
Ridership					
Long Island Rail Road	89.2	89.5	89.9	90.1	90.5
Metro-North Railroad ¹	84.6	86.0	87.0	87.8	88.6
MTA Bus Company	126.1	126.4	126.8	127.0	127.5
New York City Transit ²	2,413.6	2,426.6	2,439.7	2,447.1	2,459.8
Staten Island Railway	4.6	4.6	4.6	4.6	4.7
	<u>2,718.1</u>	<u>2,733.0</u>	<u>2,748.1</u>	<u>2,756.7</u>	<u>2,771.2</u>

	July Financial Plan				
	Mid-Year Forecast	Preliminary Budget			
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Traffic					
Bridges & Tunnels	305.5	305.5	306.1	308.8	310.7
Ridership					
Long Island Rail Road	89.0	89.2	89.6	89.8	90.2
Metro-North Railroad ¹	86.0	87.7	88.4	89.1	89.9
MTA Bus Company	124.2	124.4	124.9	125.1	125.6
New York City Transit ²	2,417.0	2,430.1	2,446.5	2,455.6	2,470.3
Staten Island Railway	4.6	4.7	4.7	4.7	4.7
	<u>2,720.8</u>	<u>2,736.0</u>	<u>2,754.1</u>	<u>2,764.3</u>	<u>2,780.7</u>

	Plan-to-Plan Changes: Favorable / (Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Traffic					
Bridges & Tunnels	1.6	1.6	1.2	1.1	1.0
Ridership					
Long Island Rail Road	0.3	0.3	0.3	0.3	0.3
Metro-North Railroad ¹	(1.4)	(1.7)	(1.5)	(1.4)	(1.2)
MTA Bus Company	1.9	2.0	1.9	1.9	1.9
New York City Transit ²	(3.4)	(3.4)	(6.8)	(8.5)	(10.5)
Staten Island Railway	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
	<u>(2.6)</u>	<u>(3.0)</u>	<u>(6.1)</u>	<u>(7.6)</u>	<u>(9.5)</u>

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

² New York City Transit utilization figures include Paratransit and Fare Media Liability.

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

	November Financial Plan				
	November Forecast	Final Proposed Budget			
	2016	2017	2018	2019	2020
Toll Revenue					
Bridges & Tunnels	\$1,869.3	\$1,867.0	\$1,865.5	\$1,878.1	\$1,885.2
Fare Revenue					
Long Island Rail Road	711.9	715.1	717.2	719.1	720.5
Metro-North Railroad ¹	687.2	711.9	722.6	728.8	735.3
MTA Bus Company	214.1	214.6	215.5	215.9	216.7
New York City Transit ²	4,412.3	4,439.1	4,464.4	4,478.8	4,503.3
Staten Island Railway	6.6	6.6	6.7	6.7	6.7
	<u>\$6,032.1</u>	<u>\$6,087.3</u>	<u>\$6,126.4</u>	<u>\$6,149.3</u>	<u>\$6,182.6</u>

	July Financial Plan				
	Mid-Year Forecast	Preliminary Budget			
	2016	2017	2018	2019	2020
Toll Revenue					
Bridges & Tunnels	\$1,864.8	\$1,862.5	\$1,863.4	\$1,877.1	\$1,884.7
Fare Revenue					
Long Island Rail Road	710.2	713.1	715.3	716.9	718.4
Metro-North Railroad ¹	699.7	716.2	724.5	729.7	735.3
MTA Bus Company	210.5	210.7	211.6	212.0	212.9
New York City Transit ²	4,400.5	4,424.3	4,455.9	4,473.4	4,501.6
Staten Island Railway	6.7	6.7	6.8	6.8	6.8
	<u>\$6,027.6</u>	<u>\$6,071.0</u>	<u>\$6,114.1</u>	<u>\$6,138.8</u>	<u>\$6,175.1</u>

	Plan-to-Plan Changes: Favorable / (Unfavorable)				
	2016	2017	2018	2019	2020
Toll Revenue					
Bridges & Tunnels	\$4.5	\$4.5	\$2.1	\$1.0	\$0.4
Fare Revenue					
Long Island Rail Road	1.7	2.0	1.9	2.2	2.1
Metro-North Railroad ¹	(12.5)	(4.2)	(1.9)	(0.9)	0.0
MTA Bus Company	3.7	3.8	3.8	3.8	3.8
New York City Transit ²	11.8	14.8	8.6	5.4	1.7
Staten Island Railway	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
	<u>\$4.5</u>	<u>\$16.3</u>	<u>\$12.4</u>	<u>\$10.5</u>	<u>\$7.6</u>

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

² New York City Transit utilization figures include Paratransit and 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 2017-2020					
(\$ in millions)					
	2016	2017	2018	2019	2020
	November	Final Proposed			
	Forecast	Budget			
<i>Rental Income</i>	\$123	\$123	\$135	\$142	\$147
<i>Advertising</i>	154	158	162	167	172
<i>Paratransit Reimbursement (NYC and Urban Tax)</i>	185	195	203	219	238
<i>Fare Reimbursement (students/seniors)</i>	100	100	100	101	101
<i>Fees (including E-Z Pass, AFC and TAB)¹</i>	32	31	31	31	31
<i>MetroCard "Green" Fee</i>	22	22	22	22	22
<i>FMTAC Operating and Investment Income</i>	22	23	23	24	25
<i>Parking</i>	18	18	18	19	19
<i>Concessions</i>	9	9	9	9	9
<i>All Other</i>	23	28	29	28	27
Total Other Operating Revenue	\$688	\$707	\$733	\$762	\$790

Note: ¹ Automated Fare Collection (AFC); Transit Adjudication Bureau (TAB)

Over the course of the Plan, year-to-year changes reflect increases of \$19 million in 2017, and on average increase by \$28 million in 2018, 2019, and 2020. Growth in 2017 is driven by an increase of \$18 million at NYCT, which primarily reflects NYC reimbursement of a portion of expenses incurred by NYCT for providing paratransit services; and \$5 million at MNR, as a result of higher Grand Central Terminal (GCT) rental income. These favorable projections are partially offset by \$4 million in lower rental and recovery revenue at MTAHQ; and \$1 million in lower E-ZPass and other administrative fees at B&T.

Year-to-year revenue growth from 2018 through 2020 at NYCT is projected to increase on average by \$25 million a year. The increases are driven mainly by NYC paratransit reimbursements and a new real estate/IT revenue source resulting from "Dark Fiber" leasing, which is part of the integral optical infrastructure used to provide cellular and Wi-Fi coverage in subway stations. At MTAHQ, rental and advertising revenue increase annually on average by \$3 million.

Compared with the July Plan, Other Operating Revenue increases by \$6 million in 2016, \$5 million in 2017, \$15 million in 2018, \$21 million in 2019, and \$22 million in 2020. Increases in 2018 through 2020 are mostly attributable to higher real estate revenue at NYCT; rental revenue from continued use of the Madison Avenue properties at MTAHQ in 2016 and 2017; normal inflationary increases at FMTAC; and favorable re-estimates

for E-ZPass and other administrative fees at B&T. Partially offsetting these increases are decreases of \$1 million in each year due to lower advertising revenue at MNR.

Compared with the February Plan, Other Operating Revenue increases by \$37 million in 2016, \$40 million in 2017, \$44 million in 2018, and \$48 million in 2019. Those increases are mainly driven by higher investment income at FMTAC due to higher unrealized gains, which is used to mitigate increases in insurance; higher real estate revenue at NYCT; favorable re-estimates for E-ZPass and other administrative fees at B&T; higher rental revenue due to the use of the Madison Avenue properties at MTAHQ; and a non-recurring source of revenue resulting from Mail&Ride customer balances and retroactive right-of-way leased rental revenue at the LIRR.

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. The Plan captures the impact of all wage contracts that have settled since 2014, 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 annual 2% increases, effective July 1, 2016.

November Plan payroll expenses are projected at \$4,840 million in 2016, \$5,027 million in 2017, \$5,160 million in 2018, \$5,273 million in 2019, and \$5,418 million in 2020. On a year-over-year basis, expenses increase by \$187 million in 2017, \$133 million in 2018, \$113 million in 2019, and \$146 million in 2020.

The 2017 increase mainly reflects wage increase assumptions referenced above and additional resources required to support initiatives designed to sustain operations and improve the customer experience. The increase reflects the impact of additional resources required to support Enterprise Asset Management (EAM)-Department of Buses (DOB), Rapid Transit Operations (RTO) Train Service Supervisors, and platform budget adjustments at NYCT; Transportation Staffing, East Side Access Readiness efforts, and Audio Video Recording Monitoring (AVRM) system installation at the LIRR; the filling of 2016 vacancies in officer and maintenance positions as well as administrative positions across legal, engineering, security and maintenance areas at B&T; and platform budget adjustments and the Shop Overhaul Program at MTA Bus. Further changes include: the filling of 2016 vacancies for MTA Police that will support the expansion of homeless outreach efforts and counterterrorism measures, staffing the centralized non-core procurement function, and new positions supporting various administrative needs at MTAHQ; and additional resources supporting safety and infrastructure initiatives and addressing wage compression issues at MNR.

In addition to wage growth assumptions, year-to-year annual expense growth through 2020 reflects a continuation of the projects noted above as well as the impact of cyclical fleet and shop overhauls (e.g., NYCT subway scheduled maintenance systems, engine

change-outs, and bus shop plans), training float, expanded safety and security operations, and the full-year impact of newly authorized positions. Annual changes are further influenced by existing maintenance and operational programmatic investments, including IT-related initiatives, Enterprise Asset Management requirements, and East Side Access (ESA) readiness efforts.

Compared with the July Plan, Payroll expenses are projected to decrease by \$32 million in 2016, and then increase by \$10 million in 2017, \$17 million in 2018, \$18 million in 2019, and \$35 million in 2020. The plan-to-plan reduction in 2016, by and large, reflects the impact of vacancy assumptions projected at year-end by most Agencies. Partially offsetting those savings are additional resources required to support new infrastructure initiatives and various maintenance, operations, and customer convenience initiatives at MNR.

Plan-to-plan increases in 2017 and beyond reflect the impact of inflationary wage adjustments at all agencies and platform budget adjustments (normal business and training float changes) at NYCT; a continuation of support for the above noted activity at MNR; employee availability and platform budget adjustments at MTA Bus; various maintenance and operations staffing, and ESA readiness efforts at the LIRR, partially offset by Bridges & Tunnels Officer reductions in connection with the facility-wide implementation of Open Road Tolling at B&T.

When compared with the February Plan, projected Payroll expenses decrease by \$38 million in 2016, then increase by \$15 million in 2017, \$34 million in 2018, and \$40 million in 2019. The expense reduction in 2016 largely reflects the impact of vacancy savings. For 2017 through 2019, in addition to the above noted factors, expense growth is primarily associated with support for the Shop Program and Select Bus Service at MTA Bus; the redeployment of reimbursable labor forces to non-reimbursable work efforts and the impact of newly expanded security operations and video management initiatives at MNR. Additional funding is also provided to support service platform changes at MTA Bus and NYCT. The forecast also appropriates funding for operating and maintenance requirements necessary to support initiatives aimed at improving the customer experience, e.g., a greater number of “Help Point” intercoms in subway stations, “On-the-Go” kiosks, and homeless outreach efforts.

For specific program details and headcount implications through the Plan period, see Agency sections.

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 training requirements.

In the July Plan, Agencies re-estimated their overtime projections to capture weather-related costs incurred earlier in the year as well as to better reflect coverage

requirements for track and fleet maintenance work, ensure training/certification compliance, and support service investments. The July Plan captured a modest average annual increase of less than one-half of one percent, over the course of the Plan.

When compared with the July Plan, overtime projections increase slightly (less than one percent) over the course of the Plan. While the MTA has taken steps to “right size” overtime funding over recent years, it continues to internally scrutinize triggers of controllable overtime (e.g., vacancies and absenteeism), focusing on optimizing overtime vs. straight-time, and minimizing overtime use for non-essential and non-capitally-funded work.

MTA November Plan expenses are projected at \$764 million in 2016, \$756 million in 2017, \$764 million in 2018, \$778 million in 2019, and \$794 million in 2020, reflecting a year-to-year decrease of \$8 million in 2017, and increases of \$8 million in 2018, \$14 million in 2019, and \$16 million in 2020. The year-to-year expense reduction in 2017 mainly reflects the impact of filling vacancies, adjusting weather-related overtime coverage based on an updated five-year rolling average, and eliminating project overruns at NYCT, partially offset by additional training requirements for locomotive engineers and conductors at MNR. In later Plan years, across the Agencies, year-over-year changes are modest and consistent with wage growth assumptions and changes in operational requirements.

When compared with the July Plan, overtime expenses increase by \$15 million in 2016, then increase on average by \$1 million annually in 2017 through 2020. Plan-to-plan growth in 2016 are driven by coverage necessitated by NYCT vacancies existing in the Buses and Stations Divisions, as well as Rapid Transit Operations’ delay mitigation work, station defects, and signal inspections. Plan-to-plan increases from 2017 through 2020 reflect mainly platform budget adjustments at NYCT, partially offset by reduced programmatic activity for Connecticut-related services at MNR. Changes at all other Agencies are essentially flat.

When compared with the February Plan, overtime expenses increase by \$28 million in 2016, \$11 million in 2017, \$4 million in 2018, and \$2 million in 2019. In addition to the factors noted above, other changes reflect overages caused by severe winter weather conditions experienced during the first quarter of the year that were captured within the July Plan baseline, and increases that reflect updated five-year rolling averages used to budget for weather-related overtime. Plan-to-plan increases also reflect funding for intensified track defect remediation efforts at NYCT, partially offset by lower coverage requirements forecasted at MNR.

HEALTH & WELFARE

Empire Plan premium rates provided in July 2016 by the New York State Department of Civil Service are used as the primary assumption for per-employee Health & Welfare premium expenses in 2016 and 2017. Premium forecasts for 2018 through 2020 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, available projected rate changes, and actual claims trends 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 estimated to be \$1,179 million in the 2016 November Forecast. Health & Welfare expenses for the 2017 Final Proposed Budget are projected to be \$1,286 million, \$107 million (9.1%) greater than 2016 expenses, primarily due to higher rates for premiums. MTA Consolidated Health & Welfare expenses are forecast to increase annually by 5.3%, 6.5% and 6.2%, for 2018 through 2020, respectively, when expenses are projected to reach \$1,533 million.

In comparison with the July Plan, the November Plan is unfavorable by \$24 million in 2016, \$22 million in 2017, \$6 million in 2018, less than \$1 million in 2019, and favorable by \$11 million in 2020. The unfavorable changes beginning in 2016 are primarily due to projected increase in claim cost trends. Partially offsetting these increases are forecasted savings associated with the competitive re-bidding process for the selection of providers for the self-sponsored medical health benefits programs.

In comparison with the February Plan, the November Plan is unfavorable by \$1 million in 2016, \$45 million in 2017, \$32 million in 2018, and \$31 in 2019. The unfavorable changes beginning in 2017 are primarily due to premium increases that more closely reflect the projected increase in claim cost trends as well as the increased utilization of high cost specialty prescription drugs, partially offset by forecasted savings associated with the medical 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 favorable by \$9 million in 2016, \$16 million in 2017, \$20 million in 2018, \$21 million in 2019 and \$21 million in 2020. Compared with the February Plan, OPEB Current Payment expenses are favorable by \$34 million in 2016, \$27 million in 2017 and \$34 million in each of 2018 and 2019. Expense decreases are primarily the result of more favorable than planned drug cost rebates from the Federal Government for continuing to offer a prescription drug plan to Medicare eligible members that is at least equal to the Medicare Part D prescription drug plan. The Plan also reflects lower forecasted premiums for retirees in the MTA self-sponsored plan based on current trends in claims.

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, 2014 is \$18.5 billion, with an annual OPEB expense just under \$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 the MTA’s GASB Reserve 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 OPEB Trust assets. Annual contributions are deposited with the MTA Treasurer in the GASB Reserve, with the intent of periodically moving such funds into the OPEB Trust. Since 2012, the MTA has moved \$300 million from the GASB Reserve to the OPEB Trust.

In 2014, the MTA used \$255 million from the GASB Reserve and suspended contributions to the GASB Reserve from mid-2014 through 2017 to fund the financial impact of labor contract settlements; contributions to the GASB Reserve are expected to resume in 2018. Currently, \$148 million remains in the GASB Reserve Fund; the MTA remains fully committed to the importance of funding this growing obligation, evaluating opportunities to increase contributions in future plans. In 2014, \$52 million was contributed to the GASB fund. There are no projected contributions through 2017, followed by contributions of \$8 million in 2018, \$18 million in 2019 and \$29 million in 2020.

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). Pension expenses also include employer-matched contributions made to defined contribution pension plans MTA-wide, such as the New York State Voluntary Defined Contribution program and MNR’s MTA 401(k) Plan for members who opted out of the MTA Defined Benefit Plan.

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.

Projected pension expenses total \$1,355 million in 2016, \$1,317 million in 2017, \$1,330 million in 2018, \$1,332 million in 2019 and \$1,322 million in 2020. Pension expenses are based on actuarial projections, actuarial assumptions, and anticipated position increases. Where actuarial projections are unavailable, the forward three-year average of the Consumer Price Index 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 Plan, pension expenses are unfavorable by \$343 million in 2016, which reflect the one-time reversal of a previously favorable \$248 million non-cash adjustment at NYCT for the adoption of GASB 68 accounting rules. Excluding this reversal, expenses are \$95 million unfavorable, primarily due to changes to actuarial assumptions at NYCERS that reflect an increase in pensioner life expectancy. Expenses are virtually unchanged from the July Plan in 2017, and unfavorable by \$5 million, \$8 million and \$12 million in 2018- 2020, respectively.

Compared with the February Plan, November Plan expenses are unfavorable by \$115 million in 2016, \$116 million in 2017, \$138 million in 2018 and \$115 million in 2019 primarily due to changes to actuarial assumptions at NYCERS (captured in July) that reflect an increase in pensioner life expectancy.

OTHER FRINGE BENEFITS

The Other Fringe Benefits category captures costs for Workers' 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 Workers' Compensation and FICA, are also included in this category, as are miscellaneous employee expenses.

November Plan benefit expenses are projected at \$867 million in 2016, \$874 million in 2017, \$910 million in 2018, \$934 million in 2019, and \$966 million in 2020, reflecting a year-over-year increase of \$8 million in 2017, followed by an average annual increase of \$30 million from 2018 through 2020.

By Agency, the 2017 increase reflects higher expenses totaling \$5 million at the LIRR, \$3 million at MTA HQ, \$2 million at MNR, and \$1 million at both B&T and MTA Bus, partially offset by a reduction of \$4 million at NYCT. These changes are reflective of variations in staffing levels and programmatic initiatives, and inflationary payroll rate assumptions across the Agencies. These changes are further influenced by the latest railroad retirement tax rates, railroad unemployment charges, and FELA adjustments

pertinent to the Commuter Railroads. Partially offsetting the increases is a reduction at NYCT for Workers' Compensation, reflecting an adjustment for reimbursable activity. Specific payroll rate assumptions as well as detailed position impacts are discussed further in the Agency sections.

For 2018 through 2020, expenses increase on average by \$17 million at NYCT, \$7 million at the LIRR, \$3 million at MNR, and \$1 million each at MTA Bus, B&T, and MTA HQ. The changes at NYCT mainly reflect fluctuations in the reimbursable workforce, while changes at all other Agencies largely reflect a continuation of the assumptions noted above.

Compared with the July Plan, expenses are projected to increase by \$105 million in 2016, and on average by \$92 million per year from 2017 through 2020. The lion's share of the Plan increases are attributable to NYCT (\$89 million in 2016 and approximately \$75 million on average annually from 2017 through 2020) and are driven by non-cash actuarial reserve requirements for Worker's Compensation, and higher claims volume and statutory rates. Similar reasons are the basis for the \$16 million annual increase, beginning in 2017, at MTA Bus. 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 annually by an average of \$202 million from 2016 through 2019. In addition to the above noted activity at NYCT and MTA Bus, the chief cause for the increase spanning the Plan period is also attributable to higher non-cash reserve requirements in Worker's Compensation at NYCT. At all other Agencies, projected expense levels are consistent with prevailing wage assumptions, changes in staffing levels, and programmatic activity.

ELECTRIC POWER

Electric Power is supplied to the MTA by the New York Power Authority (NYPA), PSEG Long Island (PSEGLI), and Eversource (the successor to Connecticut Light & Power). 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. Along with NYPA and the LTA governmental customers, MTA also has a long-term operational share in the Astoria II power plant located in Queens.

NYPA LTA expenses are based on NYPA's final 2016 cost of service estimate, amended to reflect actuals through May and NYPA's revised forecast for the remainder of the year. For 2017 through the end of the financial plan period, the NYPA cost of service is based on changes in the national consumer price index as well as projected commodity price changes for natural gas and diesel fuel. Price assumptions for NYPA-supplied electric power also include costs associated with meeting New York State's Clean Energy Standards initiative. While the current NYPA LTA expires at the end of

2017, the Plan assumes electric power needs after 2017 will be priced in a similar fashion, regardless of supplier. Delivery of NYPA-supplied electricity is handled by Consolidated Edison (Con Ed), and delivery cost projections reflect rates recently approved by the State Public Service Commission (PSC). Projections for electricity supplied by PSEGLI and Eversource are based on forecasts of the Producer Price Index for Electric Power along with other energy market trends.

FINANCIAL PLAN ASSUMPTIONS FOR ELECTRIC POWER					
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>2016 November Financial Plan</u>					
NYPA - Traction Power	-19.2%	26.6%	2.6%	2.3%	6.4%
NYPA - Non-Traction Uses	-14.0%	26.6%	2.6%	2.3%	6.4%
Con Edison Delivery	0.0%	8.5%	7.5%	8.5%	9.0%
Producer Price Index, Electric Power	-1.6%	4.1%	3.3%	2.2%	2.8%
<u>2016 July Financial Plan</u>					
NYPA - Traction Power	-17.4%	37.7%	3.9%	4.3%	5.8%
NYPA - Non-Traction Uses	-12.1%	37.7%	3.9%	4.3%	5.8%
Con Edison Delivery	0.0%	11.8%	10.0%	10.0%	10.0%
Producer Price Index, Electric Power	-2.1%	3.4%	4.2%	3.7%	2.9%
<u>2016 February Financial Plan</u>					
NYPA - Traction Power	4.0%	0.1%	4.7%	5.4%	
NYPA - Non-Traction Uses	4.0%	0.1%	4.7%	5.4%	
Con Edison Delivery	0.0%	11.8%	10.0%	10.0%	
Producer Price Index, Electric Power	0.5%	4.1%	3.6%	2.7%	

MTA Consolidated Electric Power expenses of \$412 million for the 2016 November Forecast are \$62 million (13.1%) lower than 2015 expenses, and primarily reflects the impact of lower fuel prices on the cost of electric generation and electric rates. This estimate is \$11 million (2.5%) favorable compared with the Mid-Year Forecast and \$92 million (18.2%) favorable compared with the Adopted Budget; these favorable plan-to-plan variances reflect the impact of lower fuel prices on electric generation expense.

Expenses for the 2017 Final Proposed Budget are expected to be \$511 million, an increase of \$99 million (24.0%) from the 2016 November Forecast. After dramatic declines in 2015 and 2016, electric power rates are expected to rise markedly as fuel used in the generation of electricity – primarily natural gas – sharply increases. The 2017 Final Proposed Budget is \$14 million (2.6%) favorable compared with the July Plan, and is \$17 million (3.2%) favorable compared with the February Plan.

MTA Consolidated Electric Power expenses, projected to increase by 3.9% in 2018, 4.1% in 2019 and 7.0% in 2020, are forecast to total \$591 million in 2020. Compared with the July Plan, forecasts are favorable by \$24 million (4.4%) in 2018, \$36 million (6.1%) in 2019 and \$37 million (5.9%) in 2020; compared with the February Plan, forecasts are favorable by \$28 million (5.0%) in 2018 and \$41 million (7.0%) in 2019.

During PSC hearings on Con Ed delivery rates, the MTA petitioned the PSC to consider separate delivery rates for high-tension and low-tension power supplied by NYPA. The PSC's approval of this approach is expected to save the MTA approximately \$6 million in 2017, \$12 million in 2018 and \$20 million in subsequent years. These favorable impacts are included in Volume 1 of the 2016 November Financial Plan within "MTA Re-estimates".

FUEL

Diesel and natural gas prices for the 2016 November Financial Plan include actual prices through September 6, 2016 and reflect commodity futures prices as of September 8, 2016. Where commodity futures prices are unavailable, price changes are projected using IHS, Inc. forecasts (July 2016) 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 slightly unfavorably from the projections in the July Plan. On a year-to-year basis, Ultra Low Sulfur Diesel (ULSD) prices are projected to decrease by 19.7% from 2015 to 2016; followed by annual increases of 18.4%, 5.3%, 4.9% and 10.0% from 2017 through 2020, respectively. For Compressed Natural Gas (CNG), year-to-year prices are forecast to decrease by 30.3% in 2016, increase by 60.5% in 2017, decrease by 2.3% in 2018, decrease by 2.2% in 2019, and then increase by 3.5% in 2020.

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 \$128 million for the 2016 November Forecast are \$2 million unfavorable in comparison with the 2016 Mid-Year Forecast. The 2016 Mid-Year Forecast price for ULSD is estimated to be \$0.10 per gallon higher, while CNG prices are estimated to be \$0.14 per MMBTU higher from the price assumptions in the 2016 Mid-Year Forecast.

Fuel expenses of \$158 million for the 2017 Final Proposed Budget are \$6 million unfavorable in comparison with the 2017 Preliminary Budget. The 2017 Final Proposed Budget price for ULSD is estimated to be \$0.15 per gallon higher, while CNG prices are estimated to be \$0.45 per MMBTU higher from the price assumptions in the 2017 Preliminary Budget.

Fuel expenses of \$164 million for 2018 are forecasted to be \$4 million more than projected in the July Plan. The price for ULSD is estimated to be \$0.12 per gallon higher

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

and CNG prices are projected to be \$0.36 per MMBTU higher than assumed in the July Plan.

For 2019, July Plan Fuel expenses are estimated to be \$173 million, \$5 million less than projected in the July Plan. The price for ULSD is estimated to be \$0.04 per gallon lower and CNG prices are estimated to be \$0.29 per MMBTU higher than in the July Plan.

For 2020, July Plan Fuel expenses are estimated to be \$188 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 estimated to be \$0.36 per MMBTU higher than projected in the July Plan.

Fuel expenses are lower in the November Plan in comparison with the February Plan and reflect a drop in oil prices, the impact of which was mostly captured in the July Plan. Partially offsetting price decreases in oil are slightly higher estimated prices for CNG than projected in the February Plan. Compared with 2016 Adopted Budget, Fuel expenses are \$52 million favorable due to lower estimated prices of \$0.39 per gallon for ULSD and lower CNG prices of \$1.31 per MMBTU. In comparison with the February Plan, Fuel expenses in 2017 are \$31 million favorable due to projected lower prices of \$0.25 per gallon for ULSD, partially offset by \$0.35 per MMBTU higher prices for CNG. Fuel expenses in 2018 are favorable by \$52 million due to lower projected prices of \$0.44 per gallon for ULSD, partially offset by and higher CNG prices of \$0.24 per MMBTU. Fuel expenses in 2019 are \$68 million favorable due to lower projected prices for ULSD of \$0.59 per gallon, partially offset by higher CNG prices of \$0.07 per MMBTU.

Subsequent to the completion of Agency baseline forecasts, an MTA-wide re-estimate of Fuel expenses, based on updated price projections, was completed. Over the course of the Plan period, this revision results in a \$6 million unfavorable re-estimation of Fuel expenses. This change is included in Volume 1 of the 2016 November Financial Plan with "MTA Re-estimates."

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)						
	2015	2016	2017	2018	2019	2020
<u>Insurance Expenses</u>	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>			
NYCT	\$72	\$73	\$81	\$91	\$103	\$116
LIRR	22	23	24	27	29	31
MNR	18	19	21	22	24	26
SIR	2	1	1	2	2	2
MTA Bus	3	6	6	7	8	9
B&T	15	15	16	16	17	18
MTAHQ	5	5	5	5	3	3
Total Gross Insurance Expenses	\$137	\$141	\$154	\$171	\$185	\$205
<u>Insurance Credits</u>						
FMTAC	(\$80)	(\$98)	(\$104)	(\$111)	(\$119)	(\$129)
Net Insurance Expenses	\$57	\$43	\$51	\$60	\$66	\$76

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

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.

As a result of MTA Risk Management's ability to obtain coverage for MTA's property program via traditional placement, Insurance expenses reflect the one-time impact of the non-renewal of the MetroCat Re reinsurance policy, which provided supplemental coverage to MTA's property program for the three-year period from July 31, 2013 to July 30, 2016. Starting in 2017, Insurance forecasts include a placeholder for supplemental coverage via catastrophic bonds in the event traditional placement is not an available option.

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).

MTA Consolidated Insurance expenses in the November Plan are virtually unchanged from the July Financial Plan. When compared with the February Financial Plan, MTA Consolidated Insurance expenses are favorable by \$11 million in 2016, \$9 million in 2017 and \$7 million in 2018 and \$10 million in 2019. The favorable variances are mainly due to expiration of the expanded supplemental coverage to MTA's property program in 2016 and the renewal of several policies at more favorable rates than anticipated in the forecast.

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 \$275 million in 2016, \$281 million in 2017, \$287 million in 2018, \$295 million in 2019 and \$301 million in 2020 and reflect the latest actuarial valuation of projected claims. Compared with the July Financial Plan, Claims expenses are unfavorable by \$3 million in 2016 and remain unchanged for years 2017 through 2020.

In comparison to the February Financial Plan, Claims expenses are unfavorable by \$32 million, \$33 million, \$36 million and \$39 million in 2016 through 2019, respectively.

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 for 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. Expenses also capture the impact of maintaining vehicles, the

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

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

Based on the actions noted above, MTA reduced the annual assumed growth rate in paratransit trips from 15% to 6.5% per year. While the Plan maintains that growth assumption, which is based on the most recent Urbanomics Demand Forecast, trips have trended well below that figure. A study on trip growth will be conducted and adjustments, if necessary, will be incorporated into future Plans.

November Plan expenses are projected at \$391 million in 2016, \$411 million in 2017, \$435 million in 2018, \$472 million in 2019, and \$511 million in 2020, reflecting year-to-year increases of \$20 million in 2017, \$24 million in 2018, \$37 million in 2019, and \$39 million in 2020. These increases mainly reflect projected annual trip growth assumptions and inflationary adjustments on paratransit carrier contracts.

Compared with the July Financial Plan, Paratransit Service Contract expenses remain unchanged. Compared with the February Financial Plan, expenses are projected to decrease on average by \$24 million a year, reflecting mainly the impact of lower projected trips.

For a complete income statement on Paratransit, please refer to Section II, Major Assumptions 2016-2020 Subsidies, and Paratransit.

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).

November Plan expenses are projected at \$678 million in 2016, \$789 million in 2017, \$765 million in 2018, \$767 million in 2019 and \$797 million in 2020, reflecting a year-over-year increase of \$110 million in 2017, followed by a decrease of \$23 million in 2018 and increases of \$2 million in 2019 and \$30 million in 2020.

The 2017 increase captures timing shifts from 2016 and additional investments in maintenance and operations. B&T costs in this category are increasing by \$26 million. This is primarily the result of increased contracted costs for administering Tolls by Mail,

a program used to collect tolls from non-E-ZPass customers that will support the implementation of Open Road Tolling (ORT) at all toll collecting facilities. A \$25 million increase at MTAHQ is mainly due to one-time Information Technology (IT) savings in 2016 as well as investments in Enterprise Asset Management (EAM) and IT. A NYCT increase (\$21 million) is mainly due to revised timing assumptions associated with subway and bus fleet maintenance work. A \$14 million increase at the LIRR is mostly due to higher Amtrak joint facilities expenses, various security initiatives, right-of-way vegetation control, station work, and Ticket Vending Machine (TVM) and HVAC maintenance. An MTA Bus increase of \$9 million is mainly due to Select Bus Service (SBS) fleet maintenance requirements. MNR will experience a \$9 million increase for locomotive overhaul costs, the Infrastructure Improvement Program, New Haven Line Police Services and the installation of credit card chip technology on ticket selling machines. A \$7 million SIR increase will be needed to fund additional R44 fleet maintenance project work.

The 2018 decrease is mainly driven by: NYCT (\$41 million), due to revised assumptions on subway and bus fleet maintenance requirements as well as a reduction in R-160/R-179 subway car retro-fitting requirements completed in 2017; SIR (\$19 million) completion of R44 fleet maintenance work in 2017; MTAHQ (\$12 million) adjustment to the MTA-wide EAM contingency used to fund changes at the Agencies, and MTA Bus (\$2 million) due to lower SBS fleet maintenance requirements. These favorable projections are partially offset by an increase of \$50 million at B&T mainly due to the growth of the Toll by Mail program, resulting from the expansion of ORT as noted above.

The 2019 increase is mainly attributable to inflationary and contractual increases, B&T (\$4 million), LIRR (\$3 million), MNR (\$2 million), and MTAHQ (\$2 million). These results are partially offset by a decrease at MTA Bus of \$8 million due to lower SBS fleet maintenance requirements.

The 2020 increase is mainly attributable to: the LIRR (\$14 million) mostly due to East Side Access (ESA) readiness efforts and contractual and inflationary increases; B&T (\$7 million) mainly due to inflationary increases; NYCT (\$5 million) mostly due to the timing of subway and bus fleet maintenance requirements and paratransit vehicle replacement; MNR (\$4 million) mainly due to inflationary increases; and MTAHQ \$3 million) due to contractual and inflationary increases. These results are partially offset by a decrease at MTA Bus (\$3 million) due to lower SBS fleet maintenance requirements.

Compared to the July Plan, Maintenance and Other Operating Contracts expenses decrease by \$37 million in 2016, and increase on average by \$74 million annually thereafter. The 2016 decrease is driven by revised elevator/escalator maintenance schedules, right-of-way vegetation work, safety/security related initiatives and platform investments at LIRR; revised assumptions for equipment, the new Automated Fare Collection (AFC) facility, and miscellaneous contracts at NYCT; mainly due to IT consolidation re-estimates at MTAHQ; and revisions to the Shop Program at MTA Bus.

These projections are partially offset by higher expenses at MNR due to contracted repairs for M8 equipment damaged in the Bridgeport derailment, as well as the installation of credit card chip technology on TVMs.

In 2017, increases are driven by contracted costs for administering the Tolls by Mail program as part of the ORT initiative noted above and several additional major maintenance projects at B&T; the timing of work equipment, the new AFC facility, flat car contracts and the installation of all-weather bus tires at NYCT; higher Amtrak joint facilities expenses and maintenance schedule changes for elevator/escalator maintenance, right-of-way vegetation work, safety/security related initiatives, and platform investments at the LIRR; adjustment to the EAM contingency at MTAHQ; higher R44 fleet maintenance program work at SIR; re-estimates for New Haven Line Police services and the installation of credit card chip technology on TVM's at MNR; and revisions to the Shop Program at MTA Bus.

From 2018 through 2020, plan-to-plan increases are driven by the aforementioned reasons at B&T, the LIRR and MTA Bus; re-estimates for New Haven Line Police services, increases for locomotive overhaul expenses and the right-of-way cleanup program at MNR; and installation of all-weather bus tires at NYCT. These projections are partially offset by lower expenses at MTAHQ mainly due to an adjustment to the EAM contingency.

Overall, compared with the February Plan, Maintenance and Other Operating Contracts decrease by \$32 million in 2016, and increase by \$64 million in 2017, \$99 million in 2018, \$87 million in 2019 and \$74 million in 2020. In addition to the factors noted above, plan-to-plan decreases in 2016 are driven by tighter controls and prioritization of non-payroll funds to core mission initiatives at the LIRR; the reclassification of service-related system upgrade costs to operating capital, the opening of the New Haven Component Change-Out Shop, the track undercutting initiative and lower Grand Central Terminal utilities costs at MNR; the deferral of R44 scheduled maintenance from 2016 to 2017 at SIR; changes in the Shop Program and SBS routes at MTA Bus; and above noted reasons at MTAHQ. These projections are partially offset by higher expenses due to Tropical Storm Sandy-related restoration work and other projects at B&T, and R160 subway car retro-fitting requirements at NYCT. For 2017 through 2019, increases reflect contracted costs for administering the Tolls by Mail program at B&T; R160 subway car retro-fitting requirements, additional bus shop requirements, increased paratransit vehicle purchases, and previously mentioned reasons at NYCT; as well as reasons noted above for MTA Bus, the LIRR and 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 to be \$436 million in 2016, \$530 million in 2017, \$465 million in 2018, \$451 million 2019, and \$463 million in 2020, reflecting an increase of \$95 million in 2017, decreases of \$66 million in 2018 and \$14 million in 2019, and an increase of \$12 million in 2020.

Year-to-year expenses for 2017 are projected to increase by \$48 million at MTAHQ largely due to one-time savings in 2016 stemming from the centralization of the IT function and overall project rescheduling affecting various areas, including hardware/software purchases, systems maintenance and repairs, and miscellaneous procured services. Enterprise Asset Management timing shifts are projected across the Agencies and also contribute to the increase. NYCT increases by \$20 million and includes support for projects that will improve the customer experience (e.g., enhanced station maintenance, Wi-Fi in all underground stations and buses, and on-board audio/visual cameras) and other related adjustments; the LIRR increases by \$18 million and includes revised timing assumptions associated with consultants that will assess the Lifecycle Asset Maintenance Plan (LAMP for the M-7 propulsion systems) and mobile ticketing transaction fees. At MNR, the \$6 million increase includes procuring services to support the Reliability Centered Maintenance (RCM) program, and revised timing assumptions for the On-Call Track Engineering Services program.

Year-to-year changes for 2018 and 2019 mainly reflect the timing impact of investments noted above for MTA HQ and the LIRR. Projects at various stages of completion and revised timing assumptions are captured in NYCT's changes. Other changes through 2020 mainly reflect the impact of inflationary adjustments, EAM program development costs, East Side Access Readiness efforts, and other procured services consistent with anticipated project activity.

Compared with the July Plan, expenses decrease by \$76 million in 2016, then increase by \$89 million in 2017, and on average increase by \$27 million annually through 2020. The major contributors are:

- NYCT: expenses increase by \$3 million in 2016, and grow on average by \$24 million annually from 2017 through 2020; this is mainly associated with initiatives that will improve the customer experience, e.g., support for Wi-Fi, station enhancements, and network-related costs, and EAM adjustments.
- MTAHQ: expenses decrease by \$65 million in 2016, then increase by \$47 million in 2017, and on average increase by \$4 million each year thereafter. Lower expenses in 2016 reflect significant IT savings stemming from efficiencies identified through the IT transformation initiative that began in 2015, in addition to a subsequent re-examination of the spending base and improved overall operational efficiencies. Reductions also reflect the impact of project

rescheduling across multiple areas including hardware/software, systems maintenance and repairs, consulting, and miscellaneous contract services. Expenses are projected to increase in 2017 through 2020, and reflect timing of project activity, new initiatives, and re-estimates mostly for systems maintenance and upgrades, hardware, and electrical installations.

- LIRR: expenses decrease by \$10 million in 2016, then increase by \$12 million in 2017, and increase annually by approximately \$1 million from 2018 through 2020. Lower expenses in 2016 reflect the impact of revised timing assumptions associated with various projects, including LAMP, weather preparedness, the Far Rockaway Shelter Shed, homeless outreach, mobile ticketing vendor transaction fees, and EAM. Expenses are forecasted to fluctuate between 2017 and 2020, reflecting the nature and timing of many of the items noted above as well as stages of completion.
- MNR: expenses decrease by \$1 million in 2016, then increase by \$4 million in 2017 and 2018, and increase by half a million dollars in 2019 and 2020. Lower expenses in 2016 reflect revised allocated IT costs. Expense growth forecasted from 2017 through 2020 reflects a continuation of the On-Call Track Engineering Program, inspection services on locomotives as part of the RCM program, and higher IT and EAM consulting services.
- B&T: lower expenses average \$3 million annually in 2016 through 2020 and mainly reflect revised assumptions for bond issuance fees.

When compared with the February Plan, Professional Service Contracts expenses decrease by \$10 million in 2016, then increase by \$150 million in 2017, \$80 million in 2018, and \$57 million in 2019. In addition to the factors described above, changes over the life of the Plan are largely driven by provisioning for several high priority initiatives associated with improving the customer experience, fortifying IT systems, funding a variety of services in support of operations and maintenance needs, and changes in the timing of project activity.

MATERIALS AND SUPPLIES

Materials and 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 2017 through 2020 reflect timing shifts, programmatic changes and inflation. November Plan expenses are projected at \$592 million in 2016, \$650 million in 2017, \$641 million in 2018, \$632 million in 2019, and \$698 million in 2020.

The 2017 increase is mostly attributable to revised timing assumptions. At the LIRR, a \$41 million increase is primarily from shifts in the Reliability Centered Maintenance (RCM) program, production plan material, communication components replacement, fire

alarm upgrades, non-revenue fleet replacement, and East Side Access (ESA) ramp-up requirements. An \$11 million increase at MNR is mainly due to performing overhauls on Genesis locomotives, Positive Train Control (PTC) requirements, third rail power system initiative, M7 component replacements, and Grand Central Terminal platform rehabilitations. The \$4 million increase at NYCT is due to the timing of subway and bus fleet maintenance requirements. MTA Bus is increasing by \$3 million due to revised timing of the shop program, and purchase of Continuously Regenerating Technology (CRT) filters for the diesel bus fleet.

The 2018 decrease is mainly attributable to the timing of bus shop and subway fleet maintenance requirements at NYCT (\$15 million), and lower expenses at the LIRR (\$5 million), both reflecting the cyclical nature of scheduled maintenance work. These favorable projections are partly offset by higher expenses at MNR (\$6 million), mainly due to requirements for the Genesis Locomotive overhaul program, the third rail power system initiative, M7 Seat Change-Out Plan, Park Avenue tunnel lighting, and PTC; and costs associated with the shop program and purchases of CRT filters at MTA Bus (\$5 million). The decrease in 2019 reflects the cyclical nature of fleet maintenance programs at the LIRR (\$12 million) and MTA Bus (\$8 million), and reduced requirements for the M7 systems equipment replacement project at MNR (\$2 million). The timing of subway and bus fleet maintenance requirements at NYCT (\$12 million) partially offset those decreases. The increase in 2020 is driven mainly by a provision to begin funding the replacement of M7 propulsion systems as part of the Lifecycle Asset Management Program and support for the Moynihan Station at the LIRR (\$50 million); and above-mentioned initiatives at NYCT (\$18 million).

Compared with the July Plan, expenses decrease by \$36 million in 2016, increase by \$23 million in 2017 and \$9 million in 2018, decrease slightly in 2019, and increase by \$38 million in 2020. The 2016 decrease is mostly due to the timing of RCM, fleet overhauls and component replacements, the installation of on-board cameras, and fire alarm upgrades at the LIRR (\$35 million); and revised assumptions for Scheduled Maintenance System (SMS) materials at NYCT (\$3 million). For 2017 and 2018, increases are mainly due to the timing of the above noted initiatives and ESA readiness efforts at the LIRR; and the timing of shop program changes and the purchase of CRT filters for the diesel fleet at MTA Bus. For 2019, the decrease is mainly due to the reclassification of bus shop OTPS expenses from Materials and Supplies to Maintenance and Operating Contracts at NYCT, mostly offset by an increase at the LIRR for the above noted reasons. For 2020, increases are mostly due to the Lifecycle Asset Management Program (LAMP) at the LIRR, and the timing of SMS materials at NYCT.

Compared with the February Plan, expenses decrease by \$28 million in 2016, and increase by \$39 million in 2017, \$37 million in 2018, and \$10 million in 2019. In 2016, the factors previously described remain the primary causes for the plan-to-plan decreases at the LIRR and NYCT, partly offset by higher expenses at MNR for locomotive overhauls and critical fleet replacement parts, increases in the obsolescence program; and the timing of the shop program and purchase of filters for the diesel fleet

at MTA Bus. For 2017 through 2019, increases are primarily attributable to revisions to the M7 seat replacement initiative and for the reasons previously noted at MNR; the purchase of non-revenue maintenance vehicles, the replacement of C3 and M7 seat cushions and reasons noted above for the LIRR, and the aforementioned reasons at MTA Bus, partly offset by decreases at NYCT mainly due to Second Avenue Subway (SAS) and bus shop plan adjustments.

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.

November Plan expenses are projected at \$178 million in 2016, \$185 million in 2017, \$183 million in 2018, \$193 million 2019, and \$199 million in 2020, reflecting a year-to-year increase of \$6 million in 2017, and a decrease of \$2 million in 2018, and increases of \$10 million in 2019 and \$6 million in 2020.

The increase in 2017 is mostly attributable to MNR (\$3 million), reflecting inflationary increases for West-of-Hudson service, debit/credit card fees, and the cyclical purchase of winter weather gear; miscellaneous MTA PD expenses at MTAHQ (\$3 million); and higher MetroCard Vending Machine (MVM) debit/credit card fees at NYCT (\$2 million). These variances are partly offset by a lower write-off of outstanding E-ZPass account balances at B&T (\$3 million) than in 2016.

The decrease in 2018 is mostly attributable to lower expenses at MNR (\$9 million) due to the projected recovery of losses associated with the Park Avenue Viaduct fire that occurred in May of 2016. Partially offsetting this credit are higher expenses at the LIRR (\$4 million) for M3 fleet decommissioning work, and NYCT (\$2 million) due to higher MVM debit/credit card fees.

The 2019 increase is mostly due to MNR (\$11 million) and mainly reflects the impact of the recovery (credit) expected in 2018; and NYCT (\$2 million) due to higher MVM debit/credit card fees. These expenses are partly offset by lower expenses at the LIRR (\$4 million) due to decommissioning work ending in 2018.

The 2020 increase is mostly driven by higher MVM debit/credit card fees at NYCT (\$2 million); MNR (\$1 million) reflecting inflationary increases for West-of-Hudson service, debit/credit card fees, and the cyclical purchase of winter weather gear; and B&T and MTA HQ (\$1 million each) due to normal inflationary growth.

Compared with the July Plan, expenses decrease slightly in 2016, increase by \$10 million in 2017, remain unchanged in 2018, and then increase on average by \$10 million in 2019 and 2020. The decrease in 2016 is mainly due to lower expenses for Department of City-Wide Administrative Services (DCAS) tests at NYCT, and IT-related savings at MTAHQ, partly offset by an increase at B&T for higher debit/credit card fees.

The decrease in 2018 reflects the assumed recovery (credit) of losses sustained from the Park Avenue Viaduct fire that occurred in May of this year at MNR. The increases in 2017, 2019 and 2020 reflect mainly higher debit/credit card fees at B&T; lower recoveries expected from Amtrak based on the Passenger Rail Investment and Improvement Act and right-of-way clean-up at MNR; revised assumptions associated with Second Avenue Subway at NYCT; and higher expenses for IT and executive recruitment services at MTAHQ.

Compared with the February Plan, expenses increase by \$2 million in 2016 and \$7 million in 2017, decrease by \$3 million in 2018, and increase by \$8 million in 2019. In addition to the factors noted above, plan-to-plan increases are driven by increased expenses for Automatic Fare Collection (AFC) and Mobility Tax at MTA Bus, and the above noted reasons at NYCT, partly offset by lower forecasted expenses at FMTAC.

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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 2016 July Financial Plan and the 2016 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, accrual subsidies are projected to experience modest annual year-over-year growth. Overall combined State Dedicated Tax revenues trend higher reflecting favorable economic growth projections in the MTA Commuter Transportation District (MCTD). Metropolitan Mass Transportation Operating Assistance (MMTOA), Payroll Mobility Tax (PMT) and Mortgage Recording Tax (MRT) revenues trend higher over the Plan period. Annual year-over-year increases in the projections for MMTOA reflect higher revenue estimates for sales taxes and corporate surcharges on businesses in the MCTD, higher PMT estimates reflect projected growth in regional wage and salary disbursements, and higher MRT revenue projections reflect higher mortgage activity. MTA Aid revenues are projected to grow in 2016 and remain flat thereafter. This is partially offset by declining PBT and Urban Tax estimates. Although PBT grows slightly in 2016, it declines year-over-year in the subsequent years of the plan due to revised estimates by the State. Urban Tax revenues are also reflecting unsustainably high levels of large transactions. Urban Tax revenues decline from the prior year by 14.5% in 2016 and by 6% in 2017 reflecting an overall slowdown in large real estate transactions in New York City. Urban Tax collections are expected to remain almost flat in 2018 and 2019 and increase slightly in 2020. Total real estate transaction tax revenues (combined MRT and Urban Tax) have generally 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 73%; the 2016 real estate tax forecast remains 18% lower than actual receipts in 2007.

Compared with the forecast in the July Plan, overall accrual subsidy projections are favorable, with the exception of Urban Taxes, which are unfavorable in 2016 and all subsequent years due to the slowdown of large real estate transactions in New York City, and unfavorable MTA Bus Company projections in 2016. Projections for MRT, PMT and MTA Aid are higher than the July Plan projections. Compared with the February Plan, total accrual subsidy projections are favorable in 2016 and 2018, but are unfavorable in 2017 and 2019; in aggregate, they are higher over the plan period (2016-2019) by \$78 million.

On an *accrual basis*, the November Plan forecast of Total Dedicated Taxes and State & Local Subsidies is projected to be \$6,735 million in 2016, growing to \$7,318 million in 2020. The growth through 2020 primarily reflects higher forecasts of MMTOA, PMT and MRT revenues due to favorable regional economic activity. The 2016 Final Proposed Budget Forecast is \$1.1 million above the Mid-Year Forecast, due primarily to higher PMT of \$16 million and PBT of \$10 million, both reflecting strong year-to-date receipts, higher CDOT Subsidy for Metro-North Railroad of \$14 million due to lower revenues and higher expenses, and higher MRT revenues of \$7 million due to favorable mortgage activity in the MCTD. These improvements are partially offset by lower Urban Tax revenues of \$39 million due to weaker-than-expected large real estate transactions in New York City and lower City Subsidies for MTA Bus Company due to re-estimate of revenues and expenses and timing adjustments.

The November forecasts, compared with the July Plan, are unfavorable by \$3 million in 2017, favorable by \$22 million in 2018 and by \$20 million in 2019 and \$4 million in 2020, reflecting primarily unfavorable variances for Urban Taxes, mostly offset by higher City Subsidy for MTA Bus, PMT, MRT and MTA Aid. Compared with the Adopted Budget Forecast, the November subsidy projections are favorable in 2016 and 2018 and unfavorable in 2017 and 2019.

On a *cash basis*, total 2016 MTA Dedicated Taxes and State & Local Subsidies is \$6,286 million, growing to \$7,126 million in 2020. Overall growth is due mostly to higher current-year appropriation and higher forecasts in future years for MMTOA and PMT revenues. The 2016 Final Proposed Budget Forecast is \$33 million above the Mid-Year Forecast, reflecting higher PMT, PBT, MRT and MTA Aid revenues, due to higher collections of taxes and fees for these subsidies due to favorable economic and transactional activities in the MCTD and statewide. Also contributing to the favorable 2016 variance is an adjustment of \$22 million for MTA fuel hedges described in the Other Subsidy Adjustment Section of this report. These are partially offset by unfavorable Urban Tax receipts of \$40 million due to weaker-than-expected large real estate transactions in New York City. The November Plan cash forecasts are below the July Plan estimates by \$22 million in 2017, higher by \$32 million in 2018 and by \$26 million in 2019, and \$2 million lower in 2020 reflecting unfavorable Urban Tax, offset by higher MRT, MTA Aid and PBT. Compared with the February Plan, the November Plan estimates are lower by \$30 million in 2017, higher by \$31 million in 2018, and lower by \$13 million in 2019 reflecting unfavorable MMTOA and PMT receipts and favorable City Subsidy to MTA Bus Company and City Subsidy for Staten Island Railway. Details of changes for specific taxes and subsidies are described in the sections that follow.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Consolidated Subsidies

Accrual Basis

(\$ in millions)

Subsidies	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,563.9	\$1,668.0	\$1,743.1	\$1,821.5	\$1,882.6	\$1,961.1
Petroleum Business Tax (PBT) Receipts	615.9	618.2	598.4	592.9	590.1	587.8
Mortgage Recording Tax (MRT)	434.1	457.1	456.3	472.0	488.4	498.4
MRT Transfer to Suburban Counties	(3.0)	(3.0)	(3.0)	(3.3)	(3.6)	(4.0)
Reimburse Agency Security Costs	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Interest	4.9	5.1	5.3	5.3	5.3	5.3
Urban Tax	975.0	833.3	783.6	780.7	781.6	793.9
Investment Income	1.1	1.1	1.2	1.2	1.2	1.2
	\$3,581.9	\$3,569.9	\$3,574.9	\$3,660.3	\$3,735.6	\$3,833.7
PMT and MTA Aid						
Payroll Mobility Tax	\$1,316.9	\$1,379.2	\$1,425.1	\$1,495.4	\$1,564.1	\$1,632.8
Payroll Mobility Tax Replacement Funds	309.3	311.3	311.3	311.3	311.3	311.3
MTA Aid	<u>284.8</u>	<u>297.4</u>	<u>297.4</u>	<u>297.4</u>	<u>297.4</u>	<u>297.4</u>
	\$1,910.9	\$1,987.8	\$2,033.7	\$2,104.1	\$2,172.7	\$2,241.5
State and Local Subsidies						
State Operating Assistance (18-b)	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance (18-b)	187.9	187.9	187.9	187.9	187.9	187.9
Station Maintenance	<u>163.4</u>	<u>167.2</u>	<u>171.5</u>	<u>175.8</u>	<u>179.4</u>	<u>183.3</u>
	\$539.2	\$543.1	\$547.4	\$551.7	\$555.3	\$559.2
Subtotal Dedicated Taxes & State and Local Subsidies	\$6,032.1	\$6,100.8	\$6,156.0	\$6,316.0	\$6,463.6	\$6,634.4
Other Funding Agreements						
City Subsidy for MTA Bus Company	\$398.5	\$457.3	\$466.4	\$489.6	\$495.9	\$504.1
City Subsidy for Staten Island Railway	36.1	56.4	58.4	39.3	42.2	46.8
CDOT Subsidy for Metro-North Railroad	<u>129.0</u>	<u>120.4</u>	<u>108.6</u>	<u>120.9</u>	<u>124.8</u>	<u>132.8</u>
	\$563.6	\$634.1	\$633.4	\$649.8	\$662.9	\$683.7
Total Dedicated Taxes & State and Local Subsidies	\$6,595.7	\$6,734.9	\$6,789.4	\$6,965.8	\$7,126.5	\$7,318.1
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$750.7</u>	<u>\$711.3</u>	<u>\$624.0</u>	<u>\$552.7</u>	<u>\$515.2</u>	<u>\$482.9</u>
	\$750.7	\$711.3	\$624.0	\$552.7	\$515.2	\$482.9
GROSS SUBSIDIES	\$7,346.4	\$7,446.2	\$7,413.4	\$7,518.5	\$7,641.7	\$7,801.0

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

Subsidies	2016	2017	2018	2019	2020
Dedicated Taxes					
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Petroleum Business Tax (PBT) Receipts	9.9	0.0	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	7.1	8.3	12.9	14.0	11.4
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	(39.0)	(33.8)	(16.1)	(18.1)	(40.1)
Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	(\$22.0)	(\$25.5)	(\$3.3)	(\$4.1)	(\$28.7)
PMT and MTA Aid					
Payroll Mobility Tax	\$16.2	\$1.1	\$5.4	\$6.3	\$5.8
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0	0.0
MTA Aid	<u>6.3</u>	<u>6.3</u>	<u>6.3</u>	<u>6.3</u>	<u>6.3</u>
	\$22.4	\$7.3	\$11.6	\$12.6	\$12.1
State and Local Subsidies					
State Operating Assistance (18-b)	\$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
Station Maintenance	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Subtotal Dedicated Taxes & State and Local Subsidies	\$0.4	(\$18.1)	\$8.3	\$8.5	(\$16.6)
City Subsidy for MTA Bus Company	(\$11.1)	\$10.4	\$13.7	\$10.9	\$13.0
City Subsidy for Staten Island Railway	(2.6)	7.8	(0.9)	(1.5)	(1.4)
CDOT Subsidy for Metro-North Railroad	<u>14.4</u>	<u>(3.5)</u>	<u>1.1</u>	<u>1.7</u>	<u>1.5</u>
	\$0.7	\$14.7	\$13.9	\$11.1	\$13.1
Total Dedicated Taxes & State and Local Subsidies	\$1.1	(\$3.4)	\$22.3	\$19.6	(\$3.5)
Inter-agency Subsidy Transactions					
B&T Operating Surplus Transfer	\$34.3	(\$6.2)	(\$45.4)	(\$44.3)	(\$42.8)
MTA Subsidy to Subsidiaries	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$34.3	(\$6.2)	(\$45.4)	(\$44.3)	(\$42.8)
GROSS SUBSIDIES	\$35.4	(\$9.6)	(\$23.1)	(\$24.7)	(\$46.4)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Consolidated Subsidies
Cash Basis
(\$ in millions)

	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
Subsidies						
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,563.9	\$1,668.0	\$1,743.1	\$1,821.5	\$1,882.6	\$1,961.1
Petroleum Business Tax (PBT) Receipts	616.5	619.1	598.9	593.1	590.3	587.9
Mortgage Recording Tax (MRT)	430.6	459.1	456.9	472.5	489.7	499.0
MRT Transfer to Suburban Counties	(1.7)	(3.0)	(3.0)	(3.0)	(3.3)	(3.6)
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)	(23.8)	(23.8)	(23.8)
Interest	4.9	5.1	5.3	5.3	5.3	5.3
Urban Tax	940.6	837.8	783.9	780.7	780.7	791.8
Investment Income	<u>1.1</u>	<u>1.1</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>
	\$3,520.9	\$3,552.4	\$3,551.4	\$3,637.4	\$3,712.7	\$3,808.8
PMT and MTA Aid						
Payroll Mobility Tax	\$1,316.9	\$1,379.2	\$1,425.1	\$1,495.4	\$1,564.1	\$1,632.8
Payroll Mobility Tax Replacement Funds	309.3	311.3	311.3	311.3	311.3	311.3
MTA Aid	<u>284.8</u>	<u>297.4</u>	<u>297.4</u>	<u>297.4</u>	<u>297.4</u>	<u>297.4</u>
	\$1,910.9	\$1,987.8	\$2,033.7	\$2,104.1	\$2,172.7	\$2,241.5
State and Local Subsidies						
State Operating Assistance (18-b)	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance (18-b)	182.3	187.9	187.9	187.9	187.9	187.9
Station Maintenance	<u>161.2</u>	<u>164.1</u>	<u>168.3</u>	<u>172.6</u>	<u>176.9</u>	<u>180.3</u>
	\$531.4	\$539.9	\$544.1	\$548.4	\$552.8	\$556.1
Other Subsidy Adjustments						
Resource to Reduce Pension Liability	(\$140.0)	\$70.0	\$0.0	\$6.5	\$6.5	\$6.5
Reserve for Retroactive Payments	109.3	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)	(42.2)	(30.3)	0.6	0.8	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)	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	(38.1)	0.0	(73.0)	(78.9)	(49.7)	0.0
Committed to Capital 2015-2019 Capital Program	<u>(721.9)</u>	<u>(390.0)</u>	<u>(350.1)</u>	<u>25.2</u>	<u>(189.2)</u>	<u>(147.8)</u>
	(\$946.8)	(\$364.2)	(\$436.4)	(\$60.4)	(\$246.4)	(\$155.3)
Subtotal Dedicated Taxes & State and Local Subsidies	\$5,016.5	\$5,716.0	\$5,692.8	\$6,229.5	\$6,191.9	\$6,451.2
Other Funding Agreements						
City Subsidy for MTA Bus Company	\$438.3	\$413.4	\$530.9	\$478.0	\$492.8	\$500.0
City Subsidy for Staten Island Railway	33.4	36.1	56.4	58.4	39.3	42.2
CDOT Subsidy for Metro-North Railroad	<u>129.0</u>	<u>120.4</u>	<u>108.6</u>	<u>120.9</u>	<u>124.8</u>	<u>132.8</u>
	\$600.6	\$569.9	\$695.9	\$657.3	\$656.9	\$675.0
Total Dedicated Taxes & State and Local Subsidies	\$5,617.1	\$6,285.8	\$6,388.7	\$6,886.8	\$6,848.7	\$7,126.1
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$740.1</u>	<u>\$733.5</u>	<u>\$632.7</u>	<u>\$559.8</u>	<u>\$519.0</u>	<u>\$486.1</u>
	\$740.1	\$733.5	\$632.7	\$559.8	\$519.0	\$486.1
GROSS SUBSIDIES	\$6,357.2	\$7,019.3	\$7,021.4	\$7,446.6	\$7,367.7	\$7,612.3

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

Subsidiaries	2016	2017	2018	2019	2020
Dedicated Taxes					
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Petroleum Business Tax (PBT) Receipts	9.9	0.0	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	8.8	9.8	14.7	16.3	13.1
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
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	(39.3)	(35.4)	(16.1)	(16.1)	(39.4)
Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	(\$20.6)	(\$25.6)	(\$1.4)	\$0.2	(\$26.4)
PMT and MTA Aid					
Payroll Mobility Tax	\$16.2	\$1.1	\$5.4	\$6.3	\$5.8
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0	0.0
MTA Aid	<u>6.3</u>	<u>6.3</u>	<u>6.3</u>	<u>6.3</u>	<u>6.3</u>
	\$22.4	\$7.3	\$11.6	\$12.6	\$12.1
State and Local Subsidies					
State Operating Assistance (18-b)	\$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
Station Maintenance	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Subsidy Adjustments					
Resource to Reduce Pension Liability	\$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)	21.9	2.7	0.6	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>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$21.9	\$2.7	\$0.6	\$0.0	\$0.0
Subtotal Dedicated Taxes & State and Local Subsidies	\$23.8	(\$15.6)	\$10.8	\$12.8	(\$14.3)
Other Funding Agreements					
City Subsidy for MTA Bus Company	(\$5.5)	(\$0.3)	\$12.1	\$12.3	\$12.0
City Subsidy for Staten Island Railway	0.0	(2.6)	7.8	(0.9)	(1.5)
CDOT Subsidy for Metro-North Railroad	<u>14.4</u>	<u>(3.5)</u>	<u>1.1</u>	<u>1.7</u>	<u>1.5</u>
	\$8.8	(\$6.4)	\$21.0	\$13.1	\$12.0
Total Dedicated Taxes & State and Local Subsidies	\$32.6	(\$22.0)	\$31.8	\$25.8	(\$2.3)
Inter-agency Subsidy Transactions					
B&T Operating Surplus Transfer	<u>\$30.9</u>	<u>(\$2.2)</u>	<u>(\$41.5)</u>	<u>(\$44.4)</u>	<u>(\$43.0)</u>
	\$30.9	(\$2.2)	(\$41.5)	(\$44.4)	(\$43.0)
GROSS SUBSIDIES	\$63.5	(\$24.2)	(\$9.7)	(\$18.6)	(\$45.3)

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 receipts from the three-eighths of one percent sales and use tax imposed in the MCTD;
- 80% of the receipts from 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 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. The changes effectively merge 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, NYS Department of Taxation and Finance annually adjusts the rate of the MTA surcharge to reflect a dollar amount equal to the financial projections in the State's Enacted Budget; for 2016-17, the MTA Surcharge was increased from 25.6% to 28.0%.

2016 November Forecast

The estimate of total taxes in the MMTOA fund for downstate mass transit operations for 2016 is \$2,154 million. Of this allotment, \$1,668 million in non18-b² funds is appropriated for the benefit of MTA, with \$1,124 million for NYCT/SIR and \$544 million for the Commuter Railroads. The amounts appropriated in the NYS 2016-17 Enacted Budget, combined with the State 18-b amounts, reflect a 59.3% share of the downstate portion of MMTOA for NYCT/SIR and 26.2% for the Commuter Railroads. MMTOA and State 18-b funds are also allotted to MTA Bus and other downstate transportation properties.

The combined MTA receipts are \$104 million (6.7%) above the 2015 receipts and it is unchanged from both Mid-Year Forecast and the Adopted Budget. The change from 2015 represents a shift in the State's allocation of total MMTOA. In 2015, \$104 million of MMTOA monies were redirected by New York State from the MTA Operating Budget to the MTA Capital Program, and it was the MTA's understanding that a similar redirection would continue in future years.

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 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 Metropolitan Commuter Transportation District (MCTD).

²State 18-b Operating Assistance is a statewide mass transportation program 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.

Subsequently, the 2016-17 Enacted Budget was released without this redirection to Capital, and the full MMTOA appropriation was earmarked for the MTA Operating Budget.

Additionally, \$190 million of MMTOA monies is earmarked to fund the State's 18-b obligation, which includes \$175 million for the MTA. Of this amount, \$154 million is allotted for NYCT/SIR and \$21 million for the Commuter Railroads; these levels are unchanged from 2015, the Mid-Year Forecast and the Adopted Budget.

2017 Final Proposed Budget

The 2017 Final Proposed Budget estimates MTA MMTOA revenue at \$1,743 million, which is \$75 million (4.5%) more than the 2016 November Forecast. This forecast is unchanged from the Preliminary Budget, but \$28 million (1.6%) below the February Plan estimate. Of the total, \$1,176 million is earmarked for NYCT/SIR and \$567 million is earmarked for the Commuter Railroads. The variance from the February Plan reflects revised revenue forecasts provided by New York State Division of the Budget. Year-over-year growth in the MMTOA forecast assumes that revenues from the Sales Tax and Corporate Surcharge components will grow by 3.5% and 4.2%, respectively, while revenue from the Petroleum Business Tax and Corporate Franchise Tax are expected to decline by 3.9% and 0.5%, respectively.

The Final Proposed Budget further assumes that the State's funding of its 18-b obligation for NYCT/SIR and the Commuter Railroads will remain at the combined 2016 level of \$175 million, which is consistent with the July Plan and February Plan. The percentage allocations of MMTOA's downstate shares are expected to be 59.7% for NYCT/SIR and 26.4% for the Commuter Railroads.

2018 – 2020

MTA MMTOA forecasts are \$1,821 million in 2018, \$1,883 million in 2019, and \$1,961 million in 2020, increasing between 3.5% and 4.5% annually. These forecasts are unchanged from the July Plan, but compared with the February Plan the forecasts are lower by \$30 million (1.6%) in 2018 and \$45 million (2.4%) in 2019 based on revenue forecasts provided by New York State Division of the Budget. The annual MMTOA estimates are based on: sales tax receipts increasing 3.4% annually; PBT receipts decreasing 0.7% annually; corporate tax surcharge revenues increasing 5.3% in 2018 and 3.2% in both 2019 and 2020; and corporate tax receipts decreasing 0.7% in 2018 and 0.4% in both 2019 and 2020.

MMTOA STATE DEDICATED TAXES
November Financial Plan 2017-2020
(\$ in millions)

	ACTUAL	FORECAST				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Forecast of MMTOA Gross Receipts (SFY):</u>						
Sales Tax	\$934.5	\$944.5	\$977.5	\$1,010.5	\$1,044.5	\$1,079.6
PBT	130.4	128.2	123.2	121.9	121.1	120.3
Corporate Franchise	60.0	57.0	56.7	56.3	56.1	55.9
Corporate Surcharge	1,096.0	1,080.5	1,125.5	1,184.7	1,222.4	1,261.3
Investment Income	0.0	21.4	21.4	21.4	21.4	21.4
Total Gross Receipts Available for Allocation	\$2,220.9	\$2,231.6	\$2,304.3	\$2,394.8	\$2,465.5	\$2,538.5

Allocation of Total Gross Receipts to Downstate:

Total Gross Receipts	\$2,220.9	\$2,231.6	\$2,304.3	\$2,394.8	\$2,465.5	\$2,538.5
Less: Upstate Share of PBT	(58.7)	(57.7)	(55.4)	(54.9)	(54.5)	(54.1)
Less: Upstate Share of Transmission	(19.8)	(19.8)	(19.8)	(19.8)	(19.8)	(19.8)
Upstate Percent Share of Investment Income	2.64%	2.61%	2.43%	2.31%	2.23%	2.15%
Less: Upstate Share of Investment Income	0.0	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)
Total Net Downstate Share Available for Allocation	\$2,142.4	\$2,153.6	\$2,229.7	\$2,320.8	\$2,391.9	\$2,465.3
Less: 18-B Adjustment	(189.5)	(189.5)	(189.5)	(189.5)	(189.5)	(189.5)
Adjusted Total Net Downstate Share for Allocation	\$1,952.9	\$1,964.0	\$2,040.2	\$2,131.3	\$2,202.4	\$2,275.8
Add: NYS Reimbursement	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted Total Net Downstate Share + Other	\$1,952.9	\$1,964.0	\$2,040.2	\$2,131.3	\$2,202.4	\$2,275.8

Allocation of Total Net Downstate Share to NYCT/SIR:

NYCT/SIR Share	57.63%	59.35%	59.66%	59.66%	59.66%	59.66%
From Total Net Downstate Share	\$1,234.6	\$1,278.1	\$1,330.2	\$1,384.6	\$1,427.0	\$1,470.8
Less: 18-B Adjustment	(153.9)	(153.9)	(153.9)	(153.9)	(153.9)	(153.9)
Adjusted Total Net Downstate Share	\$1,080.8	\$1,124.3	\$1,176.3	\$1,230.7	\$1,273.1	\$1,327.5
Less: Transfer to Capital Program	(45.0)	0.0	0.0	0.0	0.0	0.0
Total NYCT/SIR Share of Net Downstate Share	\$1,035.8	\$1,124.3	\$1,176.3	\$1,230.7	\$1,273.1	\$1,327.5
Total SIR Share (Cash)	3.7	4.0	4.2	4.4	4.5	4.7
Total NYCT Share of Net Downstate Share	\$1,032.1	\$1,120.3	\$1,172.2	\$1,226.3	\$1,268.6	\$1,322.8

Allocation of Total Net Downstate Share to MTA:

MTA Share	26.71%	26.23%	26.37%	26.37%	26.37%	26.37%
From Total Net Downstate Share	\$572.3	\$564.9	\$588.0	\$612.0	\$630.7	\$650.1
Less: 18-B Adjustment	(21.2)	(21.2)	(21.2)	(21.2)	(21.2)	(21.2)
Adjusted Total Net Downstate Share	\$551.1	\$543.7	\$566.8	\$590.8	\$609.5	\$633.6
Less: Transfer to Capital Program	(23.0)	0.0	0.0	0.0	0.0	0.0
Total MTA Share of Net Downstate Share	\$528.1	\$543.7	\$566.8	\$590.8	\$609.5	\$633.6

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 changes in the PPI, 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 is designated "Petroleum Business Tax (PBT) Receipts" in the MTA financial plans. 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 NYCT 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.

2016 November Forecast

PBT receipts are projected to be \$619 million for 2016 a \$3 million (0.4%) increase from 2015 due to higher estimates for petroleum and motor fuel tax receipts. Projected receipts are \$10 million (1.6%) favorable to the Mid-Year Forecast and \$21 million (3.6%) favorable to the Adopted Budget. The increase reflects favorable collections through October 2016. Of the total PBT allocation, \$518 million is earmarked for NYCT and \$91 million for the Commuter Railroads.

2017 Final Proposed Budget

The 2017 Final Proposed Budget for PBT is \$599 million, a \$10 million (1.7%) decline from the 2016 November forecast due to lower petroleum and motor fuel tax estimates. The forecast is unchanged from the Mid-Year Forecast and \$5 million (0.9%) above the February Plan forecast.

2018 - 2020

For the remainder of the Plan period, PBT forecasts are \$593 million in 2018, \$590 million in 2019 and \$588 million in 2020, reflecting year-to-year declines of \$6 million (1.0%) in 2018, \$3 million (0.5%) in 2019 and \$2 million (0.4%) in 2020. These estimates are

unchanged from the July Plan, and they are higher than the February Plan by \$2 million (0.4%) in 2018 and \$4 million (0.6%) in 2019.

PETROLEUM BUSINESS TAX PROJECTIONS
November Financial Plan 2017-2020
(\$ in millions)

	ACTUAL	FORECAST				
	2015	2016	2017	2018	2019	2020
Total Net PBT Collections Available for Distribution	\$1,813.3	\$1,820.8	\$1,761.4	\$1,744.4	\$1,736.1	\$1,729.1

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	\$616.5	\$619.1	\$598.9	\$593.1	\$590.3	\$587.9
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Accrued

NYCT/SIR Share of MTA Total	\$523.5	\$525.5	\$508.6	\$503.9	\$501.6	\$499.7
Commuter Railroad Share of MTA Total	<u>92.4</u>	<u>92.7</u>	<u>89.8</u>	<u>88.9</u>	<u>88.5</u>	<u>88.2</u>
MTA Total of Net Collections	\$615.9	\$618.2	\$598.4	\$592.9	\$590.1	\$587.8

Cash

NYCT/SIR Share of MTA Total	\$524.0	\$526.2	\$509.0	\$504.1	\$501.7	\$499.7
Commuter Railroad Share of MTA Total	<u>92.5</u>	<u>92.9</u>	<u>89.8</u>	<u>89.0</u>	<u>88.5</u>	<u>88.2</u>
MTA Total of Net Collections	\$616.5	\$619.1	\$598.9	\$593.1	\$590.3	\$587.9

MORTGAGE RECORDING TAXES (MRT)

The Mortgage Recording Taxes consist of two distinct taxes collected by New York City and the seven other counties within the MTA's service area.

Mortgage Recording Tax-1 (MRT-1) is imposed on borrowers of recorded mortgages of all real property, with certain exclusions, at the rate of three-tenths of one percent (0.3%) of the debt of all mortgages. By Statute, receipts from MRT-1 must first be applied to meet MTA Headquarters operating expenses, and then for deposit into the New York City Transit and Commuter Railroad Accounts, with 55% 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. Commuter Railroad Account funds 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 remaining balance in the Commuter Railroad Account is required to be used to pay commuter railroad operating and capital costs.

Mortgage Recording Tax-2 (MRT-2) is imposed on institutional lenders of recorded mortgages, with certain exclusions, at the rate of one-quarter of one percent (0.25%) of the debt secured by residential real estate structures that contain fewer than seven dwelling units. MRT-2 receipts are first applied to make deposits into the Payment Sub-accounts for Dutchess, Orange and Rockland Fund (DORF) payments and, second, for deposit into the Corporate Purposes Sub-account for the purpose of paying operating and capital costs, including any debt service and debt service reserve requirements incurred for the benefit of MTA, NYCT and their respective subsidiaries. Annual DORF payments are made in equal quarterly installments and consist of both a fixed and an escalator component. The fixed components are set at \$1.5 million each for Dutchess and Orange Counties, and \$2.0 million for Rockland County, while the escalator component for each county is equal to the multiplicative product of: (i) the percentage by which the county's mortgage recording tax payment (excluding revenues attributable to post-1989 tax rate increases) 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 2016; forecasts for the remainder of the year are based on 2016 average monthly receipts excluding the highest and lowest monthly levels. For 2017 and subsequent years, forecasts are based on projections in the City of New York's May 2016 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 base that is used to project MRT receipts over the forecast period.

2016 November Forecast

MRT receipts are forecast to be \$460 million in 2016, a \$26 million (6.1%) increase over 2015 receipts, the fifth time in the past six years that receipts have increased since experiencing four years of large declines from 2007 to 2010. Despite this recent growth, the 2016 projection remains 40 percent lower than when MRT receipts peaked in 2006. Compared with 2015, MRT-1, which

¹ The level of large transactions is unpredictable and cannot be relied upon with any certainty; therefore, forecasts exclude those recorded mortgages associated with property values in excess of \$600 million.

is collected on all mortgages, is projected to increase \$10 million (3.1%) while MRT-2, which is only paid on residential properties with fewer than seven units in the structure, is forecast to increase \$17 million (4.8%). The 2016 November Forecast is \$9 million (2.0%) more than the Mid-Year Forecast. MRT-1 is estimated to be \$3 million (1.0%) more than the Mid-Year Forecast, while MRT-2 is projected to be \$5 million (4.5%) more than the Mid-Year Forecast, indicating improvements in the residential mortgage market compared with the expectations in the Mid-Year Forecast. Compared with the Adopted Budget, the current MRT forecast is \$12 million (2.7%) favorable.

2017 Final Proposed Budget

MRT receipts are projected to be \$457 million in 2017, \$2 million (0.5%) less than estimated for the 2016 November Forecast; MRT-1 receipts are projected to decrease \$6 million (1.8%), while MRT-2 receipts are forecast to increase \$4 million (3.0%). The forecast assumes that \$4 million in MRT-1 commercial mortgage receipts from unusually large transactions in 2016 will not recur and that New York City commercial mortgage activity will decline from its 2016 level while year-over-year residential mortgage activity throughout the region will improve. The 2017 Final Proposed Budget is \$10 million (2.2%) more than the July Plan forecast, reflecting stronger activity in both the commercial and residential mortgage markets than was previously assumed. MRT-1 is estimated to be \$4 million (1.3%) more, while MRT-2 is projected to be \$6 million (4.4%) more than the July Plan forecast. Compared with the February Plan, the 2017 Final Proposed Budget is \$7 million (1.5%) unfavorable.

2018 - 2020

MRT receipts are expected to grow annually, increasing \$16 million in 2018, \$17 million in 2019, and \$9 million in 2020. 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, 2020 MRT receipts, which are projected to reach \$499 million, will still be 35 percent below receipts from fourteen years earlier, when MRT receipts peaked in 2006. Compared with the July Plan, MRT receipts are \$15 million (3.2%) higher in 2018, \$16 million (3.5%) higher in 2019 and \$13 million (2.7%) higher in 2020. These forecasts reflect a higher 2017 base and modestly stronger year-to-year growth compared with the July Plan. November Plan forecasts of MRT receipts, when compared with the February Plan, are \$9 million (1.9%) lower for both 2018 and 2019.

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 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 the February Plan and the July Plan.

MRT-2 receipts are also earmarked for the MTA General Reserve, which is set at approximately one percent of total expenses. In the November Plan, the General Reserve is \$145 million for 2016, \$155 million for 2017, \$160 million for 2018, \$165 million for 2019 and \$170 million for 2020, and these projections are unchanged from the July Plan. Compared with the February Plan, the 2016 General Reserve was \$5 million greater, set at \$150 million; the General Reserve for 2017 through 2019 is unchanged from the February Plan.

MORTGAGE RECORDING TAX PROJECTIONS
November Financial Plan 2017-2020
(\$ in millions)

Cash Basis

	ACTUAL	FORECAST				
	2015	2016	2017	2018	2019	2020
MORTGAGE RECORDING TAX #261-1						

Receipts Available for Transfer to NYCT and CRs:

Total Gross Receipts	\$320.9	\$330.7	\$324.7	\$333.3	\$343.4	\$350.4
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 Reimbursements	(579.2)	(594.9)	(723.4)	(681.6)	(689.1)	(710.6)
Receipts Available for Transfer	(\$258.3)	(\$264.2)	(\$398.7)	(\$348.3)	(\$345.7)	(\$360.2)
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	258.3	264.2	398.7	348.3	345.7	360.2
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	\$109.7	\$128.4	\$132.2	\$139.3	\$146.3	\$148.6
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)	(23.8)	(23.8)	(23.8)
General Reserve	0.0	0.0	(155.0)	(160.0)	(165.0)	(170.0)
Investment Income	4.9	5.1	5.3	5.3	5.3	5.3
Total Receipts Available for Transfer	\$79.7	\$98.6	(\$52.4)	(\$49.3)	(\$47.2)	(\$49.9)

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	(6.2)	(7.4)	(7.5)	(7.5)	(7.7)	(8.1)
Less: Transfer to MTAHQ Funds	(258.3)	(264.2)	(398.7)	(348.3)	(345.7)	(360.2)
Net Receipts Available	(\$180.3)	(\$168.6)	(\$454.1)	(\$400.6)	(\$396.2)	(\$413.7)

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 on properties valued in excess of \$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 2016; projections for the remainder of the year are based on 2016 average monthly receipts excluding the highest and lowest monthly levels. For 2017 and subsequent years, forecasts are consistent with estimates in the City of New York's May 2016 Executive Budget. Receipts from unusually large transactions¹ are excluded from the year-to-date average used to project the remainder of 2016 and from the base that is used to estimate Urban Tax receipts over the forecast period.

2016 November Forecast

Urban Tax receipts are forecast to be \$838 million in 2016, \$103 million (10.9%) less than 2015 receipts. Eighty percent of this decline is the result of lower RPTT receipts, which are projected to decrease \$82 million (12.9%), while MRT receipts are forecast to decrease \$21 million (6.8%). The year-to-year variance is attributable to a projected overall slowdown in transactions relative to activity experienced in 2014 and 2015, and is partially offset by receipts from unusually large transactions. The 2016 forecast is \$688 million (459%) 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 decline from 2015, however, leaves the 2016 forecast below the 2007 high mark by \$46 million (5.2%). Compared with the Mid-Year Forecast, the November Forecast is unfavorable by \$39 million, a 4.5% decline, with RPTT receipts unfavorable by \$41 million (7.0%) and MRT receipts favorable by \$2 million (0.8%). Lower RPTT receipts reflect a slowdown in transaction activity, while the favorable improvement in MRT reflects an increase in the number, and level, of recorded mortgages. Compared with the Adopted Budget, the current Urban Tax forecast is \$5 million (0.6%) favorable.

2017 Final Proposed Budget

Urban Tax receipts are forecast to be \$784 million in 2017, a \$54 million (6.4%) decline from the 2016 November Forecast. RPTT receipts are forecast to decline by \$30 million (5.5%) while MRT receipts are expected to decrease by \$23 million (8.3%). The RPTT and MRT declines are both impacted by the level of large transactions in 2016 that are assumed to not recur in 2017. When the receipts from these large transactions are factored out, the remaining Urban Tax is projected

¹ The level of large transactions is unpredictable and cannot be relied upon with any certainty; therefore, forecasts exclude those transactions with property values in excess of \$600 million.

to increase 10.1%. The 2017 Final Proposed Budget is lower than the July Plan forecast by \$35 million (4.3%), with RPTT unfavorable by \$40 million (7.1%) while MRT is favorable by \$4 million (1.7%). Compared with the February Plan, the 2017 Final Proposed Forecast is \$0.4 million (0.1%) unfavorable.

2018 - 2020

Urban Tax receipts are expected to decline \$3 million (0.4%) in 2018, remain unchanged in 2019 and then increase \$11 million (1.4%) in 2020. Receipts in 2020 are projected to be \$792 million, 10.4 percent below the 2007 pre-recession peak. Urban Tax projections are projected to fall short of the July Plan by \$16 million (2.0%) for 2018 and 2019, and fall short by \$39 million (4.7%) for 2020. November Plan forecasts of the Urban Tax, when compared with the February Plan, are \$4 million (0.5%) unfavorable for 2018 and \$33 million (4.1%) unfavorable for 2019.

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, either 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 amendment also exempted public and private schools and school districts from the tax, and expressly provided that reductions attributable to the PMT rate reductions and exemptions be offset through alternative sources included in the state budget; these PMT revenue offsets are known as “PMT Replacement Funds.” Further, effective January 1, 2016, the State eliminated the PMT levy on all public library systems and on public and free association libraries. This exemption reduced PMT revenue by \$2 million annually, and the PMT Replacement Fund amount was increased accordingly.

2016 November Forecast

PMT revenues for the 2016 November Forecast are projected to be \$1,379 million, a \$62 million (4.7%) increase over 2015 receipts. The November Forecast is favorable to the Mid-Year Forecast by \$16 million (1.2%) and reflects year-to-date actual collections through October. Compared with the Adopted Budget forecast, the current forecast is \$22 million (1.6%) favorable. PMT Replacement Funds are projected to total \$311 million, an increase of \$2 million over 2015 to offset the elimination of the PMT levy on public libraries; it is unchanged from the Mid-Year Forecast and the Adopted Budget. PMT revenues, including the replacement funds, total \$1,690 million for 2016.

2017 Final Proposed Budget

The 2017 Final Proposed Budget forecast for PMT, is \$1,425 million, \$46 million (3.3%) higher than the 2016 November Forecast. The forecast reflects the impact of revised regional wage and salary disbursement forecasts and is \$1 million (0.1%) higher than the Preliminary Budget forecast in the July Plan; compared with the February Plan, this forecast is lower by \$13 million

¹ When 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, with the school district tax payments 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 operating costs of MTA and its subsidiaries, and NYCTA and its subsidiaries.

(0.9%). The PMT Replacement Funds are projected to total \$311 million, unchanged from the 2016 level, and unchanged from the July Plan and February Plan projections. Including the replacement funds, PMT revenues are projected to total \$1,736 million in 2017.

2018 - 2020

PMT receipts are forecast to be \$1,495 million in 2018, \$1,564 million in 2019 and \$1,633 in 2020, reflecting revised wage and salary disbursement forecasts. Compared with the July Plan, these forecasts are favorable by \$5 million (0.4%) in 2018, and by \$6 million (0.4%) in both 2019 and 2020. These forecasts are unfavorable to the February Plan forecasts by \$3 million (0.2%) in 2018 and \$2 million (0.1%) in 2019. PMT Replacement Funds are projected to be \$311 million annually, unchanged from the July Plan and February Plan projections. Including the replacement funds, PMT revenues are projected to total \$1,806 million in 2018, \$1,875 million in 2019 and \$1,944 million in 2020.

MTA AID TRUST REVENUES

MTA Aid Trust Revenues (MTA Aid) are a tax and fee revenue 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.

Receipts of MTA Aid revenues declined 9.1% from 2014 to 2015 due primarily to fewer Yellow and Green taxicab pickups that impacted Taxicab Tax receipts; this change was attributed to market share increases by smartphone app-driven providers such as Uber, which are not subject to the Taxicab Tax. This impact from reduced revenue from the Taxicab Tax was incorporated into MTA Aid forecasts beginning with the 2016 February Plan.

Receipts of MTA Aid revenues for the 2016 November Forecast is projected to be \$297 million, a \$13 million (4.4%) increase over 2015 receipts. The November Forecast is favorable to the Mid-Year Forecast and the Adopted Budget by \$6 million (2.2%) and reflects higher year-to-date receipts through the third quarter of the year. From year-to-date activity, it appears that the downward trend in the Taxicab Tax component has stabilized, and further reductions are not anticipated over the Plan period. For the 2017 Final Proposed Budget, MTA Aid is forecast to be \$297 million, unchanged from the 2016 November Forecast, and \$6 million (2.2%) higher than the July Plan and February Plan forecasts. Out-year forecasts are kept flat since this revenue stream is predominantly transactional-based and only marginally impacted by inflation or price changes.

FINANCIAL PLAN ASSUMPTIONS FOR MTA AID TRUST REVENUES					
<u>2016 November Financial Plan</u>					
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
License / Motor Vehicle Registration Fees	\$176.2	\$176.2	\$176.2	\$176.2	\$176.2
Taxicab Tax	74.7	74.7	74.7	74.7	74.7
Auto Rental Tax	46.5	46.5	46.5	46.5	46.5
Total	\$297.4	\$297.4	\$297.4	\$297.4	\$297.4

STATE AND LOCAL DIRECT SUBSIDIES

State and Local Direct 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 annually funded approximately 95% 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.

2016 November Forecast

The 2016 November cash forecast of State and Local Direct Subsidies is \$540 million; this is \$9 million (1.6%) higher than 2015, and \$0.2 million (0.04%) above both the Mid-Year Forecast and the Adopted Budget. Both the year-over-year and plan-to-plan variances are due to higher Station Maintenance subsidies.

2017 Final Proposed Budget

The 2017 Final Proposed Budget for State and Local Direct Subsidy, on a cash basis, is \$544 million or \$4 million (0.8%) above the 2016 November Forecast. The estimate is unchanged from the Preliminary Budget Forecast and \$0.2 million above the February Plan forecast. The year-over-year and plan-to-plan variances are due to higher Station Maintenance subsidies.

2018 - 2020

State and Local Direct Subsidies are forecast to annually increase by \$4 million in both 2018 and 2019, and by \$3 million in 2020. The estimates are unchanged from the July Plan and slightly higher than the February Plan, by \$0.2 million for both 2018 and 2019, primarily due to favorable re-estimates of station maintenance subsidies.

OTHER SUBSIDY ADJUSTMENTS

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

Resource to Reduce Pension Liability – In 2013, the “LIRR Additional Plan” was the least funded of the MTA Pension Plans, at only 24% funded with a \$1.3 billion unfunded liability. MTA adopted a policy of applying funds from non-recurring financial resources to reduce long-term obligations such as this. Since 2013, the MTA has invested \$445 million in this Plan; the source of these investments has been unused general reserve funds and non-recurring real estate transaction tax receipts. These investments, reflected in previous plans, increased the estimated funded ratio to 53%. In the current Plan, referenced in Volume 1 Policy Actions, the MTA will release the unused 2016 General Reserve and hold it until the end of the year for investment in the LIRR Additional Plan to further reduce pension obligations. That investment is expected to increase the estimated funded ratio of the LIRR Additional Plan to 62%.

NYCT Charge Back of MTA Bus Debt Service – Consistent with prior 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. MTA’s hedging strategy is not designed to achieve financial savings, which is speculative in nature, but rather to reduce the financial impacts of fuel price changes.

Compared with the July Plan, it is projected that hedges are favorable by \$22 million in 2016, \$3 million in 2017 and \$1 million in 2018.

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 previous plans, includes repayment of this loan in the amount of \$2.4 million annually.

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: \$350 million in 2016, \$427 million in 2017, \$471 million in 2018, \$493 million¹ in 2019 and \$497 million¹ in 2020.

2015-2019 Capital Program: To support the 2015-2019 Capital Program, consistent with prior plans, the November Plan assumes annual operating budget contributions of \$415 million per year beginning with 2015 and a one-time additional contribution of \$75 million, offset by \$68 million to counterbalance the net reduction in MMTOA subsidy in 2015 (net of \$7 million). In addition to these contributions, a \$300 million acceleration of the planned 2018 Committed to Capital contribution was made in 2015, resulting in lower debt service payments over the Plan period. From these contributions, 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, \$233 million¹ in 2019 and \$320 million¹ in 2020.

In the 2016 July Plan (referenced in Volume 1 of that Plan), the MTA applied debt service savings of \$84 million in 2016, \$81 million in 2017, \$108 million in 2018, \$121 million in 2019 and \$134 million in 2020 from lower rates to support the additional capital projects. In addition, it accelerated \$200 million of the future planned 2019 and 2020 Committed to Capital contributions into 2016, resulting in lower debt service payments of approximately \$12 million per year from 2017 to 2019 and \$3 million for 2020.

In this Plan (referenced in Volume 1), the MTA will accelerate another \$80 million of the future planned 2020 Committed to Capital contribution into 2016, further lowering debt service payments by approximately \$5 million per year from 2017 to 2020.

¹ Beginning in 2019, the funding capacity required for the 2010-2014 Capital Program will be reached. Consequently, excess contributions of \$7.5 million in 2019 and \$53.0 million per year thereafter will be diverted to the 2015-2019 Capital Program.

OTHER FUNDING AGREEMENTS

Other Funding Agreements consist of the following reimbursements per operating agreements the MTA has with Connecticut and New York City:

- *Connecticut Department of Transportation (CDOT) Subsidy to Metro-North Railroad* – subsidy payments made to Metro-North Railroad for the Connecticut share of the total operating deficit of the New Haven Line and the Connecticut branch lines. The operational analysis is covered in the Metro-North section of this volume.
- *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. The operational analysis is covered in the MTA Bus section of this volume.
- *New York City Subsidy for Staten Island Railway* – subsidy payments made by the City to cover the operating deficit associated with Staten Island Railway operations. The operational analysis is covered in the Staten Island Railway section of this volume.

2016 November Forecast

The 2016 November forecast cash projection for total Other Funding Agreements is \$570 million; this is \$31 million (5.1%) lower than 2015. The forecast is \$9 million (1.6%) higher than the Mid-Year Forecast and \$32 million (5.3%) lower than the Adopted Budget. Both the year-over-year and plan-to-plan variances are primarily due to changes to CDOT Subsidy to MNR and City Subsidy to MTA Bus. Compared with 2015, higher revenues and lower expenses in 2016 reduced the projected MNR cash deficit, lowering the subsidy requirement of both CDOT and the MTA. When comparing the Plans, higher expenses and lower revenues in the November Forecast increased the projected MNR cash deficit and the subsidy requirement for both CDOT and the MTA over the Mid-Year Forecast, while higher revenues and lower expenses contributed to the unfavorable variance to the Adopted Budget Forecast. Comparing the November Plan forecast to both the Mid-Year Forecast and the Adopted Budget, slightly lower projected City Subsidy to MTA Bus is due to unfavorable cash timing adjustments.

The 2016 cash forecast for CDOT Subsidy for Metro-North Railroad of \$120 million is \$9 million (6.6%) below 2015, \$14 million (13.6%) above the Mid-Year Forecast and \$28 million (19.1%) below the Adopted Budget Forecast. The City Subsidy to MTA Bus of \$413 million is \$25 million (5.7%) below 2015, \$6 million (1.3%) below the Mid-Year Forecast and \$6 million (1.5%) below the Adopted Budget Forecast. The 2016 cash forecast for City Subsidy to Staten Island Railroad of \$36 million is \$3 million (8.3%) favorable to the 2015 forecast; it is unchanged from the Mid-Year Forecast and \$3 million (8.3%) above the Adopted Budget Forecast.

2017 Final Proposed Budget

The 2017 Final Proposed Budget cash forecast for total Other Funding Agreements is \$696 million, or \$126 million (22.1%) above the 2016 November Forecast, \$6 million (0.9%) below the Preliminary Budget Forecast and \$35 million (5.3%) above the February Plan estimate. The year-over-year variances are due primarily to higher City Subsidy to MTA Bus Company, reflecting

favorable cash timing adjustments, and higher City Subsidy to Staten Island Railway, reflecting a larger estimate of SIR cash deficit. The 2017 cash forecast for CDOT Subsidy for Metro-North Railroad is unfavorable compared with the 2016 November Forecast by \$12 million (9.8%), with the July Plan by \$13 million (3.1%) and with the February Plan by \$13 million (11.0%). This unfavorable re-estimate includes the impact of the recently approved 5% Connecticut fare increase that took effect on December 1, 2016, which does not fully offset the lower baseline utilization and higher expenses. Plan-to-plan variances reflect slightly unfavorable changes from the July Plan forecasts for City Subsidy to MTA Bus of \$0.3 million (0.1%), City Subsidy to Staten Island Railway of \$3 million (4.4%) and CDOT Subsidy for Metro-North Railroad of \$3 million (3.1%). Compared with the February forecasts, the November forecasts are favorable by \$33 million (6.7%) for City Subsidy to MTA Bus and \$15 million (35.6%) for City Subsidy to Staten Island Railway, and an unfavorable \$13 million (11.0%) for CDOT Subsidy for Metro-North Railroad.

2018 – 2020

Total Other Funding Agreements, on a cash basis, is \$657 million for 2018, \$657 million for 2019 and \$675 million for 2020. Of these totals, City Subsidy to MTA Bus is forecast to be \$478 million for 2018, \$493 million for 2019 and \$500 million for 2020, reflecting a year-over-year decline of \$53 million (10.0%) in 2018, and increases of \$15 million (3.1%) in 2019 and \$7 million (1.5%) in 2020. The year-over-year decline in 2018 reflects a timing difference in cash flow, while year-over-year growth in the subsequent years reflects inflationary expense increases. These estimates are higher than the July Plan by \$21 million (3.3%) in 2018, \$13 million (2.0%) in 2019 and \$12 million (1.8%) in 2020 due to revised expense assumptions to meet service and administrative requirements. The cash forecasts for CDOT Subsidy for Metro-North Railroad are \$121 million in 2018, \$125 million for 2019, and \$133 million in 2020, reflecting year-over-year increases of \$12 million (11.3%) in 2018, \$4 million (3.2%) in 2019 and \$8 million (6.4%) in 2020. These estimates are just slightly above the July Plan in 2018, 2019 and 2020. Both year-over-year changes and changes from prior plan are due to re-estimates of revenues and expenses and include the impact of the December 1, 2016 Connecticut fare increase mentioned above. The cash forecasts for City Subsidy to Staten Island Railroad are \$58 million in 2018, \$39 million in 2019 and \$42 million in 2020, reflecting a year-over-year increase of \$2 million (3.5%) in 2018, a decline of \$19 million (32.7%) in 2019 and an increase of \$3 million (7.2%) in 2020.

Compared with the February Plan, Total Other Funding Agreements, on a cash basis, are favorable by \$38 million (5.6%) in 2018 and by \$49 million (7.3%) in 2019. These changes are due primarily to favorable re-estimates of revenues and expenses.

MTA NEW YORK CITY TRANSIT SUBSIDY ALLOCATION
November Financial Plan 2017-2020

Cash Basis

(\$ in millions)

	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
Subsidies						
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,032.1	\$1,120.3	\$1,172.2	\$1,226.3	\$1,268.6	\$1,322.8
Petroleum Business Tax (PBT) Receipts	524.0	526.2	509.0	504.1	501.7	499.7
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0	0.0
Urban Tax	<u>940.6</u>	<u>837.8</u>	<u>783.9</u>	<u>780.7</u>	<u>780.7</u>	<u>791.8</u>
	\$2,496.7	\$2,484.3	\$2,465.1	\$2,511.1	\$2,551.0	\$2,614.3
New State Taxes and Fees						
Payroll Mobility Tax	\$977.5	\$886.7	\$792.5	\$889.6	\$922.9	\$925.3
Payroll Mobility Tax Replacement Funds	266.0	228.0	254.0	252.9	245.9	236.2
MTA Aid	<u>244.9</u>	<u>217.8</u>	<u>242.7</u>	<u>241.6</u>	<u>235.0</u>	<u>225.7</u>
	\$1,488.4	\$1,332.4	\$1,289.3	\$1,384.1	\$1,403.8	\$1,387.3
State and Local Subsidies						
State Operating Assistance (18-b)	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1
Local Operating Assistance (18-b)	<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						
Reserve for Retroactive Payments	\$23.0	\$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)	(29.6)	(21.2)	0.4	0.5	0.0	0.0
Repayment of Loan to Capital Financing Fund	(100.0)	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	(118.5)	(101.5)	(162.0)	(169.6)	(149.6)	(113.3)
Committed to Capital 2015-2019 Capital Program	<u>(541.4)</u>	<u>(292.5)</u>	<u>(262.6)</u>	<u>18.9</u>	<u>(141.9)</u>	<u>(110.9)</u>
	(\$778.0)	(\$426.7)	(\$435.6)	(\$161.7)	(\$303.0)	(\$235.7)
Total Dedicated Taxes & State and Local Subsidies	\$3,523.2	\$3,706.2	\$3,635.0	\$4,049.7	\$3,968.0	\$4,082.1
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$313.9</u>	<u>\$309.0</u>	<u>\$260.9</u>	<u>\$224.5</u>	<u>\$203.7</u>	<u>\$187.9</u>
	\$313.9	\$309.0	\$260.9	\$224.5	\$203.7	\$187.9
GROSS SUBSIDIES	\$3,837.1	\$4,015.2	\$3,895.9	\$4,274.2	\$4,171.6	\$4,270.0

MTA COMMUTER RAILROAD SUBSIDY ALLOCATION
November Financial Plan 2017-2020
Cash Basis
(\$ in millions)

	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$528.1	\$543.7	\$566.8	\$590.8	\$609.5	\$633.6
Petroleum Business Tax (PBT) Receipts	92.5	92.9	89.8	89.0	88.5	88.2
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0	0.0
Investment Income	<u>1.1</u>	<u>1.1</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>
	\$621.7	\$637.7	\$657.8	\$680.9	\$699.3	\$723.0
<i>New State Taxes and Fees</i>						
Payroll Mobility Tax	\$159.1	\$324.0	\$178.5	\$205.3	\$245.0	\$293.8
Payroll Mobility Tax Replacement Funds	43.3	83.3	57.2	58.4	65.3	75.0
MTA Aid	<u>39.9</u>	<u>79.6</u>	<u>54.7</u>	<u>55.8</u>	<u>62.4</u>	<u>71.7</u>
	\$242.3	\$486.8	\$290.3	\$319.4	\$372.7	\$440.5
<i>State and Local Subsidies</i>						
State Operating Assistance (18-b)	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3
Local Operating Assistance (18-b)	23.6	29.3	29.3	29.3	29.3	29.3
Station Maintenance	<u>161.2</u>	<u>164.1</u>	<u>168.3</u>	<u>172.6</u>	<u>176.9</u>	<u>180.3</u>
	\$214.1	\$222.6	\$226.8	\$231.1	\$235.4	\$238.8
<i>Other Subsidy Adjustments</i>						
Resource to Reduce Pension Liability	(\$140.0)	\$70.0	\$0.0	\$6.5	\$6.5	\$6.5
Reserve for Retroactive Payments	86.3	0.0	0.0	0.0	0.0	0.0
Forward Energy Contracts Program - Gain/(Loss)	(12.6)	(9.1)	0.2	0.2	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	80.4	101.5	89.0	90.7	99.9	113.3
Committed to Capital 2015-2019 Capital Program	<u>(180.5)</u>	<u>(97.5)</u>	<u>(87.5)</u>	<u>6.3</u>	<u>(47.3)</u>	<u>(37.0)</u>
	(\$168.8)	\$62.5	(\$0.8)	\$101.3	\$56.7	\$80.4
Total Dedicated Taxes & State and Local Subsidies	\$909.3	\$1,409.7	\$1,174.1	\$1,332.7	\$1,364.1	\$1,482.6
<i>Other Funding Agreements</i>						
CDOT Subsidy for Metro-North Railroad	<u>129.0</u>	<u>120.4</u>	<u>108.6</u>	<u>120.9</u>	<u>124.8</u>	<u>132.8</u>
	\$129.0	\$120.4	\$108.6	\$120.9	\$124.8	\$132.8
<i>Inter-agency Subsidy Transactions</i>						
B&T Operating Surplus Transfer	<u>\$426.2</u>	<u>\$424.6</u>	<u>\$371.9</u>	<u>\$335.3</u>	<u>\$315.3</u>	<u>\$298.3</u>
	\$426.2	\$424.6	\$371.9	\$335.3	\$315.3	\$298.3
GROSS SUBSIDIES	\$1,464.5	\$1,954.6	\$1,654.6	\$1,788.9	\$1,804.2	\$1,913.7

MTA STATEN ISLAND RAILWAY SUBSIDY ALLOCATION
November Financial Plan 2017-2020
Cash Basis
(\$ in millions)

	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$3.7	\$4.0	\$4.2	\$4.4	\$4.5	\$4.7
Mortgage Recording Tax (MRT)	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$3.7	\$4.0	\$4.2	\$4.4	\$4.5	\$4.7
<i>State and Local Subsidies</i>						
State Operating Assistance (18-b)	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Local Operating Assistance (18-b)	<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	\$4.8	\$5.1	\$5.3	\$5.5	\$5.7	\$5.9
City Subsidy to Staten Island Railway	\$33.4	\$36.1	\$56.4	\$58.4	\$39.3	\$42.2
GROSS SUBSIDIES	\$38.2	\$41.3	\$61.7	\$63.9	\$45.0	\$48.0

MTA HEADQUARTERS SUBSIDY ALLOCATION
November Financial Plan 2017-2020
Cash Basis
(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>November</u> <u>Forecast</u> <u>2016</u>	<u>Final</u> <u>Proposed</u> <u>Budget</u> <u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Subsidies</u>						
Net Funding of MTA Headquarters	(\$579.2)	(\$594.9)	(\$723.4)	(\$681.6)	(\$689.1)	(\$710.6)
<u>Dedicated Taxes</u>						
<u>Mortgage Recording Tax-1</u>						
Net Receipts After Agency Transfers	\$320.9	\$330.7	\$324.7	\$333.3	\$343.4	\$350.4
<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	<u>258.3</u>	<u>264.2</u>	<u>398.7</u>	<u>348.3</u>	<u>345.7</u>	<u>360.2</u>
	\$258.3	\$264.2	\$398.7	\$348.3	\$345.7	\$360.2
Net Available MRT-1 Funds for MTA HQ	\$579.2	\$594.9	\$723.4	\$681.6	\$689.1	\$710.6
Remaining MRT-1 Balance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<u>Mortgage Recording Tax - 2</u>						
Net Receipts	\$109.7	\$128.4	\$132.2	\$139.3	\$146.3	\$148.6
<u>Adjustments to MRT-2</u>						
Funding of General Reserve	\$0.0	\$0.0	(\$155.0)	(\$160.0)	(\$165.0)	(\$170.0)
Diversion of MRT to Suburban Counties	(1.7)	(3.0)	(3.0)	(3.0)	(3.3)	(3.6)
Investment Income	4.9	5.1	5.3	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)	(23.8)	(23.8)	(23.8)
Transfer to MRT-1	<u>(258.3)</u>	<u>(264.2)</u>	<u>(398.7)</u>	<u>(348.3)</u>	<u>(345.7)</u>	<u>(360.2)</u>
	(\$290.1)	(\$297.0)	(\$586.3)	(\$539.8)	(\$542.5)	(\$562.3)
Remaining MRT-2 Balance	(\$180.3)	(\$168.6)	(\$454.1)	(\$400.6)	(\$396.2)	(\$413.7)
Payroll Mobility Tax Offset (if Required)	\$180.3	\$168.6	\$454.1	\$400.6	\$396.2	\$413.7

MTA BUS COMPANY SUBSIDY ALLOCATION

November Financial Plan 2017-2020

Cash Basis

(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>November</u> <u>Forecast</u> <u>2016</u>	<u>Final</u> <u>Proposed</u> <u>Budget</u> <u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>Subsidies</u>						
City Subsidy for MTA Bus Company	\$438.3	\$413.4	\$530.9	\$478.0	\$492.8	\$500.0

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Surplus Transfer
(\$ in millions)

	ACTUAL	FORECAST				
	2015	2016	2017	2018	2019	2020
Net Surplus/(Deficit)	\$1,392.497	\$1,396.118	\$1,341.321	\$1,281.838	\$1,277.223	\$1,270.651

Deductions from Net Operating Income:

Total Debt Service	\$604.591	\$631.143	\$670.456	\$680.901	\$711.400	\$735.779
Capitalized Assets	7.724	26.345	18.354	18.722	20.244	20.688
Reserves	29.283	26.881	27.515	28.173	28.863	29.602
GASB Reserves	0.000	0.000	0.000	0.089	0.264	0.451
Total Deductions from Net Operating Income	\$641.598	\$684.369	\$716.325	\$727.884	\$760.771	\$786.520
Net Income Available for Transfer to MTA and NYCT	\$750.899	\$711.749	\$624.996	\$553.953	\$516.452	\$484.131

Distributable Income:

Distribution of Funds to MTA:

Investment Income in Current Year	\$0.183	\$0.427	\$0.987	\$1.240	\$1.240	\$1.240
Accrued Current Year Allocation	432.282	409.176	367.732	331.696	313.472	296.578
Accrued Amount Distributed to MTA	\$432.465	\$409.603	\$368.718	\$332.936	\$314.712	\$297.818

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	294.434	278.146	232.277	197.017	177.741	162.314
Accrued Amount Distributed to NYCT	\$318.434	\$302.146	\$256.277	\$221.017	\$201.741	\$186.314
Total Distributable Income:	\$750.899	\$711.749	\$624.996	\$553.953	\$516.452	\$484.131

Cash Transfers:

Actual Cash Transfer to MTA and NYCT:

From Current Year Surplus	\$426.246	\$424.570	\$371.876	\$335.299	\$315.294	\$298.267
Investment Income in Prior Year	0.137	0.183	0.427	0.987	1.240	1.240
Cash Amount Distributed to MTA	\$426.383	\$424.753	\$372.303	\$336.286	\$316.534	\$299.507
Cash Amount Distributed to NYCT	\$313.857	\$308.955	\$260.864	\$224.543	\$203.668	\$187.856
Total Cash Transfer:	\$740.240	\$733.707	\$633.167	\$560.829	\$520.203	\$487.364

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Surplus Transfer
(\$ in millions)

	ACTUAL	FORECAST				
	2015	2016	2017	2018	2019	2020
<i>Debt Service Detail by Agency:</i>						
B&T Own Purpose Debt Service	\$230.545	\$275.865	\$303.353	\$315.889	\$343.454	\$371.872
NYCT Transportation Debt Service	255.947	243.154	251.279	249.845	251.838	249.085
MTA Transportation Debt Service	118.100	112.124	115.825	115.167	116.107	114.821
Total Debt Service by Agency	\$604.591	\$631.143	\$670.456	\$680.901	\$711.400	\$735.779

Total Accrued Amount for Transfer to MTA and NYCT:

Total Adjusted Net Income Available for Transfer	\$1,355.308	\$1,342.465	\$1,294.465	\$1,233.614	\$1,226.612	\$1,218.670
Less: B&T Total Debt Service	(230.545)	(275.865)	(303.353)	(315.889)	(343.454)	(371.872)
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	\$1,100.763	\$1,042.600	\$967.113	\$893.724	\$859.158	\$822.798

Calculation of Actual Cash Transfer to MTA:

<u>Distribution of Remainder to MTA</u>						
Fifty Percent of Total Accrued Amount for Transfer	\$550.381	\$521.300	\$483.556	\$446.862	\$429.579	\$411.399
Less: MTA Total Debt Service	(118.100)	(112.124)	(115.825)	(115.167)	(116.107)	(114.821)
MTA's Accrued Current Year Allocation	\$432.282	\$409.176	\$367.732	\$331.696	\$313.472	\$296.578
<u>Cash Conversion of MTA's Accrued Amount</u>						
Current Year Amount	\$375.971	\$368.259	\$330.958	\$298.526	\$282.124	\$266.920
Balance of Prior Year	50.276	56.311	40.918	36.773	33.170	31.347
Cash Transfer to MTA	\$426.246	\$424.570	\$371.876	\$335.299	\$315.294	\$298.267

Calculation of Actual Cash Transfer to NYCT:

<u>Distribution of Remainder to NYCT</u>						
Fifty Percent of Total Accrued Amount for Transfer	\$550.381	\$521.300	\$483.556	\$446.862	\$429.579	\$411.399
Less: NYCT Total Debt Service	(255.947)	(243.154)	(251.279)	(249.845)	(251.838)	(249.085)
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	\$318.434	\$302.146	\$256.277	\$221.017	\$201.741	\$186.314
<u>Cash Conversion of NYCT's Accrued Amount</u>						
Current Year Amount	\$281.411	\$271.931	\$230.650	\$198.916	\$181.567	\$167.682
Balance of Prior Year	32.446	37.023	30.215	25.628	22.102	20.174
Cash Transfer to NYCT	\$313.857	\$308.955	\$260.864	\$224.543	\$203.668	\$187.856

SUMMARY
MTA STATEN ISLAND RAILWAY
2016 NOVEMBER FINANCIAL PLAN
2017-2020
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2015	2016	2017	2018	2019	2020
10	<u>Revenue Summary:</u>						
12	Farebox Revenue	\$6.4	\$6.6	\$6.6	\$6.7	\$6.7	\$6.7
13	Other Revenue	2.6	2.4	2.5	2.5	2.5	2.5
14	State/City Subsidies	4.8	5.1	5.3	5.5	5.7	5.9
16	Total Revenues	\$13.9	\$14.1	\$14.4	\$14.7	\$14.8	\$15.1
18	<u>Non-Reimbursable Expense Summary:</u>						
20	Labor Expenses	\$39.3	\$40.9	\$41.7	\$40.7	\$41.5	\$42.7
21	Non-Labor Expenses	10.8	23.1	30.3	11.2	10.9	11.4
22	Depreciation	8.1	8.3	8.3	8.3	8.3	8.3
23	OPEB Liability Adjustment	7.5	7.5	7.5	7.5	7.5	7.5
24	GASB 68 Pension Expense Adjustment	(1.5)	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
25	Environmental Remediation	1.1	0.0	0.0	0.0	0.0	0.0
27	Total Non-Reimbursable Expenses	\$65.2	\$79.3	\$87.3	\$67.2	\$67.8	\$69.4
30	Total Net Revenue/(Deficit)	(\$51.3)	(\$65.2)	(\$72.9)	(\$52.5)	(\$52.9)	(\$54.3)
32	<u>Cash Adjustment Summary:</u>						
33	Operating Cash Adjustments	\$15.9	\$9.4	\$15.3	\$15.3	\$15.3	\$15.3
34	GASB Cash Adjustments	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)
35	Subsidy Cash Adjustments (Other than SIRTOA Recovery)	0.0	0.0	0.0	0.0	0.0	0.0
37	Total Cash Adjustments	\$15.9	\$9.4	\$15.3	\$15.3	\$15.3	\$15.3
39	Gross Cash Balance	(\$35.4)	(\$55.8)	(\$57.6)	(\$37.2)	(\$37.6)	(\$39.0)
41	<u>Other Adjustments:</u>						
42	Debt Service	(0.7)	(0.6)	(0.8)	(2.1)	(4.5)	(7.8)
44	Total Billable Adjusted Cash Balance after Debt Service	(\$36.1)	(\$56.4)	(\$58.4)	(\$39.3)	(\$42.2)	(\$46.8)
46	<u>City Subsidy Cash Adjustments:</u>						
47	Cash Balance Due from the City of New York	36.1	56.4	58.4	39.3	42.2	46.8
48	Cash Subsidy Received from City of New York for SIRTOA	<u>33.4</u>	<u>36.1</u>	<u>56.4</u>	<u>58.4</u>	<u>39.3</u>	<u>42.2</u>
49	Subsidy Cash Timing	(\$2.8)	(\$20.3)	(\$2.0)	\$19.1	(\$2.8)	(\$4.7)
51	Net Cash Balance from Previous Year	(33.4)	(36.1)	(56.4)	(58.4)	(39.3)	(42.2)
53	Baseline Net Cash Surplus/(Deficit)	(\$36.1)	(\$56.4)	(\$58.4)	(\$39.3)	(\$42.2)	(\$46.8)

SUMMARY
MTA BUS COMPANY
2016 NOVEMBER FINANCIAL PLAN
2017-2020
(\$ in millions)

Line Number		ACTUAL		FORECAST			
		2015	2016	2017	2018	2019	2020
9							
10	Revenue Summary:						
11							
12	Farebox Revenue	\$210.3	\$214.1	\$214.6	\$215.5	\$215.9	\$216.7
13	Other Revenue	23.1	20.7	21.1	21.5	21.7	21.8
14							
15	Total Revenues	\$233.4	\$234.9	\$235.7	\$236.9	\$237.5	\$238.6
16							
17	Non-Reimbursable Expense Summary:						
18							
19	Labor Expenses	\$516.2	\$512.3	\$536.3	\$551.0	\$565.5	\$572.8
20	Non-Labor Expenses	158.1	170.4	189.9	198.3	190.9	189.7
21	Depreciation	50.0	42.2	42.9	43.7	43.7	43.7
22	OPEB Liability Adjustment	61.0	100.2	100.2	100.2	100.2	100.2
23	GASB 68 Pension Expense Adjustment	(12.1)	40.2	43.3	42.9	41.6	37.3
24	Environmental Remediation	0.2	0.0	0.0	0.0	0.0	0.0
25							
26	Total Non-Reimbursable Expenses	\$773.3	\$865.3	\$912.6	\$936.0	\$941.8	\$943.6
27							
28							
29	Total Net Revenue/(Deficit)	(\$539.9)	(\$630.4)	(\$676.9)	(\$699.1)	(\$704.3)	(\$705.0)
30							
31	Cash Adjustment Summary:						
32	Operating Cash Adjustments	\$143.4	\$175.3	\$213.4	\$214.0	\$215.1	\$210.7
33	GASB Cash Adjustments	0.0	0.0	0.0	0.0	(0.1)	(0.2)
34							
35	Total Cash Adjustments	\$143.4	\$175.3	\$213.4	\$214.0	\$215.0	\$210.5
36							
37	Gross Cash Balance	(\$396.5)	(\$455.2)	(\$463.5)	(\$485.1)	(\$489.3)	(\$494.6)
38							
39	Other Adjustments:						
40	Non-Billable GASB Cash Adjustments	0.0	0.0	0.0	0.0	0.1	0.2
41	Debt Service	(29.8)	(25.6)	(22.6)	(24.5)	(26.7)	(29.6)
42	Non-Billable Debt Service (2005-2011 Capital Program)	27.7	23.5	19.7	20.0	20.0	19.9
43							
44	Total Billable Adjusted Cash Balance after Debt Service	(\$398.5)	(\$457.3)	(\$466.4)	(\$489.6)	(\$495.9)	(\$504.1)
45							
46	City Subsidy Cash Adjustments:						
47	Cash Balance Due from NYC (adjusted for Non-Billable GASB)	\$398.5	\$457.3	\$466.4	\$489.6	\$495.9	\$504.1
48	Cash Subsidy Received from City of New York for MTA Bus	438.3	413.4	530.9	478.0	492.8	500.0
49	Subsidy Cash Timing	\$39.8	(\$43.9)	\$64.4	(\$11.6)	(\$3.2)	(\$4.1)
50							
51	Net Cash Balance from Previous Year	(\$113.5)	(\$73.7)	(\$117.6)	(\$53.2)	(\$64.8)	(\$68.0)
52							
53							
54	Baseline Net Cash Surplus/(Deficit)	(\$73.7)	(\$117.6)	(\$53.2)	(\$64.8)	(\$68.0)	(\$72.0)
55							

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017-2020
Paratransit Operations
(\$ in thousands)

	2016	2017	2018	2019	2020
ADA Trips:	6,462,819	6,938,450	7,389,449	7,869,764	8,381,298
<i>Pct Change from Previous Year</i>	1.6%	7.4%	6.5%	6.5%	6.5%

Revenue:					
Fares	\$ 18,347	\$ 19,633	\$ 20,923	\$ 22,296	\$ 23,758
Urban Tax	55,465	52,354	51,969	52,030	52,843
<i>Sub-total</i>	\$ 73,812	\$ 71,987	\$ 72,892	\$ 74,326	\$ 76,601
City Reimbursements	127,445	142,017	150,540	166,386	183,375
Total Revenue	\$ 201,257	\$ 214,004	\$ 223,432	\$ 240,712	\$ 259,976

Expenses:					
<i>Operating Expenses:</i>					
Salaries & Benefits	\$ 21,965	\$ 24,933	\$ 25,433	\$ 25,941	\$ 26,460
Rental & Miscellaneous	453,623	492,714	518,945	567,888	621,126
Total Expenses	\$ 475,588	\$ 517,647	\$ 544,378	\$ 593,829	\$ 647,586

Net Paratransit Surplus/(Deficit)	\$ (274,331)	\$ (303,643)	\$ (320,946)	\$ (353,117)	\$ (387,610)
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Paratransit Details					
Total Paratransit Reimbursement:	\$ 182,910	\$ 194,371	\$ 202,509	\$ 218,416	\$ 236,218
Urban Tax	\$ 55,465	\$ 52,354	\$ 51,969	\$ 52,030	\$ 52,843
City Reimbursements	127,445	142,017	150,540	166,386	183,375

Rental & Miscellaneous Expense:

<i>Paratransit Service Contracts</i>					
Carrier Services	\$ 356,405	\$ 374,464	\$ 395,389	\$ 429,743	\$ 465,295
Command Center	27,225	28,345	30,917	33,731	36,983
Eligibility Certification	3,117	3,499	3,729	3,808	3,964
Other	4,137	5,030	5,030	5,030	5,030
<i>Subtotal</i>	\$ 390,884	\$ 411,338	\$ 435,065	\$ 472,312	\$ 511,272

Other Than Personnel Service:

Insurance	39,103	44,233	50,259	58,618	68,656
Fuel	11,148	13,182	13,853	15,274	17,704
Other	10,974	22,795	18,602	20,519	22,328
<i>Subtotal</i>	\$ 61,225	\$ 80,210	\$ 82,714	\$ 94,411	\$ 108,688

<i>Non-City Reimbursable OTPS:</i>	\$ 1,513	\$ 1,166	\$ 1,166	\$ 1,165	\$ 1,166
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Total Rental & Miscellaneous Expense	\$ 453,623	\$ 492,714	\$ 518,945	\$ 567,888	\$ 621,126
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<i>Annual Growth in Total Expenses</i>	3.0%	8.8%	5.2%	9.1%	9.1%
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Debt Service

Debt Service in the Financial Plan

The following table includes debt service projections for 2016 through 2020 in connection with the bond financed portion of *approved* Capital Programs, including the 2015-2019 Capital Program.

The significant favorable variance relative to the July Financial Plan is reflective of:

- Refunding savings from issuance of refunding bonds;
- Lower interest rates assumptions for the plan period; and
- Lower debt service costs through September 2016.

Debt Service Forecast (in millions)*			
Year	July Plan Debt Service	November Plan Debt Service	Difference Favorable/ (Unfavorable)
2016	\$2,501	\$2,458	\$43
2017	2,666	2,641	25
2018	2,815	2,781	34
2019	2,984	2,934	50
2020	3,144	3,085	59
Total 2016-2020	\$14,110	\$13,898	\$212

*Totals may not add due to rounding.

The following is a summary of the key assumptions used to determine the debt service projections in this Plan:

Forecasted Borrowing Schedule	2016¹	2017	2018	2019	2020
<i>(\$ in millions)</i>					
TR New Money Bonds	\$979	\$1,070	\$2,045	\$2,640	\$2,455
DTF New Money Bonds	413	714	0	0	0
TBTA New Money Bonds	<u>300</u>	<u>142</u>	<u>383</u>	<u>554</u>	<u>686</u>
Total New Money Bonds	\$1,692	\$1,927	\$2,428	\$3,194	\$3,141

¹ 2016 New Money Bonds include \$979 million of Transportation Revenue Bonds, \$413 million DTF Bonds and \$300 million of TBTA Bonds issued prior to October 2016.

Forecasted Interest Rates	2016 ¹	2017	2018	2019	2020
Assumed Fixed-Rates					
Transportation Revenue Bonds	3.22%	3.27%	3.33%	3.41%	3.46%
Dedicated Tax Fund Bonds	3.20%	3.25%	3.31%	3.39%	3.44%
Triborough Bridge & Tunnel Authority	3.20%	3.25%	3.31%	3.39%	3.44%
Assumed Variable Rates	4.00%	4.00%	4.00%	4.00%	4.00%
Weighted Average Interest Rates ²					
Transportation Revenue Bonds	3.30%	3.34%	3.40%	3.47%	3.51%
Dedicated Tax Fund Bonds	3.28%	3.32%	3.38%	3.45%	3.49%
Triborough Bridge & Tunnel Authority	3.28%	3.32%	3.38%	3.45%	3.49%

² Calculated based on 90% fixed debt and 10% variable debt assumption.

Debt Issuance Assumptions:

- 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, based on an interest rate of 2.38%.
- Current fixed-rate estimates are derived from prevailing Fair Market Yield BVAL Curves for A+ and AA- rated Transportation issuers as published by Bloomberg Information Service. Financial Plan years 2017–2020 derived by applying changes in U.S. Dollar Swap Forward Curves to prevailing transportation curves (as of September 30, 2016).
- The 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 assumed to be 2% of the gross bonding amount.
- Assumes issuance of \$714 million of DTF bonds to take out outstanding DTF Bond Anticipation Notes in 2017. Due to the Additional Bonds Test constraints of the DTF credit, no additional DTF new money bonds are assumed to be issued over the Financial Plan period after 2017.
- All bonds issued to finance TBTA capital projects are assumed to be issued under the TBTA General Revenue Resolution.
- The 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 are assumed in these projections.

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2017-2020

Summary of Total Budgeted Debt Service

(\$ in millions)

Line Number		ACTUAL		FORECAST			
		2015	2016	2017	2018	2019	2020
9	<u>New York City Transit (NYCT):</u>						
10	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$884.666	\$896.274	\$952.805	\$968.441	\$969.260	\$966.452
11	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	11.668	43.594	88.804	136.100
12	2 Broadway Certificates of Participation - NYCT Share	19.796	17.828	18.605	19.395	13.625	6.087
13	2 Broadway Certificates of Participation - Additional NYCT Share of MTA Lease Portion	0.000	0.565	2.575	2.685	1.886	0.843
13	Bond Anticipation Notes	0.189	0.000	0.000	0.000	0.000	0.000
14	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	297.871	330.250	331.044	328.066	326.648	328.072
15	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	<u>0.000</u>	<u>0.000</u>	<u>16.137</u>	<u>32.275</u>	<u>32.275</u>	<u>32.275</u>
16	Sub-Total MTA Paid Debt Service	\$1,202.521	\$1,244.918	\$1,332.834	\$1,394.456	\$1,432.497	\$1,469.829
17							
18	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$172.522	\$172.475	\$176.758	\$175.842	\$177.957	\$175.466
19	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	<u>68.626</u>	<u>70.679</u>	<u>74.520</u>	<u>74.003</u>	<u>73.881</u>	<u>73.619</u>
20	Sub-Total B&T Paid Debt Service	\$241.149	\$243.154	\$251.279	\$249.845	\$251.838	\$249.085
21							
22	Total NYCT Debt Service	\$1,443.670	\$1,488.073	\$1,584.112	\$1,644.301	\$1,684.335	\$1,718.915
23							
24	<u>Commuter Railroads (CRR):</u>						
25	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$545.609	\$563.274	\$604.570	\$614.492	\$615.011	\$613.230
26	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	16.917	69.557	148.924	233.708
27	Bond Anticipation Notes	0.123	0.000	0.000	0.000	0.000	0.000
28	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	67.472	70.775	67.321	66.715	66.427	66.717
29	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	<u>0.000</u>	<u>0.000</u>	<u>2.848</u>	<u>5.696</u>	<u>5.696</u>	<u>5.696</u>
30	Sub-Total MTA Paid Debt Service	\$613.204	\$634.049	\$691.656	\$756.459	\$836.057	\$919.350
31							
32	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$81.093	\$81.070	\$83.084	\$82.653	\$83.647	\$82.476
33	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	<u>30.151</u>	<u>31.054</u>	<u>32.741</u>	<u>32.514</u>	<u>32.460</u>	<u>32.345</u>
34	Sub-Total B&T Paid Debt Service	\$111.244	\$112.124	\$115.825	\$115.167	\$116.107	\$114.821
35							
36	Total CRR Debt Service	\$724.448	\$746.173	\$807.480	\$871.626	\$952.165	\$1,034.171
37							
38	<u>Bridges and Tunnels (B&T):</u>						
39	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$231.114	\$253.773	\$275.557	\$274.127	\$277.425	\$273.542
40	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	27.109	27.920	29.437	29.233	29.184	29.081
41	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	3.775	17.817	43.062	76.680
42	2 Broadway Certificates of Participation - TBTA Share	2.799	2.556	2.789	2.908	2.043	0.913
43	2 Broadway Certificates of Participation - Additional TBTA Share of MTA Lease Portion	0.000	0.045	0.206	0.215	0.151	0.067
44	Total B&T Debt Service	\$261.022	\$284.294	\$311.764	\$324.300	\$351.865	\$380.283
45							
46	<u>MTA Bus:</u>						
47	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$29.829	\$25.673	\$21.886	\$22.245	\$22.264	\$22.200
48	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	0.753	2.321	4.523	7.511
49	Bond Anticipation Notes	0.003	0.000	0.000	0.000	0.000	0.000
50							
51	Total MTA Bus Debt Service	\$29.832	\$25.673	\$22.639	\$24.566	\$26.787	\$29.710
52							
53	<u>Staten Island Railway (SIRTOA):</u>						
54	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$0.707	\$0.600	\$0.361	\$0.366	\$0.367	\$0.366
55	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	0.422	1.737	4.160	7.455
56	Bond Anticipation Notes	0.000	0.000	0.000	0.000	0.000	0.000
57							
58	Total SIRTOA Debt Service	\$0.707	\$0.600	\$0.783	\$2.104	\$4.527	\$7.820
59							
60	Total MTA HQ Debt Service for 2 Broadway Certificates of Participation	\$2.716	\$2.524	\$2.906	\$3.029	\$2.128	\$0.951

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2017-2020

Summary of Total Budgeted Debt Service

(\$ in millions)

Line Number		ACTUAL						FORECAST						
		2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020	
61	<u>MTA Total:</u>													
62														
63	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$1,460.811	\$1,485.821	\$1,579.621	\$1,605.545	\$1,606.901	\$1,602.248							
64	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	365.342	401.026	398.365	394.781	393.075	394.789							
65	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	484.729	507.318	535.398	532.622	539.029	531.484							
66	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	125.886	129.653	136.698	135.750	135.526	135.045							
67	2 Broadway Certificates of Participation	25.311	23.519	27.081	28.232	19.832	8.860							
68	Bond Anticipation Notes	0.315	0.000	0.000	0.000	0.000	0.000							
69	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	29.760	117.210	246.411	384.774							
70	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	0.000	18.985	37.970	37.970	37.970							
71	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	3.775	17.817	43.062	76.680							
72														
73	Total Debt Service	\$2,462.394	\$2,547.336	\$2,729.684	\$2,869.926	\$3,021.807	\$3,171.850							
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	\$0.000	\$0.000	\$0.000							
78	Investment Income from Dedicated Tax Fund Debt Service Fund	0.000	0.000	0.000	0.000	0.000	0.000							
79	Investment Income from TBTA (B&T) General Revenue Debt Service Fund	0.000	0.000	0.000	0.000	0.000	0.000							
80	Investment Income from TBTA (B&T) Subordinate Revenue Debt Service Fund	0.000	0.000	0.000	0.000	0.000	0.000							
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	\$0.000	\$0.000	\$0.000							
84														
85	<u>MTA Net Total</u>													
86														
87	Net Transportation Revenue Bonds Debt Service	\$1,460.811	\$1,485.821	\$1,609.382	\$1,722.754	\$1,853.313	\$1,987.021							
88	Bond Anticipation Notes	0.315	0.000	0.000	0.000	0.000	0.000							
89	Net Dedicated Tax Fund Bonds Debt Service	365.342	401.026	417.350	432.751	431.045	432.759							
90	Net TBTA (B&T) General Revenue Bonds Debt Service	484.729	507.318	539.173	550.439	582.091	608.164							
91	Net TBTA (B&T) Subordinate Revenue Bonds Debt Service	125.886	129.653	136.698	135.750	135.526	135.045							
92	Net 2 Broadway Certificates of Participation Debt Service	25.311	23.519	27.081	28.232	19.832	8.860							
93	Build America Bonds Interest Subsidy - TRB	(54.588)	(54.594)	(54.330)	(54.167)	(53.580)	(52.918)							
94	Build America Bonds Interest Subsidy - DTF	(26.061)	(26.334)	(26.326)	(26.326)	(26.175)	(26.012)							
95	Build America Bonds Interest Subsidy - TBTA GR Bonds	(8.424)	(8.429)	(8.411)	(8.411)	(8.411)	(8.411)							
96														
97	Total MTA Net Debt Service	\$2,373.321	\$2,457.979	\$2,640.618	\$2,781.023	\$2,933.641	\$3,084.509							

Debt Service Affordability Statement

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METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2017-2020

Debt Affordability Statement ⁽¹⁾

\$ in millions

Forecasted Debt Service and Borrowing Schedule	Notes	2015 ACTL	2016	2017	2018	2019	2020
Combined MTA/TBTA Forecasted Debt Service Schedule	1, 2, 3	\$2,348.0	\$2,434.5	\$2,613.5	\$2,752.8	\$2,913.8	\$3,075.6
Forecasted New Money Bonds Issued	4	2,895.3	1,692.2	1,892.9	2,390.8	3,130.6	3,078.0
Forecasted Debt Service by Credit ⁹	Notes	2015 ACTL	2016	2017	2018	2019	2020
Transportation Revenue Bonds							
Pledged Revenues	5	\$13,114.0	\$13,220.4	\$13,271.1	\$13,365.5	\$13,527.6	\$13,721.8
Debt Service		1,406.5	1,431.2	1,555.1	1,668.6	1,799.7	1,934.1
Debt Service as a % of Pledged Revenues		11%	11%	12%	12%	13%	14%
Dedicated Tax Fund Bonds							
Pledged Revenues	6	\$616.5	\$619.1	\$598.9	\$593.1	\$590.3	\$587.9
Debt Service		339.3	374.7	391.0	406.4	404.9	406.7
Debt Service as a % of Pledged Revenues		55%	61%	65%	69%	69%	69%
Triborough Bridge and Tunnel Authority General Revenue Bonds							
Pledged Revenues	7	\$1,355.3	\$1,342.5	\$1,294.5	\$1,233.6	\$1,226.6	\$1,218.7
Debt Service		476.3	498.9	530.8	542.0	573.7	599.8
Debt Service as a % of Total Pledged Revenues		35%	37%	41%	44%	47%	49%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds							
Pledged Revenues	8	\$879.0	\$843.6	\$763.7	\$691.6	\$652.9	\$618.9
Debt Service		125.9	129.7	136.7	135.7	135.5	135.0
Debt Service as a % of Total Pledged Revenues		14%	15%	18%	20%	21%	22%
Cumulative Debt Service (Excluding State Service Contract Bonds)	Notes	2015 ACTL	2016	2017	2018	2019	2020
Total Debt Service	1, 2, 3	\$2,348.0	\$2,434.5	\$2,613.5	\$2,752.8	\$2,913.8	\$3,075.6
Fare and Toll Revenues		\$7,770.0	\$7,901.4	\$7,954.3	\$7,991.9	\$8,027.4	\$8,067.8
Total Debt Service as a % of Fare and Toll Revenue		30%	31%	33%	34%	36%	38%
Operating Revenues (including Fare and Toll Revenues) and Subsidies		\$15,055.0	\$15,324.0	\$15,450.9	\$15,690.6	\$15,915.8	\$16,175.8
Total Debt Service as a % of Operating Revenues and Subsidies		16%	16%	17%	18%	18%	19%
Non-Reimbursable Expenses with Non-Cash Liabilities		\$15,413.8	\$16,480.7	\$17,630.7	\$18,052.6	\$18,572.3	\$19,252.8
Total Debt Service as % of Non-reimbursable Expenses		15%	15%	15%	15%	16%	16%

Notes on the following page are integral to this table.

Notes

- 1 *Unhedged tax-exempt variable rate debt, other than floating rate note bonds reflects actual rates through September 2016. Floating rate notes assumed at 4.00% plus the current fixed spread to maturity.*
- 2 *Synthetic fixed-rate debt assumed at swap rate; floating rate notes assumed at swap rate plus the current fixed spread to maturity.*
- 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 2016 issuance through October 3, 2016 is included with the forecast and is reflective of new money bonds.*
- 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 SIRTQA.*
- 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 October 3, 2016 (\$ 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
2016	1,431.2	-	1,431.2	374.7	-	374.7	498.9	-	498.9	129.7	-	129.7	2,434.5	-	2,434.5
2017	1,525.3	29.8	1,555.1	372.0	19.0	391.0	527.0	3.8	530.8	136.7	-	136.7	2,561.0	52.5	2,613.5
2018	1,551.4	117.2	1,668.6	368.5	38.0	406.4	524.2	17.8	542.0	135.7	-	135.7	2,579.8	173.0	2,752.8
2019	1,553.3	246.4	1,799.7	366.9	38.0	404.9	530.6	43.1	573.7	135.5	-	135.5	2,586.4	327.4	2,913.8
2020	1,549.3	384.8	1,934.1	368.8	38.0	406.7	523.1	76.7	599.8	135.0	-	135.0	2,576.2	499.4	3,075.6
2021	1,549.2	492.5	2,041.6	368.3	38.0	406.2	520.4	113.3	633.7	135.7	-	135.7	2,573.6	643.8	3,217.3
2022	1,538.4	549.4	2,087.9	365.5	38.0	403.5	493.7	147.1	640.9	135.2	-	135.2	2,532.9	734.5	3,267.5
2023	1,551.8	569.0	2,120.8	367.3	38.0	405.3	548.6	171.0	719.6	135.8	-	135.8	2,603.4	778.0	3,381.4
2024	1,542.6	572.7	2,115.3	366.8	38.0	404.7	512.2	179.1	691.3	135.9	-	135.9	2,557.4	789.8	3,347.2
2025	1,524.6	573.0	2,097.6	367.2	38.0	405.2	512.2	179.1	691.3	135.8	-	135.8	2,539.8	790.1	3,330.0
2026	1,555.6	573.1	2,128.7	364.4	38.0	402.3	511.5	179.1	690.6	136.0	-	136.0	2,567.5	790.2	3,357.7
2027	1,551.4	573.2	2,124.5	357.2	38.0	395.2	513.3	179.1	692.4	136.1	-	136.1	2,558.0	790.3	3,348.3
2028	1,547.3	573.2	2,120.4	365.6	38.0	403.6	527.1	179.1	706.2	136.4	-	136.4	2,576.3	790.3	3,366.6
2029	1,554.3	573.2	2,127.4	364.3	38.0	402.3	526.2	179.1	705.3	136.3	-	136.3	2,581.0	790.3	3,371.3
2030	1,549.8	573.2	2,123.0	365.9	38.0	403.9	528.4	179.1	707.5	136.5	-	136.5	2,580.6	790.3	3,370.9
2031	1,564.4	573.2	2,137.6	364.2	38.0	402.2	541.1	179.1	720.3	129.6	-	129.6	2,599.4	790.3	3,389.7
2032	1,490.8	573.2	2,064.0	365.7	38.0	403.7	435.4	179.1	614.5	76.5	-	76.5	2,368.4	790.3	3,158.6
2033	1,215.5	573.2	1,788.7	343.0	38.0	380.9	270.4	179.1	449.6	-	-	-	1,828.9	790.3	2,619.2
2034	1,216.7	573.2	1,789.8	199.9	38.0	237.9	279.5	179.1	458.6	-	-	-	1,696.1	790.3	2,486.4
2035	1,195.0	573.2	1,768.1	177.5	38.0	215.5	310.6	179.1	489.7	-	-	-	1,683.1	790.3	2,473.3
2036	1,027.0	573.2	1,600.1	322.4	38.0	360.4	305.2	179.1	484.3	-	-	-	1,654.6	790.3	2,444.8
2037	1,000.7	565.4	1,566.1	339.5	38.0	377.4	305.5	179.1	484.7	-	-	-	1,645.7	782.5	2,428.2
2038	934.2	539.3	1,473.6	328.1	38.0	366.1	283.5	179.1	462.6	-	-	-	1,545.9	756.4	2,302.3
2039	870.8	521.1	1,391.9	276.2	38.0	314.2	132.4	179.1	311.5	-	-	-	1,279.4	738.2	2,017.6
2040	766.5	521.1	1,287.6	37.8	38.0	75.8	89.6	179.1	268.7	-	-	-	893.9	738.2	1,632.1
2041	615.8	521.1	1,136.9	8.0	38.0	46.0	69.8	179.1	248.9	-	-	-	693.6	738.2	1,431.8
2042	552.4	521.1	1,073.5	8.0	38.0	46.0	68.0	179.1	247.1	-	-	-	628.4	738.2	1,366.6
2043	409.6	521.1	930.7	8.0	38.0	46.0	55.6	179.1	234.7	-	-	-	473.3	738.2	1,211.5
2044	267.1	521.1	788.2	8.0	38.0	46.0	50.7	179.1	229.9	-	-	-	325.8	738.2	1,064.0
2045	171.2	521.1	692.3	8.0	38.0	46.0	36.7	179.1	215.9	-	-	-	215.9	738.2	954.1
2046	120.0	521.1	641.1	8.0	38.0	46.0	30.6	179.1	209.7	-	-	-	158.6	738.2	896.8
2047	106.2	499.2	605.4	8.0	19.0	27.0	13.7	175.3	189.1	-	-	-	128.0	693.5	821.5
2048	98.4	437.7	536.1	8.0	-	8.0	13.7	161.3	175.0	-	-	-	120.1	599.0	719.2
2049	98.4	326.8	425.1	8.0	-	8.0	13.7	136.1	149.8	-	-	-	120.1	462.8	582.9
2050	94.6	188.4	283.0	8.0	-	8.0	12.0	102.4	114.4	-	-	-	114.6	290.8	405.5
2051	68.9	80.7	149.6	8.0	-	8.0	-	65.8	65.8	-	-	-	76.9	146.5	223.4
2052	68.9	23.7	92.6	8.0	-	8.0	-	32.0	32.0	-	-	-	76.9	55.7	132.6
2053	68.9	4.2	73.1	8.0	-	8.0	-	8.1	8.1	-	-	-	76.9	12.3	89.2
2054	68.9	0.5	69.4	8.0	-	8.0	-	-	-	-	-	-	76.9	0.5	77.4
2055	66.9	0.1	67.0	8.0	-	8.0	-	-	-	-	-	-	74.9	0.1	75.1
2056	46.4	0.0	46.4	6.8	-	6.8	-	-	-	-	-	-	53.2	0.0	53.2

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 year-to-year and a plan-to-plan 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, customer-focused amenities, safety initiatives, Information Technology (IT) support, and new service and platform budget adjustments. Position levels also capture resources required to support capital projects, as well as the operation, maintenance and cleaning requirements of those projects once they are completed and put into operational service. These additional positions, as well as Budget Reduction Proposals (BRPs) which may have a partially offsetting impact to the headcount, are captured in the tables and narrative on the following pages and detailed in the Agency sections.

METROPOLITAN TRANSPORTATION AUTHORITY					
November Financial Plan 2017-2020					
Favorable/(Unfavorable)					
Total Position Changes at a Glance					
	2016	2017	2018	2019	2020
2016 July Plan - Total Baseline Positions¹	71,762	71,631	71,550	71,594	71,508
Total Plan-to-Plan Changes	(47)	(1,041)	(680)	(584)	(615)
2016 November Plan - Total Baseline Positions¹	71,809	72,672	72,230	72,178	72,123
Total Year-to-Year Changes, November Plan		(863)	442	52	55
Total Plan-to-Plan Changes by Reporting Category:					
<i>Non-Reimbursable</i>	4	(289)	(330)	(343)	(468)
<i>Reimbursable</i>	(51)	(752)	(350)	(241)	(147)
Total	(47)	(1,041)	(680)	(584)	(615)
<i>Full-Time</i>	(46)	(1,040)	(679)	(583)	(614)
<i>Full-Time Equivalents</i>	(1)	(1)	(1)	(1)	(1)
Total	(47)	(1,041)	(680)	(584)	(615)
<i>By Function Category</i>					
- Administration	(24)	(51)	(51)	(53)	(57)
- Operations	(58)	(568)	(331)	(268)	(227)
- Maintenance	(2)	(395)	(271)	(239)	(312)
- Engineering/Capital	1	(14)	(14)	(11)	(6)
- Public Safety	36	(13)	(13)	(13)	(13)
Total	(47)	(1,041)	(680)	(584)	(615)
<i>By Occupational Group</i>					
- Managers/Supervisors	(239)	(396)	(338)	(336)	(346)
- Professional, Technical, Clerical	109	43	43	61	72
- Operational Hourlies	83	(688)	(385)	(309)	(341)
Total	(47)	(1,041)	(680)	(584)	(615)
Total Plan-to-Plan Changes by Major Category:					
<i>2016 BRPs</i>	5	3	3	3	3
<i>New Needs</i>	161	35	(6)	(6)	(6)
<i>Change in Reimbursable Positions</i>	(51)	(752)	(350)	(241)	(147)
<i>Re-estimates & All Other²</i>	(162)	(327)	(327)	(340)	(465)
Total	(47)	(1,041)	(680)	(584)	(615)

¹ Reflects positions at year end (December 31).

² Includes Full-Time Equivalents

Year-to-Year Position Changes

2017 vs. 2016

The consolidated 2017 baseline includes 72,672 positions, an overall net increase of 863 positions from the 2016 level. This is primarily due to:

- **NYCT** – an increase of 337 positions, mainly related to the platform budget-normal business, TA labor adjustments and platform controller program increases.
- **LIRR** – an increase of 203 positions to support Transportation staffing levels based on availability, Engineering staffing levels to support capital and maintenance activities, staffing levels to support Audio Video Recording Monitoring System (AVRM) installation and East Side Access (ESA) readiness efforts. Changes between non-reimbursable and reimbursable positions reflect the timing of capital and maintenance activities.
- **MNR** – an increase of 135 positions, comprised of 186 reimbursable positions, partially offset by 51 non-reimbursable positions, to maintain MNR infrastructure, track, power, stations, right-of-way, rolling stock fleet, and Communications and Signals (C&S) additions supporting various projects. The increase also reflects additional T&E positions supporting capital activity, the Procurement Reorganization, and various customer service, safety/security, engineering, and maintenance requirements.
- **B&T** – an increase of 13 positions comprised of: 3 engineering positions for the administration of design-build capital projects; 4 security positions for heightened security presence, project administration and systems management; 4 legal positions to meet legal and other administrative requirements related to Open Road Tolling, such as violation enforcement; and 2 custodial assistants to cover the cleaning and light maintenance needs of a new training facility.
- **MTAHQ** – an increase of 80 total positions, 59 of which are MTA Police (MTAPD) positions to perform counter-terrorism and homeless outreach duties and 19 Information Technology positions.
- **MTA Bus** – an increase of 95 positions to support General Superintendent Training, Central Road Control, Farebox Maintenance, Shop–Hawk Shift, SBS (Select Bus Service) Engineers, Employee Availability, Platform Budget, Shop Program and Enterprise Asset Management (EAM) adjustments and changes.

2018 – 2020

Total positions are projected at 72,230 in 2018, representing a decrease of 442 positions from 2017. Net decreases in positions are expected to be 489 at NYCT, mainly due to Capital Program support changes, training float adjustments and changes in the Subways SMS program. Staffing levels increase by a net 36 positions at LIRR, comprised of an increase of 316 non-reimbursable positions, partially offset by a decrease of 280 reimbursable positions. The change in year-end non-reimbursable and reimbursable headcount is due largely to the timing of capital and maintenance activity. Net increases in positions are expected to be 25 at MNR, mainly support for the Cyclical Track Program and C&S activity in connection with various capital projects. MTAHQ positions increase by 4 positions for IT. SIR increases by 1 position to support the implementation of EAM. MTA Bus headcount decreases by 19, mainly to reflect Shop Program adjustments and changes.

Total forecasted positions are projected at 72,178 in 2019, a decrease of 52 positions from 2018. Position decreases are expected to be 90 at NYCT, mainly due to changes in capital project completion. The LIRR decreases by one net position mainly due to reimbursable decreases to reflect changes in project activity and the completion of Maintenance of Equipment's PTC (Positive Train Control) initiative, partially offset by non-reimbursable increases for ESA readiness efforts. MNR increases by 4 Maintenance of Way C&S positions to support several critical projects. B&T increases by 2 positions to support EAM. MTAHQ increases by 24 due to the MTAPD hiring plan, which will be ramping up for ESA and its anticipated opening in 2022. SIR decreases by 14 reimbursable positions to reflect anticipated reductions in capital project activity. Increases of 23 at MTA Bus are mainly related to support the Shop Program, EAM and Bus Technology.

Total forecasted positions are projected at 72,123 in 2020, a decrease of 55 positions from 2019. Net position decreases of 255 at NYCT are mainly due to changes in capital project completion and the Sandy Recovery & Resiliency program. Net position increases at the LIRR are expected to be 148, primarily to support ESA readiness efforts, partially offset by decreases in reimbursable positions to reflect changes in project activity and the completion of the PTC initiative. MNR increases by 2 reimbursable positions in Maintenance of Way to support various capital projects. B&T increases by 6 positions to support EAM. MTAHQ increases by 54 positions to support the MTAPD hiring plan for ESA that anticipates a projected opening in 2022. MTA Bus decreases by 10 positions, mainly to reflect Shop Program adjustments and changes.

November Plan vs. July Plan Position Changes

2016

Total positions of 71,809 reflect an increase of 47 positions from the July Plan, primarily due to:

- **NYCT** – increases by 201 positions, comprising 114 reimbursable and 87 non-reimbursable positions. Reimbursable increases are to support the Capital Program and MTA Priority Initiatives–Beacons. Non-reimbursable increases are for Training Float adjustments, Platform Budget–Normal Business and EAM, partially offset by decreases related to changes in requirements for the Second Avenue Subway (SAS) and Platform Budget–SBS Rollout.
- **LIRR** – increases by 29 position, mainly due to the timing of new hire trainees.
- **MNR** – increases by 7 positions due to the addition of 5 Customer Service positions for Social Media Coverage, the rescheduling of 4 Maintenance of Way Administration positions for EAM, 2 Security positions for the previously approved Expanded Video Management Capabilities and 1 Human Resource position for expanded recruiting responsibilities. These increases are partially offset by the reduction of 5 CDOT funded positions in Customer Service. There is also a reallocation of 58 positions from reimbursable to non-reimbursable work to reflect changes to capital project activity.
- **B&T** – decreases by 172 vacant Bridge and Tunnel Officer (BTO) positions that do not need to be filled due to the new operating environment of Open Road Tolling.
- **MTAHQ** – decreases by 18 positions, primarily due to the delay of hiring of MTAPD officers for counter terrorism efforts, partially offset by the transfer of Procurement positions ahead of the consolidation and other administrative headcount increases, such as in Labor Relations and Real Estate.

2017

Total positions of 72,672 reflect an increase of 1,041 positions from the July Plan, mainly attributable to:

- **NYCT** – increases by 775 positions, comprising 434 Reimbursable and 341 non-reimbursable positions. Reimbursable increases are primarily to support: RTO TA Labor, MTA Priority Initiatives–Beacons, Signals Construction, Bus Shuttles Capital Track Program, and Subways Capital Program Support. Non-reimbursable increases are for Training Float adjustments and Platform Budget–Normal Business, partially offset by decreases related to the SAS.
- **LIRR** – increases by 226 total positions, including 268 reimbursable positions, partially offset by 42 non-reimbursable positions. The change in year-end non-reimbursable and reimbursable headcount is due to the timing of capital and maintenance activity. As a result, the year-end headcount as reported can appear to be more dramatic than the change in average headcount. The 42 non-reimbursable position decrease is primarily driven by this capital activity, partially offset by updated Transportation staffing levels based on availability of an additional 47 positions, additional PTC and M9 operating positions, facility maintenance, social media, ticket remittance and signal inspection and testing.
- **MNR** – increases by 109 positions, consisting of 60 non-reimbursable and 49 Reimbursable positions. Non-reimbursable increase support: right-of-way cleanup efforts, Procurement reorganization, the Station Power Washing Supervision project, Reorganization of the GCT Emergency Response Group, drug testing to meet FRA requirements and fleet management. Reimbursable positions support: CDOT Capitally

Funded Projects, CDOT Capitially Funded Power Projects, MTA Capital Program Funded Power Projects, Procurement Reorganization and other capital work.

- **B&T** – decreases by 163 which carries forward 2016 reductions, partially offset by increases to support increased security presence, program management and a new training facility.
- **MTAHQ** – increases by 21 positions, primarily due to the transfer of Procurement positions ahead of the consolidation as well as other administrative headcount increases, such as in Labor Relations and Real Estate.
- **MTA Bus** – increases by 73 positions, reflecting headcount adjustments for Employee Availability and the Platform Budget, as well as positions for new needs to support: Shop–Hawk Shift, SBS Engineers, Farebox Line Supervisor, General Superintendent Training and Central Road Service.

2018

Total positions of 72,230 positions in 2018 reflect increases of 680 from the July Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 534 positions, comprised of 264 reimbursable and 270 non-reimbursable positions. Reimbursable increases are primarily to support: RTO TA Labor, Signals Construction, Subways Capital Program Support, DoS Engineering Support, Electronic Maintenance Division Support, Car Equipment Support and Second Avenue Subway Support. Non-reimbursable increases are for: Training Float adjustments, Platform Budget–Normal Business, Bus Shop Plan–Engine Rebuild, and a new need starting in 2018 resulting in an increase of 26 positions to support the MTA Priority Initiative–Enhance Stations Initiative (ESI).
- **LIRR** – increases by 83 positions, primarily related to updated Transportation staffing levels based on availability.
- **MNR** – increases by 132 positions, consisting of 85 non-reimbursable and 47 reimbursable position increases. In addition to the positions that carry forward from 2017, the November Plan includes additional positions to support various capital projects, including the Cyclical Track Program.
- **B&T** – decreases by 163 position that carry forward programmatic initiatives from 2017.
- **MTAHQ** – increases by 21 positions that carry forward programmatic initiatives from 2017.
- **MTA Bus** – increases by 73 positions that carry forward programmatic initiatives from 2017.

2019

Total positions of 72,178 positions in 2019 reflect increases of 584 positions from the July Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 473 positions, comprised of 223 reimbursable and 250 non-reimbursable positions, primarily to support programmatic initiatives that carry forward from 2018.
- **LIRR** – increases by 46 positions, primarily for additional PTC and M9 operating positions, facility maintenance, social media, ticket remittance and signal inspection and testing.
- **MNR** – increases by 134 positions, consisting of 144 non-reimbursable position increases, partially offset by 10 reimbursable position decreases and carries forward initiatives from 2017 and 2018. The net decrease in reimbursable positions reflects the reallocation of positions from reimbursable to non-reimbursable work.
- **B&T** – decreases by 163 position and continues programmatic initiatives from 2017.

- **MTAHQ** – increases by 21 positions that carry forward programmatic initiatives from 2017.
- **MTA Bus** – increases by 73 positions that carry forward programmatic initiatives from 2017.

2020

Total positions of 72,123 positions in 2020 reflect increases of 615 positions from the July Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 514 positions, consisting of 371 non-reimbursable and 143 reimbursable positions, which, in addition to reflecting programmatic initiatives that carry forward from 2019, reflect an increase of 122 positions associated with SMS Program Adjustments.
- **LIRR** – increases by 34 positions and continues programmatic initiatives from 2019.
- **MNR** – increases by 136 positions, consisting of 144 non-reimbursable position increases, partially offset by 8 reimbursable position decreases that carry forward programmatic initiatives from 2017, 2018 and 2019.
- **B&T** – decreases by 163 position and continues programmatic initiatives from 2017.
- **MTAHQ** – increases by 21 positions that carry forward programmatic initiatives from 2017.
- **MTA Bus** – increases by 73 positions that carry forward programmatic initiatives from 2017.

November Plan vs. February Plan Position Changes

2016

Total positions of 71,809 reflect an increase of 304 positions from the February Plan, primarily due to:

- **NYCT** – increases by 307 positions, mainly to support the Capital Program, MTA Priority Initiatives–Beacons, Training Float adjustments, Platform Budget–Normal Business, EAM, “On-the-Go” kiosks, “Help Point” intercoms, Station Platform Control, Capital Track Program, Subways Capital Support and Capital Signal Program.
- **LIRR** – increases by 60 positions due to the timing of new hire trainees, the redeployment of engineering resources to support capital and maintenance activities, PTC and other capital activities.
- **MNR** – increases by 5, mainly reflects the net impact of adding new staff to support various customer service, EAM, security, recruitment and maintenance activities, as well as a reallocation of capital resources to the operating budget, partially offset by position reductions associated with CDOT funding actions.
- **B&T** – decreases by 169 positions to reflect currently vacant BTO positions associated with Open Road Tolling.
- **MTAHQ** – increases by 73 positions mainly in connection with the following initiatives: IT support for various operational functions, including network infrastructure maintenance and improvement, network support, cyber security, customer service, and other requirements critical to operations; Human Resources positions to support consolidated functions, as well as the testing and hiring responsibilities for MTA PD; Occupational Health Services for MNR and MTAHQ employees; compliance officers to maintain, monitor and review compliance with New York State’s financial disclosure system; special

counsel to support increased real estate transactions; and additional police officers to support Homeless Outreach.

- **SIR** – decreases by 10 net positions due to reduced capital project activity, partially offset by one position each to support maintenance requirements for a new substation and to provide oversight to the Infrastructure Department.
- **MTA Bus** – increases by 38 positions in support of: Bus Service Adjustments, CMF Staffing, SBS routes, EEO initiatives, Electronic Support Systems, the Shop Program, CMO Staffing, Route Extension and Bus Diagnostic Licenses.

2017

Total positions of 72,672 reflect an increase of 1,460 positions from the February Plan, mainly attributable to:

- **NYCT** – increases by 907 positions, comprised of 492 reimbursable and 415 non-reimbursable positions. Reimbursable increases are primarily to support: RTO TA Labor, MTA Priority Initiatives–Beacons, Signals Construction, Bus Shuttles Capital Track Program, and Subways Capital Program Support. Non-reimbursable increases reflect Training Float adjustments, SBS, Platform Controllers Program, and Platform Budget–Normal Business, partially offset by decreases related to the SAS.
- **LIRR** – increases by 342 positions, comprised of 331 reimbursable and 11 non-reimbursable positions. The change in year-end non-reimbursable and reimbursable headcount is due to the timing of capital and maintenance activity.
- **MNR** – increases by 128 net positions, primarily to support: security and PTC projects, right-of-way cleanup efforts, Procurement Reorganization, station power washing and fleet management activities, GCT Emergency Response efforts, and drug testing requirements. Reimbursable positions support: MTA and CDOT Capitially Funded Projects including the Power initiatives, Procurement Reorganization and various other capital work.
- **B&T** – decreases by 156 positions to reflect vacant BTO positions associated with Open Road Tolling, partially offset by increases to support increased security presence, program management and a new training facility.
- **MTAHQ** – increases by 137 positions and continues programmatic initiatives from 2016.
- **SIR** – decreases by 10 positions which carry forward initiatives from 2016.
- **MTA Bus** – increases by 112 net positions, and in addition to reflecting programmatic initiatives from 2016, also reflects headcount adjustments for Employee Availability and the Platform Budget, as well as positions for new needs to support: Shop–Hawk Shift, SBS Engineers, Farebox Line Supervisor, General Superintendent Training and Central Road Service.

2018

Total positions of 72,230 positions reflect increases of 1,081 from the February Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 660 positions, continuing programmatic initiatives from 2016 and 2017.
- **LIRR** – increases by 162 positions, reflecting the continued impact of certain 2017 programmatic initiatives, changes in project activity, as well as position increases related to Transportation staffing levels based on availability.
- **MNR** – increases by 151 positions, which reflect programmatic initiatives that carry forward from 2017 as well additional positions to support security initiatives and the PTC project.
- **B&T** – decreases by 156 non-reimbursable positions that carry programmatic initiatives forward from 2017.
- **MTAHQ** – increases by 135 positions, which carry forward programmatic initiatives from 2016.
- **SIR** – increases by 10 positions which carry forward programmatic initiatives from 2016.
- **MTA Bus** – increases by 139 positions, and in addition to reflecting programmatic initiatives that carry forward from 2017, includes additional support for Shop Program requirements.

2019

Total positions of 72,178 positions reflect increases of 901 positions from the February Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 608 positions, and continues to reflect the programmatic initiatives that carry forward from 2016 and 2017.
- **LIRR** – increases by 77 positions, and reflects the continued impact of programmatic initiatives from 2018.
- **MNR** – increases by 153 positions that carry forward programmatic initiatives from 2018.
- **B&T** – decreases by 156 non-reimbursable that carry forward programmatic initiatives from 2017.
- **MTAHQ** – increases by 122 positions that carry forward programmatic initiatives from 2016.
- **SIR** – increases by 2 positions, which carry forward initiatives from 2018, but excludes the impact of position reductions of 12 reimbursable positions from previous years to reflect changes in capital project activity.
- **MTA Bus** – increases by 95 positions that carry forward programmatic initiatives from 2018.

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 2017-2020					
Favorable/(Unfavorable)					
Position Impacts of New Needs					
	2016	2017	2018	2019	2020
NYCT					
<i>Enhanced Stations Initiative</i>	0	0	(26)	(26)	(26)
Total	0	0	(26)	(26)	(26)
LIRR					
<i>None</i>	0	0	0	0	0
Total	0	0	0	0	0
MNR					
<i>Capital Programs: Senior Engineer, Staff Project Scheduler</i>	0	(1)	(1)	(1)	(1)
<i>Capital Programs: AD Structures, Senior Engineer Structures</i>	0	(2)	(2)	(2)	(2)
<i>Drug Testing Positions to Meet FRA Mandated Requirements</i>	0	(2)	(2)	(2)	(2)
<i>Recruiter for Agreement Promotions Coverage</i>	(1)	(1)	(1)	(1)	(1)
<i>Passenger Rail Investment and Improvement Act Billing Manager</i>	0	(1)	(1)	(1)	(1)
<i>Hyperion Financial System Support Manager</i>	0	(1)	(1)	(1)	(1)
<i>Reorganization - Operations Procurement</i>	0	(5)	(5)	(5)	(5)
<i>Reorganization - Design Build/Innovative Procurement</i>	0	(7)	(7)	(7)	(7)
<i>24/7 Social Media Initiative per MTA All-Agency Directive</i>	(5)	(5)	(5)	(5)	(5)
<i>Customer Advocacy Initiative</i>	0	(2)	(2)	(2)	(2)
<i>Class A Linemen, Substation Linemen, Power Directors</i>	0	(22)	(22)	(22)	(22)
<i>Flagging Positions to Support CT Capital Power Projects</i>	0	(20)	(20)	(20)	(20)
<i>Third Railmen to Support NY Capital Power Projects</i>	0	(18)	(18)	(18)	(18)
<i>Expanded Track Replacement Program</i>	0	0	(15)	(15)	(15)
<i>Communications Department CCTV Staffing</i>	0	(3)	(3)	(3)	(3)
<i>System-Wide Right of Way Clean-Up Efforts</i>	0	(8)	(8)	(8)	(8)
<i>Reorganization of the GCT Emergency Response Group</i>	0	(4)	(4)	(4)	(4)
<i>Power Washing Supervision - Safety Challenge</i>	0	(6)	(6)	(6)	(6)
Total	(6)	(108)	(123)	(123)	(123)
B&T					
<i>Open Road Tolling</i>	172	168	168	168	168
<i>New Training Facility</i>	0	(2)	(2)	(2)	(2)
<i>Increased Security Presence and Project Management</i>	0	(3)	(3)	(3)	(3)
Total	172	163	163	163	163
MTAHQ					
<i>Labor Relations</i>	(2)	(2)	(2)	(2)	(2)
<i>External Communication</i>	(1)	(1)	(1)	(1)	(1)
<i>Chairman's Office</i>	(1)	(1)	(1)	(1)	(1)
<i>General Counsel</i>	(1)	(1)	(1)	(1)	(1)
<i>Real Estate</i>	0	(2)	(2)	(2)	(2)
Total	(5)	(7)	(7)	(7)	(7)
SIR					
<i>None</i>	0	0	0	0	0
Total	0	0	0	0	0
MTACC					
<i>None</i>	0	0	0	0	0
Total	0	0	0	0	0
MTA Bus Co					
<i>Central Road Service (CRS) Line Supervisor</i>	0	(1)	(1)	(1)	(1)
<i>General Superintendent Maintenance - Training Program</i>	0	(1)	(1)	(1)	(1)
<i>Farebox Line Supervisor</i>	0	(3)	(3)	(3)	(3)
<i>SBS Engineers</i>	0	(2)	(2)	(2)	(2)
<i>Shop - Hawk Shift</i>	0	(6)	(6)	(6)	(6)
Total	0	(13)	(13)	(13)	(13)
Total New Needs	161	35	(6)	(6)	(6)

Changes in Reimbursable Positions

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

METROPOLITAN TRANSPORTATION AUTHORITY					
November Financial Plan 2017-2020					
Favorable/(Unfavorable)					
Position Impact of Reimbursable					
	2016	2017	2018	2019	2020
NYCT					
<i>MTA Priority - Beacons</i>	(37)	(88)	0	0	0
<i>RTO TA Labor</i>	0	(145)	(145)	(145)	(115)
<i>Signals Construction</i>	0	(40)	(40)	(18)	0
<i>Buses Shuttles Capital Track Program</i>	0	(36)	0	0	0
<i>Reimbursable Subway Service</i>	0	(34)	0	0	0
<i>Subways Capital Program Support</i>	(77)	(27)	(26)	(22)	(20)
<i>DoS Engineering Support</i>	0	(23)	(22)	(14)	(1)
<i>Electronic Maintenance Division Support</i>	0	(18)	(10)	(3)	0
<i>Car Equipment Support</i>	0	(17)	(17)	(17)	(3)
<i>Second Avenue Subway Support</i>	<u>0</u>	<u>(6)</u>	<u>(4)</u>	<u>(4)</u>	<u>(4)</u>
Total	(114)	(434)	(264)	(223)	(143)
LIRR					
<i>New Fleet Procurement Support</i>	0	(8)	(8)	(8)	(8)
<i>Enterprise Asset Management System Development</i>	0	(6)	(6)	(6)	0
<i>PTC Project Support and Construction</i>	3	(20)	(17)	(2)	(2)
<i>LIRR Capital Project Support and Construction</i>	(3)	(81)	(4)	(3)	(2)
<i>Third Party Reimbursable Project Support</i>	0	(48)	0	0	0
<i>M9 Support</i>	0	(3)	(4)	(8)	0
<i>Reallocation of Year-End Reimbursable Headcount</i>	<u>1</u>	<u>(102)</u>	<u>1</u>	<u>0</u>	<u>1</u>
Total	1	(268)	(38)	(27)	(11)
MNR					
<i>Reimbursable Headcount & Overtime Adjustments</i>	<u>63</u>	<u>(49)</u>	<u>(47)</u>	<u>10</u>	<u>8</u>
Total	63	(49)	(47)	10	8
B&T					
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
MTAHQ					
<i>Risk Management</i>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>	<u>(1)</u>
Total	(1)	(1)	(1)	(1)	(1)
SIR					
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
MTA CC					
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
MTA Bus Co					
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
Total Reimbursable	(51)	(752)	(350)	(241)	(147)

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 2017-2020					
Favorable/(Unfavorable)					
Position Impact of Re-Estimates					
	2016	2017	2018	2019	2020
NYCT					
Training Float Adjustments	(143)	(263)	(119)	(82)	(82)
Platform Budget - Normal Business	(27)	(117)	(109)	(109)	(109)
Enterprise Asset Management	(6)	0	(2)	(2)	(2)
OBI Second Avenue Subway	57	33	19	19	19
Platform Budget - SBS Rollout	23	17	(14)	(14)	(14)
Bus Shop Plan - Engine Rebuild	0	0	(17)	(20)	(19)
SMS Program Adjustments	0	0	(8)	(8)	(130)
Miscellaneous	<u>9</u>	<u>(11)</u>	<u>6</u>	<u>(8)</u>	<u>(8)</u>
Total	(87)	(341)	(244)	(224)	(345)
LIRR					
Train Service Staffing Adjustment	0	(44)	(26)	(1)	0
Enterprise Asset Management System Development	0	0	0	0	(4)
Station and Facility Cleaning	(2)	(6)	(6)	(6)	(6)
Engineering Support (Structures, Inspection, Testing)	(6)	(6)	(6)	(6)	(6)
Ticket Remittance	(2)	(2)	(2)	(2)	(2)
Rolling Stock Maintenance	(16)	1	(1)	(1)	(1)
General Attorney	(1)	(1)	(1)	(1)	(1)
Social Media Communications	(2)	(2)	(2)	(2)	(2)
Reallocation of Year-End Reimbursable Headcount	<u>(1)</u>	<u>102</u>	<u>(1)</u>	<u>0</u>	<u>(1)</u>
Total	(30)	42	(45)	(19)	(23)
MNR					
Re-allocation of Positions to Support Project Activities	<u>(69)</u>	<u>45</u>	<u>35</u>	<u>(24)</u>	<u>(24)</u>
Total	(69)	45	35	(24)	(24)
B&T					
None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
MTAHQ					
Delay in Hiring Officers (Counter Terrorism/Homeless Outreach)	36	0	0	0	0
Headcount Correction	(1)	(1)	(1)	(1)	(1)
Transfer of Labor Relations position from NYCT	0	(1)	(1)	(1)	(1)
Transfer of Procurement positions from Agencies	<u>(11)</u>	<u>(11)</u>	<u>(11)</u>	<u>(11)</u>	<u>(11)</u>
Total	24	(13)	(13)	(13)	(13)
SIR					
None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
MTACC					
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					
Platform Budget	0	(44)	(44)	(44)	(44)
Employee Availability	<u>0</u>	<u>(16)</u>	<u>(16)</u>	<u>(16)</u>	<u>(16)</u>
Total	0	(60)	(60)	(60)	(60)
Total Re-Estimates	(162)	(327)	(327)	(340)	(465)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Agency

Category	2015 Actual¹	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Baseline Total Positions	68,824	71,809	72,672	72,230	72,178	72,123
NYC Transit	47,572	48,908	49,245	48,756	48,666	48,411
Long Island Rail Road	6,967	7,266	7,469	7,505	7,504	7,652
Metro-North Railroad	6,211	6,836	6,971	6,996	7,000	7,002
Bridges & Tunnels	1,434	1,578	1,591	1,591	1,593	1,599
Headquarters	2,474	2,918	2,998	3,002	3,026	3,080
Staten Island Railway	308	318	318	319	305	305
Capital Construction Company	126	140	140	140	140	140
Bus Company	3,732	3,845	3,940	3,921	3,944	3,934
Non-Reimbursable	63,141	64,502	65,004	65,152	65,266	65,567
NYC Transit	43,449	43,673	43,931	43,793	43,795	43,874
Long Island Rail Road	6,131	6,148	6,254	6,570	6,615	6,787
Metro-North Railroad	5,888	6,300	6,250	6,234	6,252	6,252
Bridges & Tunnels	1,358	1,491	1,504	1,504	1,506	1,512
Headquarters	2,340	2,781	2,861	2,865	2,889	2,943
Staten Island Railway	282	304	304	305	305	305
Capital Construction Company	-	-	-	-	-	-
Bus Company	3,693	3,805	3,900	3,881	3,904	3,894
Reimbursable	5,683	7,307	7,668	7,078	6,912	6,556
NYC Transit	4,123	5,235	5,314	4,963	4,871	4,537
Long Island Rail Road	836	1,118	1,215	935	889	865
Metro-North Railroad	323	536	721	762	748	750
Bridges & Tunnels	76	87	87	87	87	87
Headquarters	134	137	137	137	137	137
Staten Island Railway	26	14	14	14	-	-
Capital Construction Company	126	140	140	140	140	140
Bus Company	39	40	40	40	40	40
Total Full-Time	68,552	71,580	72,443	72,001	71,949	71,894
NYC Transit	47,315	48,695	49,032	48,543	48,453	48,198
Long Island Rail Road	6,967	7,266	7,469	7,505	7,504	7,652
Metro-North Railroad	6,210	6,835	6,970	6,995	6,999	7,001
Bridges & Tunnels	1,434	1,578	1,591	1,591	1,593	1,599
Headquarters	2,474	2,918	2,998	3,002	3,026	3,080
Staten Island Railway	308	318	318	319	305	305
Capital Construction Company	126	140	140	140	140	140
Bus Company	3,718	3,830	3,925	3,906	3,929	3,919
Total Full-Time-Equivalents	272	229	229	229	229	229
NYC Transit	257	213	213	213	213	213
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	1	1	1	1	1	1
Bridges & Tunnels	-	-	-	-	-	-
Headquarters	-	-	-	-	-	-
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	-	-	-	-	-	-
Bus Company	14	15	15	15	15	15

¹2015 Actuals represent paid positions and are net of vacancies. For 2016 and beyond, the table captures authorized positions at year end (December 31).

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Function and Agency

Function	2015 Actual ¹	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration	4,287	4,965	5,027	5,035	5,062	5,039
NYC Transit	1,441	1,481	1,485	1,482	1,480	1,447
Long Island Rail Road	465	517	518	526	533	542
Metro-North Railroad	466	578	600	600	600	600
Bridges & Tunnels	76	85	89	89	89	90
Headquarters	1,697	2,106	2,127	2,131	2,135	2,135
Staten Island Railway	25	29	29	29	29	29
Capital Construction Company	14	15	15	15	15	15
Bus Company	103	154	164	163	181	181
Operations	30,394	31,192	31,608	31,520	31,518	31,537
NYC Transit	23,019	23,614	23,896	23,716	23,688	23,555
Long Island Rail Road	2,354	2,472	2,517	2,609	2,635	2,787
Metro-North Railroad	1,867	1,928	1,958	1,958	1,958	1,958
Bridges & Tunnels	549	587	587	587	587	587
Headquarters	-	-	-	-	-	-
Staten Island Railway	106	107	107	107	107	107
Capital Construction Company	-	-	-	-	-	-
Bus Company	2,499	2,484	2,543	2,543	2,543	2,543
Maintenance	30,470	31,769	32,063	31,701	31,620	31,590
NYC Transit	21,121	21,793	21,833	21,527	21,467	21,453
Long Island Rail Road	3,992	4,075	4,221	4,157	4,127	4,119
Metro-North Railroad	3,771	4,207	4,286	4,311	4,315	4,317
Bridges & Tunnels	350	378	381	381	381	381
Headquarters	-	-	-	-	-	-
Staten Island Railway	151	168	168	169	169	169
Capital Construction Company	-	-	-	-	-	-
Bus Company	1,085	1,148	1,174	1,156	1,161	1,151
Engineering/Capital	1,990	2,112	2,129	2,129	2,112	2,037
NYC Transit	1,369	1,358	1,358	1,358	1,358	1,283
Long Island Rail Road	156	202	213	213	209	204
Metro-North Railroad	106	123	127	127	127	127
Bridges & Tunnels	192	253	255	255	256	261
Headquarters	-	-	-	-	-	-
Staten Island Railway	26	14	14	14	-	-
Capital Construction Company	112	125	125	125	125	125
Bus Company	29	37	37	37	37	37
Public Safety	1,682	1,771	1,845	1,845	1,866	1,920
NYC Transit	622	662	673	673	673	673
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-	-
Bridges & Tunnels	267	275	279	279	280	280
Headquarters	777	812	871	871	891	945
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	-	-	-	-	-	-
Bus Company	16	22	22	22	22	22

¹2015 Actuals represent paid positions and are net of vacancies. For 2016 and beyond, the table captures authorized positions at year end (December 31).

**Metropolitan Transportation Authority
November Financial Plan 2017-2020
Baseline Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable**

FUNCTION/OCCUPATIONAL GROUP	2015	2016	2017	2018	2019	2020
	Actual ¹	November Forecast	Final Proposed Budget			
Administration						
Managers/Supervisors	1,325	1,559	1,567	1,565	1,561	1,543
Professional, Technical, Clerica	2,832	3,255	3,301	3,312	3,328	3,323
Operational Hourlies	130	151	159	158	173	173
Total Administration	4,287	4,965	5,027	5,035	5,062	5,039
Operations						
Managers/Supervisors	3,657	3,832	3,843	3,831	3,823	3,831
Professional, Technical, Clerica	854	890	894	894	892	888
Operational Hourlies	25,882	26,470	26,871	26,795	26,803	26,818
Total Operations	30,394	31,192	31,608	31,520	31,518	31,537
Maintenance						
Managers/Supervisors	5,305	5,635	5,714	5,610	5,592	5,582
Professional, Technical, Clerica	1,804	1,970	2,019	2,007	1,993	1,970
Operational Hourlies	23,362	24,164	24,330	24,084	24,035	24,038
Total Maintenance	30,470	31,769	32,063	31,701	31,620	31,590
Engineering/Capital						
Managers/Supervisors	559	602	614	614	608	547
Professional, Technical, Clerica	1,408	1,499	1,504	1,504	1,502	1,488
Operational Hourlies	23	11	11	11	2	2
Total Engineering/Capital	1,990	2,112	2,129	2,129	2,112	2,037
Public Safety						
Managers/Supervisors	480	508	515	515	515	529
Professional, Technical, Clerica	126	155	163	163	164	165
Operational Hourlies	1,076	1,108	1,167	1,167	1,187	1,226
Total Public Safety	1,682	1,771	1,845	1,845	1,866	1,920
Baseline Total Positions						
Managers/Supervisors	11,327	12,136	12,253	12,135	12,099	12,032
Professional, Technical, Clerica	7,024	7,769	7,881	7,880	7,879	7,834
Operational Hourlies	50,473	51,904	52,538	52,215	52,200	52,257
Baseline Total Positions	68,824	71,809	72,672	72,230	72,178	72,123

¹2015 Actuals represent paid positions and are net of vacancies. For 2016 and beyond, the table captures authorized positions at year end (December 31).

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Year to Year Changes for Positions by Agency
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents
Favorable/(Unfavorable)

CATEGORY	Change 2016-2017	Change 2017-2018	Change 2018-2019	Change 2019-2020
Baseline Total Positions	(863)	442	52	55
NYC Transit	(337)	489	90	255
Long Island Rail Road	(203)	(36)	1	(148)
Metro-North Railroad	(135)	(25)	(4)	(2)
Bridges & Tunnels	(13)	-	(2)	(6)
Headquarters	(80)	(4)	(24)	(54)
Staten Island Railway	-	(1)	14	-
Capital Construction Company	-	-	-	-
Bus Company	(95)	19	(23)	10
Non-Reimbursable	(501)	(148)	(114)	(301)
NYC Transit	(258)	138	(2)	(79)
Long Island Rail Road	(106)	(316)	(45)	(172)
Metro-North Railroad	51	16	(18)	0
Bridges & Tunnels	(13)	-	(2)	(6)
Headquarters	(80)	(4)	(24)	(54)
Staten Island Railway	-	(1)	-	-
Capital Construction Company	-	-	-	-
Bus Company	(95)	19	(23)	10
Reimbursable	(362)	590	166	356
NYC Transit	(79)	351	92	334
Long Island Rail Road	(97)	280	46	24
Metro-North Railroad	(186)	(41)	14	(2)
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Staten Island Railway	-	-	14	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-
Total Full-Time	(863)	442	52	55
NYC Transit	(337)	489	90	255
Long Island Rail Road	(203)	(36)	1	(148)
Metro-North Railroad	(135)	(25)	(4)	(2)
Bridges & Tunnels	(13)	-	(2)	(6)
Headquarters	(80)	(4)	(24)	(54)
Staten Island Railway	-	(1)	14	-
Capital Construction Company	-	-	-	-
Bus Company	(95)	19	(23)	10
Total Full-Time-Equivalents	-	-	-	-
NYC Transit	-	-	-	-
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
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 2016-2017	Change 2017-2018	Change 2018-2019	Change 2019-2020
Administration	(62)	(8)	(27)	23
NYC Transit	(4)	3	2	33
Long Island Rail Road	(1)	(8)	(7)	(9)
Metro-North Railroad	(22)	-	-	-
Bridges & Tunnels	(4)	-	-	(1)
Headquarters	(21)	(4)	(4)	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(10)	1	(18)	-
Operations	(416)	88	2	(19)
NYC Transit	(282)	180	28	133
Long Island Rail Road	(45)	(92)	(26)	(152)
Metro-North Railroad	(30)	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(59)	-	-	-
Maintenance	(294)	362	81	30
NYC Transit	(40)	306	60	14
Long Island Rail Road	(146)	64	30	8
Metro-North Railroad	(79)	(25)	(4)	(2)
Bridges & Tunnels	(3)	-	-	-
Headquarters	-	-	-	-
Long Island Bus	-	-	-	-
Staten Island Railway	-	(1)	-	-
Capital Construction Company	-	-	-	-
Bus Company	(26)	18	(5)	10
Engineering/Capital	(17)	-	17	75
NYC Transit	-	-	-	75
Long Island Rail Road	(11)	-	4	5
Metro-North Railroad	(4)	-	-	-
Bridges & Tunnels	(2)	-	(1)	(5)
Headquarters	-	-	-	-
Staten Island Railway	-	-	14	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-
Public Safety	(74)	-	(21)	(54)
NYC Transit	(11)	-	-	-
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	(4)	-	(1)	-
Headquarters	(59)	-	(20)	(54)
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-
Baseline Total Positions	(863)	442	52	55

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
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 2016-2017	Change 2017-2018	Change 2018-2019	Change 2019-2020
Administration				
Managers/Supervisors	(8)	2	4	18
Professional, Technical, Clerical	(46)	(11)	(16)	5
Operational Hourlies	(8)	1	(15)	-
Total Administration	(62)	(8)	(27)	23
Operations				
Managers/Supervisors	(11)	12	8	(8)
Professional, Technical, Clerical	(4)	-	2	4
Operational Hourlies	(401)	76	(8)	(15)
Total Operations	(416)	88	2	(19)
Maintenance				
Managers/Supervisors	(79)	104	18	10
Professional, Technical, Clerical	(49)	12	14	23
Operational Hourlies	(166)	246	49	(3)
Total Maintenance	(294)	362	81	30
Engineering/Capital				
Managers/Supervisors	(12)	-	6	61
Professional, Technical, Clerical	(5)	-	2	14
Operational Hourlies	-	-	9	-
Total Engineering/Capital	(17)	-	17	75
Public Safety				
Managers/Supervisors	(7)	-	-	(14)
Professional, Technical, Clerical	(8)	-	(1)	(1)
Operational Hourlies	(59)	-	(20)	(39)
Total Public Safety	(74)	-	(21)	(54)
Baseline Total Positions				
Managers/Supervisors	(117)	118	36	67
Professional, Technical, Clerical	(112)	1	1	45
Operational Hourlies	(634)	323	15	(57)
Baseline Total Positions	(863)	442	52	55

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Baseline Change Between 2016 November Financial Plan vs. 2016 July Financial Plan
Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Agency
Favorable/(Unfavorable)

Category	2016	2017	2018	2019	2020
Baseline Total Positions	(47)	(1,041)	(680)	(584)	(615)
NYC Transit	(201)	(775)	(534)	(473)	(514)
Long Island Rail Road	(29)	(226)	(83)	(46)	(34)
Metro-North Railroad	(7)	(109)	(132)	(134)	(136)
Bridges & Tunnels	172	163	163	163	163
Headquarters	18	(21)	(21)	(21)	(21)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(73)	(73)	(73)	(73)
Non-Reimbursable	4	(289)	(330)	(343)	(468)
NYC Transit	(87)	(341)	(270)	(250)	(371)
Long Island Rail Road	(30)	42	(45)	(19)	(23)
Metro-North Railroad	(70)	(60)	(85)	(144)	(144)
Bridges & Tunnels	172	163	163	163	163
Headquarters	19	(20)	(20)	(20)	(20)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(73)	(73)	(73)	(73)
Reimbursable	(51)	(752)	(350)	(241)	(147)
NYC Transit	(114)	(434)	(264)	(223)	(143)
Long Island Rail Road	1	(268)	(38)	(27)	(11)
Metro-North Railroad	63	(49)	(47)	10	8
Bridges & Tunnels	-	-	-	-	-
Headquarters	(1)	(1)	(1)	(1)	(1)
Long Island Bus	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-
Total Full-Time	(46)	(1,040)	(679)	(583)	(614)
NYC Transit	(200)	(774)	(533)	(472)	(513)
Long Island Rail Road	(29)	(226)	(83)	(46)	(34)
Metro-North Railroad	(7)	(109)	(132)	(134)	(136)
Bridges & Tunnels	172	163	163	163	163
Headquarters	18	(21)	(21)	(21)	(21)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(73)	(73)	(73)	(73)
Total Full-Time-Equivalents	(1)	(1)	(1)	(1)	(1)
NYC Transit	(1)	(1)	(1)	(1)	(1)
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Baseline Change Between 2016 November Financial Plan vs. 2016 July Financial Plan
Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Function and Agency
Favorable/(Unfavorable)

Function	2016	2017	2018	2019	2020
Administration	(24)	(51)	(51)	(53)	(57)
NYC Transit	5	(3)	(3)	(3)	(3)
Long Island Rail Road	(5)	(4)	(4)	(6)	(10)
Metro-North Railroad	(6)	(18)	(18)	(18)	(18)
Bridges & Tunnels	-	(4)	(4)	(4)	(4)
Headquarters	(18)	(21)	(21)	(21)	(21)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(1)	(1)	(1)	(1)
Operations	(58)	(568)	(331)	(268)	(227)
NYC Transit	(218)	(532)	(361)	(334)	(302)
Long Island Rail Road	(17)	(119)	(53)	(17)	(8)
Metro-North Railroad	5	(25)	(25)	(25)	(25)
Bridges & Tunnels	172	172	172	172	172
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(64)	(64)	(64)	(64)
Maintenance	(2)	(395)	(271)	(239)	(312)
NYC Transit	12	(230)	(160)	(126)	(199)
Long Island Rail Road	(8)	(93)	(16)	(16)	(14)
Metro-North Railroad	(6)	(62)	(85)	(87)	(89)
Bridges & Tunnels	-	(2)	(2)	(2)	(2)
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(8)	(8)	(8)	(8)
Engineering/Capital	1	(14)	(14)	(11)	(6)
NYC Transit	-	-	-	-	-
Long Island Rail Road	1	(10)	(10)	(7)	(2)
Metro-North Railroad	-	(4)	(4)	(4)	(4)
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-
Public Safety	36	(13)	(13)	(13)	(13)
NYC Transit	-	(10)	(10)	(10)	(10)
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	-	(3)	(3)	(3)	(3)
Headquarters	36	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-
Baseline Total Positions	(47)	(1,041)	(680)	(584)	(615)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Baseline Change Between 2016 November Financial Plan vs. 2016 July Financial Plan
Non-Reimbursable and Reimbursable
Full-time Positions and Full-time Equivalents by Occupational Group and Agency
Favorable/(Unfavorable)

FUNCTION/OCCUPATIONAL GROUP	Change				
	2016	2017	2018	2019	2020
Administration					
Managers/Supervisors	(24)	(31)	(31)	(33)	(37)
Professional, Technical, Clerical	0	(20)	(20)	(20)	(20)
Operational Hourlies	-	-	-	-	-
Total Administration	(24)	(51)	(51)	(53)	(57)
Operations					
Managers/Supervisors	(68)	(88)	(82)	(78)	(83)
Professional, Technical, Clerical	95	91	90	91	93
Operational Hourlies	(85)	(571)	(339)	(281)	(237)
Total Operations	(58)	(568)	(331)	(268)	(227)
Maintenance					
Managers/Supervisors	(162)	(275)	(223)	(226)	(232)
Professional, Technical, Clerical	28	(2)	(1)	16	25
Operational Hourlies	132	(118)	(47)	(29)	(105)
Total Maintenance	(2)	(395)	(271)	(239)	(312)
Engineering/Capital					
Managers/Supervisors	15	5	5	8	13
Professional, Technical, Clerical	(14)	(19)	(19)	(19)	(19)
Operational Hourlies	-	-	-	-	-
Total Engineering/Capital	1	(14)	(14)	(11)	(6)
Public Safety					
Managers/Supervisors	-	(7)	(7)	(7)	(7)
Professional, Technical, Clerical	-	(7)	(7)	(7)	(7)
Operational Hourlies	36	1	1	1	1
Total Public Safety	36	(13)	(13)	(13)	(13)
Baseline Total Positions					
Managers/Supervisors	(239)	(396)	(338)	(336)	(346)
Professional, Technical, Clerical	109	43	43	61	72
Operational Hourlies	83	(688)	(385)	(309)	(341)
Baseline Total Positions	(47)	(1,041)	(680)	(584)	(615)

III. Other MTA Consolidated Materials

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line No.	Non-Reimbursable	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
10	Operating Revenue						
11	Farebox Revenue	\$5,961	\$6,032	\$6,087	\$6,126	\$6,149	\$6,183
12	Toll Revenue	1,809	1,869	1,867	1,865	1,878	1,885
13	Other Revenue	689	688	707	733	762	790
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$8,459	\$8,589	\$8,661	\$8,725	\$8,789	\$8,858
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$4,696	\$4,840	\$5,027	\$5,160	\$5,273	\$5,418
20	Overtime	755	764	756	764	778	794
21	Health & Welfare	1,050	1,179	1,286	1,354	1,443	1,533
22	OPEB Current Payment	502	547	592	633	687	746
23	Pensions	1,249	1,355	1,317	1,330	1,332	1,322
24	Other-Fringe Benefits	861	867	874	910	934	966
25	Reimbursable Overhead	(380)	(419)	(426)	(406)	(405)	(400)
26	Sub-total Labor Expenses	\$8,732	\$9,132	\$9,426	\$9,746	\$10,042	\$10,379
28	Non-Labor Expenses:						
29	Electric Power	\$474	\$412	\$511	\$531	\$552	\$591
30	Fuel	162	128	158	164	173	188
31	Insurance	57	43	51	60	66	76
32	Claims	331	275	281	287	295	301
33	Paratransit Service Contracts	379	391	411	435	472	511
34	Maintenance and Other Operating Contracts	579	678	789	765	767	797
35	Professional Service Contracts	380	436	530	465	451	463
36	Materials & Supplies	543	592	650	641	632	698
37	Other Business Expenses	196	178	185	183	193	199
38	Sub-total Non-Labor Expenses	\$3,101	\$3,133	\$3,565	\$3,531	\$3,602	\$3,824
40	Other Expense Adjustments:						
41	Other	\$37	\$53	\$46	\$47	\$49	\$51
42	General Reserve	0	0	155	160	165	170
43	Sub-total Other Expense Adjustments	\$37	\$53	\$201	\$207	\$214	\$221
45	Total Operating Expense before Non-Cash Liability Adj.	\$11,871	\$12,318	\$13,192	\$13,484	\$13,857	\$14,424
47	Depreciation	\$2,443	\$2,496	\$2,588	\$2,660	\$2,728	\$2,794
48	OPEB Liability Adjustment	1,490	1,850	1,939	2,008	2,081	2,158
49	GASB 68 Pension Expense Adjustment	(410)	(188)	(94)	(104)	(101)	(130)
50	Environmental Remediation	21	6	6	6	6	6
52	Total Operating Expense after Non-Cash Liability Adj.	\$15,414	\$16,481	\$17,631	\$18,053	\$18,572	\$19,253
54	Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$3,543)	(\$4,163)	(\$4,439)	(\$4,569)	(\$4,715)	(\$4,829)
56	Debt Service (excludes Service Contract Bonds)	2,373	2,458	2,641	2,781	2,934	3,085
58	Total Operating Expense with Debt Service	\$14,244	\$14,776	\$15,833	\$16,265	\$16,791	\$17,509
60	Dedicated Taxes and State/Local Subsidies	\$6,596	\$6,735	\$6,789	\$6,966	\$7,127	\$7,318
62	Net Surplus/(Deficit) After Subsidies and Debt Service	\$811	\$548	(\$382)	(\$574)	(\$875)	(\$1,333)
64	Conversion to Cash Basis: GASB Account	0	0	0	(8)	(18)	(29)
65	Conversion to Cash Basis: All Other	(661)	(272)	(96)	278	28	131
67	CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	\$150	\$276	(\$478)	(\$303)	(\$865)	(\$1,231)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line No	Reimbursable	Actual 2015	November Forecast 2016	Proposed Budget 2017	2018	2019	2020
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	1,910	1,959	2,054	1,936	1,883	1,845
15	Total Operating Revenue	\$1,910	\$1,959	\$2,054	\$1,936	\$1,883	\$1,845
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$629	\$634	\$729	\$698	\$694	\$676
20	Overtime	205	210	169	155	155	155
21	Health & Welfare	70	66	77	75	75	75
22	OPEB Current Payment	8	8	8	9	9	10
23	Pensions	89	80	100	95	92	91
24	Other-Fringe Benefits	216	217	246	234	233	227
25	Reimbursable Overhead	380	417	424	404	403	398
26	Subtotal Labor Expenses	\$1,597	\$1,632	\$1,754	\$1,669	\$1,661	\$1,632
28	Non-Labor Expenses:						
29	Electric Power	\$2	\$1	\$0	\$0	\$0	\$0
30	Fuel	0	0	0	0	0	0
31	Insurance	10	12	14	13	13	13
32	Claims	0	0	0	0	0	0
33	Paratransit Service Contracts	0	0	0	0	0	0
34	Maintenance and Other Operating Contracts	75	83	70	72	56	53
35	Professional Service Contracts	88	72	60	56	35	27
36	Materials & Supplies	140	151	155	125	117	119
37	Other Business Expenses	(2)	6	1	1	1	1
38	Subtotal Non-Labor Expenses	\$313	\$327	\$301	\$267	\$221	\$213
40	Other Expense Adjustments:						
41	Other	\$0	\$0	\$0	\$0	\$0	\$0
42	Subtotal Other Expense Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
44	Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
45	OPEB Obligation	0	0	0	0	0	0
46	Environmental Remediation	0	0	0	0	0	0
48	Total Operating Expense	\$1,910	\$1,959	\$2,054	\$1,936	\$1,883	\$1,845
50	Baseline Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line No.	Non-Reimbursable / Reimbursable	Actual 2015	November Forecast 2016	Proposed Budget 2017	2018	2019	2020
10	Operating Revenue						
11	Farebox Revenue	\$5,961	\$6,032	\$6,087	\$6,126	\$6,149	\$6,183
12	Toll Revenue	1,809	1,869	1,867	1,865	1,878	1,885
13	Other Revenue	689	688	707	733	762	790
14	Capital and Other Reimbursements	1,910	1,959	2,054	1,936	1,883	1,845
15	Total Operating Revenue	\$10,369	\$10,548	\$10,716	\$10,661	\$10,672	\$10,703
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$5,325	\$5,474	\$5,756	\$5,858	\$5,967	\$6,095
20	Overtime	960	974	925	919	933	948
21	Health & Welfare	1,120	1,245	1,363	1,429	1,518	1,608
22	OPEB Current Payment	509	555	600	642	697	756
23	Pensions	1,338	1,434	1,418	1,425	1,424	1,413
24	Other-Fringe Benefits	1,077	1,084	1,121	1,145	1,167	1,193
25	Reimbursable Overhead	0	(2)	(2)	(2)	(2)	(1)
26	Sub-total Labor Expenses	\$10,329	\$10,763	\$11,180	\$11,415	\$11,703	\$12,011
28	Non-Labor Expenses:						
29	Electric Power	\$476	\$413	\$511	\$531	\$552	\$591
30	Fuel	162	128	158	164	173	188
31	Insurance	67	55	64	73	79	90
32	Claims	331	275	281	287	295	301
33	Paratransit Service Contracts	379	391	411	435	472	511
34	Maintenance and Other Operating Contracts	654	762	859	837	823	850
35	Professional Service Contracts	468	508	590	521	486	490
36	Materials & Supplies	683	743	805	766	749	817
37	Other Business Expenses	194	185	186	184	194	200
38	Sub-total Non-Labor Expenses	\$3,415	\$3,460	\$3,866	\$3,797	\$3,823	\$4,038
40	Other Expense Adjustments:						
41	Other	\$37	\$53	\$46	\$47	\$49	\$51
42	General Reserve	0	0	155	160	165	170
43	Sub-total Other Expense Adjustments	\$37	\$53	\$201	\$207	\$214	\$221
45	Total Operating Expense before Non-Cash Liability Adjs.	\$13,781	\$14,277	\$15,246	\$15,420	\$15,740	\$16,269
47	Depreciation	\$2,443	\$2,496	\$2,588	\$2,660	\$2,728	\$2,794
48	OPEB Obligation	1,490	1,850	1,939	2,008	2,081	2,158
49	Environmental Remediation	21	6	6	6	6	6
51	Total Operating Expense	\$17,734	\$18,628	\$19,779	\$20,093	\$20,556	\$21,228
53	Net Operating Deficit Before Subsidies and Debt Service	(\$7,365)	(\$8,080)	(\$9,064)	(\$9,432)	(\$9,884)	(\$10,525)
55	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,953	\$4,351	\$4,533	\$4,673	\$4,816	\$4,958
57	Debt Service (excludes Service Contract Bonds)	2,373	2,458	2,641	2,781	2,934	3,085
59	Total Operating Expense with Debt Service	\$11,407	\$11,819	\$12,606	\$12,639	\$12,806	\$13,185
61	Dedicated Taxes and State/Local Subsidies	\$6,596	\$6,735	\$6,789	\$6,966	\$7,127	\$7,318
63	Net Deficit After Subsidies and Debt Service	\$5,558	\$5,464	\$4,899	\$4,988	\$4,992	\$4,836
65	Conversion to Cash Basis: GASB Account	0	0	0	(8)	(18)	(29)
66	Conversion to Cash Basis: All Other	(661)	(272)	(96)	278	28	131
68	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$4,897	\$5,192	\$4,803	\$5,259	\$5,002	\$4,938

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Cash Receipts and Expenditures
(\$ in millions)

Line No.		Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
7	Cash Receipts and Expenditures						
10	Receipts						
11	Farebox Revenue	\$6,001	\$6,057	\$6,111	\$6,150	\$6,173	\$6,206
12	Other Operating Revenue	718	754	707	850	786	825
13	Capital and Other Reimbursements	1,863	1,866	2,116	1,907	1,859	1,820
14	Total Receipts	\$8,583	\$8,677	\$8,935	\$8,907	\$8,818	\$8,851
16	Expenditures						
17	Labor:						
18	Payroll	\$5,245	\$5,315	\$5,562	\$5,657	\$5,764	\$5,900
19	Overtime	955	952	897	890	903	921
20	Health and Welfare	1,109	1,202	1,328	1,389	1,476	1,565
21	OPEB Current Payment	496	532	581	622	676	734
22	Pensions	1,285	1,385	1,372	1,379	1,378	1,368
23	Other Fringe Benefits	795	830	852	873	886	911
24	Contribution to GASB Fund	0	0	0	8	18	29
25	Reimbursable Overhead	0	0	(0)	0	0	0
26	Total Labor Expenditures	\$9,886	\$10,216	\$10,592	\$10,818	\$11,101	\$11,427
28	Non-Labor:						
29	Electric Power	\$485	\$408	\$505	\$525	\$546	\$584
30	Fuel	165	126	156	162	169	184
31	Insurance	58	41	47	57	63	72
32	Claims	269	269	255	241	249	257
33	Paratransit Service Contracts	381	389	409	433	470	509
34	Maintenance and Other Operating Contracts	522	663	725	631	610	599
35	Professional Service Contracts	314	477	534	460	423	425
36	Materials & Supplies	727	706	772	764	729	801
37	Other Business Expenditures	213	192	197	184	196	194
38	Total Non-Labor Expenditures	\$3,133	\$3,271	\$3,601	\$3,457	\$3,455	\$3,627
40	Other Expenditure Adjustments:						
41	Other	\$33	\$133	\$140	\$148	\$138	\$158
42	General Reserve	0	0	155	160	165	170
43	Total Other Expenditure Adjustments	\$33	\$133	\$295	\$308	\$303	\$328
45	Total Expenditures	\$13,052	\$13,620	\$14,488	\$14,583	\$14,860	\$15,382
47	Net Cash Deficit Before Subsidies and Debt Service	(\$4,469)	(\$4,943)	(\$5,552)	(\$5,676)	(\$6,042)	(6,532)
49	Dedicated Taxes and State/Local Subsidies	\$6,357	\$7,019	\$7,021	\$7,447	\$7,368	\$7,612
50	Debt Service (excludes Service Contract Bonds)	(\$1,738)	(\$1,801)	(\$1,947)	(\$2,074)	(\$2,191)	(2,311)
52	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$150	\$276	(\$478)	(\$303)	(\$865)	(\$1,231)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Cash Conversion Detail
(\$ in millions)

	Actual 2015	November Forecast 2016	Proposed Budget 2017	2018	2019	2020
<u>Depreciation</u>						
New York City Transit	\$1,692	\$1,728	\$1,778	\$1,828	\$1,878	\$1,928
Long Island Rail Road	325	336	339	343	346	350
Metro-North Railroad	231	231	241	241	241	241
MTA Headquarters	27	30	51	60	65	68
MTA Bus Company	50	42	43	44	44	44
Staten Island Railway	8	8	8	8	8	8
Bridges & Tunnels	110	120	128	137	146	156
<i>Sub-Total</i>	\$2,443	\$2,496	\$2,588	\$2,660	\$2,728	\$2,794
<u>OPEB Liability Adjustment</u>						
New York City Transit	\$1,130	\$1,443	\$1,501	\$1,561	\$1,624	\$1,689
Long Island Rail Road	85	83	86	89	91	94
Metro-North Railroad	56	68	68	68	68	68
MTA Headquarters	79	80	106	108	113	118
MTA Bus Company	61	100	100	100	100	100
Staten Island Railway	7	8	8	8	8	8
Bridges & Tunnels	71	67	71	74	78	82
<i>Sub-Total</i>	\$1,490	\$1,850	\$1,939	\$2,008	\$2,081	\$2,158
<u>GASB 68 Pension Expense Adjustment</u>						
New York City Transit	(\$315)	(\$355)	(\$296)	(\$306)	(\$296)	(\$303)
Long Island Rail Road	(31)	169	174	173	174	162
Metro-North Railroad	(26)	(22)	(3)	(1)	(7)	(14)
MTA Headquarters	(16)	(10)	(4)	(4)	(5)	(7)
MTA Bus Company	(12)	40	43	43	42	37
Staten Island Railway	(2)	(1)	(1)	(1)	(1)	(1)
Bridges & Tunnels	(9)	(10)	(9)	(8)	(7)	(5)
<i>Sub-Total</i>	(\$410)	(188)	(94)	(104)	(101)	(130)
<u>Environmental Remediation</u>						
New York City Transit	\$13	\$0	\$0	\$0	\$0	\$0
Long Island Rail Road	2	2	2	2	2	2
Metro-North Railroad	4	4	4	4	4	4
MTA Bus Company	0	0	0	0	0	0
Staten Island Railway	1	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0	0
<i>Sub-Total</i>	\$21	\$6	\$6	\$6	\$6	\$6
<u>Net Operating Surplus/(Deficit)</u>						
New York City Transit	\$190	\$154	\$253	\$191	\$167	\$167
Long Island Rail Road	18	6	(9)	(12)	(13)	(16)
Metro-North Railroad	(125)	(62)	(57)	(49)	(10)	(40)
MTA Headquarters	148	65	80	188	116	131
MTA Bus Company	44	(7)	27	27	30	29
Staten Island Railway	1	(6)	0	(0)	(0)	(0)
First Mutual Transportation Assurance Company	24	(19)	(18)	(22)	(26)	(31)
Other	28	23	20	20	20	50
<i>Sub-Total</i>	\$328	\$154	\$296	\$343	\$284	\$291
<u>Subsidies</u>						
New York City Transit	(\$816)	(\$415)	(\$430)	(\$158)	(\$302)	(\$236)
Commuter Railroads	(182)	75	0	102	56	79
MTA Headquarters	(27)	(23)	(24)	(23)	(22)	(23)
MTA Bus Company	40	(44)	64	(12)	(3)	(4)
Staten Island Railway	(3)	(20)	(2)	19	(3)	(5)
<i>Sub-Total</i>	(\$989)	(\$427)	(\$392)	(\$72)	(\$274)	(\$189)
Total Cash Conversion	\$2,882	\$3,890	\$4,343	\$4,840	\$4,725	\$4,931

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Changes Year-to-Year By Category
Favorable/(Unfavorable)
(\$ in millions)

Line Number	Non-Reimbursable		November Forecast	Final Proposed Budget	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019-2020
9											
10											
11											
12											
13	Operating Revenue										
14		Farebox Revenue	\$6,032	\$6,087	\$55	\$6,126	\$39	\$6,149	\$23	\$6,183	\$33
15		Toll Revenue	1,869	1,867	(2)	1,865	(1)	1,878	13	1,885	7
16		Other Revenue	688	707	19	733	26	762	29	790	28
17		Capital and Other Reimbursements	0	0	0	0	0	0	0	0	0
18	Total Operating Revenue		\$8,589	\$8,661	\$72	\$8,725	\$63	\$8,789	\$65	\$8,858	\$68
19											
20	Operating Expense										
21	Labor Expenses:										
22		Payroll	\$4,840	\$5,027	(\$187)	\$5,160	(\$133)	\$5,273	(\$113)	\$5,418	(\$146)
23		Overtime	764	756	8	764	(8)	778	(14)	794	(16)
24		Health & Welfare	1,179	1,286	(107)	1,354	(68)	1,443	(89)	1,533	(90)
25		OPEB Current Payment	547	592	(45)	633	(41)	687	(54)	746	(58)
26		Pensions	1,355	1,317	37	1,330	(13)	1,332	(1)	1,322	10
27		Other-Fringe Benefits	867	874	(8)	910	(36)	934	(24)	966	(32)
28		Reimbursable Overhead	(419)	(426)	7	(406)	(20)	(405)	(1)	(400)	(5)
29	Sub-total Labor Expenses		\$9,132	\$9,426	(\$295)	\$9,746	(\$320)	\$10,042	(\$295)	\$10,379	(\$338)
30											
31	Non-Labor Expenses:										
32		Traction and Propulsion Power	\$412	\$511	(\$99)	\$531	(\$20)	\$552	(\$22)	\$591	(\$38)
33		Fuel for Buses and Trains	128	158	(30)	164	(6)	173	(9)	188	(15)
34		Insurance	43	51	(7)	60	(9)	66	(6)	76	(11)
35		Claims	275	281	(6)	287	(6)	295	(7)	301	(6)
36		Paratransit Service Contracts	391	411	(20)	435	(24)	472	(37)	511	(39)
37		Maintenance and Other Operating Contracts	678	789	(110)	765	23	767	(2)	797	(30)
38		Professional Service Contracts	436	530	(95)	465	66	451	14	463	(12)
39		Materials & Supplies	592	650	(59)	641	9	632	9	698	(66)
40		Other Business Expenses	178	185	(6)	183	2	193	(10)	199	(6)
41	Sub-total Non-Labor Expenses		\$3,133	\$3,565	(\$432)	\$3,531	\$34	\$3,602	(\$71)	\$3,824	(\$223)
42											
43	Other Expense Adjustments:										
44		Other	\$53	\$46	7	\$47	(1)	\$49	(2)	\$51	(1)
45		General Reserve	0	155	(155)	160	(5)	165	(5)	170	(5)
46	Sub-total Other Expense Adjustments		\$53	\$201	(\$148)	\$207	(\$6)	\$214	(\$7)	\$221	(\$6)
47											
48		Depreciation	2,496	2,588	(92)	2,660	(72)	2,728	(69)	2,794	(66)
49		OPEB Liability Adjustment	1,850	1,939	(90)	2,008	(68)	2,081	(74)	2,158	(77)
50		GASB 68 Pension Expense Adjustment	(188)	(94)	(94)	(104)	10	(101)	(4)	(130)	29
51		Environmental Remediation	6	6	(0)	6	0	6	0	6	0
52											
53	Total Operating Expense after Non-Cash Liability Adj.		\$16,481	\$17,631	(\$1,150)	\$18,053	(\$422)	\$18,572	(\$520)	\$19,253	(\$680)
54											
55		Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$4,163)	(\$4,439)	(\$276)	(\$4,569)	(\$130)	(\$4,715)	(\$146)	(\$4,829)	(\$114)
56											
57		Debt Service (excludes Service Contract Bonds)	2,458	2,641	183	2,781	140	2,934	153	3,085	151
58											
59	Total Operating Expense with Debt Service		\$14,776	\$15,833	\$1,057	\$16,265	\$432	\$16,791	\$526	\$17,509	\$718
60											
61		Dedicated Taxes and State/Local Subsidies	\$6,735	\$6,789	\$54	\$6,966	\$176	\$7,127	\$161	\$7,318	\$192
62											
63	Net Surplus/(Deficit) After Subsidies and Debt Service		\$548	(\$382)	(\$930)	(\$574)	(\$192)	(\$875)	(\$301)	(\$1,333)	(\$458)
64											
65		Conversion to Cash Basis: GASB Account	0	0	0	(8)	8	(18)	10	(29)	11
66		Conversion to Cash Basis: All Other	(272)	(96)	(177)	278	(374)	28	250	131	(103)
67											
68	CASH BALANCE BEFORE PRIOR YEAR CARRYOVER		\$276	(\$478)	(\$753)	(\$303)	\$174	(\$865)	(\$561)	(\$1,231)	(\$366)

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2017-2020

Non-Recurring Revenue and Savings

(\$ in millions)

		2016 November Forecast	2017 Final Proposed Budget	2018 Plan	2019 Plan	2020 Plan
		Explanation	Explanation	Explanation	Explanation	Explanation
LIRR	Cash Adjustments	\$ 5.2 Yogis for IT-Nov and Dec Actual Reimbursements received in 2016				
MNR	Administration	\$ 1.7 Lower sick and vacation accrual				
MNR	Other			\$ 9.7 Recovery for costs related to the temporary and permanent repairs of the Park Avenue Viaduct		
MTA HQ	Administration	\$ 2.0 Higher vacancy savings, predominantly IT	\$ 7.6 Higher 2017 IT vacancy savings			
MTA HQ	Safety/Security MTAPD	\$ 1.9 MTAPD savings include: 1) delay in hiring of previously-approved Officers, 2) shift in hiring, testing and equipments costs, and 3) shift in recruits and Sergeant/Lieutenant test costs				
MTA HQ	Administration	\$ 36.0 Re-estimate of 2016 MTA IT requirements				
NYCT	Administration	\$ 6.3 Mandated Training	\$ -	\$ -	\$ -	\$ -
Total Non-Recurring Resources (> or = \$1 million)		\$ 53.1	\$ 7.6	\$ 9.7	\$ -	\$ -

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Operating Budget Reserves - Baseline
(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>November</u> <u>Forecast</u> <u>2016</u>	<u>Final</u> <u>Proposed</u> <u>Budget</u> <u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
MTA General Reserve (annual) ¹	\$0.0	\$0.0	\$155.0	\$160.0	\$165.0	\$170.0
GASB Fund Reserve ^{2,3}	\$147.6	\$147.8	\$148.0	\$155.9	\$174.1	\$203.4
MTA Retiree Welfare Benefits Trust ^{2,4}	\$298.5	\$325.0	\$325.0	\$325.0	\$325.0	\$325.0
B&T Necessary Reconstruction Fund ⁵	\$374.2	\$426.1	\$479.6	\$534.4	\$590.3	\$647.5

¹ In December 2016, the MTA is planning to release the unexpended 2016 General Reserve of \$145 million. It is expected that this will be invested in 2017.

² Cumulative balances

³ Contributions to the GASB Fund are expected to resume in 2018.

⁴ Funds were moved from the GASB Fund Reserve into the Trust in order to achieve better financial returns. 2016 represents the October balance which includes investment returns.

⁵ B&T makes an annual contribution to a Necessary Reconstruction Fund. This Fund is intended to be used by B&T for PAYGO investment to its Capital Program. It is also expected to be available as a "back-stop" should Open Road Tolling (ORT) result in any material reduction in B&T's Support to Mass Transit.

IV. MTA Capital Program Information

New York City Transit/Staten Island Railway
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
S60701/09	SIR: Non-Reporting Block Alarm	\$ 3.6
	Element Total	\$ 3.6
S70701/04	SIR: UHF T-Band Radio System Replacement	\$ 1.5
S70701/05	SIR: Power: New Power Substation: Tottenville	\$ 23.0
S70701/06	SIR: Power: New Power Substation: New Dorp	\$ 26.1
S70701/07	SIR: Power: New Power Station: Clifton	\$ 23.0
S70701/08	SIR: Install Customer Information Signs	\$ 1.5
S70701/10	SIR: Rehabilitation of Amboy Rd Bridge - SIR	\$ 0.7
S70701/11	SIR: Relocate HQ to Clifton Shop	\$ 9.5
	Element Total	\$ 85.4
T51204/28	Ulmer Park Depot: Mezzanine Extension	\$ 2.6
	Element Total	\$ 2.6
T60302/32	Radio & Data Communication: OBAV: Depot Wi-Fi	\$ 3.2
T60302/34	Purchase 139 Articulated Buses (New Flyer)	\$ 120.3
T60302/35	Purchase 92 Articulated Buses (Nova)	\$ 81.9
	Element Total	\$ 205.4
T60404	Passenger Station LAN: 188 Stations (Transit Wireless)	\$ 50.0
	Element Total	\$ 50.0
T60412/60	Station Component: 4 Stations / Jamaica	\$ 61.9
T60412/B1	Station Component: 3 Locations / Crosstown	\$ 9.5
T60412/C2	Station Component: Aqueduct-North Conduit Av / RKY	\$ 3.8
T60412/C4	Station Components: 4 Locations / 8th Avenue	\$ 9.9
T60412/C8	5 Street Stairs: Rector Street / Broadway (SB) [SBMP]	\$ 3.6
T60412/E1	Station Component: 3 Locations / Fulton	\$ 5.8
T60412/F7	Station Painting at Component Locations: 3 Loc / Jamaica	\$ 2.2
T60412/H7	Station Ventilators: Ph 9 - 2 Loc / Southwest Brooklyn	\$ 2.9
	Element Total	\$ 99.7
T60413/07	ADA: 68 St-Hunter College / Lexington	\$ 66.8
	Element Total	\$ 66.8
T60414/	New Stair P16: Grand-Central-42 Street / Lexington	\$ 0.9
	Element Total	\$ 0.9
T60703/16	Priority Repairs: 4th Avenue	\$ 13.8
	Element Total	\$ 13.8
T60806/	ISIM B-Div: Module 5A Station Network Infrastructure	\$ 1.8
T60806/01	Fiber Optic Cable Replacement: Phase 1	\$ 5.0
T60806/05	Comm Room Upgrade And Expansion-Phase 1	\$ 13.5
T60806/10	PBX Upgrade, Phase I	\$ 22.5
T60806/13	Antenna Cable Upgrade/Replacement Ph 1	\$ 2.3
T60806/23	PSLAN: Solarwinds Network Management System	\$ 5.0
T60806/31	ISIM B-Div Module 2: Comm Room Upgrades	\$ 65.5
T60806/42	Penta Radio Communications Consoles	\$ 0.8
	Element Total	\$ 116.4
T61004/	Purchase 2-Ton Overhead Crane 207th Street Shop	\$ 3.0
T61004/01	207th Street Overhaul Shop: Rehabilitate HVAC Shop	\$ 47.5
T61004/39	Purchase 2-Ton Overhead Crane - Concourse	\$ 3.0
T61004/52	Integrated Wheel/Rail Monitoring and Analytics	\$ 4.6
	Element Total	\$ 58.2
T61203/17	Kingsbridge Depot Annex Roof [SBMP]	\$ 2.9
	Element Total	\$ 2.9
T61204/02	Upgrade One and Install New Paint Booth @ Zerega CMF [SBMP]	\$ 3.8
T61204/03	Bus Radio System - NYCT	\$ 215.0

New York City Transit/Staten Island Railway
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
T61204/34	Chassis Wash Installation at Queens Village Bus Depot [SBMP]	\$ 1.3
T61204/36	Replacement of Oil-Water Separators at 4 Locations	\$ 8.9
	Element Total	\$ 229.0
T61302/02	Purchase 54 Flat Cars	\$ 33.5
	Element Total	\$ 33.5
T61604/02	Replace High Speed Printers: 130 LVP and 2 Broadway	\$ 3.8
	Element Total	\$ 3.8
T61606/11	Fire Alarm Systems: 16 DOS Locations	\$ 0.6
	Element Total	\$ 0.6
T61607/03	RTO Master Tower Hardening	\$ 2.0
T61607/05	Employee Facilities: Chambers St / Nassau Loop	\$ 6.5
T61607/12	Power Upgrade: RCC, PCC	\$ 18.5
T61607/28	Facilities: 7 AC Units at 130 Livingston Plaza Data center	\$ 1.8
	Element Total	\$ 28.9
T70302/01	Purchase 628 Standard Diesel Buses	\$ 0.3
T70302/02	Purchase 138 Standard CNG Buses	\$ 84.9
T70302/05	Purchase 190 Articulated Buses	\$ 0.2
T70302/12	Depot Bus Location System (DBL) - NYCT DOB	\$ 6.4
T70302/13	Automatic Passenger Counting (APC) - Pilot & Phase 1 Rollout	\$ 5.7
T70302/14	Purchase 110 CNG Articulated Buses	\$ 0.6
T70302/15	AVLM: Paratransit Vehicles	\$ 19.0
	Element Total	\$ 117.0
T70404/02	AFC Low Turnstile Procurement	\$ 6.6
	Element Total	\$ 6.6
T70407/01	Replace 11 Hydraulic Elevators / Various	\$ 2.8
T70407/02	Replace 12 Traction Elevators / Broadway-7th Avenue	\$ 2.9
T70407/03	Replace 8 Traction Elevators / Various	\$ 2.0
T70407/04	Elevator Replacement: Replace 6 Traction Elevators / 8 Avenue	\$ 1.2
T70407/05	Replace 2 Hydraulic Elevators: Franklin Avenue / Shuttle	\$ 1.0
T70407/06	Replace 2 Escalators: Grand Central-42 Street / Lexington	\$ 1.0
T70407/08	Replace 7 Escalators: Brooklyn & Manhattan	\$ 1.3
T70407/09	Replace Replace 9 Escalators / Various	\$ 1.2
	Element Total	\$ 13.3
T70412/01	Water Remediation: Borough Hall / Lexington	\$ 41.5
T70412/02	Station Renewal: 138 Street-Grand Concourse / Jerome	\$ 0.8
T70412/03	Station Renewal: Astoria-Ditmars Boulevard / Astoria	\$ 11.8
T70412/04	Station Renewal: Astoria Boulevard / Astoria	\$ 0.9
T70412/05	Station Renewal: 30 Avenue / Astoria	\$ 16.3
T70412/06	Station Renewal: Broadway / Astoria	\$ 13.8
T70412/07	Station Renewal: 36 Avenue / Astoria	\$ 15.9
T70412/08	Station Renewal: 39 Avenue / Astoria	\$ 13.7
T70412/09	Station Renewal: Mets-Willets Point / Flushing	\$ 0.6
T70412/10	Station Renewal: 111 Street / Flushing	\$ 0.5
T70412/11	Station Renewal: 103 St-Corona Plaza / Flushing	\$ 0.5
T70412/12	Station Renewal: 82 Street-Jackson Heights / Flushing	\$ 0.6
T70412/13	Station Renewal: Woodhaven Boulevard / Jamaica	\$ 0.5
T70412/14	Station Renewal: 85 Street-Forest Parkway / Jamaica	\$ 0.5
T70412/15	Station Renewal: 75 Street - Elderts Lane / Jamaica	\$ 0.4
T70412/16	Station Renewal: Cypress Hills / Jamaica	\$ 0.5
T70412/22	Platform Components: 4 Locations / 4th Avenue	\$ 0.7
T70412/26	Elevated Street Stairs: 2 Locations / BW7 [SBMP]	\$ 4.4

New York City Transit/Staten Island Railway
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
T70412/29	Subway Street Stairs: 6 Locs / Various (2015) [SBMP]	\$ 4.8
T70412/31	Station Lighting: 8 Locations / Various (2015) [SBMP]	\$ 0.7
T70412/41	Subway Interior Stairs: 5 Locations / Various [SBMP]	\$ 1.0
T70412/42	Elevated Street Stairs: 2 Locations / WPR [SBMP]	\$ 0.1
T70412/43	Subway Street Stairs: 10 Locs / Various (2016) [SBMP]	\$ 0.4
T70412/44	Mezzanine Columns: Atlantic Avenue / Canarsie [SBMP]	\$ 0.2
T70412/45	Mezzanine Ceiling Finishes: 2 Loc / ARC, FLS [SBMP]	\$ 0.4
T70412/46	Platform Components: 5 Locations / Queens Boulevard, Archer	\$ 1.6
T70412/47	Station Lighting: 11 Locations / Various (2016) [SBMP]	\$ 0.8
T70412/50	Platform Components: 3 Locations / Nassau Loop	\$ 1.3
T70412/56	Elevated Street Stairs: Atlantic Avenue / CNR [SBMP]	\$ 0.1
T70412/58	Mezzanine Components: Nevins Street / EPK [SBMP]	\$ 0.2
T70412/60	Platform Components: 3 Locations / Queens Boulevard	\$ 0.5
T70412/63	Platform Components: 3 Locations / Nostrand	\$ 1.0
Element Total		\$ 136.8
T70413/01	ADA: Bedford Avenue / Canarsie	\$ 36.0
T70413/02	ADA: Astoria Boulevard / Astoria	\$ 2.4
T70413/03	ADA: Bedford Park Boulevard / Concourse	\$ 2.0
T70413/04	ADA: 86 Street / 4th Avenue	\$ 1.9
T70413/05	ADA: Gun Hill Rd / Dyre	\$ 2.0
T70413/07	ADA: Times Square, Phase 3 - Shuttle	\$ 4.4
T70413/08	ADA: Chambers Street / Nassau Loop	\$ 1.3
T70413/09	ADA: Greenpoint Avenue / Crosstown	\$ 1.3
T70413/12	ADA: 1 Avenue / Canarsie	\$ 54.4
T70413/14	ADA: Court Square / Crosstown	\$ 1.2
T70413/16	ADA: Woodhaven Boulevard / JAMAICA	\$ 1.0
Element Total		\$ 107.9
T70414/01	Station Signage (2016)	\$ 9.7
T70414/04	Station Reconstruction: Times Square, Phase 3 - Shuttle	\$ 0.5
T70414/06	Station Railings - 2015-2019	\$ 3.5
T70414/11	New Stairs: 2 Locations / Canarsie	\$ 38.0
Element Total		\$ 51.6
T70502/	Mainline Track Replacement 2016 / 63rd St	\$ 40.0
T70502/01	Mainline Switches: 2015 (Funding Balance)	\$ 19.7
T70502/02	Mainline Track: 2016 DES/EFA	\$ 58.5
T70502/03	Mainline Track Replacement - 2017	\$ 1.2
T70502/07	Continuous Welded Rail - 2015 (Balance)	\$ 26.1
T70502/08	Continuous Welded Rail - 2016 / Queens Blvd	\$ 34.6
T70502/13	Track Force Account - 2016	\$ 35.0
Element Total		\$ 215.0
T70503/01	Mainline Track Switches 2015 / 8th Avenue	\$ 1.5
T70503/02	Mainline Switches - 2016 DES/EFA	\$ 148.0
T70503/03	Mainline Track Switches - 2017	\$ 2.0
Element Total		\$ 151.5
T70605/	Tunnel Lighting: 63rd St & Lexington Ave. to 57th St & 7th Ave / E63 Line	\$ 12.1
T70605/02	Fan Plant Motor Control System Replacement - 10 Locations	\$ 1.0
T70605/03	Replace Supervisory Vent Controls - Various Locations	\$ 2.2
T70605/05	Rehab Fan Plant Damper System - Various Locations	\$ 2.8
T70605/06	Rehabilitate Forsyth St. Fan Plant	\$ 1.7
T70605/07	Ventilation System Strategy Study	\$ 5.0
Element Total		\$ 24.7

New York City Transit/Staten Island Railway
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
T70703/01	Elev Structural Rehab: Boston Rd-Abutment N. of 180th St-WPR	\$ 19.5
T70703/02	Elev Structural Rehab: Bridge Over Atlantic RR - MYR	\$ 11.2
T70703/03	Livonia Yard Overpass & Retaining Wall	\$ 1.2
T70703/04	Rehab Viaduct & Deck Sections - Bushwick Cut / MYR	\$ 59.8
T70703/12	Overcoating: Portal to 164 Street / Jerome	\$ 10.3
T70703/14	Overcoating: Myrtle Avenue - DeSales Place / Jamaica	\$ 1.1
T70703/15	Overcoating: East New York Yard & Shop Leads And Loops	\$ 1.2
T70703/16	Overcoating: Broadway - End Of Line / Myrtle	\$ 36.7
T70703/19	Structural Component Repairs: LSCR: Brooklyn (EPK)	\$ 4.0
T70703/23	Structural Repairs: LSCR: Brooklyn (EPK)	\$ 0.9
Element Total		\$ 146.0
T70803/01	CBTC Queens Boulevard West - 50 St to Union Tpke: Phase 2	\$ 143.7
T70803/04	CBTC: 8 Avenue (59 St to High Street)	\$ 4.2
T70803/06	Automatic Signals on Canarsie Line to Facilitate Work Trains	\$ 4.3
T70803/07	Ditmas Interlocking: CBTC Culver	\$ 2.9
T70803/08	Kings Hwy Interlocking / Culver	\$ 146.4
T70803/17	2 Interlockings: 30 St & 42 St North/ 8Ave	\$ 3.5
T70803/23	Signals Key-By Circuit Modification Phase 4	\$ 18.8
T70803/25	Signal Room Fire Suppression, Phase 2	\$ 0.7
T70803/32	CBTC: Culver (Church Ave to W8th St)	\$ 4.3
T70803/33	Ave X Interlocking: CBTC Culver	\$ 4.5
Element Total		\$ 333.1
T70806/	Antenna Cable Replacement - Second Ave Connection / E63 Line	\$ 2.4
T70806/02	Upgrade of Asynchronous Fiber Optic Network to SONET PH1	\$ 1.4
T70806/03	PBX Upgrade: Phase 2	\$ 18.0
T70806/05	Copper Cable Upgrade/Replacement Phase 4	\$ 7.9
T70806/07	UHF T-Band Radio System Replacement	\$ 1.6
T70806/13	PA/CIS Electronics Replacement - Canrsie Line	\$ 1.3
T70806/17	Liftnet Transition to Ethernet	\$ 0.7
T70806/20	Help Point: 30 Stations (I/H)	\$ 43.1
T70806/21	Help Point: 2 Stations / West End [SBMP]	\$ 1.5
T70806/22	Help Point: 2 Stations / Jamaica [SBMP]	\$ 1.5
T70806/23	Help Point: 2 Stations / Liberty [SBMP]	\$ 1.7
T70806/24	Help Point: 2 Stations / Culver and West End [SBMP]	\$ 1.7
T70806/25	Help Point: Simpson St & Prospect Av / WPR [SBMP]	\$ 1.7
T70806/26	Help Point: Ocean Pkwy / BRT & West 8 St / CIT [SBMP]	\$ 1.7
T70806/27	Help Point: 2 Stations / Myrtle & Canarsie [SBMP]	\$ 1.7
T70806/28	Help Point: 2 Stations / Jerome [SBMP]	\$ 1.7
T70806/29	Help Point: 2 Stations / Flushing [SBMP]	\$ 1.7
T70806/30	Help Point: 2 Stations / Flushing & BW7 [SBMP]	\$ 1.7
T70806/31	Help Point: Pelham Pkwy & E. Tremont Ave / WPR [SBMP]	\$ 1.7
Element Total		\$ 94.9
T70902/01	Burnside Ave Substation Renewal - BXC	\$ 2.6
T70902/02	Avenue Z Substation Renewal / CUL	\$ 1.7
T70902/03	Central Substation Renewal Including New Rectifier / 6AV	\$ 0.9
T70902/04	Washington Heights Substation Renewal / 8AV	\$ 0.9
T70902/05	Retrofit Existing 25 Hz Frequency Converters @10 Substations	\$ 0.6
T70902/06	Replace High Tension Switchgear at 10 Substations	\$ 1.9
T70902/10	Installation of Low-Resistance Contact Rail - Canarsie Tube	\$ 19.9
T70902/11	New Substation: 14 St-Avenue B / CNR	\$ 98.3
T70902/15	Supplemental Negative Cables, Queens Blvd Line	\$ 2.2
T70902/18	Install Low-Resistance Contact Rail - 53 St Tube	\$ 20.9

New York City Transit/Staten Island Railway
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
T70902/19	New Substation: Canal Street / 8th Avenue	\$ 1.8
T70902/20	New Substation: 34 Street / 8th Avenue	\$ 1.0
Element Total		\$ 152.7
T70904/01	Rehab CBH #586 / CUL	\$ 1.0
T70904/03	Rehab CBH # 210 - (239th Street / WPR)	\$ 1.2
T70904/04	Rehab CBH # 86 Wilson Avenue / Canarsie	\$ 0.5
T70904/06	Rehab CBH # 85 - Myrtle Avenue	\$ 0.9
T70904/07	Rehab CBH # 5 - 53rd Street	\$ 0.8
T70904/11	Duct Reconstruction: Stanton Street Substation / 6th Avenue	\$ 1.4
T70904/12	Negative Cables: 4th Ave Line-36st St to Pacific Ave (Ph 3)	\$ 2.0
T70904/13	Upgrade SCADA System	\$ 1.0
T70904/14	Repl Control & Battery Cable: 4 Substn Cntrl Zones (2/3/5/8)	\$ 3.0
T70904/15	Reconstruction of CBH # 392 - Flushing River Bridge	\$ 0.3
Element Total		\$ 12.1
T71004/01	DCE Shop Components, Ph 1:180 St, C.I. Pelham, Pelham Diesel	\$ 1.3
T71004/02	207 St Maintenance and Overhaul Shop Roof & Component Repair	\$ 0.7
T71004/03	DCE Shop Components, Phase 2: 239 St, Concourse, ENY	\$ 0.9
T71004/04	DCE Shop Components, Ph 3: Jerome [SBMP]	\$ 0.5
T71004/06	Livonia Maintenance Facility Rehab/Reconstruct Phase 1	\$ 1.5
T71004/07	Upgrade Central Electronics Shop, Woodside Facility	\$ 0.7
T71004/08	Upgrade Atlantic Avenue Cable Shop, Phase 1	\$ 0.9
T71004/11	Yard Track - 2016	\$ 0.6
T71004/12	Yard Track - 2017	\$ 0.0
T71004/17	Yard Switches - 2016	\$ 2.0
T71004/18	Yard Switches - 2017	\$ 0.1
T71004/28	Rehabilitate Car Cleaning Facilities	\$ 0.6
Element Total		\$ 9.7
T71203/01	East New York Depot - Modifications for Articulated Buses	\$ 0.8
T71203/02	Gun Hill Bus Depot Component Rehab	\$ 0.4
T71203/03	Queens Village Bus Depot Component Rehab	\$ 1.3
T71203/04	Articulated Modification @ Grand Ave Depot:2 Chassis Washers	\$ 0.2
T71203/05	Casey Stengel Bus Depot Component Rehab	\$ 0.9
T71203/07	Fresh Pond Bus Depot Component Rehab	\$ 1.0
T71203/08	Manhattanville Bus Depot Component Rehab	\$ 0.8
T71203/10	Jamaica Depot Replacement	\$ 5.3
T71203/11	Zerega CMF Component Rehab	\$ 1.9
Element Total		\$ 12.7
T71204/01	Replace 2 Bus Washers at Fresh Pond Depot [SBMP] Tier 2	\$ 8.7
T71204/02	Replace 3 Paint Booths at 3 Depots [SBMP]	\$ 0.5
T71204/03	Select Bus Service 2015-19	\$ 2.4
T71204/05	Storage Tank Components: Jackie Gleason and Castleton Depots	\$ 7.4
T71204/07	Kingsbridge Shoreline Upgrade [SBMP]	\$ 0.3
T71204/08	Elevator Upgrade: 7 Elevators at 5 Depots	\$ 1.1
T71204/12	Portable Bus Lift Replacement	\$ 8.9
Element Total		\$ 29.4
T71302/01	Purchase 203 Non-Revenue Vehicles 2015	\$ 31.8
T71302/06	Purchase of 2 Signal Supply Cars	\$ 12.2
T71302/07	Purchase of 27 Refuse Flat Cars	\$ 22.9
T71302/08	Purchase of 12 3-Ton Crane Cars	\$ 26.5
Element Total		\$ 93.4
T71602/03	Capital Revolving Fund (CRF) - 2015	\$ 5.0

New York City Transit/Staten Island Railway
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
T71602/04	Capital Revolving Fund (CRF) - 2016	\$ 5.0
	Element Total	\$ 10.0
T71604/01	Upgrade Copper Cable: Livingston Plaza	\$ 3.5
T71604/02	Data Storage & Virtual Server Enhancements @ 2 Bdwy & 130 Liv	\$ 5.0
T71604/03	Purchase HP SAN Hardware for Disaster Recovery: 2 Broadway	\$ 1.4
T71604/04	IBM P-Series/SAN: Replacement/ Disaster Recovery-2Bwy/130 Lv	\$ 0.6
T71604/05	Replace Superdome Server: 2 Broadway	\$ 1.4
T71604/06	CADD/BIM/DMS Disaster Recovery/ Business Continuity	\$ 1.2
	Element Total	\$ 13.1
T71605/01	2016 Scope Development	\$ 6.3
T71605/07	Small Business Mentoring Administration - 2016	\$ 7.0
	Element Total	\$ 13.2
T71606/01	Fire Alarm System Replacement 3 Bus Depots	\$ 0.8
T71606/05	Consultant Services: UST Remediation - 2015	\$ 6.5
	Element Total	\$ 7.3
T71607/08	Police District Office #4 - 14 Street-Union Square	\$ 1.0
T71607/14	Livingston Plz Electrical and Mechanical Sys Improvements	\$ 1.5
T71607/16	Power Upgrade: RCC, PCC - Phase 2	\$ 31.7
T71607/21	EDR Repairs at Police DO #20 - Briarwood-Van Wyck Blvd [SBDP]	\$ 0.1
	Element Total	\$ 34.3
ES0702/11	Sandy Repairs: Clifton Shop	\$ 35.0
	Element Total	\$ 35.0
ES0703/02	Sandy Mitigation: Clifton Shop	\$ 165.8
ES0703/03	Sandy Mitigation: St. George	\$ 2.9
	Element Total	\$ 168.6
ET0402	Sandy Repairs: Shaft Excavation - 1 Avenue / canarsie	\$ 3.6
	Element Total	\$ 3.6
ET0403/	Sandy Mitigation: 7 Stations (8 Stns M/Q/Bx Initiative)	\$ 197.1
ET0403/20	Sandy Mitigation: Critical Room Resiliency	\$ 22.4
ET0403/22	Sandy Mitigation: Street Level Opening - 8 Stns	\$ 44.3
ET0403/24	Sandy Mitigation: Internal Station Hardening - 8 Stns	\$ 1.6
ET0403/25	Sandy Mitigation: Internal Station Hardening	\$ 0.6
	Element Total	\$ 265.9
ET0502/09	Sandy Repairs: Track Canarsie Tube	\$ 158.0
ET0502/11	Sandy Repairs: Mainline Track - Clark St Tube	\$ 8.5
	Element Total	\$ 166.5
ET0602/13	Sandy Repairs: Tunnel Lighting Canarsie Tube 14 St	\$ 84.0
ET0602/19	Sandy Repairs: 1 Pump Room (Canarsie Tube)	\$ 20.0
ET0602/26	Sandy Repairs: 1 Fan Plant (Old Slip) Clark	\$ 4.5
ET0602/34	Sandy Repairs: Pump #3166 / Clark Tube	\$ 5.3
	Element Total	\$ 113.8
ET0603/	Sandy Mitigation: 13 Fan Plants, Long-Term - 5 Locations	\$ 78.4
ET0603/05	Sandy Mitigation: 17 Fan Plants & Adjacent Tunnels	\$ 45.7
ET0603/06	Sandy Mitigation: 6 of 14 Fans - Above Grade Protection	\$ 6.8
ET0603/16	Sandy Mitigation: Pumping Capacity Improvements: Annex Pumps	\$ 18.9
	Element Total	\$ 149.8
ET0702/	Sandy Repairs: Rockaway Line Wrap-Up	\$ 0.5
	Element Total	\$ 0.5
ET0802/11	Sandy Repairs: Signals in the Canarsie Tube	\$ 58.0
ET0802/12	Sandy Repairs: Signals in the Clark St Tube	\$ 12.4
	Element Total	\$ 70.4

New York City Transit/Staten Island Railway
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
ET0902/08	Sandy Repairs: Rust Inhibiting Coating, Montague Tube	\$ 8.2
ET0902/11	Sandy Repairs: CBH's Canarsie Tube	\$ 5.0
ET0902/12	Sandy Repairs: Power/Cable/Ducts: Canarsie Tube	\$ 308.0
ET0902/24	Sandy Repairs: Comm & Power Cables - Clark Street Tube	\$ 84.6
	Element Total	\$ 405.9
ET0903/	Sandy Mitigation: Power/Cable/Ducts: Cansarie Tube	\$ 65.9
ET0903/04	Sandy Mitigation: Two Substations (Montague Tube)	\$ 1.5
ET0903/07	Sandy Mitigation: Hardening of Substations - 12 Locs	\$ 4.4
ET0903/08	Sandy Resiliency: Deployable Substations	\$ 0.4
	Element Total	\$ 72.3
ET1002/09	Sandy Repairs: Power Cable Replacement - 148th St Yard	\$ 20.8
ET1002/10	Sandy Repairs: Power Cable Replacement - 207th St Yard	\$ 47.7
	Element Total	\$ 68.5
ET1003/09	Sandy Mitigation: Long-Term Perimeter Protection, 148 St Yard	\$ 127.0
ET1003/10	Sandy Mitigation: Long-Term Perimeter Protection, 207 St Yard	\$ 158.7
ET1003/11	Sandy Mitigation: 148th Street Yard Portal	\$ 5.8
ET1003/12	Sandy Mitigation: 207th Street Yard Portal	\$ 16.3
	Element Total	\$ 307.8
ET1203/07	Sandy Mitigation: Various Depots	\$ 1.4
	Element Total	\$ 1.4
	Grand Total	\$ 4,617.8

Note: Total includes value of Major commitment slips from prior years.

Long Island Rail Road
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
EL0402ZB	System-wide Asses Var	\$ 0.2
	Element Total	\$ 0.2
EL0502ZC	LONG BEACH BRANCH - SYS.	\$ 1.3
	Element Total	\$ 1.3
EL0602ZD	WESTERN RAIL YARDS - (WSY & LIC):	\$ 1.7
	Element Total	\$ 1.7
EL0603ZK	LONG ISLAND CITY YARD	\$ 0.7
	Element Total	\$ 0.7
EL0702ZM	1ST AVENUE SUBSTATION	\$ 0.7
	Element Total	\$ 0.7
L40905FV	LYNBROOK STATION IMPROVEMENT	\$ 2.6
L40905FW	STEWART MANOR STATION	\$ 1.2
	Element Total	\$ 3.7
L502042E	NEW ELEVATORS-FLUSHING MAIN	\$ 16.7
	Element Total	\$ 16.7
L50206VD	PS CUSTOMER SERVICE OFFICE	\$ 0.8
L50206VJ	STATION MASTERS OFFICE DESIGN	\$ 3.1
	Element Total	\$ 3.9
L50304T7	MLC - THIRD TRACK EIS	\$ 2.5
L500304	MLC - Hicksville North Station and Siding Construction (2015)	\$ 67.9
L50304TR	MLC-HICKSVILLE STATION	\$ 3.5
	Element Total	\$ 73.9
L50401BN	BRIDGE PROGRAM-FLUSHING REAL ESTATE	\$ 1.4
	Element Total	\$ 1.4
L50601YF	SHEA YARD IMPROVEMENTS	\$ 2.5
	Element Total	\$ 2.5
L60204UC	WANTAGH STATION PLATFORM	\$ 18.5
	Element Total	\$ 18.5
L60206VL	PENN STATION HVAC	\$ 7.4
	Element Total	\$ 7.4
L60301TF	CONSTRUCTION EQUIPMENT	\$ 0.3
	Element Total	\$ 0.3
L60304TU	JAMAICA CAPACITY IMPROVEMENTS	\$ 109.3
L60304TX	2ND MAIN LINE TRACK FARM TO KO	\$ 15.0
	Element Total	\$ 124.4
L60501L6	PENN STATION RADIO RETROFIT/ERT	\$ 6.5
	Element Total	\$ 6.5
L60502LA	POSITIVE TRAIN CONTROL	\$ 0.4
	Element Total	\$ 0.4
L60604YT	REHAB OF EMPLOYEE FACILITIES	\$ 2.0
	Element Total	\$ 2.0
L60701AQ	REPLACEMENT OF PT. WASH	\$ 9.4
L60701AR	REPLACEMENT OF RICHMOND HILL	\$ 0.0
	Element Total	\$ 9.4
L60904N3	20 SUBSTATIONS CHLORDANE	\$ 0.0
L60904N6	SMITHTOWN VIADUCT REMEDIATION	\$ 0.3
L60904NA	PROGRAM ADMINISTRATION	\$ 0.3
L60904NB	PROGRAM DEVELOPMENT	\$ 0.2
	Element Total	\$ 0.9
L70204UN	Nostrand Ave Station	\$ 21.0

Long Island Rail Road
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
	Element Total	\$ 21.0
L70205V1	Parking Rehab	\$ 5.0
	Element Total	\$ 5.0
L70206VR	Penn Station Complex Improvements Design	\$ 7.0
	Element Total	\$ 7.0
L70301WB	2016 TRACK PROGRAM	\$ 17.6
L70301WH	RETAINING WALLS/ROW PROJECTS	\$ 0.9
	Element Total	\$ 18.5
L70304WV	AMTRAK TERRITORY PROJECTS	\$ 17.0
L70304WX	Double Track	\$ 110.0
	Element Total	\$ 127.0
L70401BQ	Post Ave Bridge	\$ 15.0
L70401BT	Removal Montauk Cut Off Viaduct	\$ 5.7
	Element Total	\$ 20.7
L70501SE	COMMUNICATION POLE LINE REPLACE	\$ 1.8
	Element Total	\$ 1.8
L70502LJ	SIGNAL NORMAL REPLACEMENT	\$ 4.4
L70502LK	POSITIVE TRAIN CONTROL	\$ 40.0
	Element Total	\$ 44.4
L70701XA	SUBSTATION REPLACEMENT	\$ 1.8
L70701XB	SUBSTATION COMPONENTS	\$ 1.8
L70701XK	SIGNAL POWER MOTOR GENER REPL	\$ 1.8
L70701XL	DC RELAY CONTROLS REPLACEMENTS	\$ 0.4
L70701XS	SUBSTATION RENEWALS	\$ 0.9
	Element Total	\$ 6.6
L70904NK	INSURANCE	\$ 1.6
L70904NL	INDEPENDENT ENGINEER	\$ 1.4
L70904NQ	PROGRAM ADMINISTRATION	\$ 8.8
	Element Total	\$ 11.8
Grand Total		\$ 540.2

Note: Total includes value of Major commitment slips from prior years.

Metro-North Railroad
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
EM03-03-01	Specialized Equipment (Resiliency)	\$ 4.5
	Element Total	\$ 4.5
EM04-03-01	Power and Signal Mitigation	\$ 1.0
	Element Total	\$ 1.0
EM05-02-08	Power Infrastructure Restoration-Substations	\$ 0.3
EM05-02-10	Power Infrastr Restoration-Remote Terminal Houses	\$ 1.3
	Element Total	\$ 1.6
M503-01-09	Drainage and Undercutting	\$ 3.6
	Element Total	\$ 3.6
M508-01-05	Independent Engineer	\$ 0.1
	Element Total	\$ 0.1
M601-01-02	M-8 New Haven Line Purchase	\$ 0.1
	Element Total	\$ 0.1
M602-01-01	GCT Trainshed/Tunnel Structure	\$ 0.0
	Element Total	\$ 0.0
M602-02-04	Station Building Rehabilitation/Net Lease	\$ 3.3
	Element Total	\$ 3.3
M602-03-02	Strategic Facilities	\$ 0.0
	Element Total	\$ 0.0
M603-01-04	Turnouts - Yards/Sidings	\$ 0.8
M603-01-08	Drainage Improvements	\$ 1.3
	Element Total	\$ 2.1
M603-03-08	West of Hudson Track 2015	\$ 1.0
	Element Total	\$ 1.0
M604-01-01	Positive Train Control	\$ 57.0
M604-01-02	West of Hudson Signal Improvements	\$ 5.3
M604-01-18	Harlem & Hudson Wayside Communication & Signal Systems	\$ 0.4
	Element Total	\$ 62.7
M605-01-03	Power Infrastructure Restoration - 4 Substations (2014)	\$ 3.3
M605-01-03	Harlem & Hudson Lines Power Improvements	\$ 4.6
	Element Total	\$ 7.9
M606-01-03	Other Shops/Yards Renewal	\$ 6.1
	Element Total	\$ 6.1
M608-01-03	Railroad Protective Liability	\$ 0.2
M608-01-04	Independent Engineer	\$ 0.6
	Element Total	\$ 0.7
M701-01-01	M-3 Replacement	\$ 3.2
	Element Total	\$ 3.2
M702-01-01	GCT Trainshed/Tunnel Struct (incl Roof Exp. Jts)	\$ 13.2
M702-01-07	GCT PA Head End and VIS Systems	\$ 21.9
	Element Total	\$ 35.1
M702-02-03	Upper Hudson Station Improvements	\$ 2.5
M702-02-04	Upper Harlem Line Station Improvements	\$ 2.5
M702-02-07	Customer Communication	\$ 28.5
M702-02-09	Mentoring Program - Stations - 125th Street	\$ 3.7
	Element Total	\$ 37.2
M702-03-01	Strategic Facilities **	\$ 3.2
	Element Total	\$ 3.2
M703-01-01	Cyclical Track Program	\$ 22.0
M703-01-02	Cyclical Repl. Insulated Joint	\$ 0.8

Metro-North Railroad
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
M703-01-03	Rock Slope Remediation	\$ 14.7
M703-01-04	Turnouts - Mainline/High Speed **	\$ 12.5
M703-01-05	GCT Turnouts/Switch Renewal	\$ 4.5
M703-01-06	Turnouts - Yards/Sidings	\$ 1.4
M703-01-07	Rebuild Retaining Walls	\$ 2.1
M703-01-09	Purchase MoW Equipment	\$ 10.1
Element Total		\$ 68.1
M703-02-01	Overhead Bridge Program - E of H	\$ 3.6
M703-02-03	Undergrade Bridge Rehabilitation **	\$ 13.0
M703-02-06	Railtop Culverts	\$ 3.4
M703-02-07	Bridge Walkways	\$ 2.2
M703-02-08	Replace Timbers - Undergrade Bridges	\$ 3.8
M703-02-09	Harlem River Lift Bridge	\$ 1.0
M703-02-11	ROW Fencing	\$ 0.4
M703-02-13	DC Substation/SignalHse Roof Replacement	\$ 1.2
Element Total		\$ 28.6
M703-03-01	Rock Slope Remediation	\$ 15.0
M703-03-03	West of Hudson Undergrade Bridge Rehabilitation	\$ 2.0
M703-03-05	West of Hudson Improvements	\$ 0.7
Element Total		\$ 17.7
M704-01-01	Network Infrastructure Replacement	\$ 6.0
M704-01-03	Positive Train Control	\$ 45.3
M704-01-06	Upgrade Grade Crossings	\$ 1.5
M704-01-07	Replace High Cycle Relays	\$ 1.0
Element Total		\$ 53.8
M705-01-01	Replace MA's in Signal Substations	\$ 2.0
M705-01-02	Transformer Rehabilitation	\$ 2.9
M705-01-03	ReplaceAC Circuit Breaker/Switchgear	\$ 2.9
M705-01-04	Harlem & Hudson Power Rehabilitation	\$ 15.0
M705-01-05	Harlem and Hudson Power Improvements	\$ 1.4
M705-01-10	Park Avenue Tunnel Alarm	\$ 1.5
M705-01-11	Replace Tunnel Lighting	\$ 0.5
Element Total		\$ 26.2
M706-01-04	West of Hudson Yard Improvements	\$ 9.2
Element Total		\$ 9.2
M708-01-01	Systemwide Lead/Asbestos Abatement	\$ 1.0
M708-01-02	Environmental Remediation	\$ 0.3
M708-01-06	Program Administration	\$ 11.0
M708-01-07	Program Scope Development	\$ 3.6
M708-01-08	OCIP - Insurance	\$ 13.0
M708-01-10	Systemwide Security Initiatives	\$ 7.9
M708-01-11	EAM Reserve	\$ 4.0
Element Total		\$ 40.75
Grand Total		\$ 417.8

Note: Total includes value of Major commitment slips from prior years.

MTA Bus Company
 2016 Commitments

Project ID	Project Description	Commitment Goal	
		(\$ in mil)	
U6030230	LaGuardia Annex Roof	\$	0.51
U60302	Bus Radio System	\$	58.50
U6030212	CNG Upgrade at College Point Depot	\$	5.00
	Element Total	\$	64.01
EU030201	Sandy: Depot Rehabilitation at Far Rockaway (2014 Goal)	\$	15.00
	Element Total	\$	15.00
	Grand Total	\$	79.01

Note: Total includes value of Major commitment slips from prior years.

MTA Capital Construction Company
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
E6100102	MTA PD Staten Island - Design	\$ 1.1
	Element Total	\$ 1.1
E6140202	Penn Station - Consequence Management Phase I - FLS LIRR Edges	\$ 4.3
	Element Total	\$ 4.3
G4090126	Harold Structures (Part 2A)	\$ (1.0)
	Element Total	\$ (1.0)
G5090109	Real Estate	\$ 5.3
	Element Total	\$ 5.3
G6090102	GEC - Design	\$ 1.5
G6090103	MTA Management	\$ 6.7
G6090113	Construction Management LIRR	\$ 2.7
G6090118	Harold Interlocking ForceAcct	\$ 14.9
G6090122	Harold Structures (Part 1)	\$ (14.0)
G6090123	Harold Structures - Part 3A	\$ 1.3
G6090125	Amtrak Access & Protection - Amtrak	\$ 5.8
G6090126	LIRR Access & Protection	\$ 4.8
G6090129	Real Estate	\$ 55.8
G6090131	250 Hz Track Circuit	\$ 17.2
G6090135	Systems Package 1 - Facility Systems	\$ (64.8)
G6090146	GCT Concourse & Cavern Finishes	\$ 16.5
G6090149	48th Street Entrance	\$ 8.4
G6090154	Park & Madison Building Owner Work	\$ 0.1
G60901xx	Harold Track A Cut & Cover	\$ 9.0
	Element Total	\$ 65.8
G6140101	WBBP & EBRR F/A Connections	\$ 16.5
G6140103	Harold Structures- Part 3A Amtrak	\$ 9.4
G6140111	Construction Management - URS	\$ 4.8
G6140112	Harold Structures- Part 3	\$ 29.9
	Element Total	\$ 60.6
G7090101	Program Management - URS	\$ 10.4
G7090102	GEC - CPS	\$ 18.0
G7090103	MTA Management	\$ 12.0
G7090105	Manh Structures 1-MNR ForcAcct	\$ 10.9
G7090111	OCIP	\$ 97.1
G7090113	Construction Management - URS	\$ 47.9
G7090116	General Conditions URS	\$ 11.1
G7090118	Harold Interlocking ForceAcct	\$ 19.6
G7090121	Mid-Day Storage Yard	\$ 266.0
G7090123	Harold Structures EBRR & WBBP	\$ 26.6
G7090134	Protect Locomotives	\$ 7.5
G7090135	Systems Package 1 -Facilities	\$ 225.2
G7090138	Force Account Warehouse	\$ 2.9
G7090139	Utilities	\$ 7.0
G7090140	Program Management LIRR	\$ 4.7
G7090141	Harold Track A Cut & Cover	\$ 47.6
G7090142	Grand Central Terminal Station Caverns and Track (CM007)	\$ 777.4
G7090145	48th St Entrance at 415 madison Ave	\$ 16.8
G7090146	Existing Facilities Maintenance	\$ 5.0
G7090152	Force Account Support - LIRR CPS	\$ 2.2
G7090154	Cab Simulator	\$ 4.3
	Element Total	\$ 1,620.2

MTA Capital Construction Company
 2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
G7100101	CIC consultant and outreach	\$ 118.0
	Element Total	\$ 118.0
N5100105	Harriman MTA PD Field Office	\$ 0.9
	Element Total	\$ 0.9
T6041412	Reconstruct Cortlandt St BW7	\$ (18.0)
	Element Total	\$ (18.0)
T7041409	Reconstruct Cortlandt St BW7	\$ 44.4
	Element Total	\$ 44.4
TBD	Penn Station Perimeter Protection -7th Ave	\$ 1.0
TBD	Other Security	\$ 9.0
	Element Total	\$ 10.0
	Grand Total	\$ 1,911.62

MTA Bridges & Tunnels
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
D602RKXD	Construction of New Harlem River Drive Ramp - MOU (2015)	\$ 15.0
	Element Total	\$ 15.0
D603AW35	Replacement of Weather Information Systems	\$ 2.2
	Element Total	\$ 2.2
D604MPXA	Mechanical Systems Rehab	\$ 0.0
	Element Total	\$ 0.0
D701BW07	Fender Protection around Tower Piers (Const)	\$ 1.6
	Element Total	\$ 1.6
D701CB18	CB Scour Protect/Repair/Rpl CB/MP Pier Fender Sys	\$ 1.6
	Element Total	\$ 1.6
D701HH07	Structural Rehabilitation	\$ 1.7
D701HH89	Skewback Retrofit	\$ 7.3
	Element Total	\$ 9.0
D701QM18	Manhattan/Queens Plaza Structural Rehab	\$ 6.2
	Element Total	\$ 6.2
D701RK04	Queens Anchorage Rehabilitation	\$ 2.4
D701RK19	Seismic/Wind Retrofit & Structural Rehab Ph1	\$ 1.0
D701RK20	Main Bridge Cable Inspection and Rehabilitation	\$ 0.9
D701RK70	Miscellaneous Structural Rehabilitation	\$ 1.0
	Element Total	\$ 5.3
D701TN53	Approach Viaducts Seismic Retrofit & Structural Rehab	\$ 10.3
D701TN87	Anchorage & Tower Protection	\$ 2.1
	Element Total	\$ 12.3
D702RK23	Construction of New Harlem River Drive Ramp	\$ 0.1
D702RK65	Reconstruction of Manhattan Toll Plaza Structure and Ramps	\$ 0.1
	Element Total	\$ 0.1
D702TN55	Replacement of Bronx and Queens Approach Viaducts (Study)	\$ 0.0
	Element Total	\$ 0.0
D702VN11	Brooklyn Approach Reconstruction	\$ 2.5
D702VN84	Reconstruction of VN Approach Ramps - Ph1	\$ 16.5
D702VN86	Widening of Belt Parkway - Design	\$ 0.1
	Element Total	\$ 19.1
D703AW32	Installation of Rotating Prism Signs	\$ 1.4
	Element Total	\$ 1.4
D703HH88	Reconstruction of Toll Plazas and Southbound Approach	\$ 8.3
	Element Total	\$ 8.3
D704AWX3	Bridge Structural Health Monitoring Initiatives	\$ 0.0
	Element Total	\$ 0.0
D704BW32	Installation of Fire Standpipe Connections	\$ 0.3
D704BW39	Install Electronic Monitoring & Detection Systems	\$ 1.0
	Element Total	\$ 1.3
D704HC07	Rehabilitation of HCT Ventilation Systems	\$ 0.1
D704HC30	Install Smoke Detection/Alarm Systems-HCT Vent & Svc. Bldgs.	\$ 0.3
D704HC64	Brooklyn Service Building Electrical Rehab.	\$ 0.3
	Element Total	\$ 0.6
D704HH13	Replacement of Facility Lighting System	\$ 1.1
D704HH19	Replacement and Upgrade of Substations	\$ 0.4
	Element Total	\$ 1.4
D704QM91	Install Smoke Detection/Alarm Systems-QMT Vent & Svc. Bldgs.	\$ 0.3
	Element Total	\$ 0.3

MTA Bridges & Tunnels
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
D704RK07	Electrical/Mechanical Rehab of HR Lift Span	\$ 0.3
D704RK21	Installation of Fire Standpipe & Upgrade of Fire Protection System	\$ 20.9
D704RK60	Installation of Facility-wide Electronic Monitoring and Detection Systems	\$ 1.0
	Element Total	\$ 22.2
D704VN30	Elevator Rehabilitation	\$ 0.7
	Element Total	\$ 0.7
D705AW66	Operations Command Center Rehab/Replacement	\$ 0.1
	Element Total	\$ 0.1
D705HC80	Rehabilitation of Ventilation Buildings	\$ 1.1
	Element Total	\$ 1.1
D705QM36	Rehabilitation of Ventilation Building	\$ 0.8
	Element Total	\$ 0.8
D705RK58	Rehabilitation of the Robert Moses Bldg and Ancillary Facilities	\$ 0.8
	Element Total	\$ 0.8
D706AW18	Protective Liability Insurance	\$ 2.5
D706AW21	Program Administration	\$ 4.7
D706AW22	Miscellaneous	\$ 0.1
D706AW28	Scope Development	\$ 0.2
	Element Total	\$ 7.5
D707HH30	Replacement of HHB Overcoat System	\$ 0.9
	Element Total	\$ 0.9
D707RK70	Miscellaneous Structural Rehabilitation	\$ 0.2
	Element Total	\$ 0.2
D707VN49	Painting of Suspended Span Upper & Lower Level Steel & Truss	\$ 0.3
	Element Total	\$ 0.3
ED040303	Flood Mitigation-Generator at GIVB	\$ 0.2
	Element Total	\$ 0.2
	Grand Total	\$ 120.5

Note: Total includes value of Major commitment slips from prior years.

MTA Police Department
 2016 Commitments

Project ID	Project Description	Commitment Goal	
		(\$ in mil)	
N5100109	MTAPD Penn/Atlantic Tunnel Project	\$	25.0
	Element Total	\$	25.0
E6100102	S. I. District Office Design	\$	1.6
E6100104	MTAPD Radio Project Monopoles	\$	5.5
	Element Total	\$	7.1
Grand Total		\$	32.10

New York City Transit
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T40803/CI	Mainline Track Rehabilitation: SSI Bergen: I/H Track Wrap-Up	\$ 1.8	Jan-16
T61203/10	Fireproofing Sealant 1st/Mezzanine - Tuskegee Depot [SBMP]	\$ 0.6	Jan-16
T61203/20	Fireproofing Sealant 2nd & 3rd Floors- Tuskegee Depot [SBMP]	\$ 0.6	Jan-16
ET1602/09	Sandy Repairs: Procure Keene Machines and Audit System	\$ 1.1	Jan-16
T60412/72	Station Ventilators: Ph 3-2 Loc / Canarsie(Wrap-Up)	\$ 0.2	Jan-16
T61607/02	Jay St Systems Reloc: Signal Facility at 14 St / 8 Ave	\$ 5.8	Jan-16
T40409/PW	PA/CIS Wrap-Up (TIS)	\$ 2.7	Feb-16
T50404/05	MetroCard Vending Machine: Bill Handler Upgrade	\$ 3.3	Feb-16
T60414/03	Water Condition Remedy - 2013	\$ 3.2	Feb-16
T60806/44	Help Point: 2 Stations / New Lots & Jerome [SBMP]	\$ 1.3	Feb-16
T40806/T1	TIS Command Center At RCC	\$ 1.3	Feb-16
T60806/45	Help Point: 2 Stations / Canarsie [SBMP]	\$ 1.4	Feb-16
ET0603/07	Sandy Mitigation: Deployable Vent Covers - 14 FPs [SBFP]	\$ 3.6	Feb-16
ET0802/08	Sandy Repairs: Security Equipment Montague Tube	\$ 3.2	Feb-16
S50701/12	SIR: Line Equipment: Signl Sys Mod: St.George-Tottnvil/Wrap-Up	\$ 1.2	Feb-16
T40806/T1	Cable: Network Management (CNMMS)	\$ 10.8	Feb-16
T51204/13	Depot Equipment And Machinery: Depot Equipment 2009	\$ 5.5	Feb-16
T60412/A5	Station Ventilators: Ph 5 - 5 Loc / Various	\$ 7.9	Feb-16
T40404/M6	AFC System Wrap-Up	\$ 8.1	Feb-16
T51204/08	BRT: Traffic Signal Priority Hardware (SBS)-200 Buses(Pilot)	\$ 3.8	Feb-16
T60412/01	Station Component: 4 Avenue / Culver	\$ 12.2	Feb-16
T60412/12	Station Rehabilitation: Smith-9 Streets / Prospect Park Line	\$ 34.9	Feb-16
T61302/06	Purchase 65 Non-Rev Vehicles	\$ 11.2	Mar-16
T61204/30	3 Bus Washers at MJQ: 1 New and 2 Rehab	\$ 5.2	Mar-16
ET1002/12	Sandy Repairs: Power Cable Replacement - Rockaway Park	\$ 14.8	Mar-16
T60412/76	Station Component: Mezzanine Ceiling/Walls: Hoyt Street / Eastern Parkway	\$ 0.9	Mar-16
T60414/07	Station Signage: Station Signage	\$ 4.8	Mar-16
E61404/05	Security: 2011-TSG: Electronic Security - URT Phase 2	\$ 27.4	Mar-16
T60302/30	Purchase 72 Standard Diesel Buses	\$ 39.2	Mar-16
T60502/15	Mainline Track: 2015 DES/EFA	\$ 5.5	Mar-16
T60503/06	Mainline Switches - 2015 DES/EFA	\$ 4.9	Mar-16
T61607/13	Employee Facilities: 207 Street / 8th Avenue	\$ 8.8	Mar-16
U60302/08	New Apron - JFK Depot [SBFP]	\$ 3.5	Mar-16
T60412/31	Station Renewal: 104 Street / Liberty	\$ 15.7	Apr-16
T60412/33	Station Renewal: 111 Street / Liberty	\$ 15.1	Apr-16
T60412/34	Station Renewal: Rockaway Boulevard / Liberty	\$ 16.4	Apr-16
T60412/35	Station Renewal: 88 Street / Liberty	\$ 16.2	Apr-16
T60412/36	Station Renewal: 80 Street / Liberty	\$ 16.1	Apr-16
T61604/02	Replace High Speed Printers: 130 LVP and 2 Broadway	\$ 0.6	Apr-16
E61404/02	Electronic Security: 10TSG Boro Hall-Court St	\$ 15.6	Apr-16
T60412/98	Street Stairs: Ditmars Blvd / Astoria (S2/S3) [SBMP]	\$ 1.3	Apr-16
T60603/03	Vent Plant: Mulry Square / 8AV & BW7	\$ 71.8	Apr-16
T60902/07	Roof and Enclosure: Concourse E. 144th St [SBMP]	\$ 1.4	Apr-16
T61203/09	Chassis Wash Lift Replacement @ MJ Quill Bus Depot [SBMP]	\$ 1.5	Apr-16
T61204/32	Paint Booth Replacement at Queens Village Bus Depot [SBMP]	\$ 2.2	Apr-16
T70502/	Mainline Track Replacement 2015 / Lenox-White Plains Rd	\$ 5.2	Apr-16
U40302/14	Bus Time Customer Information System: MTA Bus	\$ 10.5	Apr-16
U50302/23	Bus Time Customer Information System: MTA Bus -- Misc Items	\$ 1.7	Apr-16
T60806/51	Help Point: 3 Stations / Flushing [SBMP]	\$ 1.7	May-16
T60412/95	Station Ventilators: Ph 6 - 5 Loc / Upper Manhattan & Bronx	\$ 5.9	May-16
T60803/26	ATS-A: Normal Replacement of Hardware & Operating System	\$ 5.9	May-16
T60412/F2	Station Ventilators: Ph 7 - 8 Loc /Lower Manhattan	\$ 5.1	May-16
T60806/06	Communications - RTO: RTO: Portable Radio Unit Replacement	\$ 6.8	May-16
T60806/21	PSLAN: 30 Stations	\$ 26.5	May-16
T70503/01	Mainline Track Switches 2015 / Queens Blvd	\$ 3.2	May-16
U60302/28	Depot Equipment And Machinery: Chassis Washers: LaGuardia & Baisley Park Depots [SBFP]	\$ 3.5	May-16
T71604/05	Replace Superdome Server: 2 Broadway	\$ 1.4	Jun-16
T41204/01	Radio & Data Communication: AVL: Paratransit - 2,273 Vehicles	\$ 39.2	Jun-16
T60302/25	Purchase 300 Express Buses	\$ 188.9	Jun-16
T60412/F4	Station Rehabilitation: Hard Rail Track Panel @ 9 Stations/Sea Beach	\$ 8.1	Jun-16
T60806/22	Help Point: EFA & TAL	\$ 10.3	Jun-16
T61004/08	Heavy Shop Equipment Replacement	\$ 12.9	Jun-16
T61004/28	Car Washer Repairs at Coney Island Yard	\$ 9.8	Jun-16
T61203/08	Sliding Gate Replacement at Jackie Gleason Bus Depot [SBMP]	\$ 1.2	Jun-16

New York City Transit
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T61204/33	Depot Equipment And Machinery: Removal of In-ground Lifts at 5 Depots	\$ 2.4	Jun-16
T70806/10	Help Point: 64 Stations (Transit Wireless)	\$ 36.5	Jun-16
T70806/11	Help Point: 16 Stations	\$ 10.3	Jun-16
T60412/H1	Station Component: 2 Street Stairs: 23 Street / 8th Avenue (S3/S4) [SBMP]	\$ 1.3	Jul-16
T60412/H2	Station Component: 3 Street Stairs: 23 Street / 8th Avenue (S9-S11) [SBMP]	\$ 1.3	Jul-16
T60412/H5	Station Component: 2 Street Stairs: 168 Street / 8th Avenue (S5/S6) [SBMP]	\$ 1.4	Jul-16
ES0702/15	Sandy Repairs: Tower B Employee Facilities - Long Term	\$ 2.1	Jul-16
T70502/	Mainline Track Replacement 2016 / 63rd St	\$ 0.3	Jul-16
T70605/	Tunnel Lighting: 63rd St & Lexington Ave. to 57th St & 7th Ave / E63 Line	\$ 12.4	Jul-16
T70806/	Antenna Cable Replacement: Antenna Cable Replacement - Second Ave Connection / E63 Line	\$ 2.4	Jul-16
ET0403/13	Sandy Mitig: Stairway Covers /Marine Doors"B"- 6 Stn (SBFP)	\$ 4.8	Jul-16
ET0603/08	Sandy Mitig:Hatch Repl/MCD Prototype 'A' 14 Fan Plant [SBFP]	\$ 5.0	Jul-16
ET0603/09	Sandy Mitigation:Hatch Repl 'B' 14 Fan Plant [SBFP]	\$ 4.5	Jul-16
T50302/18	Purchase 90 Standard Buses (Nova)	\$ 52.4	Jul-16
T60412/22	Station Component: Brick Arch Repair: 168 Street & 181 Street / Broadway-7th Av	\$ 65.3	Jul-16
T60412/74	Station Component: 157 Street / Broadway-7th Ave	\$ 3.3	Jul-16
T60412/A2	Street Stairs: Grand St / Canarsie [SBMP]	\$ 3.5	Jul-16
T60412/C7	Station Component: 3 Street Stairs: Rector Street / Broadway (NB) [SBMP]	\$ 3.3	Jul-16
T60412/G1	Station Component: 2 Street Stairs: 23 Street / 8th Avenue (S1-S2) [SBMP]	\$ 1.3	Jul-16
T60412/G2	Station Component: 2 Street Stairs: 23 Street / 8th Avenue (S7-S8) [SBMP]	\$ 1.2	Jul-16
T60412/G3	Station Component: 2 Street Stairs: 23 Street / 8th Avenue (S5/S6) [SBMP]	\$ 1.3	Jul-16
T60412/H4	Station Component: 1 Street Stairs: 168 Street / 8th Avenue (S4) [SBMP]	\$ 1.2	Jul-16
T60414/04	Scrubber Room Drainage: 191 & 181 Sts / Broadway-7th Avenue	\$ 0.6	Jul-16
T60806/22	Help Point Infrastructure: 168 St / BW7	\$ 0.9	Jul-16
T61004/07	Shop Repairs/ Upgrades: Pitkin and Concourse	\$ 22.9	Jul-16
T61607/26	Security: Perimeter Hardening: RCC [SBFP]	\$ 4.6	Jul-16
T60101/01	Purchase 103 New Railcars (R188) Option	\$ 272.4	Jul-16
T60302/24	Purchase 324 Standard Buses (Nova)	\$ 163.3	Jul-16
T60302/28	Purchase 276 Standard Buses (New Flyer)	\$ 152.5	Jul-16
T60412/80	Station Component: 103 Street / Lexington	\$ 15.2	Jul-16
T60412/83	Station Component: 2 Locations / 4 Av	\$ 13.7	Jul-16
T60412/91	Station Component: 3 Locations / Lexington	\$ 11.1	Jul-16
T60803/05	CBTC Flushing: 370 R-142A Conversions	\$ 224.8	Jul-16
T70502/	Mainline Track Replacement 2015 / Broadway-7th Avenue	\$ 14.4	Jul-16
T50806/16	HVAC at 7 Locations, Wrap up at 10 Locations	\$ 12.6	Aug-16
T61604/02	Replace Server Hardware: RCC and BCC	\$ 3.2	Aug-16
ET0603/12	Sandy Mitigation: Purchase of Backup Generators	\$ 2.8	Aug-16
S60701/08	SIR: Passenger Stations: Station Construction: Arthur Kill	\$ 27.9	Aug-16
T60407/04	Elevator Replacement: Replace 11 Hydraulic Elevators	\$ 27.7	Aug-16
ET0403/07	Sandy Mitigation: Lower Mhthn Flood Doors / Hatches [SBFP]	\$ 2.2	Aug-16
ET0403/16	Sandy Mitig:Stairway CvrMarine Doors"A"Low Mnh-6 Stns	\$ 3.4	Aug-16
T60412/32	Station Renewal: Ozone Park-Lefferts Blvd / Liberty	\$ 7.4	Aug-16
T60412/G5	Station Ventilators: Ph 8 - 3 Loc / Southeast Brooklyn	\$ 6.5	Aug-16
T60413/10	ADA: 23 Street / Lexington	\$ 20.8	Aug-16
T60413/12	ADA: Ozone Park-Lefferts Blvd / Liberty	\$ 21.6	Aug-16
T61204/02	Williamsburg Bridge Plaza Transit Building	\$ 2.1	Aug-16
ET0402/19	Sandy Repairs: South Ferry Station Rooms I [SBFP]	\$ 3.5	Sep-16
ET0402/21	Sandy Repairs: South Ferry Station Rooms II [SBFP]	\$ 3.2	Sep-16
T60412/C3	Station Components: 2 Locations / Canarsie	\$ 16.4	Sep-16
T60412/H7	Station Ventilators: Ph 9 - 2 Loc / Southwest Brooklyn	\$ 2.9	Sep-16
T60806/15	Copper Cable Upgrade/Replacement Phase 3	\$ 9.8	Sep-16
T61004/39	2-Ton Overhead Crane - Concourse	\$ 3.0	Sep-16
T61203/19	East NY Depot 2nd Floor Locker Room (at 1 Jamaica Av)	\$ 2.8	Sep-16
T61204/40	Depot Equipment And Machinery: Replace 1 Platform Lift - ENY [SBMP]	\$ 0.9	Sep-16
T70503/01	Mainline Track Switches 2015 / Brighton	\$ 1.9	Sep-16
U50302/25	MTA-Bus Security Improvements-2011:Far Rockaway&Baisley Park	\$ 9.9	Sep-16
T60412/93	Station Component: 2 Locations / QBL	\$ 13.4	Oct-16
T61606/08	Consult: UST & Remed (2011)	\$ 6.0	Oct-16
T60412/F6	Station Component: 4 Street Stairs: Avenue N / Culver [SBMP]	\$ 2.8	Oct-16
T51204/16	Ulmer Park Depot: Asbestos Removal	\$ 1.2	Oct-16
T60412/F8	Platform Components: 50 Street / 8th Avenue (Lower Level)	\$ 4.6	Oct-16
T60412/G6	Station Component: Station Painting at Component Locations: 50 St / 8AV (LL)	\$ 0.8	Oct-16
T60412/F9	Station Component: 4 Street Stairs: Kings Highway / Culver [SBMP]	\$ 3.2	Oct-16
T61302/05	Purchase 91 Non-Rev Vehicles 2013	\$ 15.8	Oct-16

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T51199/03	Yard Rehabilitation: Yard Fencing: 2 Locations	\$ 16.1	Oct-16
T60703/19	Overcoating: Broadway Junction - New Lots Avenue / CNR	\$ 28.2	Oct-16
T60703/24	Station Structural Remediation: Structural Steel Repair, Lower Level, 9th Ave, West End Ln	\$ 18.4	Oct-16
T60803/18	Signal Key-By Circuit Mods: Phase 3	\$ 13.6	Oct-16
T60412/H3	Station Component: 1 Street Stairs: 168 Street / 8th Avenue (S7) [SBMP]	\$ 1.2	Nov-16
T60414/02	Station Rehabilitation: Station Entrance Railings	\$ 4.0	Nov-16
ET0602/20	Sandy Repairs: Pump #2057 / 8 Ave	\$ 3.5	Nov-16
ET0602/28	Sandy Repairs: 200 St - 207 St Yard Tunnel Lighting	\$ 18.9	Nov-16
T61004/09	Yard Lighting: Yard Lighting: (Jerome, Pelham)	\$ 15.3	Nov-16
T61604/02	Enterprise-Wide SAN/Disaster Recovery Phase 2	\$ 11.7	Nov-16
T61604/04	Enterprise LAN/WAN Replacement	\$ 9.6	Nov-16
T60803/14	Roosevelt Interlocking / Queens Blvd	\$ 103.3	Dec-16
T61607/20	RTO Facilities Hardening Ph 2	\$ 11.6	Dec-16
T61004/27	Car Washer Repairs: 3 Yards	\$ 17.4	Dec-16
T51605/01	MTA-Indep Engineering Consultant 2009-2010	\$ 10.5	Dec-16
U60302/19	Purchase 75 Articulated Buses	\$ 61.6	Dec-16
E61404/03	Electronic Security: 10TSG Atlantic/Pacific	\$ 21.5	Dec-16
T50414/26	PA/CIS: B Division Furnish/Deliver CIS 89 Stations	\$ 8.4	Dec-16
T51204/16	Ulmer Park Depot: Roof Replacement	\$ 3.7	Dec-16
T60302/26	Integrated Asset Management Planning System (EAM)	\$ 7.0	Dec-16
T60703/06	Demolition Of Abandoned Structures: Demolition of Abandoned Structures - Various - Ph1	\$ 15.2	Dec-16
T60806/08	Communications Systems: VHF Radio System Upgrade	\$ 220.4	Dec-16
T60806/22	Help Point: 9 Stations (3rd Party PSLAN Locations)	\$ 0.3	Dec-16
T60806/32	Help Point: 2 Stations (Added Locations)	\$ 0.2	Dec-16
T61605/04	Independent Eng'g Consultant 2010-2014	\$ 19.5	Dec-16
T70806/10	Help Point: Woodhaven Blvd / QBL (Transit Wireless)	\$ 0.4	Dec-16
T70806/11	Help Point: 12 Stations	\$ 7.0	Dec-16
U50302/04	Install / Purchase Emergency Generators: 5 Depots	\$ 9.0	Dec-16
U50302/98	Misc CONSTRUCTION Consultant Mgmt Svces	\$ 5.0	Dec-16
T60412/C5	Station Component: 2 Street Stairs: Broadway / Astoria (S1/S3) [SBMP]	\$ 1.4	Jan-17
ET0602/18	Sandy Repairs: 2 Pump Rooms (Southern Manhattan)	\$ 7.2	Jan-17
ET0602/24	Sandy Repairs: 3 Fan Plants (Southern Manhattan)	\$ 25.7	Jan-17
T60302/18	Replace Integrated Farebox Unit (IFU) Components, Phase 2	\$ 21.9	Jan-17
T60404/01	AFC Replacement, Phase 2: Electronic Boards	\$ 30.0	Jan-17
T60604/03	Pumps: 4 Locations / Pelham - Jerome - Lenox	\$ 19.1	Jan-17
T61004/25	207 St Overhaul: Equipment for Car HVAC Repair & Maintenance	\$ 2.2	Jan-17
T61607/28	Facilities: 7 AC Units at 130 Livingston Plaza Data center	\$ 1.8	Feb-17
ET0502/12	Sandy Repairs: Track - 53 St Tube QBL	\$ 12.0	Feb-17
ET0802/15	Sandy Repairs: Signals - 53 St Tube QBL	\$ 10.4	Feb-17
ET0902/25	Sandy Repairs: Comm/Power Cable Replacement- 53 St Tube QBL	\$ 49.6	Feb-17
ET0902/26	Sandy Repairs: CBH (#565 & 603) 53 St Tube QBL	\$ 5.0	Feb-17
ET0902/38	Sandy Repairs: Substation Equipment (SS#216) - 53 St Tube	\$ 20.2	Feb-17
T71604/01	Upgrade Copper Cable: Livingston Plaza	\$ 3.5	Feb-17
U50302/16	Fuel Upgrade: 3 Locations	\$ 4.0	Feb-17
ET0402/17	Sandy Repairs: Purchase and Install AFC Equipment	\$ 12.0	Mar-17
ES0702/13	Sandy Repairs: Tower B Restoration - Long Term	\$ 5.4	Mar-17
ES0702/14	Sandy Repairs: St. George Interlocking	\$ 105.0	Mar-17
S60701/03	SIR: Track: St. George Interlocking	\$ 14.2	Mar-17
ET0602/30	Sandy Repairs: 2 Pump Rooms (Cranberry Tube)	\$ 12.5	Mar-17
ET0602/31	Sandy Repairs: Fan Plant (#6330, #6332)/Cranberry Tube	\$ 16.6	Mar-17
ET0802/14	Sandy Repairs: Signals in the Cranberry Tube	\$ 18.0	Mar-17
ET0902/20	Sandy Repairs: Comm/Power Cable - Cranberry Tube	\$ 50.8	Mar-17
ET0902/32	Sandy Repairs: CBH #502/Cranberry Tube	\$ 1.4	Mar-17
ET0902/33	Sandy Repairs: Substation Equipment (SS#90)/ Cranberry Tube	\$ 3.9	Mar-17
T30803/CN	Mainline Track Rehabilitation: CBTC Canarsie: I/H Track Wrap-Up	\$ 5.2	Mar-17
T60412/G9	Station Ventilators: Ph 10 - 4 Loc / North Brooklyn	\$ 5.3	Mar-17
T70502/	Mainline Track Replacement 2015 / Flushing	\$ 11.0	Mar-17
T70502/02	Mainline Track Replacement - 2016	\$ 53.0	Mar-17
T70503/01	Mainline Track Switches 2015 / Broadway-7th Avenue	\$ 1.0	Mar-17
T70503/02	Mainline Track Switches - 2016	\$ 18.5	Mar-17
U50302/20	Depot Equipment And Machinery: Depot Equipment	\$ 0.1	Mar-17
T51605/21	Materiel: Concrete Batch Plant Inspection	\$ 1.2	Apr-17
T51605/24	Concrete Cylinder Testing	\$ 0.7	Apr-17

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ET0602/16	Sandy Repairs: Tunnel Lighting - Joralemon Tube	\$ 44.5	Apr-17
ET0603/13	Sandy Mitigation: 2 Pump Rooms, Joralemon Tube	\$ 7.4	Apr-17
ET0902/18	Sandy Repairs: Substation Equipment - Joralemon Tube	\$ 5.6	Apr-17
ET0902/21	Sandy Repairs: Comm/Power Cable & Ducts - Joralemon Tube	\$ 59.7	Apr-17
S60701/05	SIR: Power: New Power Substation: Prince's Bay	\$ 25.2	Apr-17
T60412/45	Station Renewal: Pennsylvania Avenue / New Lots	\$ 13.6	Apr-17
T60412/46	Station Renewal: Rockaway Avenue / New Lots	\$ 13.5	Apr-17
T60412/47	Station Renewal: Saratoga Avenue / New Lots	\$ 13.1	Apr-17
T60412/48	Station Renewal: Junius Street / New Lots	\$ 13.3	Apr-17
T60412/49	Station Renewal: Sutter Avenue-Rutland Road / New Lots	\$ 13.2	Apr-17
T60412/50	Station Renewal: Van Siclen Avenue / New Lots	\$ 14.4	Apr-17
T60412/92	Station Component: New Lots Av Station / New Lots Line	\$ 3.5	Apr-17
T61204/34	Chassis Wash Installation at Queens Village Bus Depot [SBMP]	\$ 1.5	Apr-17
T70503/01	Mainline Track Switches 2015 / 6th Avenue	\$ 8.9	Apr-17
T61605/13	Boring Services: Manhattan & Bronx	\$ 2.1	May-17
T61605/14	Boring Services: Bklyn, Qns & SI	\$ 1.9	May-17
T60414/	New Stair P16: Grand-Central-42 Street / Lexington	\$ 1.0	May-17
T60414/05	Access Improvements: Grand Central / LEX	\$ 20.8	May-17
ET0403/15	Sandy Mitigation: Hatches (5 of 8 Stations) [SBFP]	\$ 3.7	May-17
T60302/32	Radio & Data Communication: OBAV: Depot Wi-Fi	\$ 3.2	May-17
T71004/16	Yard Switches - 2015	\$ 2.7	May-17
T60602/03	Tunnel Lighting: 36 St To Jackson-Roosevelt / Queens Blvd	\$ 52.2	Jun-17
T61204/22	Manhattanville: Comprehensive Facade Repairs	\$ 21.9	Jun-17
ET0402/13	Sandy Repairs: South Ferry Station Complex	\$ 189.2	Jun-17
ET0502/13	Sandy Repairs: South Ferry Track	\$ 18.8	Jun-17
ET0502/16	Sandy Repairs: Mainline Switches South Ferry	\$ 6.8	Jun-17
ET0602/17	Sandy Repairs: 1 Pump Room (South Ferry)	\$ 5.4	Jun-17
ET0602/23	Sandy Repairs: Fan Plant South Ferry	\$ 7.3	Jun-17
ET0602/27	Sandy Repairs: South Ferry Tunnel Lighting	\$ 9.2	Jun-17
ET0802/01	Sandy Repairs: South Ferry Interlocking	\$ 66.5	Jun-17
ET0902/35	Sandy Repairs: South Ferry CBHs # 367 & 368	\$ 18.9	Jun-17
ET1602/11	Sandy Repairs: Employee Facility at Whitehall Station BWY	\$ 2.8	Jun-17
ET1602/12	Sandy Repair: South Ferry Leak Mitigation	\$ 16.2	Jun-17
T50803/19	CBTC CNR: Equip R156 Locomotives	\$ 1.2	Jun-17
T50803/32	Alstom Relay Replacement - Room @ 211th St/BW	\$ 0.2	Jun-17
T51204/13	Depot Equipment And Machinery: Replace Generator at Casey Stengel Depot	\$ 2.4	Jun-17
T61004/01	207th Street Overhaul Shop: Rehabilitate HVAC Shop	\$ 50.6	Jun-17
T61204/29	Radio & Data Communication: Bus Command Center Construction - NYCT	\$ 60.0	Jun-17
T61607/27	RTO Facility Hardening: South Ferry Terminal BW7	\$ 1.2	Jun-17
T70502/	Mainline Track Replacement 2015 / West End	\$ 4.8	Jun-17
T70502/	Mainline Track Replacement 2015 / Brighton	\$ 10.6	Jun-17
T70502/	Mainline Track Replacement 2015 / Queens Blvd	\$ 49.3	Jun-17
T70502/	Mainline Track Replacement 2015 / 8th Avenue	\$ 18.6	Jun-17
T70502/	Mainline Track Replacement 2015 / Dyre	\$ 4.1	Jun-17
T70502/07	Continuous Welded Rail 2015 / QBL	\$ 11.8	Jun-17
T70503/01	Mainline Track Switches 2015 / 8th Avenue	\$ 1.5	Jun-17
T70803/21	AC to DC Line Relay Conversions Phase 2 / FUL	\$ 13.6	Jun-17
U60302/25	Radio & Data Communication: Bus Command Center Construction - MTA Bus	\$ 17.1	Jun-17
N61101/02	Jay St Systems Reloc: War Memorial & Museum Items	\$ 0.4	Jul-17
T61607/07	Security: Perimeter Hardening: 130 Livingston	\$ 7.3	Jul-17
T61607/17	Facilities: Livingston Plaza: Elevators, Roof, Facade	\$ 27.3	Jul-17
T60604/04	Pumps: 2 Locations - Manhattan	\$ 13.6	Jul-17
T60803/13	Dyre Avenue Line Signals	\$ 226.1	Jul-17
T60806/20	Hydrogen Gas Ventilation:19 Communications Rooms	\$ 10.9	Jul-17
T61004/52	Mainline Track Rehabilitation: Integrated Wheel/Rail Monitoring and Analytics	\$ 4.6	Jul-17
T61605/15	Test Pits Contract (2014)	\$ 5.4	Jul-17
T71204/03	Bus Rapid Transit: Advance 240 MFCs	\$ 5.5	Jul-17
S70701/08	SIR: Miscellaneous Projects: SIR: Install Customer Information Signs	\$ 1.2	Aug-17
T60603/04	Vent Plant: 46th Street-Northern Blvd / Queens Blvd Line	\$ 87.4	Aug-17
T70502/	Continuous Welded Rail 2015 / 8th Ave	\$ 26.5	Aug-17
T60412/A4	Station Component: Eastchester-Dyre Av / Dyre	\$ 25.7	Sep-17
T60703/32	Overcoating: Bridge Work at Dyre Ave Station	\$ 2.6	Sep-17
T50803/08	CBTC Flushing Line	\$ 384.8	Sep-17
T60803/06	CBTC Flushing: Additional Support Costs	\$ 152.6	Sep-17
T61606/04	Asbestos Disposal	\$ 0.9	Sep-17

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ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T61606/10	Asbestos/Lead: Air Monitor	\$ 9.1	Sep-17
T61606/09	Asbestos Abatement - 2013	\$ 9.7	Sep-17
ET0403/14	Sandy Mitigation: Stairwell Prot (Flexgates) - 6 of 8 Station	\$ 18.6	Sep-17
ET0603/16	Sandy Mitigation: Pumping Capacity Improvements: Annex Pumps	\$ 1.0	Sep-17
T51302/10	Diesel Particulate Filters: Non-Rev Fleet	\$ 5.0	Sep-17
T70302/02	Purchase 138 Standard CNG Buses	\$ 85.2	Sep-17
T50806/15	PA/CIS: 45 Stns: Furnish-Install Cabinets	\$ 21.0	Oct-17
T50806/15	PA/CIS: 44 Stns: Furnish-Install Cabinets	\$ 20.0	Oct-17
T61606/06	Fire Alarm: 207 Street Overhaul Shop	\$ 12.9	Oct-17
T61607/19	Roofing Repair & Replacement: DOS Roof Replacement Phase 4	\$ 16.4	Oct-17
T60803/10	2 Interlockings: Union Turnpike & 71 Av	\$ 310.7	Oct-17
T70703/12	Overcoating: Portal to 164 Street / Jerome	\$ 0.7	Oct-17
T60407/05	Elevator Replacement: 7 Hydraulic Elevators / Lexington	\$ 29.3	Nov-17
T70412/29	Station Component: Subway Street Stairs: 6 Locs / Various (2015) [SBMP]	\$ 0.5	Dec-17
EU0302/01	Reserve: Hurricane Sandy: Depot Rehabilitation, Far Rockaway	\$ 25.0	Dec-17
T60414/12	Station Reconstruction: Reconstruct Cortlandt St Station BW7	\$ 128.0	Dec-17
T60302/34	Purchase 139 Articulated Buses (New Flyer)	\$ 120.3	Dec-17
T60806/04	PA/CIS: 45 Stations: Install Cable	\$ 56.1	Dec-17
T60806/23	PSLAN: Solarwinds Network Management System	\$ 5.0	Dec-17
T61203/11	Upgrade 3rd Floor HVAC & Rehab Office - ENY	\$ 4.8	Dec-17
T61203/18	Jackie Gleason Depot CNG Compressor	\$ 2.4	Dec-17
T70412/22	Platform Components: 4 Locations / 4th Avenue	\$ 0.5	Dec-17
T70414/01	Station Signage: Station Signage (2016)	\$ 0.5	Dec-17
T70414/05	Water Condition Remedy - 2015	\$ 3.9	Dec-17
T70502/	Mainline Track Replacement 2015 / Jerome	\$ 1.0	Dec-17
T70502/	Mainline Track Replacement 2015 / Pelham	\$ 1.8	Dec-17
T70502/08	Continuous Welded Rail - 2016	\$ 44.4	Dec-17
T70503/01	Mainline Track Switches 2015 / Dyre	\$ 3.8	Dec-17
T70803/19	Signal Circuit Modifications Phase 6 - Part 1	\$ 15.2	Dec-17
U40302/99	Depot Equipment And Machinery: Diesel Emission Fluid Tank Installation, 8 Depots	\$ 1.0	Dec-17
U40302/99	Depot Equipment And Machinery: Miscellaneous Depot Equipment	\$ 0.9	Dec-17
T60412/38	Station Renewal: Avenue X / Culver	\$ 16.8	Jan-18
T60412/39	Station Renewal: Avenue U / Culver	\$ 16.7	Jan-18
T60412/40	Station Renewal: Avenue P / Culver	\$ 15.0	Jan-18
T60412/41	Station Renewal: Bay Parkway / Culver	\$ 13.9	Jan-18
T60412/42	Station Renewal: 18 Avenue / Culver	\$ 19.7	Jan-18
T60412/43	Station Renewal: Ditmas Avenue / Culver	\$ 19.1	Jan-18
T60412/44	Station Renewal: Avenue I / Culver	\$ 17.1	Jan-18
T60412/81	Station Component: 2 Locations / Culver	\$ 20.6	Jan-18
T60806/05	Comm Room Upgrade And Expansion-Phase 1	\$ 15.4	Jan-18
T60806/31	ISIM B-Div Module 2: Comm Room Upgrades	\$ 2.5	Jan-18
T60902/06	Misc: Power: Substation Hatchways: Phase 3	\$ 11.3	Jan-18
T70806/05	Copper Cable Upgrade/Replacement Phase 4	\$ 0.9	Jan-18
T61606/07	Groundwater & Soil Remed - 2011	\$ 6.5	Feb-18
ET0403/18	Sandy Mitigation: Coastal Storm MCD	\$ 10.3	Feb-18
T70902/09	Rehab Substation Roof & Enclosure: Stanton St [SBFP]	\$ 0.8	Feb-18
T70902/09	Rehab Substation Roof & Enclosures: Gates Av/Ridgewood [SBFP]	\$ 0.8	Feb-18

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T71004/29	Structural Remediation: E 180 St Maint Shop & Retaining Wall	\$ 0.3	Feb-18
T71204/07	Kingsbridge Shoreline Upgrade [SBMP]	\$ 0.5	Feb-18
ET0403/20	Sandy Mitigation: Critical Room Resiliency	\$ 0.3	Mar-18
T60302/35	Purchase 92 Articulated Buses (Nova)	\$ 81.9	Mar-18
T61204/36	Depot Equipment & Machinery: Replacement of Oil-Water Separators at 4 Locations	\$ 10.9	Mar-18
U60302/12	Upgrade CNG Equipment at College Point Bus Depot	\$ 5.0	Mar-18
T61605/11	Concrete Batch Plant (2012)	\$ 1.3	Apr-18
T60603/05	Replace Vent Controls: 22 Locations	\$ 16.2	Apr-18
T70902/08	Rehab Substation Roof & Enclosure: Jerome/E 162 St	\$ 1.1	May-18
ET0402/	Sandy Repairs: Canopies at Astoria Blvd / Astoria	\$ 0.6	May-18
T60101/02	Purchase 300 B Division Cars - R179	\$ 735.6	May-18
T61203/17	Kingsbridge Depot Annex Roof [SBMP]	\$ 3.1	May-18
U60302/01	Project Administration & Engineering - 2011&12	\$ 4.1	May-18
T61203/21	East New York Depot Windows and Facade	\$ 0.8	Jun-18
T70703/10	Overcoating: 17 Bridges & East 180 Street Flyover / Dyre Av	\$ 2.1	Jun-18
T70703/01	Structural Component Repairs: Elev Structural Rehab: Boston Rd-Abutment N. of 180th St-WPR	\$ 0.8	Jul-18
U60302/14	Bus Storage Facilities: Store Room Expansion: Baisley Park Depot	\$ 3.0	Jul-18
T61302/07	Work Train & Special Equipment: Purchase 3 Vacuum Trains	\$ 35.5	Jul-18
T71004/28	Car Washing Facilities: Rehabilitate Car Cleaning Facilities	\$ 0.5	Jul-18
T51204/28	Ulmer Park Depot: Mezzanine Extension	\$ 2.9	Aug-18
T61605/12	Concrete Cylinder Testing (2012)	\$ 0.8	Aug-18
T61204/02	BRT - Bus Rapid Transit 2010-2014 (SBS)	\$ 25.4	Aug-18
T60803/15	Interlocking Modernization: 34 St / 6th Avenue	\$ 180.1	Sep-18
T61606/05	Sprinkler & Fire Alarm System, Ph 2: 6 Av Passageway	\$ 0.8	Sep-18
T60803/24	CBTC: Equipment Supplier Interoperability	\$ 20.1	Sep-18
T60803/16	West 4 St Interlocking / 6th Avenue	\$ 174.2	Sep-18
T60904/08	Negative Cables: 4th Avenue - Phase 2	\$ 5.0	Sep-18
T61607/05	Employee Facilities: Chambers St / Nassau Loop	\$ 7.1	Oct-18
T71203/11	Zerega CMF Component Rehab	\$ 1.5	Oct-18
T60412/17	Station Renewal: Kings Highway / Sea Beach	\$ 33.9	Nov-18
T60412/20	Station Renewal: Avenue U / Sea Beach	\$ 35.9	Nov-18
T60412/21	Station Renewal: 86 Street / Sea Beach	\$ 30.3	Nov-18
T60412/E1	Station Component: 3 Locations / Fulton	\$ 6.5	Nov-18
T60703/12	Rehab Retaining Walls / Sea Beach (Southern 3)	\$ 19.4	Nov-18
T71204/05	Storage Tank Components 4 Locations	\$ 2.2	Nov-18
T60806/26	Public Address/Customer Info Systems: ISIM B-Div: Module 1	\$ 58.9	Dec-18
T60412/13	Station Renewal: 20 Avenue/ Sea Beach	\$ 30.4	Dec-18
T60412/14	Station Renewal: 8 Avenue / Sea Beach	\$ 38.2	Dec-18
T60412/15	Station Renewal: Fort Hamilton Parkway / Sea Beach	\$ 33.2	Dec-18
T60412/16	Station Renewal: 18 Avenue / Sea Beach	\$ 37.8	Dec-18
T60412/18	Station Renewal: New Utrecht Av / Sea Beach	\$ 30.3	Dec-18
T60412/19	Station Renewal: Bay Parkway / Sea Beach	\$ 42.4	Dec-18
T60413/17	ADA: New Utrecht Av-62 St. Complex / Sea Beach	\$ 17.9	Dec-18
T60413/18	ADA: 8 Avenue Northbound Ramp / Sea Beach	\$ 12.9	Dec-18
T60703/12	Rehab Retaining Walls / Sea Beach (Northern 6)	\$ 30.3	Dec-18
T70904/06	CBH # 85 - Myrtle Avenue	\$ 0.9	Dec-18
ET0903/08	Sandy Resiliency: Deployable Substations	\$ 0.4	Dec-18
T60412/C8	Station Component: 5 Street Stairs: Rector Street / Broadway (SB) [SBMP]	\$ 3.6	Dec-18
T61204/14	Depot Equipment And Machinery: Automated Fuel Management System Upgrade	\$ 2.5	Dec-18
ET0602/26	Sandy Repairs: 1 Fan Plant (Old Slip) Clark	\$ 0.0	Jan-19
ET0902/08	Sandy Repairs: Rust Inhibiting Coating, Montague Tube	\$ 0.8	Jan-19
T70703/11	Overcoating: Williamsburg Bridge - Myrtle Avenue / Jamaica	\$ 1.0	Jan-19
T70703/13	Overcoating: 72 Street - 103 Street / Flushing	\$ 0.9	Jan-19
T70803/25	Signal Room Fire Suppression, Phase 2	\$ 0.6	Jan-19
T71203/02	Gun Hill Bus Depot Component Rehab	\$ 0.4	Jan-19
T51203/12	Replace Roof at East New York Bus Depot	\$ 5.9	Feb-19
T70904/04	CBH # 86 Wilson Avenue / Canarsie	\$ 0.6	Mar-19
T60703/16	Subway Tunnel Rehabilitation: Priority Repairs: 4th Avenue	\$ 15.1	Mar-19
T70904/11	Duct Reconstruction: Stanton Street Substation / 6th Avenue	\$ 0.6	Mar-19
ET0403/22	Sandy Mitigation: Street Level Opening - 8 Stns	\$ 0.2	Mar-19
T60806/01	Fiber Optic Cable Replacement: Phase 1	\$ 1.1	Mar-19
T71004/07	MOW Maintenance Shops And Buildings: Upgrade Central Electronics Shop, Woodside Facility	\$ 0.7	Apr-19
T70413/05	ADA: Gun Hill Rd / Dyre	\$ 1.5	May-19

New York City Transit
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T70412/01	Station Renewal: Water Remediation: Borough Hall / Lexington	\$ 1.8	Jun-19
T71004/22	Yard Lighting: Yard Lighting: 207th Street	\$ 2.1	Jun-19
ET1003/06	Sandy Mitigation:Near Term Per Prot Maint Contract CI Yd	\$ 1.2	Aug-19
T71203/03	Queens Village Bus Depot Component Rehab	\$ 1.4	Aug-19
T61607/11	Facilities: AFC Equip Qtr: 8Av Stn/Sea Beach Ln	\$ 2.2	Sep-19
ET1603/10	Sandy Mitigation: Consolidated Revenue Facility	\$ 0.4	Sep-19
ET1603/11	Sandy Mitigation: Zerega Central Maintenance Facility	\$ 0.4	Sep-19
ET1603/12	Sandy Mitigation: Tiffany Central Warehouse	\$ 0.4	Sep-19
T60412/60	Station Component: 4 Stations / Jamaica	\$ 41.4	Sep-19
T60412/F7	Station Painting at Component Locations: 3 Loc / Jamaica	\$ 0.2	Sep-19
T60806/10	PBX Upgrade, Phase I	\$ 2.4	Sep-19
T61004/10	Yard Rehabilitation: Yard CCTV, Phase 2	\$ 3.1	Sep-19
T70412/51	Platform Components: 7 Locations / Canarsie	\$ 0.6	Nov-19
ET1002/11	Sandy Repairs:Coney Island Yd Cables & Communication Eqpmnt	\$ 6.3	Nov-19
T70902/05	Substation Equipment (IRT-BMT): Retrofit Existing 25 Hz Frequency Converters @10 St	\$ 0.5	Nov-19
T71004/01	DCE Shop Components, Ph 1:180 St, C.I. Pelham, Pelham Diesel	\$ 1.2	Nov-19
T71203/05	Casey Stengel Bus Depot Component Rehab	\$ 0.9	Nov-19
T60806/17	Public Address/Customer Info Systems: Integrated Service Information & Management I	\$ 47.0	Dec-19
T70413/04	ADA: 86 Street / 4th Avenue	\$ 1.3	Dec-19
T60806/31	Public Address/Customer Info Systems: ISIM B-Div: Module 2	\$ 15.5	Dec-19
T61204/01	Paint Booths 10-14	\$ 7.8	Dec-19
E61402/04	Security: Penn Stn: Perim Protection-Ph III-31/33 St Ldng Dcks	\$ 7.9	
ET0403/23	Backup Command Center Upgrade	\$ 0.3	
ET0403/25	Sandy Mitigation: Internal Station Hardening	\$ 0.6	
ET0802/20	Sandy Repairs: Rockaway Park Interlocking Modernization	\$ -	
ET0903/04	Sandy Mitigation: Two Substations (Montague Tube)	\$ 1.5	
ET1203/07	Sandy Mitigation: Various Depots	\$ 1.4	
T60404/01	HEET NR Electronics Replacement Ph I	\$ 2.7	
T60404/05	New Fare Payment System, Phase 2	\$ 35.0	
T60404/10	PSLAN: 6 Stations	\$ 0.7	
T60412/69	Station Component: Queensboro Plaza / Flushing	\$ 0.9	
T60412/77	Station Component: 2 Stations / Brighton	\$ 1.4	
T60412/96	Station Component: 2 Locations / Nostrand	\$ 7.4	
T60412/B1	Station Component: 3 Locations / Crosstown	\$ 10.4	
T60412/B5	Station Painting @ Components: 2 Locations South/Crosstown	\$ 0.1	
T60412/C2	Station Component: Aqueduct-North Conduit Av / RKY	\$ 4.2	
T60412/C4	Station Components: 4 Locations / 8th Avenue	\$ 11.7	
T60413/04	ADA: Platform Gap Retrofit Phase 2 - 14 Stations	\$ 5.7	
T60413/04	ADA: Platform Gap Retrofit Phase 1 - 14 Stations	\$ 5.4	
T60414/	Access Improvements: Stair Replacement (P10) Grand Central	\$ 0.7	
T60414/09	Church Street Corridor Improvements	\$ 40.0	
T60604/01	Deep Wells: Nostrand Ph 2: Rehabilitate	\$ 1.7	
T60806/02	Cutover of SONET Main Hubs	\$ 5.5	
T60806/02	Application Cutover to SONET	\$ 2.5	
T60902/05	Substation Roof and Enclosure - 5 Loc	\$ 2.9	
T60904/03	Replace/Upgrade Emergency Alarms and Emerg Telephones PILOT	\$ 5.7	
T60904/09	CBH 275: Pearl Street / Clark	\$ 7.9	
T61203/02	In-House Mini-Rehabs	\$ 8.1	
T61204/20	Jamaica Bus Terminal Reconfiguration	\$ 3.4	
T61302/02	Work Train & Special Equipment: 54 Flat Cars	\$ 35.4	
T61607/03	RTO Master Tower Hardening	\$ 2.9	
U60302/05	MTA-Bus Depot Equipment - 2013	\$ 3.4	
U60302/05	MTA-Bus Depot Equipment - 2012	\$ 1.7	
U60302/05	MTA-Bus Depot Equipment - 2014	\$ 3.3	
U60302/11	HVAC: Spring Creek & College Point Depots	\$ 6.5	

Long Island Rail Road
2016-19 Completions

Project #	Project	Project Amount (\$ in Mil)	Planned Completion Date
L60604YB	HILLSIDE FACILITY BLDG REHAB (ROOF)	\$ 5.7	Jan-16
L40905FV	LYNBROOK STATION IMPROVEMENT	\$ 0.7	Apr-16
L40905FW	STEWART MANOR STATION IMPROVEMENT	\$ 0.9	Apr-16
L60904NB	PROGRAM DEVELOPMENT	\$ 5.4	Apr-16
L50204V4	ESCALATOR REPLACEMENT PROGRAM	\$ 2.7	May-16
L60701AD	SUBSTATION PILOT WIRE & RELAY REPLACEMEN	\$ 2.0	Jun-16
L60701AJ	ATLANTIC AVE TUNNEL LIGHTING	\$ 7.0	Jun-16
L60501L1	FIBER OPTIC NETWORK	\$ 10.0	Jun-16
L60501L4	IMPROVED RADIO COVERAGE INITIATIVE	\$ 6.5	Jun-16
L50304TT	MLC-ELLISON AVENUE BRIDGE	\$ 17.2	Jun-16
L60301TF	CONSTRUCTION EQUIPMENT	\$ 6.6	Sep-16
EL0702ZM	1ST AVENUE SUBSTATION RESTORATION	\$ 7.6	Sep-16
L60501L2	PBX-WAYSIDE PHONE REPLACEMENT	\$ 9.4	Oct-16
L60401BB	BRIDGE PROGRAM	\$ 24.1	Nov-16
L50206VJ	STATION MASTERS OFFICE DESIGN	\$ 1.2	Nov-16
L60301TG	ATLANTIC BRANCH 1/2 TIES	\$ 29.4	Dec-16
L70301WB	2016 TRACK PROGRAM	\$ 17.8	Dec-16
PNBK	150TH STREET BRIDGE REHAB	\$ 21.0	Jan-17
PNM4	PROTECT & WORK LOCO SPEC DEVELOPMENT	\$ 0.0	Jan-17
PNZF	INFRA./SYSTEM UPGRADES (VARIOUS): SANDY	\$ 9.7	Jan-17
PNC1	F CIRCUIT BREAKER HOUSE	\$ 6.7	Feb-17
PNTX	2ND MAIN LINE TRACK FARM TO KO	\$ 85.3	Feb-17
PNLC	SPEONK - MONTAUK SIGNALIZATION	\$ 54.2	Apr-17
PNYT	REHAB OF EMPLOYEE FACILITIES	\$ 10.2	Apr-17
PNN3	20 SUBSTATIONS CHLORDANE REMEDIATION	\$ 2.1	Jul-17
PNLF	CENTRALIZED TRAFFIC CONTROL	\$ 12.9	Aug-17
PNTQ	MLC-HICKSVILLE NORTH SIDING	\$ 23.8	Sep-17
PNTV	MASSAPEQUA POCKET TRACK	\$ 19.5	Oct-17
PNZB	SYSTEM-WIDE ASSESS./VAR. REPLACE: SANDY	\$ 14.3	Nov-17
PNN6	SMITHTOWN VIADUCT REMEDIATION & DRAINAGE	\$ 0.8	Dec-17
PN8A	ELECTRIC SUBSTATIONS REMEDIATION	\$ 9.7	Jan-18
PNFV	LYNBROOK STATION IMPROVEMENT	\$ 0.7	Jan-18
PNFW	STEWART MANOR STATION IMPROVEMENT	\$ 0.9	Jan-18
PN2E	NEW ELEVATORS-FLUSHING MAIN STREET	\$ 4.9	Mar-18
PNUC	WANTAGH STATION PLATFORM REPLACEMENT	\$ 2.1	Mar-18
PNAQ	REPLACEMENT OF PT. WASH SUBSTATION	\$ 10.1	Apr-18
PNMA	M9 PURCHASE FOR M3 REPLACEMENT	\$ 354.3	Apr-18
PNAR	REPLACEMENT OF RICHMOND HILL SUBSTATION	\$ 3.8	May-18
PNY1	Pt. Washington Yard Renconfiguration - Design	\$ 0.5	May-18
PNN6	SMITHTOWN VIADUCT REMEDIATION & DRAINAGE	\$ 0.8	Jun-18
PNVL	PENN STATION HVAC	\$ 3.0	Jun-18
PNYN	NEW MID SUFFOLK ELECTRIC YARD	\$ 3.5	Aug-18
PNTU	JAMAICA CAPACITY IMPROVEMENTS	\$ 149.5	Oct-18
PNZE	SUBSTATION REPLACEMENTS: SANDY	\$ 47.0	Nov-18
PNL6	PENN STATION RADIO RETROFIT/ERT ANTENNA	\$ 0.0	Dec-18
PNLA	POSITIVE TRAIN CONTROL	\$ 217.7	Dec-18
PNSM	PTC DESIGN	\$ 9.5	Dec-18
PNTW	COLONIAL RD IMPRO PROJ-POCKET TRK & DRAN	\$ 23.7	Dec-18
PNUE	ESA/ GCT SUPPORT	\$ 8.3	Dec-18
PNZK	LONG ISLAND CITY YARD RESILIENCY	\$ 2.8	Jan-19
PNZL	LONG ISLAND CITY YARD RESTORATION	\$ 0.7	Jan-19
PNZD	WESTERN RAIL YARDS - (WSY & LIC): SANDY	\$ 9.4	Apr-19
PNN4	YAPHANK LANDFILL REMEDIATION	\$ 2.3	May-19
PNYN	NEW MID SUFFOLK ELECTRIC YARD	\$ 3.5	Jun-19
PNTR	MLC-HICKSVILLE STATION IMPROVEMENTS	\$ 7.3	Sep-19
PNZC	LONG BEACH BRANCH - SYS. RESTORE: SANDY	\$ 33.9	Sep-19

Metro-North Railroad
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
M603-02-11	Harlem River Lift Bridge Cable	\$ 10.5	Jun-16
M605-01-07	Harlem River Lift Bridge Breaker Houses/Controls	\$ 14.9	Jun-16
M603-01-14	2014 Cyclical Track Program	\$ 13.6	Mar-16
M604-01-11	PBX Equipment Upgrade	\$ 2.4	Feb-16
EM05-02-09	Power Infrastructure Restoration - HRLB	\$ 5.1	Jun-16
M603-02-05	Bridge Walkways Installation	\$ 0.9	Jun-16
M602-02-02	Fordham Station Improvements	\$ 15.1	Jun-16
M604-01-04	Replace Field Code System - Mott Haven	\$ 1.8	Jul-16
M603-01-05	M of W Equipment/RS	\$ 5.4	Jul-16
M603-02-02	Rehab Culverts/Railtop Culvert	\$ 2.2	Aug-16
M603-01-07	Rock Slope Remediation	\$ 7.7	Sep-16
M504-01-07	Signal System Replacement	\$ 35.1	Dec-16
M604-01-17	Signal System Replacement	\$ 2.5	Dec-16
M602-01-05	GCT Leaks Remediation Phase II	\$ 18.6	Dec-16
M603-02-06	Remove Obsolete Facilities	\$ 1.6	Dec-16
M603-02-14	Park Avenue Viaduct Direct Facilities	\$ 1.8	Dec-16
M502-02-11	System Wide Vending Machines	\$ 0.6	Jan-17
M503-02-18	Systemwide Flood Control	\$ 2.2	Jan-17
M602-01-06	GCT Elevator Rehab Phase 4	\$ 9.6	Jan-17
M602-02-01	Poughkeepsie Station Building	\$ 1.1	Jan-17
M605-01-01	Substation Bridge 23 - Construction	\$ 41.7	Jan-17
M603-02-04	DC Substation/Signal House	\$ 1.4	Jan-17
M603-01-08	Drainage Improvements	\$ 10.0	Jan-17
M508-01-12	WHRTAS Phase II Study	\$ 4.0	Jan-17
N612-01-03	Tappan Zee Bridge Rail Study	\$ 0.9	Jan-17
EM05-02-08	Power Infrastructure Restoration-Substations	\$ 43.8	Feb-17
M602-01-01	GCT Trainshed/Tunnel Structure	\$ 24.9	Feb-17
M604-01-06	Centralized Train Control/SCADA Intrusion Testing	\$ 0.9	Feb-17
M605-01-03	Harlem & Hudson Lines Power Improvements	\$ 33.7	Feb-17
EM03-02-02	Right of Way Restoration: Various Locations	\$ 8.0	Mar-17
M603-01-02	Turnouts - Mainline/High Speed	\$ 63.9	Apr-17
M604-01-03	Replace Fiber/Communication & Signals Cables	\$ 4.9	Apr-17
M307-01-06	Penn Station Access	\$ 6.6	Apr-17
M501-01-10	M-9 Specification Development	\$ 2.5	May-17
M606-01-03	Other Shops/Yards Renewal	\$ 9.3	May-17
EM04-02-05	Comm & Signal Infrastructure Restoration Phase 1	\$ 46.6	Jun-17
EM05-02-06	Power Infrastructure Restoration-Phase 1	\$ 88.1	Jun-17
M602-02-04	Station Building Rehabilitation/Net Lease	\$ 7.3	Jul-17
M602-01-08	GCT Utilities	\$ 33.3	Nov-17
M404-01-07	Optimize Signal Relay Circuits	\$ 2.6	Dec-17
M502-02-09	Bronx Stations/Capacity Improvements	\$ 10.4	Dec-17
M603-01-04	Turnouts - Yards/Sidings	\$ 4.4	Dec-17
M603-03-05	W of H Replace/Renew Undergrade Bridges	\$ 7.3	Dec-17
M604-01-18	Harlem & Hudson Wayside Communication & Signal Systems	\$ 10.4	Dec-17
M502-02-06	Station Building Rehabilitation	\$ 11.3	Dec-17
EM03-03-01	Specialized Equipment (Resiliency)	\$ 6.0	Jan-18
M606-01-01	Harmon Shop Improvements	\$ 315.6	Jan-18
M503-02-12	Clearance Inventory and Video	\$ 1.5	Mar-18
M602-02-09	Harlem 125th St Improvements	\$ 0.8	Apr-18
M604-01-01	Positive Train Control	\$ 187.1	Dec-18
M604-01-02	West of Hudson Signal Improvements	\$ 67.6	Dec-18
M608-01-09	Systemwide Security Initiatives	\$ 5.0	Dec-18
M602-02-08	Customer Communication/Connectivity Improvements	\$ 22.1	Dec-18
M605-01-04	Replace Motors Alternators	\$ 1.5	Feb-19
M605-01-09	Replace 3rd Rail Brackets - Park Avenue Tunnel	\$ 6.1	Mar-19
M602-03-02	Strategic Facilities	\$ 7.1	Apr-19
M602-02-03	Harlem Line Station Renewal	\$ 4.1	Jun-19
EM04-02-06	Comm & Signal Infrastructure Restoration Phase 2	\$ 35.0	Jul-19
EM05-02-07	Power Infrastructure Restoration-Phase 2	\$ 72.5	Jul-19
EM04-03-01	Power and Signal Mitigation	\$ 50.0	Jul-19
EM04-03-02	Hudson Line Power and Signal Resiliency	\$ 31.0	Jul-19
EM05-02-10	Power Infrastr Restoration-Remote Terminal Houses	\$ 1.3	Nov-19
M603-02-12	Overhead Bridge Program - E of H	\$ 11.5	Dec-19

MTA Bus
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
U4030214	Bus Time Customer Information System (CIP4)	\$ 10.5	Jan-16
U5030223	Bus Time Customer Information System Misc Items (CIP5)	\$ 1.7	Jan-16
U6030208	New Apron: JFK	\$ 3.5	May-16
U6030228	Chassis Wash: LaGuardia and Baisley Park	\$ 3.5	May-16
U5030225	Security Upgrade: Far Rockaway and Baisley Park	\$ 9.9	Jul-16
U5030204	Emergency Generators: 6 Depots - Installation	\$ 9.0	Dec-16
U6030219	75 Articulated Buses	\$ 61.6	Dec-16
U5030216	Additional Fueling Capacity: JFK, Baisley Park and LaGuardia	\$ 4.6	Feb-17
U6030230	Depot Component Rehab: LaGuardia Annex Roof	\$ 0.5	Feb-17
U6030225	Bus Command Ctr	\$ 17.1	Jun-17
U6030212	CNG Upgrade - College Point	\$ 5.1	Mar-18
U6030214	Storeroom Expansion - Baisley Park	\$ 3.0	Jun-18
U6030204	Security Improvements: JFK & Spring Creek	\$ 9.2	Nov-18
U6030211	New HVAC at Spring Creek Depot	\$ 6.5	Dec-18
U6030210	Bus Wash at Spring Creek & College Point Depots	\$ 6.5	Jun-19
U7030207	Depot Component Rehab: Windows - LaGuardia & Baisley Park	\$ 3.8	Jun-19
U7030208	Depot Component: Roof at Spring Creek	\$ 0.3	Jun-19
U6030226	Bus Radio System	\$ 24.4	Dec-20

MTACC
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
G6090114	GCT Concrse&Facilities (14A)	\$ 59.7	Feb-16
G5090117	Harold Structures (Part 1)	\$ 209.5	Feb-16
G6090122	Harold Structures (Part 1)	\$ 99.7	Feb-16
G5110106	Site A Fac; Finishes and Systems	\$ 596.3	Feb-16
G6090141	Manhattan South Structures	\$ 249.8	Feb-16
G5100108	Contract 3: 63rd St Stn Rehab	\$ 204.0	Mar-16
G6100108	Contract 3: 63rd St Stn Rehab	\$ 21.3	Mar-16
G6090120	Plaza Substation & Structures	\$ 250.2	Aug-16
G5100113	2B/C: Shell/Finishes/MEP 96 St	\$ 8.0	Nov-16
G6100101	2B/C: Shell/Finishes/MEP 96 St	\$ 385.0	Nov-16
G5100112	4C: Station Finishes/MEP 72 St	\$ 12.8	Nov-16
G6100102	4C: Station Finishes/MEP 72 St	\$ 288.1	Nov-16
G6100104	5C: Station Finishes/MEP 86 St	\$ 235.8	Nov-16
G5100104	Contract 6: SAS Systems	\$ 319.2	Dec-16
G6090142	Manhattan North Structures	\$ 344.3	Mar-17
G6140103	Harold Structures Part 3A: W-Bnd By-Pass	\$ 151.3	Apr-17
G5110112	Construction: Core&Shell (Site P)	\$ 96.4	Jul-05
G7090141	Harold Track A Cut & Cover	\$ 56.6	Jul-05
G5090118	Harold Interlocking Stage 1-4	\$ 128.0	Mar-18
G6140112	Harold Structures - Part 3A	\$ 35.8	May-18
G6090123	Harold Structures - Part 3A	\$ 78.4	May-18
G5090119	Harold & Point CIL	\$ 39.5	Jul-18
T6041412	Reconstruct Cortlandt St BW7	\$ 128.0	Aug-18
G6090146	GCT Concourse&Facilities	\$ 422.6	Aug-18
G6140107	GCT Concourse&Facilities	\$ 2.2	Aug-18
G6090135	Facility Systems	\$ 433.4	Jul-05
G6090137	Signal Equipment	\$ 21.8	Jul-05
G6090143	Traction Power	\$ 79.7	Jul-05
G70901XX	Signal Installation	\$ 37.5	Jul-05
G7090142	Manhattan GCT Caverns	\$ 712.0	Jul-05
G6090121	Mid-Day Storage Yard CIL Procurement	\$ 20.3	Jul-05
G7090121	Mid-Day Storage Yard Facility	\$ 266.1	Jul-05

B&T
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
D602MP21	Rehabilitate Rockaway Point Blvd Overpass	\$ 11.1	May-16
G5140108	Throgs Neck Integrated electronic Security	\$ 20.4	May-16
D601TN52	Miscellaneous Structural Rehabilitation	\$ 22.0	May-16
D605BB21	Service Building Rehabilitation	\$ 10.5	Jun-16
ED040301	Flood Mitigation-Equip. Reloc. BBT Service Building	\$ 2.9	Jun-16
D604VN87	Substation #1 Rehabilitation	\$ 16.6	Jun-16
D603AW48	2nd Generation E-Zpass In-Lane (study)	\$ 3.5	Aug-16
D607MP21	Paint - Rockaway Point Overpass	\$ -	Sep-16
ED010304	QMT Mitigation - Flood Gates	\$ 0.7	Sep-16
D601RK76	Miscellaneous Structural Repair	\$ 11.2	Sep-16
D602HH88	Replace Upper & Lower Level Plaza & Southbnd. Appr.	\$ 49.4	Dec-16
D604QM30	Tunnel Ventilation Building Electrical Upgrade	\$ 56.2	May-17
D601VN35	Steel Repair & Concrete Rehab. & Drainage Systems	\$ 13.6	Jun-17
D607VN35	Paint - Brooklyn&Staten Island Lower Level Ramps	\$ 17.0	Jun-17
D603AW32	Installation of Rotating Prism Signs	\$ 13.6	Sep-17
D604AW80	Advanced Traveler Information Systems	\$ 10.3	Dec-17
D601RK23	Miscellaneous Rehab - Manhattan Approach Ramps	\$ 112.6	Dec-17
D604MP03	Programmable Logic Controller & Mechanical Rehab.	\$ 10.2	Feb-18
D602VN80	Replacement of the upper level suspended span deck Verrazano-Narrows Bridge	\$ 358.7	Feb-18
D607VN80	Paint -Upper Level Superstructure-Verrazano Narrows Bridge	\$ 32.9	Feb-18
D602TN49	Suspended Span Replacement - Phase A	\$ 22.2	Jun-18
D704TN60	Anchorage Dehumidification	\$ 35.2	Jun-18
D707TN60	Painting	\$ 6.5	Jun-18
D604MPXA	Rehabilitation of the Programmable Logic Controller and electrical and mechanical systems of the Marine Parkway Bridge	\$ 38.7	Dec-18
D601MPXB	Miscellaneous Steel Repairs	\$ 28.0	Dec-18
D607MPXC	Zone Painting of the MPB below roadway, spot paint above roadway	\$ 27.5	Dec-18
D603AW35	Weather Information Systems	\$ 3.5	Dec-18
D701BW14	Miscellaneous Structural Rehabilitation	\$ 29.3	Dec-18
D701BW84	Cable Investigation, Replacement of Suspender Ropes, and Eyebar Rehabilitation	\$ 16.0	Dec-18
D707BW84	Paint tower interior Base Cells and Struts	\$ 33.0	Dec-18
D704BW39	Implementation of Facility-wide Electronic Monitoring and Detection Systems	\$ 31.1	Apr-19
D704RK60	Implement Facility-wide Electronic Monitoring and Detection Systems - RFK	\$ 35.4	Apr-19
D601BB28	Rehabilitation of tunnel walls,Roadway drainage and fir line repair at the Brooklyn Battery Tunnel	\$ 65.6	Jun-19
D602BB54	Replacement of Brooklyn Plaza structural slab-Brooklyn-Battery Tunnel	\$ 18.6	Jun-19
D602RK65	Replacement of the Bronx and Manhattan Toll Plaza deck area utility relocation, personnel and facilities relocation-Robert F Kennedy Bridge	\$ 335.1	Jun-19
D607RK65	Paint steel members, toll plaza and approach ramps at Rober F. Kennedy Bridge	\$ 24.9	Jun-19
D701HH89	Skewback Retrofit	\$ 83.2	Oct-19
D704RK21	Installation of Fire Standpipe & Upgrade of Fire Protection System	\$ 23.8	Dec-19
D601QM18	Entrance and Exit Plazas Structural Rehabilitation	\$ 16.5	Dec-19
D601QM40	Rehabilitation of Tunnel Wall ,Ceiling Repairs and Leak control -Queens Midtown Tunnel	\$ 62.7	Dec-19

MTA PD
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
N5100104	K-9 Facility	\$ 15.8	Mar-16
N5100109	MTAPD Metro21 Procure Equip. Penn Station	\$ 0.5	Jun-16
N5100109	MTAPD Metro21 Equipment Install	\$ 0.6	Jul-17
N5100109	MTAPD Radio Project Tower Design/Build	\$ 2.0	Jul-17
N5100109	MTAPD Radio Project "In-Building" D/B	\$ 25.0	Dec-17
Multiple ACEPs	MTAPD Radio Project Design/Build	\$ 90.0	Dec-18

OPERATING IMPACTS EXCEEDING \$1 MILLION FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2016-2019

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 \$45.4 million in additional annual expenses.

Project: Flushing CBTC. This project is to overlay a new state of the art Communications Based Train Control (CBTC) system in the automatic signal area of the Flushing Line. The Flushing line is the second line to undergo an upgrade to CBTC within the transit system. The project will also replace obsolete air operated 25 Hz fixed-block signal systems with 60 Hz electric equipment in the Times Square Interlocking and install a new solid state interlocking (SSI) at 1st Avenue. Installation is projected for substantial completion in 2017. This project will have a multi-million dollar operating impact.

Project: Queens Boulevard CBTC. This project consists of adding a Communications Based Train Control (CBTC) system to the Queens Boulevard line. The new signal system shall be designed primarily for CBTC only operations with the capability to permit non-CBTC trains to safely operate through the CBTC territory. The Queens Boulevard line is the third line to undergo an upgrade to CBTC within the transit system. Installation is projected for substantial completion in 2021. This project will have a multi-million dollar operating impact.

Project: Help Point Installation. Plan is to install 2,700 Help Point Units in stations. These units provide customers with the ability to make quick voice calls for emergency as well as information related needs. Each station will have several staged Help Points for customer convenience and safety. The total annual cost at completion is projected to be \$1.5M.

Project: Passenger Station LAN (PSLAN). The purpose of the PSLAN is to provide IP network connectivity throughout passenger stations across the subway system. The proposed work under this project will be to furnish and install LAN infrastructure for passenger stations, which can be used as an access network for all IP applications. Applications include New Fare Payment System, Help Point, IP intercoms, IP phones, workstations, IP cameras etc. The total annual operating impact is currently still undetermined.

Project: ISIM-B. In recent times, NYCT has modernized the real time tracking and operations of the A Division subway lines. NYCT is looking to implement similar capabilities across the B

division, including long term capability to centrally control both traditional fixed block signal and CBTC systems. ISIM-B will be comprised of several phases in which NYCT will bring the B division modern tracking and operating standards. The operating budget impact of this project is still under review.

Project: Bus Radio & Command Center Upgrade. The Bus Radio Upgrade operating budget impact is currently under review and the cost of the increased maintenance needs for the upgraded radio consoles based on existing radio maintenance efforts is being evaluated. Areas include Bus Depots for MTA and NYCT, the Central Electronics Shop repairs, and Network Operations Support as well as the maintenance of the new Bus Command Center consoles and radio sites. Construction completion is currently estimated to be late-2017. Total annual operating impact is currently still undetermined.

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.

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. The first R188 cars were placed in service in 2013 and all of the 126 cars are expected to be in service by 2018. The total operating budget impact for the additional 71 cars is \$1.1 million.

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 projects 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 2018 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 2016-2019 that have impacts on the operating budget over \$1 million.

V. Agency Financial Plans

Bridges and Tunnels

MTA BRIDGES AND TUNNELS
2017 Final Proposed Budget
November Financial Plan 2017–2020

FINANCIAL OVERVIEW

MTA Bridges and Tunnels (B&T) continues to be a strong source of fiscal stability to the MTA. In 2016 and 2017 combined, B&T is projected to contribute over \$2 billion in Support to Mass Transit. The revenue from toll increases that are projected for 2017 and 2019 are not included in this section, they are captured in Volume 1 of this Plan. The inclusion of this revenue will increase the level of 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. Beginning this year, B&T's mission will be advanced in new and unprecedented ways through several initiatives recently announced in the Governor's New York Crossings Project.

New York Crossings Project (NYCP)

Under the NYCP, B&T will be implementing automatic or "Open Road Tolling" (ORT) at its facilities throughout 2017. ORT will significantly enhance traffic flow, reduce congestion and decrease commute times, making it easier for New Yorkers to get where they need to go. Sensors and cameras will be suspended over the highway on structures called gantries and vehicles will not be required to stop. Vehicles with E-ZPass will be automatically charged and non-E-ZPass vehicles will have their license plate recorded and a bill will be mailed to the registered owner of the vehicle. By the end of 2017, ORT will be fully operational at all B&T facilities.

Other initiatives included in the NYCP include the installation of new tunnel barriers to control major floods and seismic measures on bridges which will provide long-term protection from earthquakes and other natural forces. In addition, approach plazas will be re-designed in bold new ways that will enhance the aesthetics of the facilities. The designs for this public art initiative are at a very early conceptual stage and will be refined and modified as the project moves forward. As initially envisioned in the Governor's announcement, one aspect of the initiative would add decorative elements to the ORT gantries, and under one design being considered, the gantries would be cloaked with a chainmail material that moves with the wind. Another element envisions concepts that both enhance the appearance of the plazas and provide sound dampening and screening of work and security zones. LED lighting, which can be programmed into different colors and patterns, will also be adopted on all B&T facilities.

The NYCP also includes several collaborative initiatives with New York State agencies that will significantly enhance B&T's safety and security efforts. Anti-terrorism teams will

be combined with traffic enforcement at crossings and will develop new operating protocols across agencies. Approximately 525 B&T officers will provide security and traffic management at the facilities and will collaborate with State Police on toll enforcement; 150 members of State Police Troop NYC will be assigned at crossings to handle security and anti-terror activities.

Safety

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 between 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;
- Developing and implementing a comprehensive Enterprise Asset Management (EAM) program that complies with international best practice standards (ISO 55000) and focuses on both strategic and tactical business objectives including Strategic Direction, Operations Planning, Performance and Risk Management, Capital and Maintenance Investment programming, Safety and Reliability, Project Delivery, Asset Inspections and Condition Monitoring, Asset Data, Information and Systems, Change and Knowledge Management, Organizational Capabilities and Culture, and others;
- 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.

These efforts helped reduce construction injuries per 200,000 worker hours by 37.6% for the 12 months ending this past August compared to last year at this time.

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 2016, nearly 70,000 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, 3,384 potholes were repaired and 8,715 miles of roadway were swept across all facilities.

E-ZPass

Another of B&T's key initiatives—to make E-ZPass more available to all B&T customers—has taken upon even more importance as the ORT initiative begins because E-ZPass is the most cost effective means of collecting tolls. B&T's efforts in this area have been successful and will continue through this November Financial Plan. From January through August of this year, E-ZPass usage averaged 85.7% of total traffic, which was 0.9% points greater than the same period last year. The following efforts have contributed toward this growth in usage.

- The E-ZPass On the Go program, where pre-paid tags are sold in the cash toll lanes at each facility, has been a major driver in expanding E-ZPass usage. In 2015, nearly half of all new E-ZPass accounts were opened through On the Go and that trend has largely continued year-to-date in 2016. B&T will continue the program into 2017 by selling tags in the cash lanes until they're closed through ORT and then by exploring other sales venues, including potential retail and on-line outlets.
- Spanish language versions of the E-ZPass application, interactive website, and the customer service telephone voice response system are all currently available and additional efforts to reach out to other potential customers whose primary language is not English or Spanish are being investigated.
- The MTA Reload Card has made it significantly 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 166,000 cards have been issued to customers and approximately 17% of total cash replenishments are currently made using the reload cards.
- E-ZPass “Pay per Trip” 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 80,000 account holders have signed up for this program.
- Future marketing efforts to promote the benefits of E-ZPass and the ease of opening accounts (through On the Go, at the E-ZPass website, or potentially other mechanisms) and maintaining them (whether through cash or credit replenishments) may include promotional videos linked to social media, the MTA web site and travel related web sites; advertisements through radio, print and variable message signs; and a marketing presence at community events.

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

2016 November Forecast

In the 2016 November Forecast, a total of \$1,396.1 million is projected in baseline operating income compared to \$1,377.8 million in the 2016 Mid-Year Forecast, an increase of \$18.3 million.

Total revenue is \$1,920.4 million, which is \$5.6 million greater than the Mid-Year Forecast. Toll revenue accounts for 97% of all revenues and is projected at \$1,869.3 million, which is \$4.5 million above the Mid-Year Forecast. The higher revenue forecast is based on actual favorable traffic trends through August and revised upward projections for the rest of the year based on a continuation of relatively low gas prices and improvements in the regional economy. Favorable results are also occurring in Other Operating Revenue, mainly from income generated by a variety of E-ZPass and other administrative fees. These and other small revenue sources add a combined \$1.1 million to November Plan operating income.

The 2016 November Forecast includes expenses totaling \$524.3 million before depreciation and GASB adjustments. Labor costs are \$271.2 million and non-labor costs are \$253.1 million. Total expenses are \$12.7 million below the Mid-Year Forecast.

Labor expenses have been decreased by \$12.8 million. Year-end headcount is reduced by 172 Bridge and Tunnel Officer (BTO) positions which are currently vacant and will not needed to be filled due to the new operating environment of Open Road Tolling (ORT). Plan-to-plan savings in payroll costs and associate fringe benefits from these headcount reductions total \$6.7 million. In addition, savings of \$6.4 million in payroll costs and associated fringe benefits are realized from vacancies within non-represented, Superior Officer and Maintainer headcount.

Non-labor expenses are at the same level as the Mid-Year Forecast.

Total Support to Mass Transit is \$1,067.0 million compared to \$1,036.9 million in the 2016 Mid-Year Forecast, an increase of \$30.1 million resulting from \$18.3 million more in baseline operating income (\$5.6 million in revenue gains and \$12.7 million in lower expenses) and lower B&T debt service of \$11.8 million.

In 2016, total planned year-end headcount is 1,578, including 87 capital reimbursable full-time equivalents, which is 172 positions below the Mid-Year Forecast. The favorable variance is due to the reduction of BTO headcount cited above.

2017 Final Proposed Budget - Baseline

In the 2017 Final Proposed Budget, a total of \$1,341.3 million is projected in baseline operating income compared to \$1,346.8 million in the July Financial Plan, a decrease of \$5.5 million.

Total revenues are \$1,918.0 million at current crossing charges, which is \$5.6 million greater than the July Financial Plan. Toll revenues are increased by \$4.5 million, primarily reflecting the higher plan-to-plan traffic trends from 2016. Other Operating Revenue has

also been adjusted upward by \$1.1 million to incorporate favorable re-estimates of E-ZPass and other administrative fees.

Expenses before depreciation and GASB adjustments total \$576.7 million and are comprised of nearly \$297.4 million in labor costs and nearly \$279.4 million in non-labor expenses. Overall expenses are \$24.3 million higher than the July Financial Plan.

Labor costs are projected to be lower by \$13.3 million. The previously cited BTO headcount reductions bring costs for payroll and associated fringe benefits down by \$13.7. Partially offsetting these savings are new headcount needs totaling 9 positions across legal, security and maintenance areas, which result in additional payroll and fringe benefit costs of \$0.9 million.

Non-labor expenses are higher by \$24.3 million. The contracted costs of administering Tolls by Mail—the program used to collect tolls from non-E-ZPass customers in an ORT environment—are estimated to require an additional \$19.7 million in 2017 (the plan-to-plan costs are significantly higher from 2018 on, when all facilities will be fully operational). Net additional funding of \$4.6 million has also been budgeted for a variety of maintenance-related needs.

Total Support to Mass Transit is \$992.1 million compared to \$998.3 million in the July Financial Plan, a decrease of \$6.2 million resulting from \$5.5 less baseline operating income (nearly \$5.6 million in revenue gains offset by over \$11.0 million in higher expenses) and \$0.7 million more B&T debt service.

In 2017, total headcount is budgeted at 1,591, including 87 reimbursable positions, which 163 less than the July Financial Plan level due to the previously cited reduction of 172 BTO positions, partially offset by 9 new positions across legal, security and maintenance areas.

2018-2020 Projections

The 2018 projection for baseline operating income is \$1,281.8 million compared to \$1,326.5 million in the July Financial Plan. This consists of \$1,917.1 million in revenues less \$635.3 million in expenses. The expenses are comprised of \$303.5 million in labor costs and \$331.8 million in non-labor expenses.

The 2019 projection for Baseline operating income is \$1,277.2 million compared to \$1,323.4 million in the July Financial Plan. This consists of nearly \$1,930.0 million in revenues, offset by over \$652.7 million in expenses. The expenses are comprised of \$313.8 million in labor costs and \$338.9 million in non-labor expenses.

In 2020, the projection for Baseline operating income is \$1,270.7 million compared to \$1,317.6 million in the July Financial Plan. This consists of \$1,937.3 million in revenues, offset by \$666.6 million in expenses. The expenses are comprised of \$316.8 million in labor costs and \$349.8 million in non-labor expenses.

Total headcount is planned at 1,591 in 2018, 1,593 in 2019 and 1,599 in 2020, including 87 capially-reimbursable positions each year.

Details for year-to-year changes, and reconciliations of the November Financial Plan to the July Financial Plan, and assumptions guiding traffic and headcount projections are discussed in the sections that follow.

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Operating Revenue						
Vehicle Toll Revenue	\$1,808.901	\$1,869.308	\$1,866.960	\$1,865.491	\$1,878.098	\$1,885.161
Other Operating Revenue	36.172	27.527	26.220	26.220	26.220	26.220
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.183	0.427	0.987	1.240	1.240	1.240
Total Revenue	\$1,845.256	\$1,897.261	\$1,894.167	\$1,892.951	\$1,905.558	\$1,912.621
Operating Expenses						
<u>Labor:</u>						
Payroll	\$118.804	\$124.397	\$141.608	\$144.664	\$150.593	\$150.530
Overtime	21.914	26.309	26.658	27.190	27.740	28.305
Health and Welfare	25.014	24.854	31.044	31.554	32.774	34.026
OPEB Current Payment	16.799	18.153	19.424	19.871	20.745	21.679
Pensions	39.850	41.812	41.182	41.891	41.520	40.800
Other Fringe Benefits	19.918	17.681	18.936	19.291	21.210	21.960
Reimbursable Overhead	(7.200)	(5.123)	(5.368)	(5.151)	(5.150)	(5.148)
Total Labor Expenses	\$235.099	\$248.084	\$273.483	\$279.309	\$289.432	\$292.152
<u>Non-Labor:</u>						
Electric Power	\$4.991	\$4.966	\$5.971	\$6.221	\$6.488	\$6.961
Fuel	1.977	1.445	1.774	1.867	1.959	2.161
Insurance	14.798	14.855	15.617	16.323	17.081	17.886
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	129.500	151.154	177.037	227.408	231.890	239.017
Professional Service Contracts	27.936	39.450	40.885	40.914	41.410	42.513
Materials & Supplies	3.255	4.049	4.212	4.319	4.425	4.538
Other Business Expenses	35.203	37.141	33.866	34.753	35.649	36.743
Total Non-Labor Expenses	\$217.660	\$253.059	\$279.363	\$331.805	\$338.902	\$349.818
<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.	\$452.759	\$501.144	\$552.846	\$611.114	\$628.335	\$641.970
Add: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Add: OPEB Obligation	71.148	67.291	70.656	74.189	77.898	81.793
Add: GASB 68 Pension Adjustment	(8.691)	(10.409)	(8.740)	(8.423)	(6.772)	(4.672)
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$624.999	\$677.546	\$742.615	\$813.646	\$845.761	\$875.590
Less: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Less: OPEB Obligation	71.148	67.291	70.656	74.189	77.898	81.793
Less: GASB 68 Pension Adjustment	(8.691)	(10.409)	(8.740)	(8.423)	(6.772)	(4.672)
Total Expenses	\$452.759	\$501.144	\$552.846	\$611.114	\$628.335	\$641.970
Net Surplus/(Deficit)	\$1,392.497	\$1,396.118	\$1,341.321	\$1,281.838	\$1,277.223	\$1,270.651

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE

	2015	2016	2017			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</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	20.575	23.151	23.873	24.157	24.403	24.649
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$20.575	\$23.151	\$23.873	\$24.157	\$24.403	\$24.649
Expenses						
<u>Labor:</u>						
Payroll	\$8.009	\$9.823	\$9.904	\$9.986	\$10.071	\$10.156
Overtime	0.827	1.558	1.587	1.616	1.646	1.670
Health and Welfare	1.655	2.427	2.587	2.764	2.835	2.910
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	1.962	2.847	3.008	3.182	3.202	3.222
Other Fringe Benefits	0.922	1.373	1.419	1.458	1.499	1.543
Reimbursable Overhead	7.200	5.123	5.368	5.151	5.150	5.148
Total Labor Expenses	\$20.575	\$23.151	\$23.873	\$24.157	\$24.403	\$24.649
<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.	\$20.575	\$23.151	\$23.873	\$24.157	\$24.403	\$24.649
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: GASB 68 Pension Adjustment	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.	\$20.575	\$23.151	\$23.873	\$24.157	\$24.403	\$24.649
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
Less: GASB 68 Pension Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$20.575	\$23.151	\$23.873	\$24.157	\$24.403	\$24.649
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE Page 1 of 2
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	2015	2016	2017	2018	2019	2020
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>			
Revenue						
Vehicle Toll Revenue	\$1,808.901	\$1,869.308	\$1,866.960	\$1,865.491	\$1,878.098	\$1,885.161
Other Operating Revenue	36.172	27.527	26.220	26.220	26.220	26.220
Capital and Other Reimbursements	20.575	23.151	23.873	24.157	24.403	24.649
Investment Income	0.183	0.427	0.987	1.240	1.240	1.240
Total Revenue	\$1,865.831	\$1,920.412	\$1,918.040	\$1,917.108	\$1,929.962	\$1,937.271
Expenses						
<u>Labor:</u>						
Payroll	\$126.813	\$134.220	\$151.512	\$154.650	\$160.664	\$160.686
Overtime	22.741	27.868	28.245	28.806	29.386	29.975
Health and Welfare	26.669	27.281	33.631	34.318	35.609	36.936
OPEB Current Payment	16.799	18.153	19.424	19.871	20.745	21.679
Pensions	41.812	44.659	44.190	45.073	44.722	44.022
Other Fringe Benefits	20.840	19.054	20.355	20.748	22.710	23.503
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$255.674	\$271.236	\$297.356	\$303.466	\$313.836	\$316.802
<u>Non-Labor:</u>						
Electric Power	\$4.991	\$4.966	\$5.971	\$6.221	\$6.488	\$6.961
Fuel	1.977	1.445	1.774	1.867	1.959	2.161
Insurance	14.798	14.855	15.617	16.323	17.081	17.886
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	129.500	151.154	177.037	227.408	231.890	239.017
Professional Service Contracts	27.936	39.450	40.885	40.914	41.410	42.513
Materials & Supplies	3.255	4.049	4.212	4.319	4.425	4.538
Other Business Expenses	35.203	37.141	33.866	34.753	35.649	36.743
Total Non-Labor Expenses	\$217.660	\$253.059	\$279.363	\$331.805	\$338.902	\$349.818
<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.	\$473.334	\$524.295	\$576.719	\$635.271	\$652.738	\$666.620
Add: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Add: OPEB Obligation	71.148	67.291	70.656	74.189	77.898	81.793
Add: GASB 68 Pension Adjustment	(8.691)	(10.409)	(8.740)	(8.423)	(6.772)	(4.672)
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$645.574	\$700.697	\$766.488	\$837.803	\$870.164	\$900.240
Less: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Less: OPEB Obligation	71.148	67.291	70.656	74.189	77.898	81.793
Less: GASB 68 Pension Adjustment	(8.691)	(10.409)	(8.740)	(8.423)	(6.772)	(4.672)
Total Expenses	\$473.334	\$524.295	\$576.719	\$635.271	\$652.738	\$666.620
Net Surplus/(Deficit)	\$1,392.497	\$1,396.118	\$1,341.321	\$1,281.838	\$1,277.223	\$1,270.651

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE Page 2 of 2
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	2015 <u>Actual</u>	2016 November <u>Forecast</u>	2017 Final Proposed <u>Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net Suplus/(Deficit)	\$1,392.497	\$1,396.118	\$1,341.321	\$1,281.838	\$1,277.223	\$1,270.651
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$7.724	\$26.345	\$18.354	\$18.722	\$20.244	\$20.688
Reserves	29.283	26.881	27.515	28.173	28.863	29.602
GASB 45 Reserves	0.000	0.000	0.000	0.089	0.264	0.451
Adjusted Net Suplus/(Deficit)	\$1,355.490	\$1,342.892	\$1,295.452	\$1,234.854	\$1,227.852	\$1,219.910
Less: Debt Service	\$604.591	\$631.143	\$670.456	\$680.901	\$711.400	\$735.779
Income Available for Distribution	\$750.899	\$711.749	\$624.996	\$553.953	\$516.452	\$484.131
<u>Distributable To:</u>						
MTA - Investment Income	\$0.183	\$0.427	\$0.987	\$1.240	\$1.240	\$1.240
MTA - Distributable Income	432.282	409.176	367.732	331.696	313.472	296.578
NYCT - Distributable Income	318.434	302.146	256.277	221.017	201.741	186.314
Total Distributable Income:	\$750.899	\$711.749	\$624.996	\$553.953	\$516.452	\$484.131
<u>Actual Cash Transfers:</u>						
MTA - Investment Income	\$0.137	\$0.183	\$0.427	\$0.987	\$1.240	\$1.240
MTA - Transfers	426.246	424.571	371.876	335.299	315.294	298.267
NYCT - Transfers	313.857	308.952	260.864	224.543	203.668	187.856
Total Cash Transfers:	\$740.239	\$733.706	\$633.167	\$560.829	\$520.203	\$487.364
<u>SUPPORT TO MASS TRANSIT:</u>						
Total Revenues	\$1,865.831	\$1,920.412	\$1,918.040	\$1,917.108	\$1,929.962	\$1,937.271
Less: Net Operating Expenses	473.334	524.295	576.719	635.271	652.738	666.620
Net Operating Income:	\$1,392.497	\$1,396.118	\$1,341.321	\$1,281.838	\$1,277.223	\$1,270.651
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$230.545	\$275.865	\$303.353	\$315.889	\$343.454	\$371.872
Capitalized Assets	7.724	26.345	18.354	18.722	20.244	20.688
Reserves	29.283	26.881	27.515	28.173	28.863	29.602
GASB Reserves	0.000	0.000	0.000	0.089	0.264	0.451
Total Deductions from Operating Income:	\$267.552	\$329.091	\$349.222	\$362.873	\$392.825	\$422.613
Total Support to Mass Transit:	\$1,124.945	\$1,067.027	\$992.099	\$918.965	\$884.398	\$848.038

Note: Projected toll revenue increases in 2017 and 2019 are not captured in the sections above, they are captured in volume 1 of this Plan. The inclusion of this revenue will increase the level of support to mass transit.

MTA BRIDGES AND TUNNELS
2016 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
OPERATIONS & MAINTENANCE			
<u>Scheduled Service</u>	78,619	\$5.234	19.9%
<u>Unscheduled Service</u>	1,365	0.110	0.4%
<u>Programmatic/Routine Maintenance</u>	20,223	1.744	6.6%
<u>Unscheduled Maintenance</u>	10,948	0.944	3.6%
<u>Vacancy/Absentee Coverage</u>	198,639	13.712	52.1%
<u>Weather Emergencies</u>	18,187	1.457	5.5%
<u>Safety/Security/Law Enforcement</u>	27,054	1.869	7.1%
<u>Other</u>	1,975	0.170	0.6%
<u>All Other Departments and Accruals¹</u>		1.069	4.1%
Subtotal	357,010	\$26.309	100%
REIMBURSABLE OVERTIME	27,017	1.558	
TOTAL OVERTIME	384,027	\$27.868	

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
2017 Final Proposed Budget
November Financial Plan 2017–2020
Year-to-Year Changes by Category - Baseline

Toll Revenue

- Toll revenue is forecast at \$1,869.3 million in 2016 and \$1,867.0 million in 2017 at current crossing charges. Information on the 2017 and 2019 toll increases is captured in Volume 1 of this Plan. Traffic volume in 2016 is forecast at 307.1 million crossings, which would surpass the previous record high of 304.4 million crossings set in 2007. Generally favorable weather conditions, continued improvements in the local economy and consistently low gas prices have all contributed to the record volume. In 2017, average daily traffic is projected to grow by 0.3%, primarily reflecting regional employment growth of 0.8%, regional inflation of 2.6% and a return to more normal weather conditions. However, total volume in 2017 remains at 307.1 million crossings due to the leap year adding an extra day in 2016. Although total annual traffic growth is flat, toll revenue is forecast to decline by \$2.3 million in 2017 due to a projected change in the mix of traffic that continues a 6+ year trend of growth in lower tolled E-ZPass transactions offset by a drop in higher tolled cash and Tolls by Mail transactions. This results in a slightly lower average toll in 2017 compared to 2016 and fully accounts for the \$2.3 million decline in revenue.
- Although traffic is forecast to increase by 0.1% in 2018 based on projected regional employment growth of 0.5% and regional inflation of 2.3%, toll revenue declines to \$1,865.5 million, again due to a small drop in the average toll resulting from expected growth in E-ZPass usage. Revenue increases to \$1,878.1 million in 2019 and \$1,885.2 million in 2020, reflecting traffic volume increases from projected regional employment growth ranging between 0.3% and 0.4% each year, and average annual regional inflation of approximately 2.6%. Traffic levels are forecast at 307.4 million crossings in 2018, 309.9 million in 2019, and 311.7 million in 2020.

Other Operating Revenue

- Other Operating Revenue is estimated at \$27.5 million in 2016 and \$26.2 million in 2017, a year-to-year decline of \$1.3 million primarily due to an expected slowing of receipts from E-ZPass and other administrative fees.
- Other Operating Revenue is expected to remain at a level of approximately \$26.2 million from 2018 through 2020.

Capital and Other Reimbursements

- Capital and Other Reimbursements range from \$23.2 million in 2016 to \$24.6 million in 2020 and are tied to expected work to be performed through the Capital Programs.

Investment Income

- The Investment Income plan for 2016 through 2020 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 \$0.4 million in 2016, \$1.0 million in 2017, and \$1.2 million each year thereafter.

Payroll

- Payroll costs grow from \$134.2 million in 2016 to \$151.5 million in 2017 primarily due to the filling of 2016 Non-Represented, Superior Officer and Maintainer vacancies, 13 new positions across legal, engineering, security and maintenance areas (see Position Assumptions), contractual step-up increases and inflationary adjustments.
- Payroll expenses range from \$154.7 million in 2018 to \$160.7 million in 2020. The growth in costs results from contractual step-up increases, inflationary adjustments, and the program development of the Enterprise Asset Management (EAM) initiative, which calls for two additional positions in 2019 and another eight positions in 2020.
- Salaries for most represented employees include contract settlements for increases to compensation earned between 2009 and 2011, followed by the expectation of 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 July 2016 on.

Overtime

- 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 2020.

Health and Welfare/OPEB Current Payments

- In 2017, there is an increase of \$7.6 million from 2016 primarily due to forecast inflation of 7.0% for defined medical programs and the filling of 2016 Non-Represented, Superior Officer and Maintainer vacancies.
- Expenses increase by \$1.1 million in 2018, \$2.2 million in 2019 and \$2.3 million in 2020, primarily reflecting forecast medical program inflation of 2.3% in 2018 and 4.5% each year thereafter.

Pension

- Pension expenses incorporate current projections for NYCERS provided by the NYC Office of the Actuary.

- Costs are between approximately \$44.0 and \$45.0 million each year throughout the financial plan. The year-to-year changes are relatively small, ranging up or down between \$0.4 million and \$0.9 million.

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 \$19.0 million in 2016 to \$23.5 million in 2020.

Electric Power

- Electricity costs are based on the most recent rate projections. Expenses grow by \$1.0 million in 2017 and then increase between \$0.2 million and \$0.5 million each year thereafter.

Fuel

- The expense plan for fuel is driven mainly by the most recent forecast for heating fuel. Estimated costs in 2016 are \$1.4 million and then range from \$1.9 million in 2017 to \$2.2 million in 2020.

Insurance

- Based on current insurance policy growth assumptions, costs rise between \$0.7 million and \$0.8 million in each year of the financial plan.

Maintenance and Other Operating Contracts

- Expanding Open Road Tolling (ORT) to all of B&T's facilities by the end of 2017, which is part of the Governor's Reimagining New York's Crossings initiative, accounts for most of the year-to-year growth in this category for 2017 and 2018.
 - The contracted costs of administering Tolls by Mail—the program used to collect tolls from non-E-ZPass customers which is currently in place only at the Henry Hudson Bridge—is estimated to require an additional \$30.7 million in 2017 as other facilities are brought into the program throughout the year. Partially offsetting this increase is a year-to-year decline of \$4.8 million primarily due to the expected completion of certain Tropical Storm Sandy restoration work in 2016.
 - In 2018, the first complete year when all facilities will be fully operational in an ORT environment, year-to-year growth in Tolls by Mail is estimated at \$49.3 million. This explains most of the \$50.4 million total year-to-year increase, with the remaining \$1.4 million driven primarily by inflation.
- Inflationary adjustments account for most of the expense growth in 2019 (\$4.5 million) and 2020 (\$7.1 million).
- Inflation is based on a national CPI-U forecast of 2.36% in 2017 growing modestly each year to 2.56% in 2020. These assumptions apply to all non-labor expense categories in the financial plan.

Professional Service Contracts

- In 2017, expenses increase by \$1.4 million primarily due to inflation (\$0.8 million) and consulting costs for EAM program development (\$2.4 million), partially offset by non-recurring 2016 consulting expenses across a variety of areas totaling approximately \$1.8 million.
- Expenses grow by less than \$0.1 million in 2018 and by \$0.5 million in 2019. Growth in both these years is well below inflation (approximately \$0.8 million per year) primarily due to the development plan for EAM, which calls for lower incremental consulting costs compared to 2017.
- Costs grow by \$1.1 million in 2020 largely due to inflation.

Materials and Supplies

- Expenses grow between \$0.1 million and \$0.2 million each year primarily due to inflation.

Other Business Expenses

- Expenses decline by \$3.3 million in 2017 due to a large write-off of outstanding E-ZPass account balances that is anticipated to be required at the end of 2016.
- Estimated costs increase between \$0.9 million and \$1.1 million each year thereafter based on inflationary adjustments.

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Vehicle Toll Revenue	\$ 1,869.308	\$ 1,866.960	\$ (2.348)	\$ 1,865.491	\$ (1.469)	\$ 1,878.098	\$ 12.607	\$ 1,885.161	\$ 7.063
Other Operating Revenue	27.527	26.220	(1.306)	26.220	-	26.220	-	26.220	-
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Investment Income	0.427	0.987	0.560	1.240	0.253	1.240	-	1.240	-
Total Revenue	\$ 1,897.261	\$ 1,894.167	\$ (3.094)	\$ 1,892.951	\$ (1.216)	\$ 1,905.558	\$ 12.607	\$ 1,912.621	\$ 7.063
Expenses									
Labor:									
Payroll	\$ 124.397	\$ 141.608	\$ (17.211)	\$ 144.664	\$ (3.056)	\$ 150.593	\$ (5.929)	\$ 150.530	\$ 0.063
Overtime	26.309	26.658	(0.348)	27.190	(0.532)	27.740	(0.550)	28.305	(0.565)
Health and Welfare	24.854	31.044	(6.189)	31.554	(0.510)	32.774	(1.220)	34.026	(1.253)
OPEB Current Payment	18.153	19.424	(1.271)	19.871	(0.447)	20.745	(0.874)	21.679	(0.934)
Pensions	41.812	41.182	0.630	41.891	(0.709)	41.520	0.371	40.800	0.720
Other Fringe Benefits	17.681	18.936	(1.256)	19.291	(0.354)	21.210	(1.920)	21.960	(0.750)
Reimbursable Overhead	(5.123)	(5.368)	0.245	(5.151)	(0.217)	(5.150)	(0.001)	(5.148)	(0.002)
Total Labor Expenses	\$ 248.084	\$ 273.483	\$ (25.399)	\$ 279.309	\$ (5.826)	\$ 289.432	\$ (10.123)	\$ 292.152	\$ (2.720)
Non-Labor:									
Electric Power	\$ 4.966	\$ 5.971	\$ (1.006)	\$ 6.221	\$ (0.249)	\$ 6.488	\$ (0.267)	\$ 6.961	\$ (0.473)
Fuel	1.445	1.774	(0.330)	1.867	(0.093)	1.959	(0.092)	2.161	(0.202)
Insurance	14.855	15.617	(0.763)	16.323	(0.706)	17.081	(0.758)	17.886	(0.804)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	151.154	177.037	(25.883)	227.408	(50.371)	231.890	(4.483)	239.017	(7.126)
Professional Service Contracts	39.450	40.885	(1.435)	40.914	(0.029)	41.410	(0.496)	42.513	(1.103)
Materials & Supplies	4.049	4.212	(0.163)	4.319	(0.107)	4.425	(0.106)	4.538	(0.113)
Other Business Expenses	37.141	33.866	3.275	34.753	(0.887)	35.649	(0.896)	36.743	(1.094)
Total Non-Labor Expenses	\$ 253.059	\$ 279.363	\$ (26.304)	\$ 331.805	\$ (52.442)	\$ 338.902	\$ (7.098)	\$ 349.818	\$ (10.915)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjs.	\$ 501.144	\$ 552.846	\$ (51.703)	\$ 611.114	\$ (58.268)	\$ 628.335	\$ (17.221)	\$ 641.970	\$ (13.635)
Add: Depreciation	\$ 119.521	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	\$ 156.499	\$ (10.199)
Add: OPEB Obligation	67.291	70.656	(3.365)	74.189	(3.533)	77.898	(3.709)	81.793	(3.895)
Add: GASB 68 Pension Adjustment	(10.409)	(8.740)	(1.669)	(8.423)	(0.317)	(6.772)	(1.651)	(4.672)	(2.100)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	\$ 677.546	\$ 742.615	\$ (65.069)	\$ 813.646	\$ (71.031)	\$ 845.761	\$ (32.115)	\$ 875.590	\$ (29.829)
Less: Depreciation	\$ 119.521	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	\$ 156.499	\$ (10.199)
Less: OPEB Obligation	67.291	70.656	(3.365)	74.189	(3.533)	77.898	(3.709)	81.793	(3.895)
Add: GASB 68 Pension Adjustment	(10.409)	(8.740)	(1.669)	(8.423)	(0.317)	(6.772)	(1.651)	(4.672)	(2.100)
Total Expenses	\$ 501.144	\$ 552.846	\$ (51.703)	\$ 611.114	\$ (58.268)	\$ 628.335	\$ (17.221)	\$ 641.970	\$ (13.635)
Net Surplus/(Deficit)	\$ 1,396.118	\$ 1,341.321	\$ (54.797)	\$ 1,281.838	\$ (59.483)	\$ 1,277.223	\$ (4.614)	\$ 1,270.651	\$ (6.572)

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Vehicle Toll Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	23.151	23.873	0.722	24.157	0.284	24.403	0.247	24.649	0.246
Investment Income	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 23.151	\$ 23.873	\$ 0.722	\$ 24.157	\$ 0.284	\$ 24.403	\$ 0.247	\$ 24.649	\$ 0.246
Expenses									
Labor:									
Payroll	\$ 9.823	\$ 9.904	\$ (0.081)	\$ 9.986	\$ (0.082)	\$ 10.071	\$ (0.085)	\$ 10.156	\$ (0.085)
Overtime	1.558	1.587	(0.029)	1.616	(0.029)	1.646	(0.030)	1.670	(0.024)
Health and Welfare	2.427	2.587	(0.160)	2.764	(0.177)	2.835	(0.071)	2.910	(0.075)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	2.847	3.008	(0.161)	3.182	(0.174)	3.202	(0.020)	3.222	(0.020)
Other Fringe Benefits	1.373	1.419	(0.046)	1.458	(0.039)	1.499	(0.042)	1.543	(0.044)
Reimbursable Overhead	5.123	5.368	(0.245)	5.151	0.217	5.150	0.001	5.148	0.002
Total Labor Expenses	\$ 23.151	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	\$ 24.649	\$ (0.246)
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 Adjts.	\$ 23.151	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	\$ 24.649	\$ (0.246)
Add: Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Add: OPEB Obligation	-	-	-	-	-	-	-	-	-
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Add: GASB 68 Pension Adjustment	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjts.	\$ 23.151	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	\$ 24.649	\$ (0.246)
Less: Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: OPEB Obligation	-	-	-	-	-	-	-	-	-
Less: GASB 68 Pension Adjustment	-	-	-	-	-	-	-	-	-
Total Expenses	\$ 23.151	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	\$ 24.649	\$ (0.246)
Net Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 1 of 2)

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Vehicle Toll Revenue	\$ 1,869.308	\$ 1,866.960	\$ (2.348)	\$ 1,865.491	\$ (1.469)	\$ 1,878.098	\$ 12.607	\$ 1,885.161	\$ 7.063
Other Operating Revenue	27.527	26.220	(1.306)	26.220	-	26.220	-	26.220	-
Capital and Other Reimbursements	23.151	23.873	0.722	24.157	0.284	24.403	0.247	24.649	0.246
Investment Income	0.427	0.987	0.560	1.240	0.253	1.240	-	1.240	-
Total Revenue	\$ 1,920.412	\$ 1,918.040	\$ (2.372)	\$ 1,917.108	\$ (0.932)	\$ 1,929.962	\$ 12.854	\$ 1,937.271	\$ 7.309
Expenses									
Labor:									
Payroll	\$ 134.220	\$ 151.512	\$ (17.292)	\$ 154.650	\$ (3.138)	\$ 160.664	\$ (6.014)	\$ 160.686	\$ (0.022)
Overtime	27.868	28.245	(0.377)	28.806	(0.562)	29.386	(0.580)	29.975	(0.589)
Health and Welfare	27.281	33.631	(6.349)	34.318	(0.687)	35.609	(1.291)	36.936	(1.328)
OPEB Current Payment	18.153	19.424	(1.271)	19.871	(0.447)	20.745	(0.874)	21.679	(0.934)
Pensions	44.659	44.190	0.469	45.073	(0.883)	44.722	0.351	44.022	0.700
Other Fringe Benefits	19.054	20.355	(1.301)	20.748	(0.393)	22.710	(1.961)	23.503	(0.794)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$ 271.236	\$ 297.356	\$ (26.120)	\$ 303.466	\$ (6.110)	\$ 313.836	\$ (10.370)	\$ 316.802	\$ (2.966)
Non-Labor:									
Electric Power	\$ 4.966	\$ 5.971	\$ (1.006)	\$ 6.221	\$ (0.249)	\$ 6.488	\$ (0.267)	\$ 6.961	\$ (0.473)
Fuel	1.445	1.774	(0.330)	1.867	(0.093)	1.959	(0.092)	2.161	(0.202)
Insurance	14.855	15.617	(0.763)	16.323	(0.706)	17.081	(0.758)	17.886	(0.804)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	151.154	177.037	(25.883)	227.408	(50.371)	231.890	(4.483)	239.017	(7.126)
Professional Service Contracts	39.450	40.885	(1.435)	40.914	(0.029)	41.410	(0.496)	42.513	(1.103)
Materials & Supplies	4.049	4.212	(0.163)	4.319	(0.107)	4.425	(0.106)	4.538	(0.113)
Other Business Expenses	37.141	33.866	3.275	34.753	(0.887)	35.649	(0.896)	36.743	(1.094)
Total Non-Labor Expenses	\$ 253.059	\$ 279.363	\$ (26.304)	\$ 331.805	\$ (52.442)	\$ 338.902	\$ (7.098)	\$ 349.818	\$ (10.915)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjts.	\$ 524.295	\$ 576.719	\$ (52.424)	\$ 635.271	\$ (58.552)	\$ 652.738	\$ (17.468)	\$ 666.620	\$ (13.881)
Add: Depreciation	\$ 119.521	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	\$ 156.499	\$ (10.199)
Add: OPEB Obligation	67.291	70.656	(3.365)	74.189	(3.533)	77.898	(3.709)	81.793	(3.895)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Add: GASB 68 Pension Adjustment	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjts.	\$ 711.107	\$ 775.228	\$ (64.121)	\$ 846.226	\$ (70.998)	\$ 876.936	\$ (30.711)	\$ 904.912	\$ (27.975)
Less: Depreciation	\$ 119.521	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	\$ 156.499	\$ (10.199)
Less: OPEB Obligation	67.291	70.656	(3.365)	74.189	(3.533)	77.898	(3.709)	81.793	(3.895)
Less: GASB 68 Pension Adjustment	-	-	-	-	-	-	-	-	-
Total Expenses	\$ 524.295	\$ 576.719	\$ (52.424)	\$ 635.271	\$ (58.552)	\$ 652.738	\$ (17.468)	\$ 666.620	\$ (13.881)
Net Surplus/(Deficit)	\$ 1,396.118	\$ 1,341.321	\$ (54.797)	\$ 1,281.838	\$ (59.483)	\$ 1,277.223	\$ (4.614)	\$ 1,270.651	\$ (6.572)

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 2 of 2)

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Net Surplus/(Deficit)	\$ 1,396.118	\$ 1,341.321	\$ (54.797)	\$ 1,281.838	\$ (59.483)	\$ 1,277.223	\$ (4.614)	\$ 1,270.651	\$ (6.572)
<u>Deductions from Income:</u>									
Less: Capitalized Assets	\$ 26.345	\$ 18.354	\$ 7.991	\$ 18.722	\$ (0.368)	\$ 20.244	\$ (1.522)	\$ 20.688	\$ (0.445)
Reserves	26.881	27.515	(0.634)	28.173	(0.658)	28.863	(0.690)	29.602	(0.739)
GASB 45 Reserves	-	-	-	0.089	(0.089)	0.264	(0.175)	0.451	(0.187)
Adjusted Net Surplus/(Deficit)	\$ 1,342.892	\$ 1,295.452	\$ (62.153)	\$ 1,234.854	\$ (58.369)	\$ 1,227.852	\$ (2.227)	\$ 1,219.910	\$ (5.202)
Less: Debt Service	631.143	670.456	(39.313)	680.901	(10.444)	711.400	(30.499)	735.779	(24.379)
Income Available for Distribution	\$ 711.749	\$ 624.996	\$ (101.467)	\$ 553.953	\$ (68.813)	\$ 516.452	\$ (32.726)	\$ 484.131	\$ (29.581)
Distributable To:									
MTA - Investment Income	\$ 0.427	\$ 0.987	\$ 0.560	\$ 1.240	\$ 0.253	\$ 1.240	\$ -	\$ 1.240	\$ -
MTA - Distributable Income	409.176	367.732	(41.445)	331.696	(36.036)	313.472	(18.224)	296.578	(16.894)
NYCT - Distributable Income	302.146	256.277	(45.868)	221.017	(35.260)	201.741	(19.277)	186.314	(15.427)
Total Distributable Income:	\$ 711.749	\$ 624.996	\$ (86.753)	\$ 553.953	\$ (71.043)	\$ 516.452	\$ (37.501)	\$ 484.131	\$ (32.321)
Actual Cash Transfers:									
MTA - Investment Income	\$ 0.183	\$ 0.427	\$ 0.244	\$ 0.987	\$ 0.560	\$ 1.240	\$ 0.253	\$ 1.240	\$ -
MTA - Transfers	424.571	371.876	(52.695)	335.299	(36.577)	315.294	(20.005)	298.267	(17.027)
NYCT - Transfers	308.952	260.864	(48.088)	224.543	(36.321)	203.668	(20.875)	187.856	(15.812)
Total Cash Transfers:	\$ 733.706	\$ 633.167	\$ (100.539)	\$ 560.829	\$ (72.338)	\$ 520.203	\$ (40.627)	\$ 487.364	\$ (32.839)
SUPPORT TO MASS TRANSIT:									
Total Revenues	\$ 1,920.412	\$ 1,918.040	\$ (2.372)	\$ 1,917.108	\$ (0.932)	\$ 1,929.962	\$ 12.854	\$ 1,937.271	\$ 7.309
Less: Net Operating Expenses	524.295	576.719	(52.424)	635.271	(58.552)	652.738	(17.468)	666.620	(13.881)
Net Operating Income:	\$ 1,396.118	\$ 1,341.321	\$ (54.797)	\$ 1,281.838	\$ (59.483)	\$ 1,277.223	\$ (4.614)	\$ 1,270.651	\$ (6.572)
Deductions from Operating Income:									
B&T Debt Service	\$ 275.865	\$ 303.353	\$ (27.488)	\$ 315.889	\$ (12.536)	\$ 343.454	\$ (27.565)	\$ 371.872	\$ (28.418)
Capitalized Assets	26.345	18.354	7.991	18.722	(0.368)	20.244	(1.522)	20.688	(0.445)
Reserves	26.881	27.515	(0.634)	28.173	(0.658)	28.863	(0.690)	29.602	(0.739)
GASB 45 Reserves	-	-	-	0.089	(0.089)	0.264	(0.175)	0.451	(0.187)
Total Deductions from Operating Inc:	\$ 329.091	\$ 349.222	\$ (20.131)	\$ 362.873	\$ (13.651)	\$ 392.825	\$ (29.953)	\$ 422.613	\$ (29.788)
Total Support to Mass Transit:	\$ 1,067.027	\$ 992.099	\$ (74.927)	\$ 918.965	\$ (73.135)	\$ 884.398	\$ (34.567)	\$ 848.038	\$ (36.360)

MTA BRIDGES AND TUNNELS
2017 Final Proposed Budget
November Financial Plan 2017–2020
Summary of Major Plan-to-Plan Changes

Non-Reimbursable

2016: November Financial Plan vs. July Financial Plan

Revenues

Revenue adjustments from the July Plan generate an additional \$5.6 million. The major changes include:

- Additional toll revenues of \$4.5 million stemming from recent favorable traffic trends compared to the Mid-Year Forecast.
- Increased Other Operating Revenue of \$1.1 million primarily due to favorable re-estimates for E-ZPass and other administrative fees based on current receipt trends.

Expenses

Non-reimbursable expenses are projected to be \$12.7 million less than the July Plan. The major changes include:

Labor expenses are lower by \$12.8 million based on the following changes:

- Year-end headcount is reduced by 172 Bridge and Tunnel Officer (BTO) positions which are currently vacant and will not need to be filled due to the new operating environment of Open Road Tolling. Plan-to-plan savings in payroll costs and associate fringe benefits from these headcount reductions total \$6.7 million.
- Additional savings of \$6.4 million in payroll and associated fringe benefit costs are realized from vacancies within non-represented, Superior Officer and Maintainer headcount.
- Slightly offsetting these savings are \$0.4 million in additional OPEB costs stemming from more retiree health plan participation than anticipated.

Non-Labor expenses are at the same bottom-line level as the Mid-Year Forecast:

- Fuel costs are \$0.3 million lower based on average actual usage through August.
- Maintenance and Other Operating Contracts are \$0.3 million higher due to minor re-estimates across several areas.
- Professional Service Contracts are \$2.5 million lower due to re-estimated bond issuance fees.
- Other Business Expenses are higher by \$2.5 million due to re-estimated credit card fees.

Deductions from Operating Income

- B&T Debt Service is \$11.8 million less than the Mid-Year Forecast.

2017-2019: November Financial Plan vs. July Financial Plan

Revenues

Total revenues are being increased by \$5.6 million in 2017, \$3.2 million in 2018, \$2.1 million in 2019 and \$1.5 million in 2020.

- The toll revenue forecast has been increased by \$4.5 million in 2017, \$2.1 million in 2018, \$1.0 million in 2019 and \$0.4 million in 2020 to reflect the higher baseline traffic from 2016 and current projections for regional employment and inflation (See Traffic/Utilization).
- Other Operating Revenue is \$1.1 million greater each year due to revised estimates for E-ZPass administrative and other administrative fees.

Expenses

Non-reimbursable expenses increase by \$11.0 million in 2017, \$47.9 million in 2018, \$48.2 million in 2019 and \$48.5 million in 2019.

Labor expenses are lower by \$13.3 million in 2017, \$14.4 million in 2018, \$15.5 million in 2019 and \$16.9 million in 2020 based on the following major changes:

- BTO headcount reductions bring costs for payroll and associated fringe benefits down by \$13.7 million in 2017, \$14.8 million in 2018, \$16.0 million in 2019 and \$17.4 million in 2020.
- Partially offsetting the savings above are new headcount needs totaling 9 positions across legal, security and maintenance areas (see Position Assumptions) which result in additional payroll and fringe benefit costs ranging from \$0.9 million in 2017 to \$1.0 million in 2020.

Non-Labor expenses increase by \$24.3 million in 2017, \$62.2 million in 2018, \$63.7 million in 2019 and \$65.3 million in 2020 based on the following major changes:

- As Open Road Tolling is expanded throughout 2017 and fully operational at all facilities in 2018, the contracted costs of administering Tolls by Mail, budgeted in Maintenance and Other Operating Contracts, is estimated to require an additional \$19.7 million in 2017, \$63.6 million in 2018, \$65.7 million in 2019 and \$67.9 million in 2020.
- An increase of \$5.4 million is included in Maintenance and Other Operating Contracts for several additional major maintenance projects anticipated for 2017.
- Partially offsetting these additional expenses are annual energy savings ranging between \$0.8 million in 2017 to \$1.8 million in 2020 based on favorable revisions to electricity rate and fuel usage projections.
- Professional Service Contracts are between \$2.5 million and \$3.0 million lower each year due to re-estimates for bond issuance fees.
- Other Business Expenses are between \$2.6 and \$2.8 million higher each year due to re-estimates for credit card fees.

Deductions from Operating Income

- B&T Debt Service is \$0.7 million higher in 2017, \$0.8 million higher in 2018, \$1.6 million lower in 2019 and \$3.9 million lower in 2020.

Reimbursable

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

Non-Reimbursable

2016: November Financial Plan vs. February Financial Plan

Revenues

Revenue adjustments from the February Plan generate an additional \$65.2 million. The major changes include:

- Additional toll revenues of over \$60.7 million stemming from more favorable traffic trends compared to the Adopted Budget forecast.
- Increased Other Operating Revenue of over \$4.4 million primarily due to favorable fee re-estimates for E-ZPass and other administrative fees.

Expenses

Non-reimbursable expenses are \$9.7 million lower than the February Plan.

Labor expenses are \$18.5 million lower primarily due to:

- Payroll and associated fringe benefits are reduced by a total of \$25.9 million due to vacancies and the year-end headcount reduction of 172 Bridge and Tunnel Officer positions.
- These savings are partially offset by \$7.3 million in higher pension costs based on NYCERS' current projections.

Non-labor expenses are \$8.8 million higher primarily due to:

- Higher expenses in Maintenance and Other Operating Contracts (\$6.8 million) resulting primarily from the timing of Tropical Storm Sandy-related restoration work (\$3.8 million), major maintenance re-scheduling and additional projects (\$4.8 million), partially offset by revised E-ZPass tag estimates based on lower negotiated unit costs (\$1.5 million) and several small favorable re-estimates across numerous areas.
- Higher Other Business Expenses (\$6.8 million) are due to a larger re-estimate for a year-end write-off of debt associated with outstanding E-ZPass account balances (\$4.3 million) and upward revisions to credit card fee estimates (\$2.5 million).
- These additional expenses are partially offset by favorable re-estimates for energy (\$1.5 million), insurance (\$0.6 million) and bond issuance fees budgeted in Professional Service Contracts (\$2.5 million).

Deductions from Operating Income

- Capitalized Assets are \$8.4 million higher primarily due to the re-scheduling of projects from 2015.
- B&T debt service has been reduced by \$5.6 million.

2017-2019: November Financial Plan vs. February Financial Plan

Revenues

Total revenues are being increased by \$52.3 million in 2017, \$37.9 million in 2018, and \$36.9 million in 2019.

- The toll revenue forecast has been increased by \$49.1 million in 2017, \$34.8 million in 2018, and \$33.7 million in 2019 to reflect higher baseline traffic from 2016 and current projections for regional employment and inflation.
- Other Operating Revenue is \$3.1 million greater each year primarily due to revised estimates for E-ZPass and other administrative fee collections.

Expenses

Non-reimbursable expenses increase by \$25.1 million in 2017, \$59.1 million in 2018, and \$54.3 million in 2019.

Labor

Expenses decrease by \$2.1 million in 2017, \$4.7 million in 2018, and \$7.6 million in 2019 based on the following major changes:

- BTO headcount reductions bring costs for payroll and associated fringe benefits down by \$13.7 million in 2017, \$14.8 million in 2018, and \$16.0 million in 2019.
- Partially offsetting these savings are new headcount needs totaling 16 positions across engineering, maintenance, public safety and legal areas which result in additional payroll and fringe benefit costs ranging from \$1.8 million in 2017 to \$2.0 million in 2019.
- Pension costs are higher by \$8.2 million in 2017, \$8.0 million in 2018, and \$7.2 million in 2019 based on the most recent NYCERS forecast provided by the NYC Office of the Actuary.
- OPEB estimates have been increased by \$1.1 million in 2017 and between \$0.7 million and \$0.8 million each year thereafter to reflect revised retiree participation estimates and current rate assumptions for defined medical plans.

Non-Labor

Non-Labor expenses increase by \$27.1 million in 2017, \$63.8 million in 2018 and \$61.9 million in 2019 based on the following major changes:

- As Open Road Tolling is expanded throughout 2017 and fully operational at all facilities in 2018, the contracted costs of administering Tolls by Mail, budgeted in Maintenance and Other Operating Contracts, is estimated to require an additional \$19.7 million in 2017, \$63.6 million in 2018, and \$65.7 million in 2019.
- An increase of \$5.4 million is included in Maintenance and Other Operating Contracts for several additional major maintenance projects anticipated for 2017.

- Total energy expenses have been reduced by a net \$0.6 million in 2017, by \$0.7 million in 2018 and by \$1.0 million in 2019 based on revised rate and usage assumptions for electricity and fuel.
- Insurance costs have been lowered by \$0.5 million to \$0.7 million each year based on current policy estimates.
- Professional Service Contracts are between \$2.4 million and \$3.0 million lower each year primarily due to re-estimates for bond issuance fees.
- Other Business Expenses are between \$2.7 and \$3.0 million higher each year primarily due to re-estimates for credit card fees.

Deductions from Operating Income

B&T Debt Service is \$5.4 million higher in 2017, and then lower by \$2.3 million in 2018 and \$9.9 million in 2019.

Reimbursable

Reimbursable revenue and expenses are unchanged from the February Financial Plan.

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2016	2017	2018	2019	2020
2016 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,324.579	\$1,300.941	\$1,279.419	\$1,273.786	\$1,266.603
Baseline Changes					
Revenue					
Vehicle Toll Revenue	\$4.461	\$4.472	\$2.093	\$0.973	\$0.440
Other Operating Revenue	1.108	1.097	1.097	1.097	1.097
Investment Income	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	\$5.569	\$5.569	\$3.190	\$2.070	\$1.537
Expenses					
<i>Labor:</i>					
Payroll	\$9.676	\$9.699	\$10.596	\$11.510	\$12.637
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.694	2.813	2.953	3.138	3.342
OPEB Current Payment	(0.356)	(0.274)	(0.300)	(0.294)	(0.307)
Pensions	0.000	0.000	0.000	(0.072)	(0.071)
Other Fringe Benefits	0.740	1.034	1.102	1.173	1.260
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$12.754	\$13.271	\$14.351	\$15.455	\$16.861
<i>Non-Labor:</i>					
Electric Power	\$0.069	\$0.466	\$0.597	\$0.755	\$0.812
Fuel	0.254	0.337	0.476	0.621	0.997
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	(0.328)	(25.110)	(63.352)	(65.168)	(67.292)
Professional Service Contracts	2.526	2.547	2.712	2.857	2.957
Materials & Supplies	0.000	(0.001)	0.011	0.020	0.024
Other Business Expenses	(2.530)	(2.554)	(2.661)	(2.761)	(2.842)
Total Non-Labor Expense Changes	(\$0.009)	(\$24.316)	(\$62.216)	(\$63.676)	(\$65.345)
Total Expenses before Depreciation and GASB Adjs.	\$12.745	(\$11.044)	(\$47.865)	(\$48.221)	(\$48.484)
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: GASB 68 Pension Adjustment	0.000	0.000	0.000	0.072	0.071
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	\$12.745	(\$11.044)	(\$47.865)	(\$48.149)	(\$48.413)
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
Less: GASB 68 Pension Adjustment	0.000	0.000	0.000	0.072	0.071
Total Expense Changes	\$12.745	(\$11.044)	(\$47.865)	(\$48.221)	(\$48.484)
Total Baseline Changes	\$18.313	(\$5.475)	(\$44.675)	(\$46.150)	(\$46.947)
Deductions from Income					
Capitalized Assets	\$0.000	(\$0.005)	\$0.046	\$0.091	\$0.107
Capital Reserves	0.000	(0.008)	0.069	0.130	0.153
GASB 45 Reserves	0.000	0.000	(0.005)	(0.004)	(0.006)
Total Deductions from Income	\$0.000	(\$0.013)	\$0.109	\$0.217	\$0.254
Total Adjusted Baseline Changes	\$18.313	(\$5.489)	(\$44.565)	(\$45.933)	(\$46.692)
2016 November Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,342.892	\$1,295.452	\$1,234.854	\$1,227.852	\$1,219.910

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019	2020
2016 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	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
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
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	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
Add: GASB 68 Pension Adjustment	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.	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
Less: GASB 68 Pension Adjustment	0.000	0.000	0.000	0.000	0.000
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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
2016 November Financial Plan - Adjusted Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
2016 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,324.579	\$1,300.941	\$1,279.419	\$1,273.786	\$1,266.603
Baseline Changes					
Revenue					
Vehicle Toll Revenue	\$4.461	\$4.472	\$2.093	\$0.973	\$0.440
Other Operating Revenue	1.108	1.097	1.097	1.097	1.097
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	\$5.569	\$5.569	\$3.190	\$2.070	\$1.537
Expenses					
<i>Labor:</i>					
Payroll	\$9.676	\$9.699	\$10.596	\$11.510	\$12.637
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.694	2.813	2.953	3.138	3.342
OPEB Current Payment	(0.356)	(0.274)	(0.300)	(0.294)	(0.307)
Pensions	0.000	0.000	0.000	(0.072)	(0.071)
Other Fringe Benefits	0.740	1.034	1.102	1.173	1.260
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$12.754	\$13.271	\$14.351	\$15.455	\$16.861
<i>Non-Labor:</i>					
Electric Power	\$0.069	\$0.466	\$0.597	\$0.755	\$0.812
Fuel	0.254	0.337	0.476	0.621	0.997
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	(0.328)	(25.110)	(63.352)	(65.168)	(67.292)
Professional Service Contracts	2.526	2.547	2.712	2.857	2.957
Materials & Supplies	0.000	(0.001)	0.011	0.020	0.024
Other Business Expenses	(2.530)	(2.554)	(2.661)	(2.761)	(2.842)
Total Non-Labor Expense Changes	(\$0.009)	(\$24.316)	(\$62.216)	(\$63.676)	(\$65.345)
Total Expenses before Depreciation and GASB Adjs.	\$12.745	(\$11.044)	(\$47.865)	(\$48.221)	(\$48.484)
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
Add: GASB 68 Pension Adjustment	0.000	0.000	0.000	0.072	0.071
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	\$12.745	(\$11.044)	(\$47.865)	(\$48.149)	(\$48.413)
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
Less: GASB 68 Pension Adjustment	0.000	0.000	0.000	0.072	0.071
Total Expense Changes	\$12.745	(\$11.044)	(\$47.865)	(\$48.221)	(\$48.484)
Total Baseline Changes	\$18.313	(\$5.475)	(\$44.675)	(\$46.150)	(\$46.947)
Deductions from Income					
Capitalized Assets	\$0.000	(\$0.005)	\$0.046	\$0.091	\$0.107
Capital Reserves	0.000	(0.008)	0.069	0.130	0.153
GASB 45 Reserves	0.000	0.000	(0.005)	(0.004)	(0.006)
Total Deductions from Income	\$0.000	(\$0.013)	\$0.109	\$0.217	\$0.254
Total Adjusted Baseline Changes	\$18.313	(\$5.489)	(\$44.565)	(\$45.933)	(\$46.692)
2016 November Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,342.892	\$1,295.452	\$1,234.854	\$1,227.852	\$1,219.910

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
2016 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,324.579	\$1,300.941	\$1,279.419	\$1,273.786	\$1,266.603
Non-Reimbursable Major Changes					
Revenue					
Higher toll revenue due to favorable traffic trends	\$4.461	\$4.472	\$2.093	\$0.973	\$0.440
Higher Other Operating Income due to E-ZPass admin fees	1.108	1.097	1.097	1.097	1.097
Sub-Total Non-Reimbursable Revenue Changes	\$5.569	\$5.569	\$3.190	\$2.070	\$1.537
Expenses					
Open Road Tolling initiative	\$7.943	(\$6.478)	(\$49.326)	(\$50.266)	(\$51.086)
Additional security/safety presence and program management	0.000	(0.276)	(0.282)	(0.344)	(0.349)
Custodial staff for new training facility	0.000	(0.078)	(0.079)	(0.097)	(0.099)
Vacancies	6.020	0.000	0.000	0.000	0.000
Delay of 2016 non-represented wage increase	0.438	0.448	0.456	0.465	0.475
Higher OPEB current payment for re-estimated number of retirees	(0.356)	(0.381)	(0.395)	(0.411)	(0.432)
Additional major maintenance needs	(1.623)	(5.400)	0.000	0.000	0.000
Inflationary and Rate Adjustments:					
Health and Welfare/OPEB	0.000	0.383	0.348	0.405	0.423
Electricity	0.069	0.466	0.597	0.755	0.812
Fuel	0.254	0.313	0.463	0.614	0.983
Changes in Inflation for other non-labor expenses	0.000	(0.054)	0.462	0.876	1.044
Sub-Total Non-Reimbursable Expense Changes	\$12.744	(\$11.058)	(\$47.756)	(\$48.004)	(\$48.230)
Total Non-Reimbursable Major Changes	\$18.313	(\$5.489)	(\$44.565)	(\$45.933)	(\$46.692)
Reimbursable Major Changes					
Revenue					
None	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
None	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Expense Changes	\$0.000	\$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	\$18.313	(\$5.489)	(\$44.565)	(\$45.933)	(\$46.692)
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$18.313	(\$5.489)	(\$44.565)	(\$45.933)	(\$46.692)
2016 November Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,342.892	\$1,295.452	\$1,234.854	\$1,227.852	\$1,219.910

MTA BRIDGES AND TUNNELS
2017 Final Proposed Budget
November Financial Plan 2017–2020
Traffic/Utilization

Year-to-Year

Traffic volume in 2016 is forecast at 307.1 million crossings, which would surpass the previous record high of 304.4 million crossings set in 2007. Generally favorable weather conditions, continued improvements in the local economy and stable gas prices have all contributed to the record volume. In 2017, average daily traffic is projected to grow by 0.3%, primarily reflecting regional employment growth of 0.8%, regional inflation of 2.6%, and a return to more normal weather conditions. However, total volume in 2017 remains at 307.1 million crossings due to the leap year in 2016. The traffic forecast developed for 2018 through 2020 incorporates the most recent economic projections, which include regional employment growth ranging between 0.3% and 0.5% each year, and average annual regional inflation of approximately 2.5%. An additional day for the leap year in 2020 is also included in the traffic projection for that year. Paid traffic is forecast at 307.4 million crossings in 2018, 309.9 million in 2019, and 311.7 million in 2020.

Plan-to-Plan

Paid traffic is expected to reach a record 307.1 million crossings in 2016, which is 1.6 million crossings, or 0.5% above the Mid-Year Forecast level. The additional volume is primarily due to the continuation of relatively low gas prices and generally favorable weather. For 2017 through 2020, forecast adjustments above July Plan levels range between 1.0 million and 1.6 million crossings each year based primarily on the current favorable traffic trends.

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Traffic Volume (Utilization)

	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
<u>Traffic Volume</u>	297.980	307.099	307.144	307.393	309.894	311.653
<u>Toll Revenue</u>	\$ 1,808.901	\$ 1,869.308	\$ 1,866.960	\$ 1,865.491	\$ 1,878.098	\$ 1,885.161

MTA BRIDGES & TUNNELS
November Financial Plan 2017-2020
2016 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
<u>Administration</u>										
Delay of Non-Represented Wage Increase	-	0.438	-	0.448	-	0.456	-	0.465	-	0.475
Subtotal Administration	-	0.438	-	0.448	-	0.456	-	0.465	-	0.475
<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>										
Vacancies - Toll Collection and Management (July Plan)	-	9.780	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Other	-	9.780	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$10.218	-	\$0.448	-	\$0.456	-	\$0.465	-	\$0.475

**MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Non-Represented Wage Increase

Background Details: Saving resulting from a 2% cost of allowance wage increase for non-represented employees that was budgeted to begin on January 1, 2016, but was instead made effective July 1, 2016.

Program Description/Implementation Plan:

Program Implementation Date: July 1, 2016 **When will savings begin?:** January 1, 2016

Are these savings recurring?: Yes

Other Issues:

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.438	\$0.448	\$0.456	\$0.465	\$0.475

Total Positions Required:

MTA BRIDGES AND TUNNELS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Other

Program: Program: Vacancies - Toll Collection and Management (July Plan)

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

Program Description/
Implementation Plan: Vacancies will remain unfilled until December 2016

Program Implementation Date: January 1, 2016 **When will savings begin?:** January 1, 2016
Are these savings recurring?: No

Other Issues:

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$9.780	\$0.000	\$0.000	\$0.000	\$0.000

Total Positions Required:

MTA BRIDGES AND TUNNELS
2017 Final Proposed Budget
November Financial Plan 2017–2020
Positions

Position Assumptions

Year-to-Year

Total 2016 year-end headcount is budgeted at 1,578. Year-end headcount grows to 1,591 in 2017 and stays at that level through 2018. The additional 13 headcount includes: 3 engineering positions for the administration of design-build capital projects; 4 security positions for heightened security presence, project administration and systems management; 4 legal positions to meet the needs for violation enforcement, administration and other legal activities related to Open Road Tolling; and 2 custodial assistants to cover cleaning and light maintenance needs of a new training facility. The development plan for the Enterprise Asset Management program requires an additional 2 positions in 2019 and 6 more in 2020, bringing headcount to 1,593 and 1,599 in those years, respectfully.

Total headcount includes 87 capital reimbursable positions in each year of the financial plan.

Plan-to-Plan

Total 2016 year-end headcount for the November Forecast is 1,578, including 87 capital reimbursable positions, which is 172 positions below the Mid-Year Forecast. The favorable variance is due to the reduction of Bridge and Tunnel Officer (BTO) headcount. These positions are currently vacant and will not need to be filled due to the new operating environment of Open Road Tolling. The favorable plan-to-plan headcount variance decreases to 163 from 2017 on due to the addition of 9 positions in this November Plan. These new headcount include: 3 security positions for heightened security presence, project administration and systems management; 4 legal positions to meet the needs for violation enforcement, administration and other legal activities related to Open Road Tolling; and 2 custodial assistants to cover cleaning and light maintenance needs of a new training facility. November Plan headcount is set at 1,591 in 2017 and 2018, 1,593 in 2019, and 1,599 in 2020.

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019	2020
2016 July Plan - Total Positions	1,750	1,754	1,754	1,756	1,762
Total Plan-to-Plan Changes	172	163	163	163	163
2016 November Plan - Total Positions	1,578	1,591	1,591	1,593	1,599
Total Year-to-Year Changes, November Plan		(13)	0	(2)	(6)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	172	163	163	163	163
<i>Reimbursable</i>	0	0	0	0	0
Total	172	163	163	163	163
<i>Full-Time</i>	172	163	163	163	163
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	172	163	163	163	163
<i>By Function Category</i>					
- Administration	0	(4)	(4)	(4)	(4)
- Operations	172	172	172	172	172
- Maintenance	0	(2)	(2)	(2)	(2)
- Engineering/Capital	0	0	0	0	0
- Public Safety	0	(3)	(3)	(3)	(3)
Total	172	163	163	163	163
<i>By Occupational Group</i>					
- Managers/Supervisors	0	(4)	(4)	(4)	(4)
- Professional, Technical, Clerical	0	(5)	(5)	(5)	(5)
- Operational Hourlies	172	172	172	172	172
Total	172	163	163	163	163

Total Plan-to-Plan Changes by Major Category:

<i>2016 BRPs</i>	0	0	0	0	0
<i>New Needs</i>	172	163	163	163	163
<i>Change in Reimbursable Positions</i>	0	0	0	0	0
<i>Re-estimates & All Other¹</i>	0	0	0	0	0
Total	172	163	163	163	163

¹ Includes Full-time Equivalents

MTA BRIDGES AND TUNNELS
November Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents

FUNCTION/DEPARTMENT	2015	2016	2017	2018	2019	2020
	Actual	November Forecast	Final Proposed Budget			
Administration						
Executive	7	8	8	8	8	8
Law ⁽¹⁾	14	13	16	16	16	16
CFO ⁽²⁾	17	25	25	25	25	26
Administration ⁽³⁾	37	37	38	38	38	38
EEO	1	2	2	2	2	2
Total Administration	76	85	89	89	89	90
Operations						
Revenue Management	39	43	43	43	43	43
Operations (Non-Security)	510	544	544	544	544	544
Total Operations	549	587	587	587	587	587
Maintenance						
Maintenance	190	197	198	198	198	198
Operations - Maintainers	160	181	183	183	183	183
Total Maintenance	350	378	381	381	381	381
Engineering/Capital						
Engineering & Construction	148	190	192	192	192	192
Health & Safety	9	10	10	10	10	10
Law ⁽¹⁾	20	24	24	24	24	24
Planning & Budget Capital	15	29	29	29	30	35
Total Engineering/Capital	192	253	255	255	256	261
Public Safety						
Operations (Security)	232	232	232	232	232	232
Internal Security - Operations	35	43	47	47	48	48
Total Public Safety	267	275	279	279	280	280
Total Positions	1,434	1,578	1,591	1,591	1,593	1,599
<i>Non-Reimbursable</i>	1,358	1,491	1,504	1,504	1,506	1,512
<i>Reimbursable</i>	76	87	87	87	87	87
<i>Total Full-Time</i>	1,434	1,578	1,591	1,591	1,593	1,599
<i>Total Full-Time Equivalents</i>	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 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Managers/Supervisors	28	31	35	35	35	36
Professional, Technical, Clerical	48	54	54	54	54	54
Operational Hourlies	-	-	-	-	-	-
Total Administration	76	85	89	89	89	90
Operations						
Managers/Supervisors	157	215	215	215	215	215
Professional, Technical, Clerical	33	35	35	35	35	35
Operational Hourlies ⁽¹⁾	359	337	337	337	337	337
Total Operations	549	587	587	587	587	587
Maintenance						
Managers/Supervisors	17	18	18	18	18	18
Professional, Technical, Clerical	15	19	22	22	22	22
Operational Hourlies ⁽²⁾	318	341	341	341	341	341
Total Maintenance	350	378	381	381	381	381
Engineering/Capital						
Managers/Supervisors	42	60	62	62	62	62
Professional, Technical, Clerical	150	193	193	193	194	199
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	192	253	255	255	256	261
Public Safety						
Managers/Supervisors	45	46	46	46	46	46
Professional, Technical, Clerical	26	33	37	37	38	38
Operational Hourlies ⁽³⁾	196	196	196	196	196	196
Total Public Safety	267	275	279	279	280	280
Total Positions						
Managers/Supervisors	289	370	376	376	376	377
Professional, Technical, Clerical	272	334	341	341	343	348
Operational Hourlies	873	874	874	874	874	874
Total Positions	1,434	1,578	1,591	1,591	1,593	1,599

(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.

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Capital Construction Company

MTA CAPITAL CONSTRUCTION COMPANY
2017 Final Proposed Budget
November Financial Plan 2017-2020

FINANCIAL OVERVIEW

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 expenses are incurred, therefore revenues (reimbursements) will always equal expenses. Consequently, reduced expenses result in lower revenues.

MTACC continues to utilize a mix of MTA staff and consultant resources to make the most efficient use of labor resources during peak staff needs while maintaining a cost efficient management structure. MTACC's core staff directly manages the design and construction of over \$17 billion in capital projects. MTACC continues to draw from the expertise and support services available in other MTA agencies to supplement the core staff and support design and construction management.

2016 November Forecast

MTACC's 2016 November Forecast is projected to be \$35.7 million, reflecting a \$2.0 million decrease from the 2016 July Financial Plan. Labor costs are expected to come in at \$23.8 million, a decrease of \$1.3 million, or 5.2%, with headcount of 140 by year-end. The change in Labor is due to revised payroll projections, benefits and escalation rates. Non-Labor costs are projected at \$11.9 million, a decrease of \$0.7 million, or 5.9%, from the Mid-Year Forecast. Revised timeline for office space construction and renovations at 2 Broadway and re-estimates in engineering, program management consulting support contributed to the change in the Non-Labor costs.

2017 Final Proposed Budget – Baseline

MTACC projects 2017 expenses to be \$37.4 million, an increase of \$0.1 million, or 0.3%, from the July Financial Plan, with 140 positions at 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 \$27.2 million, a decrease of \$0.2 million, or 0.7%, from the Preliminary Budget, due to lower fringe rates in the November Plan. Non-labor expenses are projected at \$10.2 million, which is \$0.3 million, or 3.0%, higher than the July Plan. This increase is attributable to the revised timeline for office space construction, renovations, furniture and associated moving costs at 2 Broadway.

2018 - 2020 Projections

2018 MTACC expenses are projected at \$37.6 million, a decrease of \$0.3 million, or 0.7%, from the July Plan. Expenses will continue to decrease by \$0.3 and \$0.03 million, respectively, in 2019 and 2020, when compared to the July Plan. Revised fringe benefits and escalation rates are mostly responsible for these decreases.

Year-end staffing levels of 140 employees remain constant through 2020.

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

MTA CAPITAL CONSTRUCTION
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements	29.037	35.688	37.392	37.577	38.496	37.076
Total Revenue	\$29.037	\$35.688	\$37.392	\$37.577	\$38.496	\$37.076
Expenses						
<u>Labor:</u>						
Payroll	\$14.012	\$16.664	\$18.724	\$19.034	\$19.350	\$19.674
Overtime	0.009	0.021	-	-	-	-
Health and Welfare	2.220	2.260	2.694	2.750	2.865	2.985
OPEB Current Payment						
Pensions	2.722	2.341	2.885	2.973	3.128	3.256
Other Fringe Benefits	4.501	2.527	2.891	2.769	2.785	3.013
Reimbursable Overhead						
Total Labor Expenses	\$23.464	\$23.812	\$27.195	\$27.526	\$28.129	\$28.928
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.002	0.002	0.002	0.002	0.002	0.002
Insurance	0.032	0.475	0.523	0.575	0.632	0.696
Claims						
Paratransit Service Contracts						
Maintenance & Other Operating Contracts	3.038	3.313	3.783	3.509	3.678	3.857
Professional Service Contracts	2.317	7.867	5.665	5.742	5.828	3.401
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.185	0.219	0.224	0.223	0.226	0.192
Total Non-Labor Expenses	\$5.573	\$11.876	\$10.197	\$10.051	\$10.367	\$8.148
<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	\$29.037	\$35.688	\$37.392	\$37.577	\$38.496	\$37.076
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$29.037	\$35.688	\$37.392	\$37.577	\$38.496	\$37.076
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2017-2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
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	29.037	35.688	37.392	37.577	38.496	37.076
Total Receipts	\$29.037	\$35.688	\$37.392	\$37.577	\$38.496	\$37.076
Expenditures						
<u>Labor:</u>						
Payroll	\$14.012	\$16.664	\$18.724	\$19.034	\$19.350	\$19.674
Overtime	0.009	0.021	-	-	-	-
Health and Welfare	2.220	2.260	2.694	2.750	2.865	2.985
OPEB Current Payment						
Pensions	2.722	2.341	2.885	2.973	3.128	3.256
Other Fringe Benefits	4.501	2.527	2.891	2.769	2.785	3.013
Reimbursable Overhead						
Total Labor Expenditures	\$23.464	\$23.812	\$27.195	\$27.526	\$28.129	\$28.928
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.002	0.002	0.002	0.002	0.002	0.002
Insurance	0.032	0.475	0.523	0.575	0.632	0.696
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	3.038	3.313	3.783	3.509	3.678	3.857
Professional Service Contracts	2.317	7.867	5.665	5.742	5.828	3.401
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.185	0.219	0.224	0.223	0.226	0.192
Total Non-Labor Expenditures	\$5.573	\$11.876	\$10.197	\$10.051	\$10.367	\$8.148
<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	\$29.037	\$35.688	\$37.392	\$37.577	\$38.496	\$37.076
Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2017-2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
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	\$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
2017 Final Proposed Budget
November Financial Plan 2017-2020
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

- 2017 payroll costs reflect a full year of staffing levels of 140.
- Payroll expenses will increase annually by 1.7% from 2018 to 2020. Annual staffing levels will continue to remain at 140 throughout the plan.

Other Fringe Benefits

- In 2017, Health and Welfare, Pension and Other Fringe Benefits costs will increase by 19.2%, 23.3% and 14.4% respectively, due to varied agency billing rates for MTACC employees residing on various payrolls.
- Overall Fringe Benefit expenditures will increase by 0.3%, 3.4% and 5.4% respectively, from 2018 to 2020, as a result of projected benefit and escalation rates from multi-agency payrolls.

Fuel

- From 2017 to 2020, expenditures are projected to remain relatively constant.

Insurance

- Insurance costs are expected to increase annually by 10.0% from 2017 to 2020.

Maintenance and Other Operating Contracts

- Overall expenditures will increase by \$0.5 million in 2017 due to the revised timeline of office space construction and renovations at 2 Broadway.
- With the office construction and renovations, fewer maintenance costs will be incurred in 2018. Costs are projected to increase by \$0.2 million annually from 2019 through 2020.

Professional Service Contracts

- Costs are projected to decrease by \$2.2 million, or 28.0%, as a result of fewer Small Businesses Mentoring Program, budget system, engineering and program management consulting costs in 2017.
- Professional Services will remain relatively constant and increase about 1.4% annually between 2018 and 2019 due to escalation rates. By 2020, expenditures will rapidly decline to \$3.4 million, \$2.4 million or 41.6% change, due to fewer anticipated engineering and program management consulting support expenses as MTACC mega projects approach the completion stage.

Other Business Expenses

- Expenditures remain relatively constant from 2017 through 2020.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 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	35.688	37.392	1.704	37.577	0.186	38.496	0.918	37.076	(1.420)
Total Revenue	\$35.688	\$37.392	\$1.704	\$37.577	\$0.186	\$38.496	\$0.918	\$37.076	(\$1.420)
Expenses									
Labor:									
Payroll	\$16.664	\$18.724	(\$2.060)	\$19.034	(\$0.310)	\$19.350	(\$0.317)	\$19.674	(\$0.323)
Overtime	0.021	0.000	0.021	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.260	2.694	(0.434)	2.750	(0.055)	2.865	(0.115)	2.985	(0.121)
OPEB Current Payment									
Pensions	2.341	2.885	(0.545)	2.973	(0.088)	3.128	(0.155)	3.256	(0.128)
Other Fringe Benefits	2.527	2.891	(0.365)	2.769	0.122	2.785	(0.016)	3.013	(0.228)
Reimbursable Overhead									
Total Labor Expenses	\$23.812	\$27.195	(\$3.383)	\$27.526	(\$0.331)	\$28.129	(\$0.603)	\$28.928	(\$0.800)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.002	0.002	(0.000)	0.002	(0.000)	0.002	(0.000)	0.002	(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	3.313	3.783	(0.470)	3.509	0.274	3.678	(0.170)	3.857	(0.178)
Professional Service Contracts	7.867	5.665	2.201	5.742	(0.077)	5.828	(0.086)	3.401	2.426
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.219	0.224	(0.005)	0.223	0.001	0.226	(0.003)	0.192	0.034
Total Non-Labor Expenses	\$11.876	\$10.197	\$1.679	\$10.051	\$0.145	\$10.367	(\$0.316)	\$8.148	\$2.219
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	\$35.688	\$37.392	(\$1.704)	\$37.577	(\$0.186)	\$38.496	(\$0.918)	\$37.076	\$1.420
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$35.688	\$37.392	(\$1.704)	\$37.577	(\$0.186)	\$38.496	(\$0.918)	\$37.076	\$1.420
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 2017-2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 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	35.688	37.392	1.704	37.577	0.186	38.496	0.918	37.076	(1.420)
Total Receipts	\$35.688	\$37.392	\$1.704	\$37.577	\$0.186	\$38.496	\$0.918	\$37.076	(\$1.420)
Expenditures									
Labor:									
Payroll	\$16.664	\$18.724	(\$2.060)	\$19.034	(\$0.310)	\$19.350	(\$0.317)	\$19.674	(\$0.323)
Overtime	0.021	0.000	0.021	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.260	2.694	(0.434)	2.750	(0.055)	2.865	(0.115)	2.985	(0.121)
OPEB Current Payment									
Pensions	2.341	2.885	(0.545)	2.973	(0.088)	3.128	(0.155)	3.256	(0.128)
Other Fringe Benefits	2.527	2.891	(0.365)	2.769	0.122	2.785	(0.016)	3.013	(0.228)
Reimbursable Overhead									
Total Labor Expenditures	\$23.812	\$27.195	(\$3.383)	\$27.526	(\$0.331)	\$28.129	(\$0.603)	\$28.928	(\$0.800)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.002	0.002	(0.000)	0.002	(0.000)	0.002	(0.000)	0.002	(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	3.313	3.783	(0.470)	3.509	0.274	3.678	(0.170)	3.857	(0.178)
Professional Service Contracts	7.867	5.665	2.201	5.742	(0.077)	5.828	(0.086)	3.401	2.426
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.219	0.224	(0.005)	0.223	0.001	0.226	(0.003)	0.192	0.034
Total Non-Labor Expenditures	\$11.876	\$10.197	\$1.679	\$10.051	\$0.145	\$10.367	(\$0.316)	\$8.148	\$2.219
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	\$35.688	\$37.392	(\$1.704)	\$37.577	(\$0.186)	\$38.496	(\$0.918)	\$37.076	\$1.420
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
2017 Final Proposed Budget
November Financial Plan 2017-2020
Plan-to-Plan Changes by Generic Category

2016: November Forecast vs. Mid-Year Forecast

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

Total expenses are projected at \$35.7 million, a decrease of \$2.0 million, or 5.4%, from the Mid-Year Forecast.

Major changes include:

- **Payroll costs** will come in \$0.8 million below the Mid-Year Forecast due to re-estimates and actual agency staff size during the year.
- Overall **Fringe Benefit** costs will decrease by \$0.5 million as a result of revised billing rates for MTACC employees residing on various MTA agency payrolls and actual agency staff size.
- **Maintenance & Other Operating Contracts** will decrease by \$0.5 million as a result of revised timeline and re-estimates associated with office space construction, renovations and maintenance charges at 2 Broadway.
- **Professional Services** will decrease by \$0.3 million primarily due to the revised requirements for program management consulting, engineering and legal support costs in 2016.

2017 - 2020: November Financial Plan vs. July Financial Plan

Revenue

Capital and Other Reimbursements – (explained previously)

Expenses

2017 MTACC baseline is projected to come in \$37.4 million, \$0.1 million increase from the July Financial Plan. Overall expenses are expected to come in below the July Plan by: \$0.3 million in 2018, \$0.3 million in 2019 and \$0.03 million in 2020.

Major changes include:

- Revised fringe billing rates from multi-agency payrolls resulted in **Labor** costs to decrease by \$0.2 million annually between 2017 and 2019. By 2020, expenditures are expected to come in \$28.9 million and is consistent with the July Financial Plan.
- **Maintenance & Other Operating Contracts** will increase by \$0.4 million as a result of revised timeline for office space construction and renovations in 2017. Expenditures are projected to remain on par with the July Plan from 2018 to 2020.
- **Professional Services** are anticipated to come in below the July Plan by \$0.1 million annually from 2017 to 2019, due to revised requirements for engineering and program management consulting support. By 2020, costs will come in \$3.4 million and is relatively consistent with the July Plan.

MTA CAPITAL CONSTRUCTION COMPANY
2017 Final Proposed Budget
November Financial Plan 2017-2020
Plan-to-Plan Changes by Generic Category

2016: November Forecast vs. Adopted Budget

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

Total expenses are projected at \$35.7 million, a decrease of \$2.0 million, or 5.1%, from the Adopted Budget.

Major changes include:

- **Payroll costs** will come in \$1.1 million below the Adopted Budget due to re-estimates and actual agency staff size during the year.
- Overall **Fringe Benefit** costs will decrease by \$2.9 million as a result of lower billing and escalation rates for MTACC employees residing on various MTA agency payrolls and actual agency staff size.
- **Professional Services** will increase by \$2.2 million primarily due to 2015 initial costs associated with the Small Business Mentoring Program and budget system implementation.

2017 - 2020: November Financial Plan vs. February Financial Plan

Revenue

Capital and Other Reimbursements – (explained previously)

Expenses

2017 MTACC baseline is projected to come in \$37.4 million, \$1.2 million below the February Financial Plan. Overall expenses are expected to be lower than the February Plan by: \$2.6 million in 2018, \$1.3 million in 2019 and \$2.4 million in 2020.

Major changes include:

- Revisions in payroll projections, fringe and escalation billing rates, from multi-agency payrolls contributed to the increase in **Labor** costs by \$1.2 million in 2017, \$1.7 million in 2018, \$2.0 million in 2019 and \$1.9 million in 2020.
- Revised escalation rate for office space rental and **maintenance** costs at 2 Broadway contributed to the rapid decrease of \$0.1 million in 2017, \$1.0 million in 2018, \$1.5 million in 2019 and \$2.0 million in 2020.
- **Professional Services** are anticipated to increase by \$0.2, \$0.1, \$2.2 and \$1.6 million respectively, from 2017 to 2020, due to re-estimates in engineering, program management consulting support and temporary expert services such as indefinite quantity consultants and firms to support project controls, change order and claims management. Revised timeline of communications, IT and office equipment upgrades also contributed to the yearly increases.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019	2020
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	(2.048)	0.117	(0.278)	(0.287)	(0.028)
Total Revenue Changes	(\$2.048)	\$0.117	(\$0.278)	(\$0.287)	(\$0.028)
Expenses					
<i>Labor:</i>					
Payroll	\$0.784	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	(0.012)	0.000	0.000	0.000	0.000
Health and Welfare	0.129	0.000	0.000	0.000	0.000
OPEB Current Payment					
Pensions	(0.061)	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.463	0.184	0.193	0.200	(0.000)
Reimbursable Overhead					
Total Labor Expense Changes	\$1.303	\$0.184	\$0.193	\$0.200	(\$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					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	0.471	(0.376)	(0.000)	(0.000)	(0.000)
Professional Service Contracts	0.270	0.087	0.093	0.093	0.047
Materials & Supplies	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.004	(0.012)	(0.007)	(0.005)	(0.019)
Total Non-Labor Expense Changes	\$0.745	(\$0.301)	\$0.085	\$0.087	\$0.028
Total Expense Changes	\$2.048	(\$0.117)	\$0.278	\$0.287	\$0.028
<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 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019	2020
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	(\$2.048)	\$0.117	(\$0.278)	(\$0.287)	(\$0.028)
Sub-Total Reimbursable Revenue Changes	(\$2.048)	\$0.117	(\$0.278)	(\$0.287)	(\$0.028)
Expenses	\$2.048	(\$0.117)	\$0.278	\$0.287	\$0.028
Sub-Total Reimbursable Expense Changes	\$2.048	(\$0.117)	\$0.278	\$0.287	\$0.028
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
2017 Final Proposed Budget
November Financial Plan 2017-2020
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 – 20 positions
- East Side Access – 27 positions
- 7 Line Extension – 10 positions
- Fulton Center – 14 positions
- Security Program – 8 positions
- Penn Station Access – 2 positions

By 2016 year-end, position levels are projected to remain at 140, unchanged from the Mid-Year Forecast. Administrative positions account for 59 of this total, while “direct” project positions account for 81. Of the Administrative positions, 44 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: 15 MTACC administrative positions, and 125 positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line, Penn Station Access and the system-wide security program. Annual staffing levels will continue to remain at 140 through 2020.

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 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 (Phase II) and Penn Station 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 2017-2020 Favorable/(Unfavorable)					
Total Position Changes at a Glance					
	2016	2017	2018	2019	2020
2016 July Plan - Total Baseline Positions	140	140	140	140	140
Total Plan-to-Plan Changes	0	0	0	0	0
2016 November Plan - Total Baseline 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>2016 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 2017- 2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2016		2017	2018	2019	2020
	2015 Actual	November Forecast	Final Proposed Budget			
Administration						
MTACC	14	15	15	15	15	15
Engineering/Capital						
MTACC	40	44	44	44	44	44
East Side Access	20	27	27	27	27	27
Security Program	7	8	8	8	8	8
Second Avenue Subway	18	20	20	26	26	26
Lower Manhattan Project	16	14	14	12	12	12
7 Line Extension	11	10	10	-	-	-
Penn Station Access		2	2	8	8	8
Total Engineering/Capital	112	125	125	125	125	125
Total Baseline Positions	126	140	140	140	140	140
Non-Reimbursable	-	-	-	-	-	-
<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 2017-2020
Total Positions by Function and Occupation

FUNCTION/DEPARTMENT	2016		2017	2018	2019	2020
	2015 Actual	November Forecast	Proposed Budget			
Administration						
Managers/Supervisors						
Professional, Technical, Clerical	14	15	15	15	15	15
Operational Hourlies						
Total Administration	14	15	15	15	15	15
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	125	125	125	125	125
Operational Hourlies						
Total Engineering/Capital	112	125	125	125	125	125
Public Safety						
Managers/Supervisors						
Professional, Technical, Clerical						
Operational Hourlies						
Total Public Safety	-	-	-	-	-	-
Total Baseline Positions						
Managers/Supervisors						
Professional, Technical, Clerical	126	140	140	140	140	140
Operational Hourlies						
Total Baseline Positions	126	140	140	140	140	140

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Long Island Rail Road

MTA LONG ISLAND RAIL ROAD
2017 Final Proposed Budget
November Financial Plan 2017 - 2020

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.

System Investments

The LIRR's \$2.8 billion 2015-2019 Capital Program, which was approved by the Capital Program Review Board on May 23, 2016, makes crucial investments in rolling stock and infrastructure as the railroad looks to maintain and improve safety, reliability, and on-time performance. These investments are in addition to a combination of existing investments funded through prior Capital Programs as well as investments made by other entities – private and public – that will affect in a positive way the LIRR's operating environment and the LIRR's customer experience.

As these initiatives start to take shape and achieve beneficial use, the LIRR's operating budget and financial plan reflects funding to operate and maintain these investments, but success will require more than just securing financial resources. To this end, for those projects that are approaching beneficial use, internal planning is underway to prepare for the operational and maintenance impact of the investment.

Some of the major initiatives that will impact the LIRR's current operating environment include: East Side Access (ESA), LIRR Expansion Project, Ronkonkoma Double Track, Moynihan Station/Penn Station, Hudson Yards Overbuild, and the purchase of M9 electric cars to replace its aging M3 fleet and to expand service.

In addition to these major new expansion projects and investments, the 2015-2019 Capital Program reflects investments that renew LIRR assets and promote a state of good repair, and upgrades to stations across the LIRR network - in Manhattan, Brooklyn, Queens, Nassau and Suffolk counties.

Safety Initiatives

The LIRR'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 to comply with the recently published Federal Railroad Administration (FRA) Risk Reduction/System Safety Program Plan rule. The LIRR anticipates the new FRA Rule to be published shortly.

The LIRR launched several initiatives designed to improve rail safety for customers and employees. All initiatives are progressing and the July Financial Plan continues to provide funding for these safety initiatives. The initiatives include: holding quarterly safety FOCUS (Fatigue, Outside Influences, Communication, Uncertainty, Situational Awareness) Days with employees, partnering with Amtrak, NJ Transit, and NYC Transit on customer safety awareness events at Penn Station, facilitating a confidential close call reporting system, establishing an accident investigation unit and a dedicated roadway worker protection field compliance unit, participating in the MTA's sleep apnea initiative, and partnering with MTA IT and Metro-North to implement a new safety enterprise safety system to enhance analytics and better focus interventions to optimize safety performance.

In addition, the LIRR has several efforts underway to enhance and improve track maintenance such as rail joint bar elimination initiative and installation of a wheel impact load detection and measurement system.

Also, the LIRR is progressing with the initiative to install cameras and recording devices on-board rolling stock. Lastly, the LIRR is upgrading and replacing fire alarm and fire suppression systems throughout its employee facilities and stations.

As a result of recent grade crossing incidents, LIRR is working with MTA Headquarters, New York State Department of Transportation, Nassau and Suffolk County, local government authorities, and a third-party consultant, to explore enhanced safety measures at grade crossings. This initiative is in addition to LIRR's on-going, highly-successful community outreach and education program in collaboration with the MTA Police and FRA.

Operational Initiatives

The LIRR's rolling stock maintenance investments are achieving very positive results: Mean Distance Between Failure (MDBF) in 2015 totaled 208,383 miles, or 18.4% above

target; year-to-date through August 2016, the MDBF is 202,671 or 2.3 percent above the target. The strong performance is led by the M7 and Combined Diesel fleets having MDBF of 422,077 and 70,941 miles through August 2016.

A key ingredient of fleet reliability performance is the LIRR's Reliability Centered Maintenance (RCM) program. RCM is the process of determining the most effective maintenance approach to maintaining rolling stock systems and components. 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 M7 Doors, 15-year cycle work on diesel locomotive engines, C3 Toilet improvements, and starting development work for C3 Door System failure mitigation. In addition, the budget reflects funding to replace obsolete parts on the M7 cars and C3 coaches.

The LIRR is also engaged with MTA Headquarters staff to establish an Enterprise Asset Management (EAM) Improvement Program. The goal of an EAM program is 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.

Efficiency Initiatives

The 2016 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 and increased oversight on contract budgeting. 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 Mid Year Forecast, total actual overtime expenses through July 2016 were \$5.2 million higher than forecast. Of the four operating departments, two (Maintenance of Equipment and Stations) posted actual overtime levels either consistent with or favorable to the budget. The 2016 overtime variance is primarily associated Engineering Capital Program (reimbursable) activity and right-of-way maintenance.

Engineering maintenance was \$1.3 million above budget through July 2016. This is due to the Department's decision to address a backlog of maintenance work, especially in hard to access areas, as well as the fact that Engineering has been more aggressive in taking advantage of Capital project track outages to also perform maintenance work. Staffing work on overtime is necessary when track outages are on weekends, which allows for higher productivity and less customer impacts. Capital reimbursable overtime was \$5.7 million above budget through July 2016. The increase reflects the timing and type of capital projects worked on the first quarter as well as the associated track outage schedule.

Likewise, comparing 2016 actual overtime spending to the prior year, again two of the four operating departments (Maintenance of Equipment and Stations) are running favorable to the prior year levels. Transportation was within 1 percent of forecast. Only Engineering has posted an unfavorable year over year spend rate. This is due to right-of-way maintenance as well as the demands of capital projects. Nevertheless, particular categories of overtime where the LIRR has posted positive results in 2016 include overtime related to coverage for employee unavailability, extended tours, and weather.

The November Financial Plan increases total annual overtime funding in 2016 by \$5.7 million, from \$148.1 million to \$153.8 million as compared to the funding level established in the July Financial Plan. The increase is largely attributable to continued right-of-way maintenance requirements and projected Capital project activity being performed by the Engineering Department.

As for 2017, the November Financial Plan increases total annual overtime by \$7.9 million, from \$141.8 million to \$149.7 million as compared to the funding level established in the July Financial Plan. The increase is largely attributable to projected overtime levels required to support the 2017 Capital Program project schedule and other reimbursable activity.

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 for Engineering developing right-of-way maintenance plans coupled with closer monitoring of overtime spending. In addition, the LIRR has completed a business process of existing controls with regard to how overtime is reviewed and approved at the department/field level. Internal controls are designed to ensure procedures and practices in place to govern the approval and verification processes are functioning as intended. The review identified some areas where existing internal controls need to be improved and strengthened. The LIRR continues to implement these internal control revisions in 2016.

Ridership and Revenue

Through August 2016 ridership is 2.5% greater than the same period in 2015 and 0.3% greater than the 2016 Mid-Year Forecast. In fact, August was the nineteenth consecutive month of ridership growth at the LIRR. The November Financial Plan forecasts 2016 ridership to be 89.2 million customers, marking the highest ridership since the post-war high in 1949 of 91.8 million customers - and breaking the previous modern record reached in 2015 of 87.6 million customers.

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 to popular entertainment performances and sporting events at Barclays Center. Other factors influencing ridership growth include: strong attendance and promotional partnerships with local sports teams; the emergence of Forest Hills Stadium as a more popular entertainment venue; sustained ridership growth to JFK airport through Jamaica (via JFK AirTran) and LaGuardia through Woodside (via Q70 bus). Overall, the ridership outlook for the rest of the year remains strong with ridership expected to continue its healthy growth in 2016 and 2017.

The November Financial Plan provides funding to increase train service in targeted areas to address high customer demand and reduce crowding. On the North Fork, it contains funding to extend Greenport weekend service to year-round (previously it was available only between May and November) and to add passenger coaches to existing trains on weekends during the summer season. On the South Fork, it allocates funding to add two trains during the peak summer season that are timed to connect with Fire Island ferries along the Montauk Branch. Summer Montauk eastbound Friday-only ridership was up 11.4% in 2016 compared to the same period in 2015. The service is designed to reduce crowding on existing Hamptons-bound trains by offering an alternative service to those customers who are not travelling further east.

2016 November Forecast

The LIRR's 2016 November Forecast is comprised of Non-Reimbursable revenue totaling \$768.9 million and Non-Reimbursable expenses including GASB 68, Depreciation, other post-employment benefits and environmental remediation of \$1,981.4 million that generate an operating deficit of (\$1,212.5) million. The 2016 November Forecast Reimbursable revenue and expenses each total \$333.4 million.

Total Non-Reimbursable revenue is \$3.6 million higher than the Mid-Year Forecast. Farebox Revenue is \$1.7 million higher due to higher overall ridership than was projected. Other Operating Revenue is \$1.9 million higher due to one-time prior period right of way leased rental revenue.

Total Non-Reimbursable expenses (excluding Depreciation and Other Post-Employment Benefits (OPEB)) are lower by \$80.1 million primarily as a result of lower rates for Fuel, Electric, Health and Welfare, vacant positions and associated fringe costs and timing of Reliability Centered Maintenance and other maintenance related initiatives.

The major cash adjustments from the Mid-Year Forecast include prior period intercompany reimbursements, claims and AMTRAK reimbursements timing shifts.

Full-time positions total 7,266 in the 2016 November Forecast, with 6,148 Non-Reimbursable positions and 1,118 Reimbursable positions.

2017 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 July Financial Plan.

The 2017 Final Proposed Budget includes revenue totaling \$1,152.2 million, of which \$772.8 million is Non-Reimbursable revenue and \$379.4 million is Reimbursable revenue. The total expense budget is \$2,505.0 million, of which \$1,903.3 million is for operating expenses, and the balance is associated with non-cash items such as GASB 68 adjustment, Depreciation, OPEB and environmental remediation liability. Non-Reimbursable operating expenses total \$1,523.9 million in the 2017 Final Proposed Budget, while reimbursable expenses are \$379.4 million.

The cash budget for the 2017 Final Proposed Budget incorporates \$1,127.6 million in cash receipts and \$1,887.4 million in cash disbursements. The baseline cash requirement

of \$759.8 million is driven by operating expenses and revenues anticipated in the 2017 Final Proposed Budget and other adjustments to cash flow.

On an accrued basis, revenues and expenses are higher in the 2017 Final Proposed Budget than the 2016 November Forecast. Total revenues for 2017 are \$1,152.2 million, \$49.9 million higher than 2016 with Non-Reimbursable revenues increasing by \$3.9 million and Reimbursable revenues increasing by \$46.0 million. Ridership in the 2017 Final Proposed Budget increases over the 2016 November Forecast by 0.2 million rides, or 0.3%. Total operating expenses before GASB 68 Adjustment, Depreciation and OPEB of \$1,903.3 million reflects an increase of \$179.0 million over 2016. Non-Reimbursable expenses increase by \$133.0 million and Reimbursable expenses increase by \$46.0 million. The resulting total operating baseline deficit including non-cash items such as GASB 68, Depreciation, OPEB, and environmental remediation increases by \$140.3 million to \$1,352.8 million in the 2017 Final Proposed Budget. The projected baseline cash deficit (or subsidy requirement) of \$759.8 million in the 2017 Final Proposed Budget is \$143.4 million higher than 2016.

Full-time positions total 7,469 in the 2017 Final Proposed Budget, with 6,254 Non-Reimbursable positions and 1,215 Reimbursable positions. Compared to the 2016 November Forecast, this reflects a total increase of 203 positions, an increase of 106 Non-Reimbursable positions and 97 Reimbursable positions. The change in year-end Non-reimbursable and Reimbursable headcount is due to the timing of capital and maintenance activity. As a result, the year-end headcount changes as reported in the financial tables can appear to be more dramatic than the change in average headcount. The Non-reimbursable headcount increase is related to Engineering's field workforce that supports both capital and maintenance activities, Transportation staffing levels based on availability, Audio Video Recording Monitoring System (AVRM) installation and East Side Access readiness efforts. . The reimbursable headcount increase is related to Engineering field workforce that supports both capital and maintenance activities and Transportation flagging activities. Compared with the July Financial Plan, there was a total position increase of 226 positions, an increase of 268 Reimbursable positions and a decrease of 42 Non-Reimbursable positions. The 42 Non Reimbursable position decrease is primarily driven by this capital activity, partially offset by updated Transportation staffing levels based on availability of an additional 47 positions, additional PTC and M9 operating positions, facility maintenance, social media, ticket remittance and signal inspection and testing. The net increase of 268 Reimbursable positions is driven primarily by PTC and other capital project activities.

Financial Plan 2018-2020 Projections

The baseline projections for 2018 - 2020 reflect continuing initiatives launched in 2017. 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 - 2020, the LIRR financial plan reflects ramp-up costs for ESA readiness efforts.

The baseline projections for 2018 - 2020 reflect these various impacts. Non-Reimbursable revenues grow by less than 0.5% each year, while Reimbursable revenues decrease by 15.8% in 2018, 5% in 2019 and increase 0.4% 2020.

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 4.9% from \$1,523.9 million in 2017 to \$1,599.2 million in 2018. They continue to rise by 2.4% in 2019 and 8.8% in 2020, reaching \$1,781.8 million. The higher rate of growth in the out-years is primarily due to ESA readiness efforts. Reimbursable expenses decrease by 15.8% in 2018 and 5.0% in 2019 and increase by 0.4% 2020.

On a year-to-year basis, baseline positions increase by 36 positions in 2018, decrease by 1 position in 2019 and increase by 148 positions in 2020. Non-Reimbursable positions increase by 316 in 2018, 45 in 2019 and 172 in 2020. These increases are primarily related to ESA readiness efforts (increases of 184 in 2018 and 132 positions in 2019 and 159 in 2020), partially offset by the completion of the AVRМ initiative at the end of 2018. Reimbursable positions decreased by 280 in 2018, 46 in 2019, and 24 in 2020 due to changes in project activity and completion of Maintenance of Equipment’s PTC initiative in 2018. In 2018, the change in year-end Non-reimbursable and Reimbursable headcount is due largely to the timing of capital and maintenance activity. As a result, the year-end headcount changes as reported in the financial tables can appear to be more dramatic than the change in average headcount.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016		2017		
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Operating Revenue						
Farebox Revenue	\$695.447	\$711.894	\$715.099	\$717.227	\$719.083	\$720.497
Toll Revenue	0.000	-	-	-	-	-
Other Operating Revenue	55.298	57.004	57.681	56.706	57.540	58.384
Capital and Other Reimbursements	0.000	-	-	-	-	-
Total Revenue	\$750.745	\$768.898	\$772.780	\$773.933	\$776.623	\$778.881
Operating Expenses						
<u>Labor:</u>						
Payroll	\$486.079	\$510.224	\$528.417	\$566.400	\$583.703	\$619.702
Overtime	117.454	119.585	119.311	123.718	127.073	132.307
Health and Welfare	83.473	96.667	104.870	114.290	121.063	131.299
OPEB Current Payment	56.685	62.504	69.074	71.051	74.530	78.249
Pensions	135.453	140.400	136.853	149.325	158.377	160.672
Other Fringe Benefits	126.050	124.907	129.725	139.058	143.304	150.591
Reimbursable Overhead	(46.548)	(28.297)	(26.558)	(19.867)	(18.130)	(18.081)
Total Labor Expenses	\$958.644	\$1,025.990	\$1,061.692	\$1,143.975	\$1,189.920	\$1,254.739
<u>Non-Labor:</u>						
Electric Power	\$92.041	\$76.338	\$95.102	\$98.027	\$101.739	\$107.081
Fuel	17.669	14.115	17.093	17.753	18.492	20.048
Insurance	21.948	22.559	24.334	26.882	29.032	31.370
Claims	6.531	4.406	4.370	4.370	4.419	4.471
Paratransit Service Contracts	0.000	-	-	-	-	-
Maintenance and Other Operating Contracts	62.040	66.318	80.525	80.416	83.814	97.717
Professional Service Contracts	62.514	25.367	43.445	31.568	30.635	35.261
Materials & Supplies	119.661	139.099	179.978	174.693	162.913	213.197
Other Business Expenses	14.003	16.780	17.392	21.520	17.408	17.869
Total Non-Labor Expenses	\$396.408	\$364.982	\$462.239	\$455.229	\$448.452	\$527.014
<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.	\$1,355.052	\$1,390.972	\$1,523.931	\$1,599.204	\$1,638.372	\$1,781.753
Depreciation	\$325.025	\$335.945	\$339.290	\$342.667	\$346.078	\$349.523
OPEB Liability Adjustment	85.252	83.476	85.981	88.560	91.217	93.953
GASB 68 Pension Expense Adjustment	(30.730)	169.000	174.400	172.600	174.100	162.400
Environmental Remediation	1.953	2.000	2.000	2.000	2.000	2.000
Total Expenses	\$1,736.552	\$1,981.393	\$2,125.602	\$2,205.031	\$2,251.767	\$2,389.629
Net Surplus/(Deficit)	(\$985.807)	(\$1,212.495)	(\$1,352.822)	(\$1,431.098)	(\$1,475.144)	(\$1,610.748)
<u>Cash Conversion Adjustments</u>						
Depreciation	\$325.025	\$335.945	\$339.290	\$342.667	\$346.078	\$349.523
Operating/Capital	(14.197)	(15.671)	(28.966)	(16.747)	(13.168)	(13.999)
Other Cash Adjustment	86.368	275.872	282.718	267.837	267.974	256.693
Total Cash Conversion Adjustments	\$397.196	\$596.146	\$593.042	\$593.757	\$600.884	\$592.217
Net Cash Surplus/(Deficit)	(\$588.611)	(\$616.349)	(\$759.780)	(\$837.341)	(\$874.260)	(\$1,018.531)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2018</u>	<u>2019</u>	<u>2020</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	369.431	333.374	379.381	319.530	303.641	304.759
Total Revenue	\$369.431	\$333.374	\$379.381	\$319.530	\$303.641	\$304.759
Expenses						
<u>Labor:</u>						
Payroll	\$111.908	\$104.637	\$132.292	\$117.514	\$112.596	\$112.061
Overtime	35.868	34.178	30.372	20.811	19.728	20.122
Health and Welfare	27.693	23.318	29.342	25.206	23.881	23.799
OPEB Current Payment	-	-	-	-	-	-
Pensions	43.429	40.500	47.674	40.954	38.801	38.668
Other Fringe Benefits	25.160	24.138	30.005	25.776	24.421	24.337
Reimbursable Overhead	46.548	28.297	26.558	19.867	18.130	18.081
Total Labor Expenses	\$290.606	\$255.068	\$296.243	\$250.128	\$237.557	\$237.068
<u>Non-Labor:</u>						
Electric Power	\$0.848	\$0.965	\$0.125	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	5.739	7.401	8.998	7.702	7.454	7.582
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	16.980	24.392	15.452	12.621	12.564	12.578
Professional Service Contracts	2.626	1.397	0.711	0.652	0.656	0.669
Materials & Supplies	51.290	43.339	57.445	48.078	45.079	46.532
Other Business Expenses	1.342	0.812	0.407	0.349	0.331	0.330
Total Non-Labor Expenses	\$78.825	\$78.306	\$83.138	\$69.402	\$66.084	\$67.691
<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	\$369.431	\$333.374	\$379.381	\$319.530	\$303.641	\$304.759
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$369.431	\$333.374	\$379.381	\$319.530	\$303.641	\$304.759
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2015 <u>Actual</u>	2016 November <u>Forecast</u>	2017 Final Proposed <u>Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue						
Farebox Revenue	\$695.447	\$711.894	\$715.099	\$717.227	\$719.083	\$720.497
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	55.298	57.004	57.681	56.706	57.540	58.384
Capital and Other Reimbursements	369.431	333.374	379.381	319.530	303.641	304.759
Total Revenue	\$1,120.177	\$1,102.272	\$1,152.161	\$1,093.463	\$1,080.264	\$1,083.640
Expenses						
<u>Labor:</u>						
Payroll	\$597.986	\$614.861	\$660.709	\$683.914	\$696.299	\$731.763
Overtime	153.322	153.763	149.683	144.529	146.801	152.429
Health and Welfare	111.166	119.985	134.212	139.496	144.944	155.098
OPEB Current Payment	56.685	62.504	69.074	71.051	74.530	78.249
Pensions	178.882	180.900	184.527	190.279	197.178	199.340
Other Fringe Benefits	151.210	149.045	159.730	164.834	167.725	174.928
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$1,249.251	\$1,281.058	\$1,357.935	\$1,394.103	\$1,427.477	\$1,491.807
<u>Non-Labor:</u>						
Electric Power	\$92.889	\$77.303	\$95.227	\$98.027	\$101.739	\$107.081
Fuel	17.669	14.115	17.093	17.753	18.492	20.048
Insurance	27.687	29.960	33.332	34.584	36.486	38.952
Claims	6.531	4.406	4.370	4.370	4.419	4.471
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	79.020	90.710	95.977	93.037	96.378	110.295
Professional Service Contracts	65.140	26.764	44.156	32.220	31.291	35.930
Materials & Supplies	170.951	182.438	237.423	222.771	207.992	259.729
Other Business Expenses	15.345	17.592	17.799	21.869	17.739	18.199
Total Non-Labor Expenses	\$475.232	\$443.288	\$545.377	\$524.631	\$514.536	\$594.705
<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.	\$1,724.483	\$1,724.346	\$1,903.312	\$1,918.734	\$1,942.013	\$2,086.512
Depreciation	\$325.025	\$335.945	\$339.290	\$342.667	\$346.078	\$349.523
OPEB Liability Adjustment	85.252	83.476	85.981	88.560	91.217	93.953
GASB 68 Pension Expense Adjustment	(30.730)	169.000	174.400	172.600	174.100	162.400
Environmental Remediation	1.953	2.000	2.000	2.000	2.000	2.000
Total Expenses	\$2,105.983	\$2,314.767	\$2,504.983	\$2,524.561	\$2,555.408	\$2,694.388
Net Surplus/(Deficit)	(\$985.807)	(\$1,212.495)	(\$1,352.822)	(\$1,431.098)	(\$1,475.144)	(\$1,610.748)
<u>Cash Conversion Adjustments</u>						
Depreciation	\$325.025	\$335.945	\$339.290	\$342.667	\$346.078	\$349.523
Operating/Capital	(14.197)	(15.671)	(28.966)	(16.747)	(13.168)	(13.999)
Other Cash Adjustment	86.368	275.872	282.718	267.837	267.974	256.693
Total Cash Conversion Adjustments	\$397.196	\$596.146	\$593.042	\$593.757	\$600.884	\$592.217
Net Cash Surplus/(Deficit)	(\$588.611)	(\$616.349)	(\$759.780)	(\$837.341)	(\$874.260)	(\$1,018.531)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$716.217	\$732.847	\$735.099	\$737.227	\$739.083	\$740.497
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	71.235	47.904	42.649	41.220	41.584	41.945
Capital and Other Reimbursements	325.301	308.888	349.862	302.216	289.895	290.168
Total Receipts	\$1,112.753	\$1,089.639	\$1,127.610	\$1,080.663	\$1,070.562	\$1,072.610
Expenditures						
<u>Labor:</u>						
Payroll	\$608.276	\$610.911	\$654.308	\$677.368	\$689.606	\$724.919
Overtime	155.605	154.417	149.683	144.529	146.801	152.429
Health and Welfare	113.593	107.590	134.212	139.496	144.944	155.098
OPEB Current Payment	58.445	58.259	69.074	71.051	74.530	78.249
Pensions	168.442	177.889	184.527	190.279	197.178	199.340
Other Fringe Benefits	141.594	148.297	158.730	163.834	166.725	173.928
GASB Account	-	-	-	0.395	1.091	1.835
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$1,245.955	\$1,257.363	\$1,350.534	\$1,386.952	\$1,420.875	\$1,485.798
<u>Non-Labor:</u>						
Electric Power	\$93.862	\$77.913	\$95.227	\$98.027	\$101.739	\$107.081
Fuel	18.927	14.215	17.093	17.753	18.492	20.048
Insurance	30.600	27.694	32.029	34.885	36.060	39.275
Claims	1.951	2.636	1.747	1.747	1.748	1.748
Paratransit Service Contracts	0.000	-	-	-	-	-
Maintenance and Other Operating Contracts	76.926	101.781	92.271	93.037	96.378	110.295
Professional Service Contracts	20.540	23.971	39.544	27.377	26.206	30.591
Materials & Supplies	174.863	166.550	221.821	217.032	206.273	258.807
Other Business Expenses	15.592	13.865	17.124	21.194	17.051	17.498
Total Non-Labor Expenditures	\$433.259	\$428.625	\$516.856	\$511.052	\$503.947	\$585.343
<u>Other Expenditure Adjustments:</u>						
Other	\$20.021	20.000	20.000	20.000	20.000	20.000
Total Other Expenditure Adjustments	\$20.021	\$20.000	\$20.000	\$20.000	\$20.000	\$20.000
Total Expenditures	\$1,699.235	\$1,705.988	\$1,887.390	\$1,918.004	\$1,944.822	\$2,091.141
Cash Timing and Availability Adjustment	(\$2.129)	-	-	-	-	-
Net Cash Surplus/(Deficit)	(\$588.611)	(\$616.349)	(\$759.780)	(\$837.341)	(\$874.260)	(\$1,018.531)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$20.770	\$20.953	\$20.000	\$20.000	\$20.000	\$20.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	15.937	(9.100)	(15.032)	(15.486)	(15.956)	(16.439)
Capital and Other Reimbursements	(44.130)	(24.486)	(29.519)	(17.314)	(13.746)	(14.591)
Total Receipts	(\$7.423)	(\$12.633)	(\$24.551)	(\$12.800)	(\$9.702)	(\$11.030)
Expenditures						
Labor:						
Payroll	(\$10.290)	\$3.950	\$6.401	\$6.546	\$6.693	\$6.844
Overtime	(2.283)	(0.654)	-	-	-	-
Health and Welfare	(2.427)	12.395	-	-	-	-
OPEB Current Payment	(1.760)	4.245	-	-	-	-
Pensions	10.440	3.011	-	-	-	-
Other Fringe Benefits	9.616	0.748	1.000	1.000	1.000	1.000
GASB Account	-	-	-	(0.395)	(1.091)	(1.835)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$3.296	\$23.695	\$7.401	\$7.151	\$6.602	\$6.009
Non-Labor:						
Electric Power	(\$0.973)	(\$0.610)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(1.258)	(0.100)	-	-	-	-
Insurance	(2.913)	2.266	1.303	(0.301)	0.426	(0.323)
Claims	4.581	1.770	2.623	2.623	2.671	2.723
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.094	(11.071)	3.706	-	-	-
Professional Service Contracts	44.600	2.793	4.612	4.843	5.085	5.339
Materials & Supplies	(3.912)	15.888	15.602	5.739	1.719	0.922
Other Business Expenditures	(0.247)	3.727	0.675	0.675	0.688	0.701
Total Non-Labor Expenditures	\$41.973	\$14.663	\$28.521	\$13.579	\$10.589	\$9.362
Other Expenditures Adjustments:						
Other	(\$20.021)	(\$20.000)	(\$20.000)	(\$20.000)	(\$20.000)	(\$20.000)
Total Other Expenditures Adjustments	(\$20.021)	(\$20.000)	(\$20.000)	(\$20.000)	(\$20.000)	(\$20.000)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	\$17.825	\$5.725	(\$8.629)	(\$12.070)	(\$12.511)	(\$15.659)
Depreciation Adjustment	\$325.025	\$335.945	\$339.290	\$342.667	\$346.078	\$349.523
OPEB Liability Adjustment	85.252	83.476	85.981	88.560	91.217	93.953
GASB 68 Pension Expense Adjustment	(30.730)	169.000	174.400	172.600	174.100	162.400
Environmental Remediation	1.953	2.000	2.000	2.000	2.000	2.000
Cash Timing and Availability Adjustment	(2.129)	-	-	-	-	-
Total Cash Conversion Adjustments	\$397.196	\$596.146	\$593.042	\$593.757	\$600.884	\$592.217

MTA Long Island Rail Road
2016 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	396,117	\$23.931	20.0%
<u>Unscheduled Service</u>	96,532	6.054	5.1%
<u>Programmatic/Routine Maintenance</u>	714,746	40.003	33.5%
<u>Unscheduled Maintenance</u>	9,093	0.533	0.4%
<u>Vacancy/Absentee Coverage</u>	640,577	37.181	31.1%
<u>Weather Emergencies</u>	163,553	9.874	8.3%
<u>Safety/Security/Law Enforcement</u>	0	0.000	0.0%
<u>Other</u>	17,194	2.008	1.7%
Subtotal	2,037,812	\$119.585	100.0%
REIMBURSABLE OVERTIME	578,384	\$34.178	
TOTAL OVERTIME	2,616,196	\$153.763	

**MTA Long Island Rail Road
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
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 by 0.5% in 2017 over 2016 primarily due to anticipated ridership growth. Revenue increases by 0.3% in 2018 and 2019 and 0.2% in 2020.

Other Operating Revenue

- Other Revenues increase in 2016 due to one-time higher retroactive right of way lease rentals.
- Other Revenues increase in 2017 as a result of one-time higher freight revenue.
- Other Revenues decline in 2018 as a result of the one-time higher freight revenue in 2017.
- 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, M9 and second track between Farmingdale and Ronkonkoma.

Expenses

Payroll

- Salaries for non-represented employees include a 2% increase July 1, 2016 and each July 1st thereafter.
- Salaries for represented employees includes 2% CPI-based increases upon contract expiration, effective December 16th of each year from 2016 through 2020.
- 2016 – 2017 headcount increases associated with capital project activity including PTC, East Side Access, Double Track and Rolling Stock acquisition and burn in.
- 2017 non-reimbursable headcount increases associated with Transportation staffing levels based on updated availability.
- Almost all the headcount increases from 2018 – 2020 are related to ESA readiness efforts, partially offset by changes in capital project activity. The ESA headcount increase in 2019 is partially offset by the completion of the on board camera installation project and Maintenance of Equipment PTC project.

Overtime

- 2016 – 2017 overtime decrease is primarily associated with lower capital project activity on overtime, weather-related overtime returning to a 5-year average (excluding

Superstorm Sandy) and lower vacant position coverage, partially offset by higher maintenance overtime.

- 2017 – 2018 pattern wage growth and various maintenance activities.
- 2018 – 2019 changes primarily reflect normal wage growth, changes in capital project activity and various maintenance activities
- 2020 overtime increase is associated with ESA operations.

Health & Welfare

- 2016 – 2020 reflects annual New York State Health Insurance Program (NYSHIP) rate increases of approximately 6.2% (2016), 6.2% (2017), 0.9% (2018) and 3.3% (2019 - 2020), for individual coverage, and 7.9% (2016), 6.9% (2017), 2.3% (2018) and 4.4% (2019 – 2020) 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.
- Reflects impact of headcount changes each year, including ramp-up costs for ESA beginning in 2017.

Electric Power

- 2016 is based on actuals through July and reflects the latest LIRR consumption estimates and inflationary increases. 2016 also includes a one-time credit for prior period PSE&G over billings.
- 2017 – 2020 reflects the latest LIRR consumption estimates and inflationary increases.
- 2020 includes ramp-up costs for ESA.

Fuel

- 2016 is based on actuals through July and reflects the latest LIRR consumption estimates and inflationary increases.
- 2017 – 2020 reflects the latest inflationary increases.

Insurance

- 2016 reflects the latest inflationary increases and Force Account Insurance estimates based on project activity.

- 2017 – 2020 reflects the latest inflationary increases and Force Account Insurance estimates based on project activity. Generally, premium rates are assumed to increase by 5%-10% per year.

Claims

- 2016 reflects actual experience through July and the anticipated settlement and payout of claims for the balance of the year.
- 2017 – 2020 reflects inflationary increases.

Maintenance and Other Operating Contracts

- 2016 – 2017 increase due to various security initiatives, vegetation management, platform investments, Joint Facilities, TVM maintenance, HVAC and various other maintenance and other operating contracts, partially offset by timing of capital project activity.
- 2017 – 2018 decrease related to completion of various operating funded capital initiatives.
- 2018 – 2020 increase due to contractual and normal inflationary increases.
- 2019 – 2020 increase includes ESA readiness efforts.

Professional Service Contracts

- 2016 – 2017 increase reflects EAM, various maintenance of way service agreements, M-7 Propulsion Consultant, Homeless Outreach, Far Rockaway station demolition and shelter shed buildout and other professional services contracts
- 2017 – 2018 decrease reflect timing of EAM expenses, M-7 Propulsion Consultant completed in 2017, various maintenance of way professional service agreements, completion of the Far Rockaway station demolition and shelter shed buildout, timing of Homeless Outreach and other professional services contracts.
- 2018 – 2019 decrease reflect lower investments in EAM, partially offset by normal inflationary increases.
- 2019 - 2020 increase includes ESA readiness efforts and higher investments in EAM.

Material and Supplies

- 2016 to 2017 increase due to timing of activity for RCM, production plan material, C3 Communication Control Unit (CCU) and ASI replacement, station fire alarm upgrades, vehicle replacement, AVR, ESA material and M7 and C3 door, propulsion control unit, M7 Phase ¾ Truck RCM, new M7 traction motors and timing of M7 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.
- 2019 – 2020 includes increases associated with ESA readiness efforts.
- 2020 includes operating budget impact for Moynihan Station and funding for rolling stock Lifecycle Asset Management Program (LAMP).

Other Business Expenses

- 2016 – 2017 declines reflects lower bad debt, partially offset by 22 M3 cars being decommissioned in 2017.
- 2018 includes M3 decommissioning costs.
- 2019 reflects the completion of M3 decommissioning, partially offset by normal inflationary increases

Depreciation/Other Post Employment Benefits/Environmental Remediation/GASB 68

- Reflects Depreciation of current assets as well as estimates for capital projects based on their beneficial use. OPEB and GASB 68 based on latest actuarial estimates.

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 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018- 2019	2020	Change 2019 - 2020
Revenue									
Farebox Revenue	\$711.894	\$715.099	\$3.205	\$717.227	\$2.128	\$719.083	\$1.856	\$720.497	\$1.414
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	57.004	57.681	0.677	56.706	(0.975)	57.540	0.834	58.384	0.844
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$768.898	\$772.780	\$3.882	\$773.933	\$1.153	\$776.623	\$2.690	\$778.881	\$2.258
Expenses									
Labor:									
Payroll	\$510.224	\$528.417	(18.193)	\$566.400	(\$37.983)	\$583.703	(\$17.303)	\$619.702	(\$35.999)
Overtime	119.585	119.311	0.274	123.718	(4.407)	127.073	(3.355)	132.307	(5.234)
Health and Welfare	96.667	104.870	(8.203)	114.290	(9.420)	121.063	(6.773)	131.299	(10.236)
OPEB Current Payment	62.504	69.074	(6.570)	71.051	(1.977)	74.530	(3.479)	78.249	(3.719)
Pensions	140.400	136.853	3.547	149.325	(12.472)	158.377	(9.052)	160.672	(2.295)
Other Fringe Benefits	124.907	129.725	(4.818)	139.058	(9.333)	143.304	(4.246)	150.591	(7.287)
Reimbursable Overhead	(28.297)	(26.558)	(1.739)	(19.867)	(6.691)	(18.130)	(1.737)	(18.081)	(0.049)
Total Labor Expenses	\$1,025.990	\$1,061.692	(\$35.702)	\$1,143.975	(\$82.283)	\$1,189.920	(\$45.945)	\$1,254.739	(\$64.819)
Non-Labor:									
Electric Power	\$76.338	\$95.102	(\$18.764)	\$98.027	(\$2.925)	\$101.739	(\$3.712)	\$107.081	(\$5.342)
Fuel	14.115	17.093	(2.978)	17.753	(0.660)	18.492	(0.739)	20.048	(1.556)
Insurance	22.559	24.334	(1.775)	26.882	(2.548)	29.032	(2.150)	31.370	(2.338)
Claims	4.406	4.370	0.036	4.370	0.000	4.419	(0.049)	4.471	(0.052)
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	66.318	80.525	(14.207)	80.416	0.109	83.814	(3.398)	97.717	(13.903)
Professional Service Contracts	25.367	43.445	(18.078)	31.568	11.877	30.635	0.933	35.261	(4.626)
Materials & Supplies	139.099	179.978	(40.879)	174.693	5.285	162.913	11.780	213.197	(50.284)
Other Business Expenses	16.780	17.392	(0.612)	21.520	(4.128)	17.408	4.112	17.869	(0.461)
Total Non-Labor Expenses	\$364.982	\$462.239	(\$97.257)	\$455.229	\$7.010	\$448.452	\$6.777	\$527.014	(\$78.562)
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.	\$1,390.972	\$1,523.931	(\$132.959)	\$1,599.204	(\$75.273)	\$1,638.372	(\$39.168)	\$1,781.753	(\$143.381)
Depreciation	\$335.945	\$339.290	(\$3.345)	\$342.667	(\$3.377)	\$346.078	(\$3.411)	\$349.523	(\$3.445)
OPEB Liability Adjustment	83.476	85.981	(2.505)	88.560	(2.579)	91.217	(2.657)	93.953	(2.736)
GASB 68 Pension Expense Adjustment	169.000	174.400	(5.400)	172.600	1.800	174.100	(1.500)	162.400	11.700
Environmental Remediation	2.000	2.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000
Total Expenses	\$1,981.393	\$2,125.602	(\$144.209)	\$2,205.031	(\$79.429)	\$2,251.767	(\$46.736)	\$2,389.629	(\$137.862)
Net Surplus/(Deficit)	(\$1,212.495)	(\$1,352.822)	(\$140.327)	(\$1,431.098)	(\$78.276)	(\$1,475.144)	(\$44.046)	(\$1,610.748)	(\$135.604)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018- 2019	2020	Change 2019 - 2020
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	333.374	379.381	46.007	319.530	(59.851)	303.641	(15.889)	304.759	1.118
Total Revenue	\$333.374	\$379.381	\$46.007	\$319.530	(\$59.851)	\$303.641	(\$15.889)	\$304.759	\$1.118
Expenses									
Labor:									
Payroll	\$104.637	\$132.292	(\$27.655)	\$117.514	\$14.778	\$112.596	\$4.918	\$112.061	\$0.535
Overtime	34.178	30.372	3.806	20.811	9.561	19.728	1.083	20.122	(0.394)
Health and Welfare	23.318	29.342	(6.024)	25.206	4.136	23.881	1.325	23.799	0.082
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	40.500	47.674	(7.174)	40.954	6.720	38.801	2.153	38.668	0.133
Other Fringe Benefits	24.138	30.005	(5.867)	25.776	4.229	24.421	1.355	24.337	0.084
Reimbursable Overhead	28.297	26.558	1.739	19.867	6.691	18.130	1.737	18.081	0.049
Total Labor Expenses	\$255.068	\$296.243	(\$41.175)	\$250.128	\$46.115	\$237.557	\$12.571	\$237.068	\$0.489
Non-Labor:									
Electric Power	\$0.965	\$0.125	\$0.840	\$0.000	\$0.125	\$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	7.401	8.998	(1.597)	7.702	1.296	7.454	0.248	7.582	(0.128)
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	24.392	15.452	8.940	12.621	2.831	12.564	0.057	12.578	(0.014)
Professional Service Contracts	1.397	0.711	0.686	0.652	0.059	0.656	(0.004)	0.669	(0.013)
Materials & Supplies	43.339	57.445	(14.106)	48.078	9.367	45.079	2.999	46.532	(1.453)
Other Business Expenses	0.812	0.407	0.405	0.349	0.058	0.331	0.018	0.330	0.001
Total Non-Labor Expenses	\$78.306	\$83.138	(\$4.832)	\$69.402	\$13.736	\$66.084	\$3.318	\$67.691	(\$1.607)
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	\$333.374	\$379.381	(\$46.007)	\$319.530	\$59.851	\$303.641	\$15.889	\$304.759	(\$1.118)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$333.374	\$379.381	(\$46.007)	\$319.530	\$59.851	\$303.641	\$15.889	\$304.759	(\$1.118)
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 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018- 2019	2020	Change 2019 - 2020
Revenue									
Farebox Revenue	\$711.894	\$715.099	\$3.205	\$717.227	\$2.128	\$719.083	\$1.856	\$720.497	\$1.414
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	57.004	57.681	0.677	56.706	(0.975)	57.540	0.834	58.384	0.844
Capital and Other Reimbursements	333.374	379.381	46.007	319.530	(59.851)	303.641	(15.889)	304.759	1.118
Total Revenue	\$1,102.272	\$1,152.161	\$49.889	\$1,093.463	(\$58.698)	\$1,080.264	(\$13.199)	\$1,083.640	\$3.376
Expenses									
Labor:									
Payroll	\$614.861	\$660.709	(\$45.848)	\$683.914	(\$23.205)	\$696.299	(\$12.385)	\$731.763	(\$35.464)
Overtime	153.763	149.683	4.080	144.529	5.154	146.801	(2.272)	152.429	(5.628)
Health and Welfare	119.985	134.212	(14.227)	139.496	(5.284)	144.944	(5.448)	155.098	(10.154)
OPEB Current Payment	62.504	69.074	(6.570)	71.051	(1.977)	74.530	(3.479)	78.249	(3.719)
Pensions	180.900	184.527	(3.627)	190.279	(5.752)	197.178	(6.899)	199.340	(2.162)
Other Fringe Benefits	149.045	159.730	(10.685)	164.834	(5.104)	167.725	(2.891)	174.928	(7.203)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$1,281.058	\$1,357.935	(\$76.877)	\$1,394.103	(\$36.168)	\$1,427.477	(\$33.374)	\$1,491.807	(\$64.330)
Non-Labor:									
Electric Power	\$77.303	\$95.227	(\$17.924)	\$98.027	(\$2.800)	\$101.739	(\$3.712)	\$107.081	(\$5.342)
Fuel	14.115	17.093	(2.978)	17.753	(0.660)	18.492	(0.739)	20.048	(1.556)
Insurance	29.960	33.332	(3.372)	34.584	(1.252)	36.486	(1.902)	38.952	(2.466)
Claims	4.406	4.370	0.036	4.370	0.000	4.419	(0.049)	4.471	(0.052)
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	90.710	95.977	(5.267)	93.037	2.940	96.378	(3.341)	110.295	(13.917)
Professional Service Contracts	26.764	44.156	(17.392)	32.220	11.936	31.291	0.929	35.930	(4.639)
Materials & Supplies	182.438	237.423	(54.985)	222.771	14.652	207.992	14.779	259.729	(51.737)
Other Business Expenses	17.592	17.799	(0.207)	21.869	(4.070)	17.739	4.130	18.199	(0.460)
Total Non-Labor Expenses	\$443.288	\$545.377	(\$102.089)	\$524.631	\$20.746	\$514.536	\$10.095	\$594.705	(\$80.169)
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.	\$1,724.346	\$1,903.312	(\$178.966)	\$1,918.734	(\$15.422)	\$1,942.013	(\$23.279)	\$2,086.512	(\$144.499)
Depreciation	\$335.945	\$339.290	(\$3.345)	\$342.667	(\$3.377)	\$346.078	(\$3.411)	\$349.523	(\$3.445)
OPEB Liability Adjustment	83.476	85.981	(2.505)	88.560	(2.579)	91.217	(2.657)	93.953	(2.736)
GASB 68 Pension Expense Adjustment	169.000	174.400	(5.400)	172.600	1.800	174.100	(1.500)	162.400	11.700
Environmental Remediation	2.000	2.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000
Total Expenses	\$2,314.767	\$2,504.983	(\$190.216)	\$2,524.561	(\$19.578)	\$2,555.408	(\$30.847)	\$2,694.388	(\$138.980)
Net Surplus/(Deficit)	(\$1,212.495)	(\$1,352.822)	(\$140.327)	(\$1,431.098)	(\$78.276)	(\$1,475.144)	(\$44.046)	(\$1,610.748)	(\$135.604)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018- 2019	2020	Change 2019 - 2020
Receipts									
Farebox Revenue	\$732.847	\$735.099	\$2.252	\$737.227	\$2.128	\$739.083	\$1.856	\$740.497	\$1.414
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	47.904	42.649	(5.255)	41.220	(1.429)	41.584	0.364	41.945	0.361
Capital and Other Reimbursements	308.888	349.862	40.974	302.216	(47.646)	289.895	(12.321)	290.168	0.273
Total Receipts	\$1,089.639	\$1,127.610	\$37.971	\$1,080.663	(\$46.947)	\$1,070.562	(\$10.101)	\$1,072.610	\$2.048
Expenditures									
Labor:									
Payroll	\$610.911	\$654.308	(\$43.397)	\$677.368	(\$23.060)	\$689.606	(\$12.238)	\$724.919	(\$35.313)
Overtime	154.417	149.683	4.734	144.529	5.154	146.801	(2.272)	152.429	(5.628)
Health and Welfare	107.590	134.212	(26.622)	139.496	(5.284)	144.944	(5.448)	155.098	(10.154)
OPEB Current Payment	58.259	69.074	(10.815)	71.051	(1.977)	74.530	(3.479)	78.249	(3.719)
Pensions	177.889	184.527	(6.638)	190.279	(5.752)	197.178	(6.899)	199.340	(2.162)
Other Fringe Benefits	148.297	158.730	(10.433)	163.834	(5.104)	166.725	(2.891)	173.928	(7.203)
GASB Account	0.000	0.000	0.000	0.395	(0.395)	1.091	(0.696)	1.835	(0.744)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,257.363	\$1,350.534	(\$93.171)	\$1,386.952	(\$36.418)	\$1,420.875	(\$33.923)	\$1,485.798	(\$64.923)
Non-Labor:									
Electric Power	\$77.913	\$95.227	(\$17.314)	\$98.027	(\$2.800)	\$101.739	(\$3.712)	\$107.081	(\$5.342)
Fuel	14.215	17.093	(2.878)	17.753	(0.660)	18.492	(0.739)	20.048	(1.556)
Insurance	27.694	32.029	(4.335)	34.885	(2.856)	36.060	(1.175)	39.275	(3.215)
Claims	2.636	1.747	0.889	1.747	0.000	1.748	(0.001)	1.748	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	101.781	92.271	9.510	93.037	(0.766)	96.378	(3.341)	110.295	(13.917)
Professional Service Contracts	23.971	39.544	(15.573)	27.377	12.167	26.206	1.171	30.591	(4.385)
Materials & Supplies	166.550	221.821	(55.271)	217.032	4.789	206.273	10.759	258.807	(52.534)
Other Business Expenses	13.865	17.124	(3.259)	21.194	(4.070)	17.051	4.143	17.498	(0.447)
Total Non-Labor Expenditures	\$428.625	\$516.856	(\$88.231)	\$511.052	\$5.804	\$503.947	\$7.105	\$585.343	(\$81.396)
Other Expenditure Adjustments:									
Other	\$20.000	\$20.000	\$0.000	\$20.000	\$0.000	\$20.000	\$0.000	\$20.000	\$0.000
Total Other Expenditure Adjustments	\$20.000	\$20.000	\$0.000	\$20.000	\$0.000	\$20.000	\$0.000	\$20.000	\$0.000
Total Expenditures	\$1,705.988	\$1,887.390	(\$181.402)	\$1,918.004	(\$30.614)	\$1,944.822	(\$26.818)	\$2,091.141	(\$146.319)
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)	(\$616.349)	(\$759.780)	(\$143.431)	(\$837.341)	(\$77.561)	(\$874.260)	(\$36.919)	(\$1,018.531)	(\$144.271)

MTA LONG ISLAND RAIL ROAD
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Plan-To-Plan Changes by Generic Category - Baseline

2016: November Forecast vs. Mid-Year Forecast

2016 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 higher special services, freight, advertising, miscellaneous income and one time retroactive higher right of way lease rentals.
- Capital and Other Reimbursements are lower due to interagency reimbursements and timing of capital project activity.

Expense

- Payroll – primarily vacant positions.
- Overtime – increased as a result of greater reimbursable activity on overtime.
- Health and Welfare costs are lower due to the higher than expected average number of vacant positions.
- Other Fringe, decreased due to lower Railroad Retirement Taxes due to the existence of vacant positions.
- Lower Electric Power is due to lower inflationary growth assumptions and lower consumption.
- Lower Fuel is due to higher inflationary growth assumptions.
- Lower Insurance due Force Account insurance associated with capital activity.
- Lower Maintenance and Other Operating Contracts due to revised elevator/escalator maintenance schedule, vegetation management, safety/security related initiatives, platform investments and various other maintenance contracts, partially offset by higher non-revenue vehicle maintenance costs.
- Lower Professional Services primarily due to timing of Enterprise Asset Management (EAM), delayed M7 Propulsion Consultant, timing of winter storm consultant, Far Rockaway Shelter Shed, Homeless Outreach and various other Professional services and lower mobile ticketing transaction fees.
- Lower Material due to timing of various Reliability Centered Maintenance and rolling stock modification updates including M7 Phase 3 Door, Threshold Plates, C3 CCU Non Recurring Engineering costs (NRE), C3 Phase 3 door NRE, MFU/TOD/CDS NRE, M7 Observer seat, installation of AVRMS on trains and lower running repair and DE/DM Gate Unit Repairs and timing of station fire alarm upgrades and capital project activity.

- Other Business Expense is higher due to increased bad debt reserves and debit/credit card fees, partially offset by delayed M3 decommissioning costs (22 Cars) and miscellaneous other expenses.

2017 – 2020 : 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 due to higher special services.
- Capital and Other Reimbursements are higher primarily resulting from overall higher capital project activity including PTC and M9 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 M9 acceptance and PTC/AVRM on-board installations. Non-Reimbursable payroll increases in 2017 and 2018 due to Transportation staffing levels based on updated availability assumptions and 2017 – 2020 due to additional resources for signal inspection/testing, station and facility cleaning and ticket remittance.
- Overtime – Changes in overtime are primarily based on capital project activity, training and changes in RCM program initiatives.
- Health and Welfare costs increase due to reimbursable headcount and PTC/AVRM on-board installations, partially offset by lower rates.
- Pension is higher based on the latest actuarial estimates.
- Other Fringe is higher in all years due to greater reimbursable headcount.
- Electric Power decreases reflecting lower rates.
- Fuel increases in 2017 and 2018 and decreases in 2019 and 2020 based on rate changes.
- Higher Insurance in 2017 and 2018 due to changes in Force Account Insurance associated with project activity.
- Maintenance and Other Operating Contracts are higher due to revised elevator/escalator maintenance schedule, vegetation management, safety/security related initiatives, platform investments, joint facilities and various other maintenance contracts.
- Professional Services unfavorable in 2017 – 2020 due to timing of M7 Propulsion Consultant, EAM activities, Far Rockaway shelter shed, winter storm consultant, homeless outreach, AVPS development and various other professional services.
- Material & Supplies higher due to timing of various Reliability Centered Maintenance and rolling stock modification updates including M7 Phase 3 Door, Threshold Plates, C3 CCU Non Recurring Engineering costs (NRE), C3 Phase 3 door NRE, MFU/TOD/CDS NRE, M7 Observer seat, installation of AVRM on trains and lower running repair and DE/DM Gate Unit Repairs and timing of station fire alarm upgrades. 2020 includes additional funding for the rolling stock Lifecycle

Asset Maintenance Program. Reimbursable materials higher in 2017 and 2018 associated with timing of East Side Access material and other capital project activity.

- Other Business Expense increases 2017 due to the decommissioning of 22 M3 cars originally assumed to take place in 2016 and higher debit card fees based on higher ridership projections. Out year changes primarily driven by higher debit card fees.

Depreciation/Other Post Employment Benefits/Environmental Remediation/GASB 68

- Reflects Depreciation of current assets as well as estimates for capital assets based on their beneficial use. OPEB and GASB 68 based on latest actuarial estimates.

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

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.
- Other Operating Revenue is favorable in 2016 due to higher due to a one-time gain of old Mail & Ride customer balances collected but not used and retroactive right of way leased rental revenue. 2017 – 2019 are favorable due to higher advertising, parking garage, special services and circus train revenue.
- Capital and Other Reimbursements are higher primarily resulting from overall higher capital project activity including PTC and M9 activities.

Expense

- Payroll – Higher from the Adopted Budget primarily due to capital project activity associated with the 2015 – 2019 capital program, third party intercompany reimbursements, PTC and M9 acceptance and PTC/AVRM on-board installations. 2016 is lower due to vacant positions.
- Overtime – Changes in overtime are primarily based on capital project activity.
- Health and Welfare costs increase 2017 – 2020 due to higher rates and reimbursable headcount and PTC/AVRM on-board installations. 2016 is lower due to vacant positions.
- Pension is higher based on the latest actuarial estimates.
- Other Fringe is higher due to greater headcount associated with project activity, partially offset by lower Railroad Retirement Tiers.
- Electric Power decreases reflecting lower rates and consumption.
- Fuel decreases, reflecting lower rates.
- Lower Insurance due to lower All Agency Excess Liability Insurance and Property Insurance, partially offset by higher Force Account Insurance.
- Maintenance and Other Operating Contracts changes are a result of revised elevator/escalator maintenance schedule, timing of vegetation management, safety/security related initiatives, platform investments, joint facilities and various other maintenance contracts and tighter controls and prioritization of non-payroll funds to core mission initiatives.
- Professional Services changes due to timing of M7 Propulsion Consultant, EAM activities, Far Rockaway shelter shed, winter storm consultant, homeless outreach, AVPS development and various other professional services and each year due to CISCO Smartnet professional services contract.
- Material & Supplies changes due to timing of various Reliability Centered Maintenance and rolling stock modification updates including M7 Phase 3 Door, Threshold Plates, C3 CCU Non Recurring Engineering costs (NRE), C3 Phase 3 door NRE, MFU/TOD/CDS NRE, M7 Observer seat, installation of AVRM on trains and lower running repair and DE/DM Gate Unit Repairs and timing of station fire alarm upgrades. 2020 includes additional funding for the rolling stock Lifecycle Asset Maintenance Program. Reimbursable materials higher in 2017 and 2018

associated with timing of East Side Access material and other capital project activity.

- Other Business Expense increases 2017 due to the decommissioning of 22 M3 cars originally assumed to take place in 2016 and higher debit card fees based on higher ridership projections. Out year changes primarily driven by higher debit card fees.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$716.183)	(\$734.578)	(\$821.217)	(\$875.551)	(\$989.386)
Baseline Changes					
Revenue					
Farebox Revenue	\$1.661	\$2.011	\$1.930	\$2.204	\$2.114
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	1.967	0.037	0.037	0.038	0.037
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	\$3.628	\$2.048	\$1.967	\$2.242	\$2.151
Expenses					
<i>Labor:</i>					
Payroll	\$5.853	(\$2.406)	(\$4.671)	(\$1.085)	(\$1.725)
Overtime	0.037	1.545	1.190	(0.837)	(0.793)
Health and Welfare	1.618	1.579	0.036	0.497	0.408
OPEB Current Payment	-	0.426	0.353	0.432	0.477
Pensions	2.935	6.343	(0.242)	(2.635)	(4.180)
Other Fringe Benefits	2.274	(0.171)	(0.799)	(0.426)	(0.614)
Reimbursable Overhead	5.127	7.359	1.544	0.661	0.215
Total Labor Expense Changes	\$17.844	\$14.675	(\$2.589)	(\$3.393)	(\$6.212)
<i>Non-Labor:</i>					
Electric Power	\$3.029	\$1.224	\$2.160	\$3.651	\$3.972
Fuel	0.113	(1.058)	(0.710)	0.718	1.623
Insurance	-	-	-	-	-
Claims	(0.003)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	14.825	(10.090)	(7.567)	(2.864)	(3.045)
Professional Service Contracts	9.766	(12.211)	(1.285)	(0.055)	(0.570)
Materials & Supplies	34.623	(16.389)	(5.876)	(2.791)	(30.866)
Other Business Expenses	(0.133)	(1.347)	(0.468)	(0.467)	(0.437)
Total Non-Labor Expense Changes	\$62.220	(\$39.871)	(\$13.746)	(\$1.808)	(\$29.323)
Total Expense Changes before Depreciation and GASB Adjs.	\$80.064	(\$25.196)	(\$16.335)	(\$5.201)	(\$35.535)
Depreciation	(\$2.464)	(\$2.490)	(\$2.514)	(\$2.539)	(\$2.564)
OPEB Liability Adjustment	-	-	-	-	-
GASB 68 Pension Expense Adjustment	-	-	-	-	-
Environmental Remediation	-	-	-	-	-
Total Expense Changes	\$77.600	(\$27.686)	(\$18.849)	(\$7.740)	(\$38.099)
Cash Adjustment Changes					
GASB	\$0.000	\$0.000	(\$0.014)	\$0.001	\$0.010
Advertising Revenue	(0.202)	-	-	-	-
Prior Period Intercompany Reimbursement	5.211	-	-	-	-
Wage Claim Accrual	0.700	-	-	-	-
Claim Payments	(1.900)	-	-	-	-
Material	(1.000)	13.000	3.000	5.000	5.000
ROCLA Accelerated Settlement	0.959	(0.512)	(0.512)	-	-
Amtrak Reimb Timing Shifts	(4.938)	4.938	-	-	-
Depreciation/OPEB/Environmental Remediation	2.464	2.490	2.514	2.539	2.564
Other /Misc	0.880	(0.715)	(0.732)	(0.751)	(0.770)
Total Cash Adjustment Changes	\$2.174	\$19.201	\$4.256	\$6.789	\$6.804
Total Baseline Changes	\$83.402	(\$6.437)	(\$12.626)	\$1.291	(\$29.144)
November Financial Plan - Cash Surplus/(Deficit)	(\$632.781)	(\$741.015)	(\$833.843)	(\$874.260)	(\$1,018.530)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Other Operating Revenue					
Capital and Other Reimbursement	(0.461)	70.016	14.530	4.330	1.108
Total Revenue Changes	(\$0.461)	\$70.016	\$14.530	\$4.330	\$1.108
Expenses					
<i>Labor:</i>					
Payroll	\$2.593	(\$17.148)	(\$4.816)	(\$2.114)	(\$0.607)
Overtime	(5.744)	(9.466)	(0.451)	-	-
Health and Welfare	(0.935)	(4.457)	(1.081)	(0.408)	(0.073)
OPEB Current Payment	-	-	-	-	-
Pensions	(2.935)	(7.243)	(1.758)	(0.664)	(0.120)
Other Fringe Benefits	(0.995)	(4.558)	(1.107)	(0.418)	(0.076)
Reimbursable Overhead	(5.127)	(7.359)	(1.544)	(0.661)	(0.215)
Total Labor Expense Changes	(\$13.143)	(\$50.231)	(\$10.757)	(\$4.265)	(\$1.091)
<i>Non-Labor:</i>					
Electric Power	(\$0.410)	(\$0.078)	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000
Insurance	0.367	(1.150)	(0.122)	(0.008)	(0.007)
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.565)	(2.524)	(0.136)	(0.051)	(0.009)
Professional Service Contracts	1.975	(0.059)	-	-	-
Materials & Supplies	12.600	(15.912)	(3.500)	-	-
Other Business Expenses	(0.363)	(0.062)	(0.015)	(0.006)	(0.001)
Total Non-Labor Expense Changes	\$13.604	(\$19.785)	(\$3.773)	(\$0.065)	(\$0.017)
Total Expense Changes	\$0.461	(\$70.016)	(\$14.530)	(\$4.330)	(\$1.108)
Cash Adjustment Changes					
Operating Funded Capital	\$16.432	(\$18.764)	(\$3.500)	-	-
Total Cash Adjustment Changes	\$16.432	(\$18.764)	(\$3.500)	\$0.000	\$0.000
Total Baseline Changes	\$16.432	(\$18.764)	(\$3.500)	\$0.000	(\$0.000)
November Financial Plan - Cash Surplus/(Deficit)	\$16.432	(\$18.764)	(\$3.500)	\$0.000	(\$0.000)

MTA LONG ISLAND RAILROAD
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$716.183)	(\$734.578)	(\$821.217)	(\$875.551)	(\$989.386)
Baseline Changes					
Revenue					
Farebox Revenue	\$1.661	\$2.011	\$1.930	\$2.204	\$2.114
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.967	0.037	0.037	0.038	0.037
Capital and Other Reimbursement	(0.461)	70.016	14.530	4.330	1.108
Total Revenue Changes	\$3.167	\$72.064	\$16.497	\$6.572	\$3.259
Expenses					
<i>Labor:</i>					
Payroll	\$8.446	(\$19.554)	(\$9.487)	(\$3.199)	(\$2.332)
Overtime	(5.707)	(7.921)	0.739	(0.837)	(0.793)
Health and Welfare	0.683	(2.878)	(1.045)	0.089	0.335
OPEB Current Payment	0.000	0.426	0.353	0.432	0.477
Pensions	0.000	(0.900)	(2.000)	(3.299)	(4.300)
Other Fringe Benefits	1.279	(4.729)	(1.906)	(0.844)	(0.690)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$4.701	(\$35.556)	(\$13.346)	(\$7.658)	(\$7.303)
<i>Non-Labor:</i>					
Electric Power	\$2.619	\$1.146	\$2.160	\$3.651	\$3.972
Fuel	0.113	(1.058)	(0.710)	0.718	1.623
Insurance	0.367	(1.150)	(0.122)	(0.008)	(0.007)
Claims	(0.003)	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	14.260	(12.614)	(7.703)	(2.915)	(3.054)
Professional Service Contracts	11.741	(12.270)	(1.285)	(0.055)	(0.570)
Materials & Supplies	47.223	(32.301)	(9.376)	(2.791)	(30.866)
Other Business Expenses	(0.496)	(1.409)	(0.483)	(0.473)	(0.438)
Total Non-Labor Expense Changes	\$75.824	(\$59.656)	(\$17.519)	(\$1.873)	(\$29.340)
Total Expense Changes before Depreciation and GASB Adjs.	\$80.525	(\$95.212)	(\$30.865)	(\$9.531)	(\$36.643)
Depreciation	(\$2.464)	(\$2.490)	(\$2.514)	(\$2.539)	(\$2.564)
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expense Changes	\$78.061	(\$97.702)	(\$33.379)	(\$12.070)	(\$39.207)
Cash Adjustment Changes					
GASB	\$0.000	\$0.000	(\$0.014)	\$0.001	\$0.010
Operating Funded Capital	16.432	(18.764)	(3.500)	0.000	0.000
Prior Period Intercompany Reimbursement	5.211	0.000	0.000	0.000	0.000
Advertising Revenue	(0.202)	0.000	0.000	0.000	0.000
Wage Claim Accrual	0.700	0.000	0.000	0.000	0.000
Claim Payments	(1.900)	0.000	0.000	0.000	0.000
Material	(1.000)	13.000	3.000	5.000	5.000
ROCLA Accelerated Settlement	0.959	(0.512)	(0.512)	0.000	0.000
Amtrak Reimb Timing Shifts	(4.938)	4.938	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	2.464	2.490	2.514	2.539	2.564
Other /Misc	0.880	(0.715)	(0.732)	(0.751)	(0.770)
Total Cash Adjustment Changes	\$18.606	\$0.437	\$0.756	\$6.789	\$6.804
Total Baseline Changes	\$99.834	(\$25.201)	(\$16.126)	\$1.291	(\$29.144)
November Financial Plan - Cash Surplus/(Deficit)	(\$616.349)	(\$759.779)	(\$837.343)	(\$874.260)	(\$1,018.530)

MTA LONG ISLAND RAIL ROAD
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Summary of Major Plan-To-Plan Changes

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.

Expenses

- Lower Health and Welfare costs based on the most recent revisions for Empire Plan cost assumptions transmitted by the NYS Department of Civil Service.
- Lower Rate assumptions changes for Traction Power in 2016 - 2020.
- Higher Pension costs as a result of latest actuarial estimate.
- Timing of various non-payroll related expenses.
- Payroll Rates, open position savings and associated fringe costs.
- Timing of Reliability Centered Maintenance and rolling stock modification updates including M7 Phase 3 Door, Threshold Plates, C3 CCU Non Recurring Engineering costs (NRE), C3 Phase 3 door NRE, MFU/TOD/CDS NRE, M7 Observer seat, installation of AVRМ on trains and lower running repair and DE/DM Gate Unit Repairs. Updated M7 Phase 3/4 Truck RCM program.
- Transportation staffing levels based on updated availability assumptions.
- Timing of various Enterprise Asset Management Initiatives including rolling stock fleet maintenance.
- Lifecycle Asset Maintenance Program to address major system replacement (i.e. Inverters) that does not have a useful life consistent with the overall life of the car (35+ years).

Cash

- GASB 68 Pension Adjustment, OPEB and Environmental Remediation are all accrued but not cash items.
- Savings associated with the LIRR's continuing efforts to tighten controls on material procurement and inventory planning.
- Various reserve adjustment including OPEB, Environmental Remediation, Depreciation, Inventory adjustments, Wage Claims and other non-cash items.
- Operating Funded Capital.
- Prior period intercompany reimbursements.
- Timing of various cash expenses.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$716.183)	(\$734.578)	(\$821.217)	(\$875.551)	(\$989.386)
Non-Reimbursable Major Changes					
Revenue					
Passenger Revenue	\$1.661	\$2.011	\$1.930	\$2.204	\$2.114
All Other	1.967	0.037	0.037	0.038	0.037
Sub-Total Non-Reimbursable Revenue Changes	\$3.628	\$2.048	\$1.967	\$2.242	\$2.151
Expenses					
MTA Health & Welfare Changes	\$0.000	\$1.275	\$1.071	\$1.306	\$1.460
Energy - Electric Power	3.181	1.223	2.159	3.650	3.972
Pension	-	(0.900)	(2.000)	(3.300)	(4.300)
Non - Payroll - Miscellaneous adjustments/rollovers	29.831	(21.701)	(7.343)	3.457	2.975
Payroll Rates, Open Positions and Vacancy Rate Adjustments	9.490	(1.377)	(0.759)	(0.698)	(0.710)
Reliability Centered Maintenance and Rolling Stock Modification Updates	27.755	(15.040)	(5.606)	(6.334)	(4.376)
Reimbursable Headcount & Overtime Adjustments	8.602	21.055	3.365	1.345	0.327
Transportation Staffing levels updated based on availability		(4.690)	(4.718)		
Enterprise Asset Management	3.083	(2.781)	0.309	0.312	(0.595)
Lifecycle Asset Maintenance Program (LAMP)					(30.000)
Depreciation/Environmental Remediation/OPEB/GASB 68	(2.464)	(2.490)	(2.514)	(2.539)	(2.564)
All Other	(1.878)	(2.260)	(2.813)	(4.939)	(4.288)
Sub-Total Non-Reimbursable Expense Changes	\$77.600	(\$27.686)	(\$18.849)	(\$7.740)	(\$38.099)
Total Non-Reimbursable Major Changes	\$81.228	(\$25.638)	(\$16.882)	(\$5.498)	(\$35.948)
Reimbursable Major Changes					
Revenue					
Capital Reimbursements	(\$0.461)	\$70.016	\$14.530	\$4.330	\$1.108
Sub-Total Reimbursable Revenue Changes	(\$0.461)	\$70.016	\$14.530	\$4.330	\$1.108
Expenses					
Other	\$0.461	(\$70.016)	(\$14.530)	(\$4.330)	(\$1.108)
Sub-Total Reimbursable Expense Changes	\$0.461	(\$70.016)	(\$14.530)	(\$4.330)	(\$1.108)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$81.228	(\$25.638)	(\$16.882)	(\$5.498)	(\$35.948)
Cash Adjustment Changes					
GASB	\$0.000	\$0.000	(\$0.014)	\$0.001	\$0.010
Operating Funded Capital	16.432	(18.764)	(3.500)	0.000	0.000
Prior Period Intercompany Reimbursement	5.211	0.000	0.000	0.000	0.000
Advertising Revenue	(0.202)	0.000	0.000	0.000	0.000
Wage Claim Accrual	0.700	0.000	0.000	0.000	0.000
Claim Payments	(1.900)	0.000	0.000	0.000	0.000
Material	(1.000)	13.000	3.000	5.000	5.000
ROCLA Accelerated Settlement	0.959	(0.512)	(0.512)	0.000	0.000
Amtrak Reimb Timing Shifts	(4.938)	4.938	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	2.464	2.490	2.514	2.539	2.564
Other /Misc	0.880	(0.715)	(0.732)	(0.751)	(0.770)
Total Cash Adjustment Changes	\$18.606	\$0.437	\$0.756	\$6.789	\$6.804
Total Baseline Changes	\$99.834	(\$25.201)	(\$16.126)	\$1.291	(\$29.144)
November Financial Plan - Cash Surplus/(Deficit)	(\$616.349)	(\$759.779)	(\$837.343)	(\$874.260)	(\$1,018.530)

**MTA LONG ISLAND RAIL ROAD
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
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 0.3% greater than the Mid-Year Forecast and above the 2015 levels by 2.2% (adjusted for the same number of work days). The 2016 November Forecast projects 2016 ridership to be 89.2 million, which is a 0.3% increase over the Mid-Year Forecast. Ridership projections for the outer years of the November Financial Plan 2017-2020 reveal modest annual growth of 0.3% in 2017, 0.5% in 2018, 0.3% in 2019 and 0.4% in 2020.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Ridership/(Utilization)
(\$ in millions)

	2015	2016	2017			
	Actual	November	Final			
		Forecast	Proposed	2018	2019	2020
			Budget			
<u>RIDERSHIP</u>						
Monthly	48.420	49.629	49.678	49.981	50.092	50.394
Weekly	1.966	1.904	1.916	1.922	1.927	1.931
Total Commutation	50.386	51.533	51.594	51.903	52.019	52.325
One-Way Full Fare	8.491	8.531	8.569	8.593	8.612	8.629
One-Way Off Peak	18.105	18.357	18.438	18.490	18.531	18.568
All Other	10.667	10.824	10.880	10.922	10.978	10.998
Total Commutation	37.263	37.712	37.887	38.005	38.121	38.195
Total Ridership	87.649	89.245	89.481	89.908	90.140	90.520
<u>FAREBOX REVENUE</u>						
Baseline Total Farebox Revenue	\$695.447	\$711.894	\$715.099	\$717.227	\$719.083	\$720.497

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
2016 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
<u>Administration</u>										
Non Represented Wage Increases		0.423		0.497		0.530		0.589		0.666
Ongoing Position Vacancies Resulting From Attrition and Time to Hire	-	1.500	-	1.500	-	1.500	-	1.500	-	1.500
Tighter Controls and Prioritization of Non-payroll Funds to Core Mission Initiatives	-	0.000	-	2.550	-	2.550	-	2.550	-	2.550
<i>Subtotal Administration</i>	-	\$1.923	-	\$4.547	-	\$4.580	-	\$4.639	-	\$4.716
<u>Customer Convenience/Amenities</u>										
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
Joint Facility Agreement/PRIIA	-	3.300	-	1.500	-	1.500	-	1.500	-	1.500
<i>Subtotal Maintenance</i>	-	3.300	-	1.500	-	1.500	-	1.500	-	1.500
<u>Revenue Enhancement</u>										
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety</u>										
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Security</u>										
<i>Subtotal Security</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$5.223	-	\$6.047	-	\$6.080	-	\$6.139	-	\$6.216

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Non Represented Wage Increases

Background Details: Savings resulting from a 2% cost of allowance wage increase for non-represented employees that was budgeted to begin on January 1, 2016, but was instead made effective on July 1, 2016.

**Program Description/
Implementation Plan:**

Program Implementation Date: 7/1/2016 **When will savings begin?:** 1/1/2016
Are these savings recurring?: Yes

Other Issues: None

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.423	\$0.497	\$0.530	\$0.589	\$0.666
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Ongoing Position Vacancies Resulting From Attrition and Time to Hire

Background Details:	Vacancies for non-represented and represented positions that are generally not back-filled on overtime have exceeded budget due to the combination of a tighter internal review process and challenges in hiring certain skilled positions.
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Program Description/Implementation Plan:	Over the last several years, vacancies for non-represented and represented positions that are generally not back-filled on overtime have continued to exceed budget. This pattern is expected to continue for the foreseeable future.
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Program Implementation Date:	1/1/2016	When will savings begin?:	1/1/2016
		Are these savings recurring?:	Yes
Other Issues:	None		

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.500	\$1.500	\$1.500	\$1.500	\$1.500
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Tighter Controls and Prioritization of Non-payroll Funds to Core Mission Initiatives

Background Details:	Funding reduction for miscellaneous contract services as a result of historical spending trends and programmatic initiatives.
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Program Description/ Implementation Plan:	LIRR staff will continue to closely monitor contract costs and spending.		
Program Implementation Date:	1/1/2017	When will savings begin?:	1/1/2017
		Are these savings recurring?:	Yes
Other Issues:	None		

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$2.550	\$2.550	\$2.550	\$2.550
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Joint Facility Agreement/PRIIA

Background Details: 2008 PRIIA federal PRIIA legislation changed the cost sharing methodology for all users of the NEC. Effective October 2015 the LIRR's cost sharing with Amtrak for use of Penn Station NY and the East River Tunnels is based on a model managed by the North East Corridor Commission. The LIRR budget was based on the initial FY2016 model run. An updated NECC model reflects lower costs than budgeted.

Program Description/Implementation Plan: The LIRR conducted an extensive review of the formulas and assumptions being used in the new cost sharing assumptions and determined that the LIRR was being over charged for certain expenses.

Program Implementation Date: 1/1/2016 **When will savings begin?:** 1/1/2016
Are these savings recurring?: Yes
Other Issues: None

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$3.300	\$1.500	\$1.500	\$1.500	\$1.500
<i>Total Positions Required:</i>	0	0	0	0	0

MTA LONG ISLAND RAIL ROAD
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
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.

2016 - 2017 Changes

The 2017 Final Proposed Budget totals 7,469 positions, an increase of 203 positions from the 2016 Mid-Year Forecast. This includes an increase of 106 Non-Reimbursable positions and 97 Reimbursable positions. The Non-reimbursable headcount increase is related to Transportation staffing levels based on availability of an additional 47 positions Engineering's field workforce that supports both capital and maintenance activities, AVRМ installation and East Side Access readiness efforts. The change in year-end Non-reimbursable and Reimbursable headcount is due to the timing of capital and maintenance activity. As a result, the year-end headcount changes as reported in the financial tables can appear to be more dramatic than the change in average headcount. The reimbursable headcount increase is related to Engineering field workforce that supports both capital and maintenance activities, partially offset by higher Maintenance of Equipment PTC activity.

2018 – 2020 Changes

Annual staffing levels increase by 36 positions in 2018, decrease by 1 positions in 2019 and increase by 148 positions in 2020. Non-Reimbursable positions increase by 316 in 2018, 45 in 2019 and 172 in 2020. These increases are primarily related to ESA readiness efforts (increases of 184 in 2018 and 132 positions in 2019 and 159 in 2020) and the completion of the AVRМ initiative at the end of 2018. Reimbursable positions decreased by 280 in 2018, 46 in 2019, and 24 in 2020 due to changes in project activity and completion of Maintenance of Equipment's PTC initiative in 2018. In 2018, the change in year-end Non-reimbursable and Reimbursable headcount is due largely to the timing of capital and maintenance activity. As a result, the year-end headcount changes as reported in the financial tables can appear to be more dramatic than the change in average headcount.

MTA LONG ISLAND RAIL ROAD
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
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.

2016 Changes

Total Positions of 7,266 in the 2016 November Forecast represents an increase of 29 positions from the 2016 November Forecast. Year-end Reimbursable positions decreased by 1 and Non-Reimbursable positions increased by 30. The non-reimbursable increase is primarily related to timing of new hire trainees.

2017 Changes

The 2017 Final Proposed Budget totals 7,469 positions, an increase of 226 positions from the Mid-Year Forecast. Non-Reimbursable positions decrease by 42 and Reimbursable positions increase by 268. The change in year-end Non-reimbursable and Reimbursable headcount is due to the timing of capital and maintenance activity. As a result, the year-end headcount changes as reported in the financial tables can appear to be more dramatic than the change in average headcount. The 42 Non Reimbursable position decrease is primarily driven by this capital activity, partially offset by updated Transportation staffing levels based on availability of an additional 47 positions, additional PTC and M9 operating positions, facility maintenance, social media, ticket remittance and signal inspection and testing.

2018 – 2019 Changes

The November Financial Plan in the years 2018 – 2020 reflects an increase of 83 positions in 2018, 46 in 2019 and 34 positions in 2020. Non-Reimbursable positions increase 45 in 2018, 19 in 2019 and 23 in 2020. The 2018 increase is primarily associated with updated Transportation staffing levels based on availability. 2019 – 2020 increase results primarily from additional PTC and M9 operating positions, facility maintenance, social media, ticket remittance and signal inspection and testing. Reimbursable positions increase by 38 in 2018 and 27 in 2019 and 11 in 2020 due to project activity.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019	2020
2016 July Plan - Total Baseline Positions	7,237	7,243	7,422	7,458	7,618
Total Plan-to-Plan Changes	(29)	(226)	(83)	(46)	(34)
2016 November Plan - Total Baseline Positions	7,266	7,469	7,505	7,504	7,652
Total Year-to-Year Changes, November Plan		(203)	(36)	1	(148)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(30)	42	(45)	(19)	(23)
<i>Reimbursable</i>	1	(268)	(38)	(27)	(11)
Total	(29)	(226)	(83)	(46)	(34)
<i>Full-Time</i>	(29)	(226)	(83)	(46)	(34)
<i>Full-Time Equivalents</i>					
Total	(29)	(226)	(83)	(46)	(34)
<i>By Function Category</i>					
- Administration	(5)	(4)	(4)	(6)	(10)
- Operations	(17)	(119)	(53)	(17)	(8)
- Maintenance	(8)	(93)	(16)	(16)	(14)
- Engineering/Capital	1	(10)	(10)	(7)	(2)
- Public Safety					
Total	(29)	(226)	(83)	(46)	(34)
<i>By Occupational Group</i>					
- Managers/Supervisors	(2)	(41)	(7)	(5)	(3)
- Professional, Technical, Clerical	(21)	(14)	(25)	(25)	(23)
- Operational Hourlies	(6)	(171)	(51)	(16)	(8)
Total	(29)	(226)	(83)	(46)	(34)

Total Plan-to-Plan Changes by Major Category:

<i>2016 BRPs</i>					
<i>New Needs</i>					
<i>Change in Reimbursable Positions</i>	1	(268)	(38)	(27)	(11)
<i>Re-estimates & All Other</i> ¹	(30)	42	(45)	(19)	(23)
Total	(29)	(226)	(83)	(46)	(34)

¹ Includes Full-time Equivalents

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Executive VP	9	2	2	2	2	2
Enterprise Asset Management	0	0	7	7	7	7
Sr Vice President - Engineering	0	13	2	2	2	2
Labor Relations	17	19	19	19	19	19
Procurement & Logistics (excl. Stores)	81	86	89	89	86	85
Human Resources	32	33	33	39	49	52
Sr VP Administration	1	2	2	2	2	2
Strategic Investments	31	25	17	17	17	17
President	4	4	4	4	4	4
VP & CFO	2	4	4	4	4	4
Information Technology	0	0	0	0	0	0
Controller	39	43	43	43	44	44
Management and Budget	19	21	21	21	21	21
BPM, Controls, & Compliance	6	7	7	7	7	7
Market Dev. & Public Affairs	67	71	71	71	71	71
Gen. Counsel & Secretary	30	33	33	33	33	33
Diversity Management	2	3	3	3	3	3
Security	12	14	14	14	14	14
System Safety	31	36	36	36	36	36
Training	59	65	67	67	66	73
Service Planning	21	23	25	27	27	27
Rolling Stock Programs	0	11	17	17	17	17
Sr Vice President - Operations	2	2	2	2	2	2
Total Administration	465	517	518	526	533	542
Operations						
Train Operations	2,057	2,173	2,214	2,306	2,332	2,484
Customer Service	297	299	303	303	303	303
Total Operations	2,354	2,472	2,517	2,609	2,635	2,787
Maintenance						
Engineering	1,821	1,902	1,993	1,948	1,963	1,960
Equipment	2,076	2,079	2,132	2,113	2,070	2,065
Procurement (Stores)	95	94	96	96	94	94
Total Maintenance	3,992	4,075	4,221	4,157	4,127	4,119
Engineering/Capital						
Department of Project Management	122	156	156	156	155	154
Special Projects/East Side Access	34	46	46	46	45	45
Positive Train Control	0	0	11	11	9	5
Total Engineering/Capital	156	202	213	213	209	204
Total Baseline Positions	6,967	7,266	7,469	7,505	7,504	7,652
<i>Non-Reimbursable</i>	6,131	6,148	6,254	6,570	6,615	6,787
<i>Reimbursable</i>	836	1,118	1,215	935	889	865
<i>Total Full-Time</i>	6,967	7,266	7,469	7,505	7,504	7,652
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Managers/Supervisors	235	262	255	256	254	254
Professional, Technical, Clerical	125	151	157	164	175	184
Operational Hourlies	105	104	106	106	104	104
Total Administration	465	517	518	526	533	542
Operations						
Managers/Supervisors	283	293	296	290	285	302
Professional, Technical, Clerical	96	96	96	96	96	96
Operational Hourlies	1,975	2,083	2,125	2,223	2,254	2,389
Total Operations	2,354	2,472	2,517	2,609	2,635	2,787
Maintenance						
Managers/Supervisors	662	750	782	753	752	749
Professional, Technical, Clerical	254	255	267	283	276	274
Operational Hourlies	3,076	3,070	3,172	3,121	3,099	3,096
Total Maintenance	3,992	4,075	4,221	4,157	4,127	4,119
Engineering/Capital						
Managers/Supervisors	108	136	145	145	142	137
Professional, Technical, Clerical	48	66	68	68	67	67
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	156	202	213	213	209	204
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Baseline Positions						
Managers/Supervisors	1,288	1,441	1,478	1,444	1,433	1,442
Professional, Technical, Clerical	523	568	588	611	614	621
Operational Hourlies	5,156	5,257	5,403	5,450	5,457	5,589
Total Baseline Positions	6,967	7,266	7,469	7,505	7,504	7,652

Metro-North Railroad

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017-2020

FINANCIAL OVERVIEW

Metro-North's November Financial Plan 2017-2020 reflects the resources required to sustain current operations and fund strategic investments that further promote safe, secure and reliable transportation service for our customers, a safe and secure working environment for our employees, and constant and impactful improvements in our infrastructure. Over the last several years, Metro-North has taken important steps to develop policies and initiatives to meet these objectives and that work continues.

Our Strategic Plan: Our Railroad, Our Vision, Our Future

In June, we launched the Metro-North Strategic Plan for 2016-2020. Our mission is to be a safe, reliable and efficient railroad providing regional mobility and excellent service to our customers. Our vision is that over the next five years, through an engaged and empowered workforce, Metro-North Railroad will provide superior customer service by setting the standard for safety, reliability and innovation. The Strategic Plan, developed through a collaborative process with the entire workforce, is dynamic and ongoing. Our plan identifies 3 Priority Areas: Our People, Our Customers and Our Infrastructure.

Through the three priorities of Our People, Our Customers and Our Infrastructure, an engaged workforce will continue to progress Metro-North Railroad fulfilling Our Mission.

- *Our People – Be an engaged, accountable and high performing workforce.*
- *Our Customers – Consistently meet customer expectations by ensuring safe, reliable, accessible and comfortable service, and by providing timely, accurate and open communication.*
- *Our Infrastructure – Ensure that all assets are in a state of good repair.*

Our Plan drivers -Safety, Integrity, and Innovation establish the focus for new initiatives.

- *Safety – Safety guides all our decisions, actions and initiatives.*
- *Integrity – Maintaining the public's confidence in all that we do and building a sustainable future.*
- *Innovation – Encouraging new ways of thinking and doing business.*

The November Financial Plan begins the process of identifying new programs that support the Metro-North Strategic Plan. Each investment is aligned with one of the Strategic Plan priorities.

Investments in Our People

- ***Re-Organization of Drug and Alcohol Program***

In order to ensure compliance with Metro-North's expanded internal compliance and to meet additional future regulatory requirements for random drug and alcohol testing, Metro-North has reorganized and added two staff members to the Drug &

Alcohol program. This will ensure our ability to handle the increased number of employees that will be subject to random drug and alcohol testing beginning next year and future years thereafter.

- ***Station Power Washing Supervision from Safety Challenge***

A third employee will be added to each power washing station platform team to function as a lookout employee that watches for and provides notification when trains are approaching. This will ensure employee and customer safety on all platforms during power washing activity and address the results of two Good Faith Safety Challenges, which is a process whereby employees can raise safety issues and request a management level review by the Operating Rules, Regulatory Compliance and Safety Departments.

- ***Communications Department Close Circuit TV (CCTV) Staffing***

Establish a new team of CCTV Staff to provide greater responsiveness in installing and maintaining critical camera and other safety systems at key locations to support the expansion of camera volumes that have almost doubled since 2013. This technical team will specialize in rapidly fixing critically located security cameras that require quick action to prevent loss of property and provide enhanced employee safety or security. In addition to installing new CCTV cameras, this group will also install and repair access control, fire alarms, panic systems, and environmental monitoring alarms in a time-sensitive manner.

- ***Human Resources – Recruiter for Agreement Promotions***

Establish one Human Resources recruiter to ensure that all Agreement promotional recruitment at Metro-North Railroad is consistent with Federal Transit Administration (FTA) policies and procedures.

- ***Hyperion Financial System Support Manager***

Establish a Hyperion Financial System support manager role that brings in-house the technical Hyperion systems skills that have been previously provided by external Oracle consultants. This allows Metro-North to be more cost efficient and responsive in supporting the new MTA-wide Hyperion Financial Planning System that requires significant support to build, develop and maintain.

Customer Investments

- ***24/7 Social Media Initiative***

In order for all MTA Agencies to provide a more consistent MTA Social Media coverage to communicate with and respond to our customers on a 24/7 basis, Metro-North's Customer Communications Center will create a new Social Media Division to be managed and staffed by qualified social media experts whose sole

responsibility is to monitor, engage, and respond to customers via various social media outlets on a 24/7 basis.

- ***Customer Advocate***

Establish a dedicated and focused customer advocate function that will enable Metro-North to place customer focused staff directly into the Operations Control Center to ensure customer needs are effectively addressed in an emergency, such as during unscheduled busing issues, stranded trains, service suspensions or other emergencies.

- ***Rockland County Bus Service Improvements***

Expanded service to support improved connectivity between Rockland County and Metro-North Railroads Hudson Line through expanded UniTicket reimbursements, expanded weekday evening and Saturday TappanZExpress bus service, and the implementation of Sunday TappanZExpress bus service.

Infrastructure Investments

- ***System Wide Right-of-Way Clean-up Efforts***

Create a dedicated Track gang to address the necessary cleanup of debris along the right-of-way in a prioritized fashion and begin a cyclical cleanup program to sustain a safer and cleaner right-of-way. The right-of-way is currently littered with debris from multiple sources including discarded material from past infrastructure maintenance programs, obsolete equipment replaced in capital projects, storm debris and ordinary trash. Metro-North currently addresses the removal of material along the right-of-way that poses hazards to operations or are the subject of complaints from the public. This program will ensure there will be dedicated resources to support right-of-way clean up without diverting resources that support on-going capital construction and/or maintenance efforts.

- ***Re-Organization of the Grand Central Terminal (GCT) Emergency Response Group***

Reorganizing the GCT Emergency Response Group and adding four Fire / EMS Specialist positions to the Fire Brigade in order to provide adequate staffing to support an almost 24/7 operation. The Fire Brigade staff provides fire and emergency management coverage for Grand Central Terminal.

- ***Procurement & Materials Management Department Re-Organization and Staff Additions***

In order to address the increased demand by internal and external stakeholders to deliver projects in a timelier and more efficient manner, the Procurement & Materials Management Dept. has been reorganized and staff added to provide a more cohesive and effective organizational support structure. Key aspects of this reorganization relate to the development of a new "Design Build and Innovative Project Delivery" sub-group focus on capital projects and a new Operations sub-group to focus on large scale core operational service contracts. Combined with the realignment of leadership, new areas of focus and additional staff, the Procurement

& Materials Management Department will be able to be more responsive and establish clearer pathways for succession planning for employee growth.

- **Advanced Metering**

Install an Automated Meter Infrastructure (AMI) reading system for thirty one heating fuel storage tanks at seven Metro-North facilities located throughout the system. The new AMI provides the ability to track consumption of diesel and heating fuel remotely through web based real time monitoring of tanks and piping systems. It also provides leak detection and alarm alerts via text and email when an alarm condition occurs.

- **Staffing Increases for Reimbursable Capital-Funded Programs**

Additional Power, Track and Conductor Flagging positions have been added to support a higher level of critical capital program funded projects for both New York and Connecticut.

On-going Programs and Assumptions previously included in the July Financial Plan which continue to be included in the 2017 Final Proposed Budget are as follows:

Safety Enhancements:

- Continuing to comprehensively assess the infrastructure resulting in the redeployment of existing maintenance forces, the creation of specialized track gangs, and the utilization of specialized track monitoring equipment.
- Implementation of Positive Train Control (PTC). In June of 2016, the portion of the system which imposes civil speed restrictions between Devon and New Haven, Connecticut was placed into service for PTC equipped non-Metro-North railroad equipment. Civil speed control will be expanded to cover the entire New Haven Line (NHL) by the end of this year. Office, wayside and onboard system installations continue.
- A significant milestone was achieved this year when the Federal Communications Commission (FCC) granted a waiver for spectrum swap, providing spectrum for the remaining 4 counties not previously covered.
- MNR installed bridge strike monitors on four of our undergrade bridges and operating managers now get real-time e-mail notification of highway vehicle impacts to these bridges without depending upon reports from the public or police. We are expanding the coverage to other bridges in the next step of this program.
- 2016 saw the first installation of expansion rails on some of the New Haven Line moveable bridges. Expansion rails protect the integrity of the rail gap at the miter rails which previously varied as a result of temperature swings.

Infrastructure Maintenance and Reliability

- **Ensuring Reliable Service that is safe and of high quality has driven an expanded Infrastructure Improvement Program that focuses on:**
 - Wooden tie installation, track surfacing, welded rail installation, roadbed remediation, drainage improvements, field welding of joints, turnout

- replacement, grade crossing renewals, rail grinding, bridge timber replacement, bridge steel repairs, and ballast cleaning.
- Use of high tech track inspection equipment and services in addition to visual track inspections, which are conducted by employees twice a week to check:
 - Track Geometry: To measure a variety of geometric parameters of our track, including the position, curvature, alignment, smoothness, and cross level of the two running rails, we employ track geometry cars operated by third-parties.
 - Internal Metal Defects and Fatigue Detection: To detect flaws, defects and metal fatigue inside the steel running rails, we employ the specialized Sperry Rail car, which uses ultrasonic and induction test equipment.
 - Mismatched Joint Bars: To identify any instances where the end of a rail does not match up precisely with the beginning of the following rail, we have employed a system from a third-party, which makes rail measurements of joint bars that are accurate to within two hundredths of an inch.
 - Acquisition of an Autonomous Track Geometry Inspection Equipment, which is scheduled to be installed in late 2016 with testing to begin in 2017. MNR is working with the Federal Railroad Administration (FRA) on implementation of this first in the nation system on a commuter railroad.
 - Acquisition of a Track Geometry Car, which is expected to be in service by 2018 and will replace the need for third-party inspections noted above.

Equipment Maintenance and Reliability - Metro-North commits significant resources towards the maintenance and revitalization of its rolling stock fleet through fleet-specific Reliability Centered Maintenance (RCM) programs, purchasing new equipment and remanufacturing select cars, coaches and locomotives. The November Financial Plan includes funding for the following equipment maintenance programs:

- M-8 Cars - In partnership with Connecticut Department of Transportation (CDOT), Metro-North has accepted all 380 multiple unit M-8 cars and 25 single unit cars into service, effective July 2015. The first cars accepted are now being scheduled for their five year RCM intervals.
- M-7 Cars - This car fleet is in the midst of its 10-year life cycle maintenance program that began in 2014.
- Passenger and Work locomotives continue to be maintained through appropriate RCM interval cycles. The current financial plan reflects that all three of Metro-North's main locomotive equipment types (Genesis, BL-20 and GP 35) are undergoing cyclical RCM phases, including major component replacements or reconditioning.

Customer Service

- Continue Connect With Us Forums ensuring a continuum of outreach between senior leadership, customers and local stakeholders at various locations throughout our territory.
- MTA eTix, the mobile ticketing app that enables customers to purchase and use Metro-North tickets directly on their mobile device, has been fully implemented. We

will monitor the success of this new technology using customer complaint and claim data in addition to ticket sales reports.

- Progress with the installation of 26 cellular LCD monitors at 10 New York Stations in 2016, bringing the total installation to date to 91 monitors in 35 stations. Additional monitors will be installed at five to ten stations per year through 2019.
- Continue the cyclical Station Improvement Program (formerly Station Enhancement Program) at Patterson, Pawling, Harlem-Valley Wingdale, Dover, Ten-Mile River, Wassaic, Port Jervis and Campbell Hall. Punch-list items are wrapping up at Marble Hill and Spuyten Duyvil. Each of these stations will have a fresh, new look as a result of the painting, new lighting, signage, bench and recycling center replacement and many other improvements to customer amenities.
- Continue to partner with the New York State Department of Agriculture and Markets to expand the sale of New York State products by the Metro-North Commissary. Both agencies are working collaboratively to increase the number of products available to customers as well as to improve marketing strategies across a variety of venues.

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 \$2.0-\$4.0 million annually for staffing needs and temporary consultant support.

Ridership

- The 2016 November Forecast includes 86.4 million East and West of Hudson riders, a slight increase of 0.4%.over 2015. However, it is 1.6% lower than the Mid-Year Forecast due to lower than projected growth in both commutation and non-commutation ridership.
- Although lower than forecasted in the July Financial Plan, 2017-2020 ridership is projected to grow by 1.6% in 2017, 1.2% in 2018, 0.9% in 2019, and 1.0% in 2020 with growth occurring across all commuter lines.
- There is a planned 6.0% fare increase in Connecticut (CT) effective December 1, 2016, and a 1.0% fare increase in Connecticut in 2018. New York State fare increases that are projected for 2017 and 2019 are not included in this section, they are captured in Volume 1 of this Plan.

Overtime

Metro-North's November Financial Plan reflects required overtime expenditures to address operating needs including train service coverage, maintenance requirements, weather emergencies, employee availability and other programmatic needs.

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017-2020

2016 NOVEMBER FORECAST

The 2016 November Forecast reflects non-reimbursable revenue projections totaling \$750.7 million and expenses, including non-cash liability adjustments, of \$1,512.9 million resulting in an operating deficit of \$762.3 million. Operating revenue includes passenger revenues of \$687.2 million that are \$12.5 million unfavorable versus the 2016 Mid-Year Forecast due to the effect of the Park Avenue Viaduct Fire and lower ridership. Non-passenger revenues of \$63.5 million are \$0.8 million lower than the Mid-Year Forecast reflecting lower than projected GCT net retail income. Non-Reimbursable operating expenses of \$1,512.9 million are \$8.3 million lower than the 2016 Mid-Year Forecast primarily due to lower non-cash expenses (including GASB 68 Pension and depreciation) and electric propulsion expense partially offset by increased agreement payroll costs due to rescheduled capital work.

The 2016 November Forecast for reimbursable expenditures (and receipts) is \$214.6 million, a decrease of \$3.1 million relative to the July Financial Plan. This is due primarily to revised scheduling that pushed major workflows for the Signals Replacement: Greenwich to South Norwalk and Positive Train Control projects, delayed completion of CP109 which impacted the Bronx Stations Capacity Improvement project, and a one-time adjustment to reflect the impact of revised Reimbursable Overhead rates.

2017 FINAL PROPOSED BUDGET

The 2017 Final Proposed Budget reflects non-reimbursable revenue projections totaling \$780.2 million and expenses, including non-cash liability adjustments, of \$1,598.7 million that generate an operating deficit of \$818.5 million. Farebox revenue of \$711.9 million is \$4.2 million lower than the 2017 Preliminary Budget reflecting lower ridership growth partially offset by the 6% Connecticut fare increase. Non-passenger revenue of \$68.3 million is projected to be \$1.0 million lower than the 2017 Preliminary Budget reflecting lower advertising revenue. Operating expenses of \$1,598.7 million are higher by \$13.1 million reflecting increased payroll, service contract and operating contract expense, and depreciation expense partially offset by increased Reimbursable Overhead recoveries due to updated rates.

The 2017 Final Proposed Budget for reimbursable expenditures (and receipts) is \$247.1 million, a decrease of \$4.6 million from the 2016 July Financial Plan of \$251.7 million. Primarily responsible for this decrease were revised timing and rescheduling for the current and new Turnouts Mainline High-Speed projects, the C-30 Track program, Bronx Stations-Capacity Improvement projects and the 3rd Rail Component Replacement project. Offsetting these were the impacts from the accelerated Signals Replacement: Greenwich to South Norwalk project and increased costs for Positive Train Control. Accelerated workflows for Waterbury Branch Cab Signals project as well as the impact of new 5-year Capital Program initiatives such as Right-of-Way Fencing, Replace Timbers

Undergrade Bridges, West of Hudson Track Improvements, Rock Slope Remediation, and staff training for capital work in Connecticut also mitigated any plan to plan decreases.

2018-2020 PROJECTIONS

The 2018-2020 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 2018-2020 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, and the assumptions guiding ridership and headcount, are discussed in the sections that follow.

MTA Metro-North Railroad
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		Forecast	Budget			
Operating Revenue						
Farebox Revenue	\$677.556	\$687.186	\$711.938	\$722.634	\$728.817	\$735.328
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	62.351	63.475	68.250	68.698	68.775	68.881
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	\$739.907	\$750.661	\$780.188	\$791.332	\$797.591	\$804.209
Operating Expenses						
Labor:						
Payroll	\$476.267	\$484.593	\$496.063	\$517.617	\$532.560	\$542.653
Overtime	87.835	93.870	97.352	98.921	100.899	102.915
Health and Welfare	90.319	104.403	107.144	112.279	118.340	117.410
OPEB Current Payment	27.212	30.500	31.200	32.000	33.000	34.000
Pensions	89.218	94.070	98.766	100.929	102.178	103.785
Other Fringe Benefits	120.591	116.116	118.526	122.785	125.958	128.119
Reimbursable Overhead	(51.755)	(45.071)	(59.303)	(60.706)	(61.787)	(62.654)
Total Labor	\$839.686	\$878.480	\$889.748	\$923.825	\$951.148	\$966.227
Non-Labor:						
Electric Power	\$77.787	\$64.402	\$79.512	\$82.122	\$83.668	\$90.475
Fuel	17.870	14.906	17.156	17.954	19.355	20.594
Insurance	18.383	18.998	20.661	22.338	24.316	26.446
Claims	5.347	3.472	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	98.808	116.274	124.953	124.934	127.077	130.815
Professional Service Contracts	30.983	37.313	43.554	44.904	41.712	42.130
Materials & Supplies	82.179	83.580	94.845	101.284	99.576	98.883
Other Business Expenses	24.372	13.874	16.737	8.046	18.550	19.861
Total Non-Labor	\$355.729	\$352.818	\$398.418	\$402.581	\$415.253	\$430.205
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.	\$1,195.415	\$1,231.299	\$1,288.166	\$1,326.407	\$1,366.401	\$1,396.432
Depreciation	\$231.218	\$231.305	\$240.693	\$240.693	\$240.693	\$240.693
OPEB Obligation	55.554	68.316	68.316	68.316	68.316	68.316
GASB 68 Pension Adjustment	(26.016)	(21.688)	(2.500)	(1.100)	(7.300)	(13.800)
Environmental Remediation	4.424	3.708	4.000	4.000	4.000	4.000
Total Expenses	\$1,460.595	\$1,512.939	\$1,598.675	\$1,638.316	\$1,672.110	\$1,695.641
Net Surplus/(Deficit)	(\$720.689)	(\$762.279)	(\$818.486)	(\$846.983)	(\$874.519)	(\$891.432)
Cash Conversion Adjustments:						
Depreciation	\$231.218	\$231.305	\$240.693	\$240.693	\$240.693	\$240.693
Operating/Capital	(26.458)	(41.583)	(61.019)	(42.274)	(14.346)	(12.927)
Other Cash Adjustments	(64.311)	29.491	73.368	64.006	69.147	31.389
Total Cash Conversion Adjustments	\$140.450	\$219.213	\$253.042	\$262.425	\$295.494	\$259.155
Net Cash Surplus/(Deficit)	(\$580.239)	(\$543.066)	(\$565.444)	(\$584.559)	(\$579.025)	(\$632.278)

MTA Metro-North Railroad
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE	2016		2017				
	2015	November	Final Proposed				
	Actual	Forecast	Budget	2018	2019	2020	
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	117.808	102.250	139.727	156.817	152.841	145.271	
MNR - CDOT	58.821	87.028	93.643	88.048	55.325	66.673	
MNR - Other	20.699	25.327	13.744	9.458	10.554	11.595	
Capital and Other Reimbursements	197.328	214.605	247.115	254.322	218.720	223.539	
Total Revenue	\$197.328	\$214.605	\$247.115	\$254.322	\$218.720	\$223.539	
Expenses							
Labor:							
Payroll	\$50.183	\$42.414	\$52.323	\$56.095	\$55.591	\$57.263	
Overtime	19.226	24.608	25.587	26.186	26.152	27.171	
Health and Welfare	16.515	14.657	17.593	18.691	18.519	19.087	
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	
Pensions	9.979	9.750	11.645	12.340	12.262	12.662	
Other Fringe Benefits	12.270	11.253	13.277	14.079	13.961	14.404	
Reimbursable Overhead	51.529	43.012	57.339	58.654	60.030	61.407	
Total Labor	\$159.702	\$145.695	\$177.764	\$186.045	\$186.514	\$191.994	
Non-Labor:							
Electric Power	\$0.630	\$0.059	\$0.000	\$0.000	\$0.000	\$0.000	
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	
Insurance	4.338	4.206	4.241	4.822	4.907	5.137	
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	12.557	22.335	16.769	23.547	7.340	4.457	
Professional Service Contracts	6.952	12.204	19.041	16.220	0.729	0.748	
Materials & Supplies	12.680	26.645	29.055	23.506	19.042	21.008	
Other Business Expenses	0.468	3.462	0.246	0.183	0.188	0.195	
Total Non-Labor	\$37.626	\$68.910	\$69.351	\$68.277	\$32.206	\$31.545	
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	\$197.328	\$214.605	\$247.115	\$254.322	\$218.720	\$223.539	
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 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE	2016		2017			
	2015	November	Final Proposed			
	Actual	Forecast	Budget	2018	2019	2020
Revenue						
Farebox Revenue	\$677.556	\$687.186	\$711.938	\$722.634	\$728.817	\$735.328
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	62.351	63.475	68.250	68.698	68.775	68.881
MNR - MTA	117.808	102.250	139.727	156.817	152.841	145.271
MNR - CDOT	58.821	87.028	93.643	88.048	55.325	66.673
MNR - Other	20.699	25.327	13.744	9.458	10.554	11.595
Capital and Other Reimbursements	197.328	214.605	247.115	254.322	218.720	223.539
Total Revenue	\$937.235	\$965.265	\$1,027.303	\$1,045.655	\$1,016.311	\$1,027.748
Expenses						
Labor:						
Payroll	\$526.450	\$527.006	\$548.386	\$573.712	\$588.151	\$599.917
Overtime	107.061	118.478	122.939	125.107	127.051	130.085
Health and Welfare	106.834	119.059	124.737	130.971	136.859	136.497
OPEB Current Payment	27.212	30.500	31.200	32.000	33.000	34.000
Pensions	99.197	103.821	110.411	113.268	114.440	116.447
Other Fringe Benefits	132.861	127.369	131.803	136.864	139.919	142.523
Reimbursable Overhead	(0.226)	(2.059)	(1.964)	(2.052)	(1.757)	(1.247)
Total Labor	\$999.388	\$1,024.175	\$1,067.512	\$1,109.870	\$1,137.662	\$1,158.222
Non-Labor:						
Electric Power	\$78.417	\$64.460	\$79.512	\$82.122	\$83.668	\$90.475
Fuel	17.870	14.906	17.156	17.954	19.355	20.594
Insurance	22.721	23.204	24.902	27.160	29.223	31.583
Claims	5.347	3.472	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	111.365	138.609	141.722	148.481	134.417	135.272
Professional Service Contracts	37.935	49.516	62.595	61.124	42.440	42.878
Materials & Supplies	94.859	110.225	123.899	124.790	118.618	119.891
Other Business Expenses	24.840	17.336	16.983	8.229	18.738	20.056
Total Non-Labor	\$393.354	\$421.728	\$467.768	\$470.859	\$447.459	\$461.749
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.	\$1,392.742	\$1,445.903	\$1,535.280	\$1,580.729	\$1,585.122	\$1,619.971
Depreciation	\$231.218	\$231.305	\$240.693	\$240.693	\$240.693	\$240.693
OPEB Obligation	55.554	68.316	68.316	68.316	68.316	68.316
GASB 68 Pension Adjustment	(26.016)	(21.688)	(2.500)	(1.100)	(7.300)	(13.800)
Environmental Remediation	4.424	3.708	4.000	4.000	4.000	4.000
Total Expenses	\$1,657.922	\$1,727.544	\$1,845.789	\$1,892.638	\$1,890.831	\$1,919.180
Net Surplus/(Deficit)	(\$720.688)	(\$762.279)	(\$818.486)	(\$846.983)	(\$874.519)	(\$891.432)
Cash Conversion Adjustments:						
Depreciation	\$231.218	\$231.305	\$240.693	\$240.693	\$240.693	\$240.693
Operating/Capital	(26.458)	(41.583)	(61.019)	(42.274)	(14.346)	(12.927)
Other Cash Adjustments	(64.311)	29.491	73.368	64.006	69.147	31.389
Total Cash Conversion Adjustments	\$140.450	\$219.213	\$253.042	\$262.425	\$295.494	\$259.155
Net Cash Surplus/(Deficit)	(\$580.239)	(\$543.066)	(\$565.444)	(\$584.559)	(\$579.025)	(\$632.278)

**MTA Metro-North Railroad
November Financial Plan 2017-2020
Cash Receipts & Expenditures
(\$ in millions)**

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$682.626	\$691.067	\$715.817	\$726.397	\$732.509	\$738.927
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	88.897	111.944	115.856	86.746	89.299	85.157
MNR - MTA	90.696	105.021	136.514	151.337	160.057	143.469
MNR - CDOT	67.154	87.028	93.643	88.048	55.325	66.673
MNR - Other	18.761	25.327	13.744	9.458	10.554	11.595
Capital and Other Reimbursements	176.611	217.376	243.901	248.843	225.936	221.737
Total Receipts	\$948.134	\$1,020.387	\$1,075.575	\$1,061.986	\$1,047.744	\$1,045.820
Expenditures						
Labor:						
Payroll	\$594.416	\$529.256	\$551.247	\$574.284	\$590.188	\$610.247
Overtime	123.414	119.010	123.336	124.829	126.742	132.350
Health and Welfare	113.233	122.915	128.576	134.936	140.880	140.454
OPEB Current Payment	27.521	30.500	31.200	32.000	33.000	34.000
Pensions	74.771	104.316	110.803	113.684	114.806	116.730
Other Fringe Benefits	135.027	127.939	132.575	137.014	137.938	145.555
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(0.000)	0.026	(0.000)	0.000	0.000	0.000
Total Labor	\$1,068.382	\$1,033.962	\$1,077.737	\$1,116.746	\$1,143.555	\$1,179.335
Non-Labor:						
Electric Power	\$82.276	\$64.460	\$79.512	\$82.122	\$83.668	\$90.475
Fuel	17.930	14.467	16.709	17.697	19.093	20.327
Insurance	24.684	23.484	24.968	27.272	29.252	31.645
Claims	14.943	44.425	21.328	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	118.425	165.488	175.377	162.850	146.763	147.689
Professional Service Contracts	43.055	54.922	70.477	64.205	43.657	43.780
Materials & Supplies	112.724	112.022	126.844	134.481	106.400	111.253
Other Business Expenses	45.954	50.224	48.067	40.025	53.235	52.447
Total Non-Labor	\$459.991	\$529.491	\$563.282	\$529.799	\$483.214	\$498.762
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	\$1,528.373	\$1,563.453	\$1,641.019	\$1,646.545	\$1,626.769	\$1,678.097
Net Cash Surplus/(Deficit)	(\$580.239)	(\$543.065)	(\$565.444)	(\$584.559)	(\$579.025)	(\$632.278)
Subsidies						
MTA	\$450.775	\$422.675	\$456.831	\$463.684	\$454.251	\$499.486
CDOT	128.962	120.390	108.613	120.875	124.774	132.792
Total Subsidies	\$579.737	\$543.065	\$565.444	\$584.559	\$579.025	\$632.278

MTA Metro-North Railroad
November Financial Plan 2017-2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$5.070	\$3.882	\$3.879	\$3.764	\$3.693	\$3.598
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	26.546	48.469	47.606	18.048	20.524	16.276
MNR - MTA	(27.112)	2.772	(3.214)	(5.480)	7.216	(1.802)
MNR - CDOT	8.333	0.000	0.000	0.000	0.000	0.000
MNR - Other	(1.938)	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(20.717)	2.772	(3.214)	(5.480)	7.216	(1.802)
Total Receipts	\$10.899	\$55.122	\$48.272	\$16.331	\$31.433	\$18.072
Expenditures						
Labor:						
Payroll	(\$67.966)	(\$2.250)	(\$2.861)	(\$0.572)	(\$2.037)	(\$10.330)
Overtime	(16.353)	(0.532)	(0.397)	0.278	0.308	(2.265)
Health and Welfare	(6.399)	(3.855)	(3.840)	(3.965)	(4.021)	(3.958)
OPEB Current Payment	(0.309)	0.000	0.000	0.000	0.000	0.000
Pensions	24.426	(0.495)	(0.392)	(0.415)	(0.366)	(0.283)
Other Fringe Benefits	(2.166)	(0.570)	(0.773)	(0.150)	1.981	(3.032)
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(0.226)	(2.085)	(1.964)	(2.052)	(1.757)	(1.247)
Total Labor	(\$68.994)	(\$9.787)	(\$10.225)	(\$6.876)	(\$5.892)	(\$21.114)
Non-Labor:						
Electric Power	(\$3.859)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.060)	0.439	0.448	0.257	0.262	0.267
Insurance	(1.963)	(0.280)	(0.066)	(0.112)	(0.029)	(0.061)
Claims	(9.596)	(40.953)	(20.328)	(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	(7.060)	(26.879)	(33.656)	(14.369)	(12.347)	(12.417)
Professional Service Contracts	(5.120)	(5.406)	(7.882)	(3.081)	(1.217)	(0.902)
Materials & Supplies	(17.865)	(1.797)	(2.944)	(9.692)	12.218	8.637
Other Business Expenditures	(21.114)	(32.888)	(31.084)	(31.796)	(34.497)	(32.391)
Total Non-Labor	(\$66.637)	(\$107.763)	(\$95.513)	(\$58.940)	(\$35.755)	(\$37.013)
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.						
	(\$124.732)	(\$62.427)	(\$57.467)	(\$49.484)	(\$10.215)	(\$40.054)
Depreciation Adjustment	\$231.218	\$231.305	\$240.693	\$240.693	\$240.693	\$240.693
OPEB Obligation	55.554	68.316	68.316	68.316	68.316	68.316
GASB 68 Pension Adjustment	(26.016)	(21.688)	(2.500)	(1.100)	(7.300)	(13.800)
Environmental Remediation	4.424	3.708	4.000	4.000	4.000	4.000
Total Cash Conversion Adjustments	\$140.449	\$219.213	\$253.042	\$262.425	\$295.494	\$259.155

MTA METRO-NORTH RAILROAD
2016 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	Total		
	Hours	\$	%
<i>NON-REIMBURSABLE OVERTIME</i>			
<u>Scheduled Service</u>	643,174	\$37.903	40.4%
<u>Unscheduled Service</u>	0	0.000	0.0%
<u>Programmatic/Routine Maintenance</u>	557,528	29.874	31.8%
<u>Unscheduled Maintenance</u>	10,149	0.600	0.6%
<u>Vacancy/Absentee Coverage</u>	316,631	17.810	19.0%
<u>Weather Emergencies</u>	132,494	7.300	7.8%
<u>Safety/Security/Law Enforcement</u>	0	0.000	0.0%
<u>Other</u>	400,324	0.383	0.4%
Subtotal	2,060,300	\$93.870	100.0%
<i>REIMBURSABLE OVERTIME</i>	459,248	\$24.608	
TOTAL OVERTIME	2,519,548	\$118.478	

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Baseline

REVENUE

FAREBOX REVENUE

Non-Reimbursable

- The \$24.8 million increase in 2017 over 2016 reflects the following impacts:
 - In 2017, ridership is higher by 1.6% reflecting modest employment growth.
 - Revenue includes a 6.0% fare increase in the State of Connecticut as of December 1, 2016.
 - New York State fare increases that are projected for 2017 and 2019 are not included in this section, they are captured in Volume 1 of this Plan.
- 2018-2020 revenue of \$722.6 million, \$728.8 million and \$735.3 million, respectively, reflects:
 - A 1.0% fare increase in the State of Connecticut in 2018.
 - Modest employment and economic growth resulting in East of Hudson ridership growth of 1.2% in 2018, 0.9% in 2019 and 1.0% 2020.

Reimbursable

- Not applicable

Cash

- 2017-2020 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

- 2017 increase of \$4.8 million versus 2016 reflects higher net GCT retail revenues.
- 2018-2020 is essentially flat.

Reimbursable

- Not applicable

Cash

- 2017 adjustments primarily reflect a reimbursement from FMTAC for Spuyten Duyvil derailment claims of \$15.5 million.
- 2017-2020 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.
- 2017-2020 accrued Harlem & Hudson line advertising revenues of \$11.8 million in 2017 and 2018, \$12.1 million in 2019 and \$12.3 million in 2020 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.

- 2017 accrued expenditures (and receipts) totaling \$247.1 million reflect a \$32.5 million increase. Higher projected reimbursements are primarily attributable to rescheduled activity for the Signals Replacement: Greenwich to South Norwalk and Positive Train Control projects. Similarly, new project workflows, as a result of the recently approved 5-year Capital Program for GCT Turnouts & Switches, West of Hudson Track Improvements, Right-Of-Way Fencing, Replace Timbers Undergrade Bridges, and Rock Slope Remediation projects in New York further drove a year-over-year increase. Lastly, an increased focus in Connecticut driven by new Power and Transportation Department staff to support capital work plus increased workflows under the C-31 Track program and accelerated activity under the Waterbury Branch Cab Signaling projects were responsible for the year over year increase.
- 2018 accrued expenditures (and receipts) totaling \$254.3 million reflect a \$7.2 million increase largely due to the Communications & Signals Infrastructure Project as well as the implementation of several new 5-year Capital Program initiatives: Cyclical Track, 3rd Rail Component Replacement, and Turnouts Mainline High-Speed projects.
- 2019 accrued expenditures (and receipts) totaling \$218.7 million represents a \$35.6 million decrease largely due to revised Signals Replacement: Greenwich to South Norwalk project timing and the projected completion of the Positive Train Control project.
- 2020 accrued expenditures (and receipts) totaling \$223.5 million represent a \$4.8 million increase largely due to the C-30 and C-31 Track programs and the new Turnouts Mainline High-Speed projects.

Cash

- 2017-2020 includes adjustments for receipt timing differences.

EXPENSES

PAYROLL

Non-Reimbursable

Management Labor

- 2017-2020 Non-Agreement salaries include 2.0% annual Cost of Living Adjustments (COLA) increases effective July 1st of each year.
- 2017-2020 increases of \$11.2 million, \$10.3 million, \$3.6 million and \$2.8 million, respectively, are due to new hires supporting safety and infrastructure initiatives and the impact of actions to address wage compression between management and agreement staff.

Agreement Labor

- Agreement salaries include annual COLA increases of 2.0% in 2017-2020.
- The agreement labor contracts expire between January and June of 2017.

- 2017 increase of \$0.3 million reflects a decrease in allocations to reimbursable capital project work.
- 2018-2020 increases of \$11.2 million, \$11.3 million and \$7.3 million, respectively, include the impact of new staff to support safety and infrastructure initiatives as well as staff growth.

Reimbursable

- 2017 is higher by \$9.9 million due to the training efforts to support capital work in Connecticut, the ramp-up of the new Cyclical Track program, and increased efforts for the Signals Replacement: Greenwich to South Norwalk and Positive Train Control projects.
- 2018 is higher by \$3.8 million due to ongoing work under the new Cyclical Track program and new Turnouts Mainline High-Speed projects, the continuation of training efforts to support capital work in Connecticut, and rescheduled work under the Communications & Signals Infrastructure project.
- 2019 is lower by \$0.5 million largely due to the completion of Positive Train Control partially offset by increases for the new Turnouts Mainline High-Speed, Cyclical Track, 3rd Rail Component replacement, and Harmon to Poughkeepsie Signal System projects.
- 2020 is higher by \$1.7 million due to inflation adjustments to ongoing baseline projects.

Cash

- 2017-2020 cash adjustments include timing differences, an Agreement employee allowance for uniforms, tools and shoes as well as employee contributions to healthcare coverage.

OVERTIME

Non-Reimbursable

- 2017 is higher by \$3.5 million due to the Train & Engine (T&E) Block Training initiative as well as COLA.
- 2018 is higher by \$1.6 million due to the 2.0% COLA increase.
- 2019-2020 expenses are higher by \$2.0 million annually due to COLA increases of 2.0% each year.

Reimbursable

- 2017 is higher by \$1.0 million primarily due to the new Cyclical Track program, Replace Timbers-Undergrade Bridges, and the GCT Turnouts Switch renewal projects as well as increased workflows for the Positive Train Control project.
- 2018 is higher by \$0.6 million due to continued work under the new Cyclical Track program, Turnouts Mainline High-Speed, and Undergrade Bridge Rehabilitation projects as well as the Positive Train Control project.
- 2019 is flat as increased expense for the Signal Replacement Greenwich to South Norwalk projects is offset by the completion of the Positive Train Control project.
- 2020 is higher by \$1.0 million primarily due to work in Connecticut for the Track programs, Walk Bridge, and the S21 Bridge Program.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2017-2020 reflects premium increases of 6.9% in 2017, 2.1% in 2018 and 4.3% in both 2019 and 2020.

Cash

- 2017-2020 cash adjustments include current and former management employee contributions toward health insurance costs.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- 2017–2020 cash contributions have been adjusted to reflect the latest funding assumption criteria for retirees and premiums.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2017-2020 pension costs reflects funding for 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.
- 2017-2020 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 2016-2020 at 7.65% and 13.10%, respectively.
- Maximum earnings level for Tier I is estimated at \$118,500 in 2016, \$123,500 in 2017, \$126,700 in 2018, \$128,900 in 2019 and \$133,400 in 2020.
- Maximum earnings level for Tier II is estimated at \$88,200 in 2016, \$89,800 in 2017, \$91,300 in 2018, \$93,200 in 2019 and \$95,600 in 2020.
- 2016-2020 includes the impact of wage increases and changes in staffing levels.
- 2017-2020 costs include estimates for employee personal injury claims, which are based upon historical levels, of \$10.7 million for each year.

Cash

- 2017-2020 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

- 2017 is higher by \$14.3 million primarily due to the ramp-up of new 5-year Capital Program projects such as the new 2015-2019 Cyclical Track, Replace Timbers-Undergrade Bridges project, Rock Slope Remediation, GCT Turnouts Switch

renewals as well as ongoing capital work to complete the Positive Train Control project. Connecticut initiatives contributing to the increase include Walk Bridge and the Signals Replacement: Greenwich to South Norwalk projects. Also factored into the year-over-year increase is the elimination of the one-time rate adjustment credit in 2016.

- 2018 is higher by \$1.3 million due to continued work under the new Cyclical Track program, the new Turnouts Mainline High-Speed project, and the Undergrade Bridge Rehabilitation project as well as efforts to complete the Positive Train Control project. Additional projects contributing to the increase include the Harlem & Hudson Wayside Communications & Signals project and the Communications & Signals Infrastructure project.
- 2019 is higher by \$1.4 million due to ongoing work under the new Cyclical Track program, GCT Turnouts Switch renewal, and Turnouts Mainline High-Speed projects. Additionally, revised activity at the 3rd Rail component replacement project, the Harmon to Poughkeepsie Signal Systems project, and Walk Bridge project in Connecticut further contribute to the increase.
- 2020 is higher by \$1.4 million due primarily to capital work in Connecticut for the Track programs and the S21 Bridge Program.

ELECTRIC POWER

Traction Power – Revenue

Non-Reimbursable

- 2017-2020 increases of \$13.1 million, \$2.2 million, \$1.3 million, and \$6.0 million, respectively, are due to revised effective rates of 20.8% in 2017, 2.7% 2018, 2.5% in 2019 and 7.8% in 2020.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2017-2020 is adjusted for rates.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2017-2020 is adjusted for rates.

Cash

- 2017-2020 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

- 2017-2020 expenses are adjusted for rates.

INSURANCE

Non-Reimbursable and Reimbursable

- 2017-2020 costs are higher by \$1.7 million, \$2.3 million, \$2.1 million and \$2.4 million, respectively, due to revised insurance premium estimates.

Cash

- 2017-2020 include the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2017-2020 reflects current claims trends for passenger injuries and miscellaneous claims.

Cash

- 2017 includes \$20.2 million of forecasted claims settlements for the Spuyten Duyvil and Bridgeport derailments. FMTAC will reimburse Metro-North \$15.5 million for Spuyten Duyvil claims (which is recognized in the Other Operating Revenue line).
- 2017-2020 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 2017-2020 of 2.62%, 2.34%, 2.49%, and 2.61%, respectively.

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2017 increase of \$8.7 million reflects increased costs for BL-20 locomotive overhaul costs, Infrastructure Improvement Program costs, New Haven Line (NHL) Police Services due to prior year adjustments, Right-of-Way Improvement costs, Rockland County Bus Service Improvements and installation of credit card chip technology on ticket selling machines. These increases are partially offset by completion of the contractual repairs for M-8 equipment damaged in the Bridgeport derailment and a decrease in outside contracted P-32 locomotive overhaul costs.
- 2018 is essentially flat to 2017.
- 2019 increase of \$2.1 million reflects higher BL-20 locomotive overhaul costs and inflation partially offset by ending the use of the temporary Training space.
- 2020 increase of \$3.7 million primarily reflects inflation.

Reimbursable

- 2017 is lower by \$5.6 million primarily due to retimed work under the Signals Replacement: Greenwich to South Norwalk project as well as revised activity under the GCT Leaks Remediation project.
- 2018 is higher by \$6.8 million due to the impact of rescheduled work under the Signals Replacement: Greenwich to South Norwalk project as well as increases for the Install Bridge Timbers project.
- 2019 is lower by \$16.2 million due to accelerated workflows under the Signals Replacement: Greenwich to South Norwalk project as well as rescheduled activity for the Connecticut Cameras installation project for the M-8 fleet.
- 2020 is lower by \$2.9 million due primarily to the 3rd Rail Component Replacement project and the West of Hudson Track Improvements project.

Cash

- 2016-2017 reflects the acceleration into 2016 of M8 camera purchases originally scheduled for 2017.

- 2017-2020 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.
- 2017-2020 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

- 2017 increase of \$6.2 million is primarily due to the ramp up of EAM, increased IT allocated costs, the P-32 locomotive in-house RCM program, the use of Engineering Consultants for the high volume of RCM and BL-20 Locomotive Consulting.
- 2018 increase of \$1.3 million primarily reflects the bi-annual market share study, increased allocated IT costs and EAM consulting expense.
- 2019 is lower by \$3.2 million due to the completion of the On-Call Track Engineering Services program, prior year's bi-annual market share study, and reduced EAM consulting expense.
- 2020 is higher by \$0.4 million primarily due to the bi-annual market share study.

Reimbursable

- 2017 is higher by \$6.8 million primarily due to accelerated work under the Signals Replacement: Greenwich to South Norwalk project in CT and the GCT Public Announcement (PA) Head End & Visual Information System (VIS) project.
- 2018 is lower by \$2.8 million due to the acceleration of work under the Signals Replacement: Greenwich to South Norwalk project as well as revised estimates under the Waterbury Branch Cab Signals project.
- 2019 is lower by \$15.5 million due to accelerated workflows under the Signals Replacement: Greenwich to South Norwalk project.
- 2020 expense of \$0.7 million is flat.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2017 increase of \$11.3 million is due primarily to bringing the current P-32 RCM program in-house, the M-7 Seat Replacement plan, Kit Delivery for the M-7 systems equipment replacement project, the Third Rail Power System Construction Initiative, PTC, the GCT Platform Rehabilitation Project and the New Haven Signal Motor Operated Disconnect (MOD) Change-out.
- 2018 increase of \$6.4 million is due primarily to bringing the current P-32 RCM program in-house, the M-7 Seat Replacement plan, the Harlem & Hudson (H&H) Third Rail Sectionalizing Switch Replacement project, the Park Avenue Tunnel Lighting Replacement project, PTC, and inflationary increases.
- 2019 decrease of \$1.7 million represents completion of the Kit Delivery for the M-7 systems equipment replacement project partially offset by inflationary increases.
- 2020 decrease of \$0.7 million is driven primarily by the completion of the M-7 Seat Replacement plan partially offset by inflationary increases.

Reimbursable

- 2017 is higher by \$2.4 million primarily due to accelerated workflows for the new Network Infrastructure Replacement project, the Waterbury Branch Cab Signals Project and C-31 Track Program as well as the ramp-up of the new Cyclical Track program.
- 2018 is lower by \$5.5 million due to re-timed workflows for the new Network Infrastructure Replacement project, Waterbury Branch Cab Signals Project, and C31 Track Program partially offset by increased expense for the new Turnouts Mainline High-Speed project.
- 2019 is lower by \$4.5 million due to the completion of Positive Train Control and the Power Infrastructure Restoration projects as well as delayed work for the 3rd Rail Component Replacement project.
- 2020 is higher by \$2.0 million largely due to new Turnouts Mainline High-Speed project, the C30 Track program, and the impact of retimed work for the 3rd Rail Component Replacement project from the prior year.

Cash

- Cash adjustments reflect differences between expense accruals and cash requirements.
- 2018 includes increased cash requirements for the increase in M-8 spare parts inventory of \$1.4 million.
- 2017-2020 includes adjustments for obsolete material reserves of \$4.0 million in 2017, \$4.1 million in 2018, \$4.2 million in 2019 and \$4.3 million in 2020.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2017 increase of \$2.9 million reflects inflationary increases for West of Hudson, increased credit card fees and the cyclical purchase of winter weather gear partially offset by higher Amtrak reimbursements related to the Passenger Rail Investment and Improvement Act (PRIIA).
- 2018 decrease of \$8.7 million reflects recoveries for the Park Avenue Viaduct Fire and prior years purchase of winter weather gear partially offset by inflationary increases for West of Hudson and increased credit card fees.
- 2019 is higher by \$10.5 million due to prior years' recoveries for the Park Avenue Viaduct Fire, inflationary increases for West of Hudson and increased credit card fees.
- 2020 is higher by \$1.3 million driven primarily by inflationary increases for West of Hudson, increased credit card fees and the purchase of cyclical winter weather gear.

Reimbursable

- 2017 is lower by \$3.2 million due to a re-class to Materials expense in the new Cyclical Track program.
- 2018-2020 levels of \$0.2 million annually are essentially flat.

Cash

- 2017-2020 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.

- 2017-2020 also includes the reclassification of Amtrak and other railroad reimbursements to the Other Operating Revenue category.

DEPRECIATION

Non-Reimbursable

- 2017-2020 includes provisions for changes in Metro-North's capital assets.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2017-2020 costs reflect the liability for Post-Retirement Benefits (healthcare costs) for future retirees based on the current actuarial estimate.

ENVIRONMENTAL REMEDIATION (GASB 49)

Non-Reimbursable

- 2017-2020 costs reflect the estimated liability for environmental remediation costs associated with capital projects.

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Farebox Revenue	\$687.186	\$711.938	\$24.752	\$722.634	\$10.696	\$728.817	\$6.183	\$735.328	\$6.512
Other Operating Revenue	63.475	68.250	4.775	68.698	0.448	68.775	0.076	68.881	0.106
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$750.661	\$780.188	\$29.528	\$791.332	\$11.144	\$797.591	\$6.259	\$804.209	\$6.618
Expenses									
Labor:									
Payroll	\$484.593	\$496.063	(\$11.471)	\$517.617	(\$21.554)	\$532.560	(\$14.943)	\$542.653	(\$10.093)
Overtime	93.870	97.352	(3.482)	98.921	(1.570)	100.899	(1.978)	102.915	(2.016)
Health and Welfare	104.403	107.144	(2.741)	112.279	(5.136)	118.340	(6.061)	117.410	0.931
OPEB Current Payment	30.500	31.200	(0.700)	32.000	(0.800)	33.000	(1.000)	34.000	(1.000)
Pensions	94.070	98.766	(4.695)	100.929	(2.163)	102.178	(1.250)	103.785	(1.606)
Other Fringe Benefits	116.116	118.526	(2.410)	122.785	(4.259)	125.958	(3.173)	128.119	(2.161)
Reimbursable Overhead	(45.071)	(59.303)	14.231	(60.706)	1.403	(61.787)	1.082	(62.654)	0.867
Total Labor Expenses	\$878.480	\$889.748	(\$11.267)	\$923.825	(\$34.077)	\$951.148	(\$27.323)	\$966.227	(\$15.079)
Non-Labor:									
Electric Power	\$64.402	\$79.512	(\$15.110)	\$82.122	(\$2.610)	\$83.668	(\$1.547)	\$90.475	(\$6.807)
Fuel	14.906	17.156	(2.251)	17.954	(0.798)	19.355	(1.401)	20.594	(1.239)
Insurance	18.998	20.661	(1.663)	22.338	(1.678)	24.316	(1.977)	26.446	(2.130)
Claims	3.472	1.000	2.472	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	116.274	124.953	(8.679)	124.934	0.019	127.077	(2.143)	130.815	(3.738)
Professional Service Contracts	37.313	43.554	(6.242)	44.904	(1.349)	41.712	3.192	42.130	(0.419)
Materials & Supplies	83.580	94.845	(11.265)	101.284	(6.439)	99.576	1.708	98.883	0.693
Other Business Expenses	13.874	16.737	(2.863)	8.046	8.691	18.550	(10.503)	19.861	(\$1.312)
Total Non-Labor Expenses	\$352.818	\$398.418	(\$45.600)	\$402.581	(\$4.164)	\$415.253	(\$12.671)	\$430.205	(\$14.952)
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.	\$1,231.299	\$1,288.166	(\$56.867)	\$1,326.407	(\$38.241)	\$1,366.401	(\$39.995)	\$1,396.432	(\$30.031)
Depreciation	\$231.305	\$240.693	(\$9.388)	\$240.693	\$0.000	\$240.693	\$0.000	\$240.693	\$0.000
OPEB Obligation	68.316	68.316	0.000	68.316	0.000	68.316	0.000	68.316	0.000
GASB 68 Pension Adjustment	(21.688)	(2.500)	(19.188)	(1.100)	(1.400)	(7.300)	6.200	(13.800)	6.500
Environmental Remediation	3.708	4.000	(0.292)	4.000	0.000	4.000	0.000	4.000	0.000
Total Expenses	\$1,512.939	\$1,598.675	(\$85.736)	\$1,638.316	(\$39.641)	\$1,672.110	(\$33.795)	\$1,695.641	(\$23.531)
Net Surplus/(Deficit)	(\$762.279)	(\$818.486)	(\$56.208)	(\$846.983)	(\$28.497)	(\$874.519)	(\$27.536)	(\$891.432)	(\$16.913)

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
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	214.605	247.115	32.510	254.322	7.208	218.720	(35.602)	223.539	4.819
Total Revenue	\$214.605	\$247.115	\$32.510	\$254.322	\$7.208	\$218.720	(\$35.602)	\$223.539	\$4.819
Expenses									
Labor:									
Payroll	\$42.414	\$52.323	(\$9.909)	\$56.095	(\$3.773)	\$55.591	\$0.504	\$57.263	(\$1.672)
Overtime	24.608	25.587	(0.979)	26.186	(0.598)	26.152	0.034	27.171	(1.019)
Health and Welfare	14.657	17.593	(2.937)	18.691	(1.098)	18.519	0.172	19.087	(0.568)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	9.750	11.645	(1.895)	12.340	(0.695)	12.262	0.078	12.662	(0.400)
Other Fringe Benefits	11.253	13.277	(2.023)	14.079	(0.802)	13.961	0.118	14.404	(0.443)
Reimbursable Overhead	43.012	57.339	(14.327)	58.654	(1.315)	60.030	(1.376)	61.407	(1.377)
Total Labor Expenses	\$145.695	\$177.764	(\$32.069)	\$186.045	(\$8.281)	\$186.514	(\$0.469)	\$191.994	(\$5.480)
Non-Labor:									
Electric Power	\$0.059	\$0.000	\$0.059	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	4.206	4.241	(0.035)	4.822	(0.581)	4.907	(0.086)	5.137	(0.230)
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	22.335	16.769	5.566	23.547	(6.778)	7.340	16.207	4.457	2.882
Professional Service Contracts	12.204	19.041	(6.837)	16.220	2.820	0.729	15.492	0.748	(0.019)
Materials & Supplies	26.645	29.055	(2.410)	23.506	5.549	19.042	4.464	21.008	(1.965)
Other Business Expenses	3.462	0.246	3.216	0.183	0.063	0.188	(0.006)	0.195	(0.006)
Total Non-Labor Expenses	\$68.910	\$69.351	(\$0.441)	\$68.277	\$1.073	\$32.206	\$36.071	\$31.545	\$0.662
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	\$214.605	\$247.115	(\$32.510)	\$254.322	(\$7.208)	\$218.720	\$35.602	\$223.539	(\$4.819)
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 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Farebox Revenue	\$687.19	\$711.94	\$24.75	\$722.63	\$10.70	\$728.82	\$6.18	\$735.33	\$6.51
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	63.475	68.250	4.775	68.698	0.448	68.775	0.076	68.881	0.106
Capital and Other Reimbursements	214.605	247.115	32.510	254.322	7.208	218.720	(35.602)	223.539	4.819
Total Revenue	\$965.265	\$1,027.303	\$62.038	\$1,045.655	\$18.352	\$1,016.311	(\$29.343)	\$1,027.748	\$11.436
Expenses									
Labor:									
Payroll	\$527.01	\$548.39	(\$21.38)	\$573.71	(\$25.33)	\$588.15	(\$14.44)	\$599.92	(\$11.77)
Overtime	118.478	122.939	(4.461)	125.107	(2.168)	127.051	(1.943)	130.085	(3.035)
Health and Welfare	119.059	124.737	(5.678)	130.971	(6.234)	136.859	(5.889)	136.497	0.363
OPEB Current Payment	30.500	31.200	(0.700)	32.000	(0.800)	33.000	(1.000)	34.000	(1.000)
Pensions	103.821	110.411	(6.590)	113.268	(2.857)	114.440	(1.172)	116.447	(2.007)
Other Fringe Benefits	127.369	131.803	(4.433)	136.864	(5.061)	139.919	(3.055)	142.523	(2.604)
Reimbursable Overhead	(2.059)	(1.964)	(0.095)	(2.052)	0.088	(1.757)	(0.294)	(1.247)	(0.511)
Total Labor Expenses	\$1,024.175	\$1,067.512	(\$43.337)	\$1,109.870	(\$42.358)	\$1,137.662	(\$27.792)	\$1,158.222	(\$20.559)
Non-Labor:									
Electric Power	\$64.460	\$79.512	(\$15.052)	\$82.122	(\$2.610)	\$83.668	(\$1.547)	\$90.475	(\$6.807)
Fuel	14.906	17.156	(2.251)	17.954	(0.798)	19.355	(1.401)	20.594	(1.239)
Insurance	23.204	24.902	(1.698)	27.160	(2.258)	29.223	(2.063)	31.583	(2.360)
Claims	3.472	1.000	2.472	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	138.609	141.722	(3.113)	148.481	(6.759)	134.417	14.064	135.272	(0.855)
Professional Service Contracts	49.516	62.595	(13.079)	61.124	1.471	42.440	18.683	42.878	(0.438)
Materials & Supplies	110.225	123.899	(13.675)	124.790	(0.890)	118.618	6.172	119.891	(1.273)
Other Business Expenses	17.336	16.983	0.353	8.229	8.754	18.738	(10.509)	20.056	(1.318)
Total Non-Labor Expenses	\$421.728	\$467.768	(\$46.040)	\$470.859	(\$3.090)	\$447.459	\$23.400	\$461.749	(\$14.290)
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	\$1,445.903	\$1,535.280	(\$89.377)	\$1,580.729	(\$45.449)	\$1,585.122	(\$4.393)	\$1,619.971	(\$34.849)
Depreciation	\$231.305	\$240.693	(\$9.388)	\$240.693	\$0.000	\$240.693	\$0.000	\$240.693	\$0.000
OPEB Obligation	68.316	68.316	0.000	68.316	0.000	68.316	0.000	68.316	0.000
GASB 68 Pension Adjustment	(21.688)	(2.500)	(19.188)	(1.100)	(1.400)	(7.300)	6.200	(13.800)	6.500
Environmental Remediation	3.708	4.000	(0.292)	4.000	0.000	4.000	0.000	4.000	0.000
Total Expenses	\$1,727.544	\$1,845.789	(\$118.246)	\$1,892.638	(\$46.849)	\$1,890.831	\$1.807	\$1,919.180	(\$28.349)
Net Surplus/(Deficit)	(\$762.279)	(\$818.486)	(\$56.208)	(\$846.983)	(\$28.497)	(\$874.519)	(\$27.536)	(\$891.432)	(\$16.913)

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

Cash Receipts & Expenditures

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Receipts									
Farebox Revenue	\$691.067	\$715.817	\$24.750	\$726.397	\$10.580	\$732.509	\$6.112	\$738.927	\$6.417
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	111.944	115.856	3.913	86.746	(29.110)	89.299	2.552	85.157	(4.142)
Capital and Other Reimbursements	217.376	243.901	26.525	248.843	4.941	225.936	(22.907)	221.737	(4.199)
Total Receipts	\$1,020.387	\$1,075.575	\$55.187	\$1,061.986	(\$13.589)	\$1,047.744	(\$14.242)	\$1,045.820	(\$1.924)
Expenditures									
Labor:									
Payroll	\$529.256	\$551.247	(\$21.991)	\$574.284	(\$23.037)	\$590.188	(\$15.904)	\$610.247	(\$20.058)
Overtime	119.010	123.336	(4.326)	124.829	(1.493)	126.742	(1.913)	132.350	(5.608)
Health and Welfare	122.915	128.576	(5.662)	134.936	(6.359)	140.880	(5.944)	140.454	0.426
OPEB Current Payment	30.500	31.200	(0.700)	32.000	(0.800)	33.000	(1.000)	34.000	(1.000)
Pensions	104.316	110.803	(6.486)	113.684	(2.881)	114.806	(1.123)	116.730	(1.924)
Other Fringe Benefits	127.939	132.575	(4.636)	137.014	(4.439)	137.938	(0.924)	145.555	(7.617)
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.026	(0.000)	0.026	0.000	(0.000)	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,033.962	\$1,077.737	(\$43.775)	\$1,116.746	(\$39.009)	\$1,143.555	(\$26.809)	\$1,179.335	(\$35.780)
Non-Labor:									
Electric Power	\$64.460	\$79.512	(\$15.052)	\$82.122	(\$2.610)	\$83.668	(\$1.547)	\$90.475	(\$6.807)
Fuel	14.467	16.709	(2.242)	17.697	(0.988)	19.093	(1.396)	20.327	(1.234)
Insurance	23.484	24.968	(1.484)	27.272	(2.304)	29.252	(1.979)	31.645	(2.393)
Claims	44.425	21.328	23.096	1.146	20.182	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	165.488	175.377	(9.890)	162.850	12.527	146.763	16.087	147.689	(0.926)
Professional Service Contracts	54.922	70.477	(15.555)	64.205	6.272	43.657	20.548	43.780	(0.123)
Materials & Supplies	112.022	126.844	(14.822)	134.481	(7.638)	106.400	28.081	111.253	(4.853)
Other Business Expenses	50.224	48.067	2.157	40.025	8.042	53.235	(13.210)	52.447	0.788
Total Non-Labor Expenditures	\$529.491	\$563.282	(\$33.791)	\$529.799	\$33.483	\$483.214	\$46.584	\$498.762	(\$15.548)
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	\$1,563.453	\$1,641.019	(\$77.566)	\$1,646.545	(\$5.526)	\$1,626.769	\$19.776	\$1,678.097	(\$51.328)
Net Cash Deficit	(\$543.065)	(\$565.444)	\$132.754	(\$584.559)	(\$8.063)	(\$579.025)	(\$34.018)	(\$632.278)	\$49.404
Subsidies									
MTA	\$422.675	\$456.831	\$34.156	\$463.684	\$6.853	\$454.251	(\$9.433)	\$499.486	\$45.235
CDOT	120.390	108.613	(11.777)	120.875	12.262	124.774	3.899	132.792	8.018
Total Subsidies	\$543.065	\$565.444	\$22.379	\$584.559	\$19.115	\$579.025	(\$5.534)	\$632.278	\$53.253

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017-2020
Summary of Plan-to-Plan Changes by Generic Category

November Financial Plan vs. July Financial Plan

REVENUE

FAREBOX REVENUE

Non-Reimbursable

- 2016 reflects adjustments in ridership growth including the effect of the Park Avenue Viaduct Fire resulting in lower revenue of \$12.5 million.
- 2017-2020 reflects trend based adjustments in ridership growth as well as State of Connecticut fare increases of 6.0% effective December 1, 2016 and 1.0% in January of 2018. These factors result in lower revenue of \$4.2 million in 2017, \$1.9 million in 2018, \$0.9 million in 2019 and flat in 2020.
- New York State fare increases that are projected for 2017 and 2019 are not included in this section, they are captured in Volume 1 of this Plan.

Reimbursable

- Not applicable

Cash

- 2017–2020 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

- 2016-2020 decreases of approximately \$1.0 million from the Mid-Year Forecast reflect lower advertising revenues.

Reimbursable

- Not applicable

Cash

- 2017 adjustments reflect the timing change from 2016 to 2017 for a reimbursement from FMTAC for the Spuyten Duyvil derailment claims of \$15.5 million (offsetting expenditures recorded in the Claims category).

CAPITAL AND OTHER REIMBURSEMENTS

Reimbursable

- Lower overall reimbursements in 2016 of \$3.1 million are largely attributable to decreases in payroll expense for the Positive Train Control project as Force Account work was pushed into 2017 as well as revised estimates for the current Turnouts Mainline High-Speed and current GCT Turnout Switch renewal projects. Also included in 2016 is a one-time adjustment to reflect decreased Reimbursable Overhead rates. Overall, these reductions were partially offset by increases in non-labor expense primarily in Maintenance and Other Operating Contracts for the

Signal Replacement: Greenwich to South Norwalk project, C-30 Track program, the Connecticut Cameras in M-8 Fleet Project, and Positive Train Control.

- 2017–2020 reimbursable project costs (and receipts) of \$247.1 million, \$254.3 million, \$218.7 million, and \$223.5 million, respectively, reflect scheduling changes for the current Turnouts Mainline High-Speed and current GCT Turnout Switch renewal projects, new estimates for the Network Infrastructure Replacement project, accelerated workflows for the Waterbury Branch Signal and Signal Replacement: Greenwich to South Norwalk projects, and the increased emphasis and projected completion of Positive Train Control in 2018. Also included are the labor impacts of staff training for capital work in Connecticut.

Cash

- 2017-2020 includes changes in the timing of capital project payments in accordance with billing and payment processing lags.

EXPENSES

PAYROLL

Management Labor

- 2016-2020 reflect decreases of \$2.7 million, \$1.8 million, \$3.1 million, \$6.4 million and \$6.6 million, respectively, due to an increase in reimbursable allocations to capital projects.

Agreement Labor

- 2016-2020 expenses are higher by \$7.0 million, \$7.8 million, \$10.5 million, \$15.8 million and \$17.7 million due to the re-timing of reimbursable allocations to capital projects.

Reimbursable

- 2016 is lower by \$7.0 million due to re-timing of the 5-year Capital Program force account work and revised estimates for the current Turnouts Mainline High-Speed and the C-30 track program in Connecticut.
- 2017 is lower by \$4.4 million driven largely by the Turnouts Mainline High-Speed projects and re-timed workflows for the new Cyclical Track program. These reductions were partially offset by increased payroll costs for training staff in Connecticut specifically for capital work in the Transportation and Maintenance of Way Power Departments.
- 2018-2020 payroll expense of \$56.1 million, \$55.6 million, and \$57.3 million, respectively, reflects the impact of the new 5-year Capital Program projects plus ongoing expense associated with the training of staff in Transportation and the Maintenance of Way Power Department for Connecticut capital work.

OVERTIME

Non-Reimbursable

- 2016 expenses are flat to the prior plan.
- 2017-2020 expenses are lower by \$1.1 million, \$1.6 million, \$1.9 million, and \$2.2 million, respectively, due to lower weather related expenses.

Reimbursable

- 2016 is higher by \$7.9 million due primarily to the startup of the new Turnouts Mainline High-Speed and GCT Turnouts Switch renewal projects.
- 2017 is higher by \$8.0 million due to several new 5-year Capital Program initiatives including the New GCT Turnouts Switch Renewal, Replace Timbers Undergrade Bridge, the Power Infrastructure Restoration project, and the Track programs in Connecticut.
- 2018–2020 levels of \$26.2 million, \$26.2 million, and \$27.2 million, respectively, reflect on-going project activity levels adjusted for the impact of inflation.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2016 reflects fewer paid positions compared to the July Financial Plan.
- 2017–2020 reflects an increased number of paid positions.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- 2016–2020 cash contributions have been adjusted to reflect the latest funding assumption criteria for retirees and premiums.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2016–2020 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

- 2016–2020 reflect changes in Railroad Retirement taxes, adjustments to employee claims and projected wage increases.

REIMBURSABLE OVERHEAD

Non-Reimbursable

- Changes in overhead cost recoveries reflect revisions in capital project cost estimates.

Reimbursable

- 2016 is lower by \$4.1 million due primarily to a one-time credit adjustment for revised Overhead rates.
- 2017 is higher by \$6.2 million due to several new 5-year Capital Program initiatives including the New GCT Turnouts Switch Renewal, Replace Timbers Undergrade Bridge, Rock Slope remediation, Program Scope Development, and increased efforts to complete the Positive Train Control project.
- 2018–2020 levels of \$58.7 million, \$60.0 million, and \$61.4 million, respectively, reflect on-going project activity levels adjusted for the impact of inflation.

ELECTRIC POWER

Traction Power - Revenue

Non-Reimbursable

- 2016-2020 decreases of \$1.6 in 2016, \$0.7 million in 2017, \$2.6 million in 2018, \$5.6 million in 2019 and \$4.3 million in 2020 are due to lower rates.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2016-2020 decreases of \$1.2 in 2016, \$0.2 million in 2017, \$0.5 million in 2018, \$1.0 million in 2019 and \$1.1 million in 2020 are due to lower rates.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2016-2020 is essentially flat to the July Plan.

Cash

- 2016-2020 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

- 2016-2020 is essentially flat to the July Plan.

INSURANCE

Non-Reimbursable and Reimbursable

- 2016-2020 incorporates the impact of revised premiums.

Cash

- 2016-2020 includes an adjustment for the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2016-2020 reflects current passenger claim trends.

Cash

- 2017 adjustments reflect the timing change from 2016 to 2017 for the settlement of derailment claims totaling \$20.2 million, \$15.5 million of which will be reimbursed by FMTAC for Spuyten Duyvil settlements (reimbursement included in Other Operating revenue category).

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2016 increase of \$1.5 million reflects higher contracted repairs for M-8 equipment damaged in the Bridgeport derailment and the installation of credit card chip technology on ticket selling machines.
- 2017 increase of \$4.2 million reflects a re-estimate for NHL Police services and an increase for the installation of credit card chip technology.

- 2018-2020 increases of \$3.7 million, \$6.0 million, and \$7.0 million, respectively, reflects re-estimates for NHL Police services as well as increases for BL-20 Overhaul costs and the Right-of-Way cleanup program.

Reimbursable

- 2016 is higher by \$9.3 million due primarily to the Signal Replacement: Greenwich to South Norwalk project, enhanced workflows for the Positive Train Control project, and revised efforts for the Installation of Camera Projects in Connecticut.
- The 2017 increase of \$5.0 million is due primarily to the commencement of the new Transformer Rehabilitation project as well as the Hot Bearing & Wheel Impact Detector project.
- 2018 is higher by \$11.5 million due to the Signal Replacement: Greenwich to South Norwalk project.
- 2019-2020 reflects decreases of \$5.0 million and \$8.2 million, respectively, due to GCT Leaks remediation, Rail Vacuum Mitigation, and the Design of Railway Communications & Signals (C&S) Systems in Connecticut.

Cash

- 2016-2020 cash adjustments include timing differences and reallocations to accrued expenses as well as the acceleration into 2016 of M-8 camera purchases originally scheduled for 2017.

PROFESSIONAL SERVICES CONTRACTS

Non-Reimbursable

- 2016 November Forecast is lower by \$1.3 million vs. the 2016 Mid-Year Forecast due primarily to the Rail Network Simulation project moving to Operating Capital expense and lower allocated IT costs.
- 2017-2018 plan-to-plan costs increase by \$4.0 million and \$3.7 million, respectively, due primarily to the continuation of the On-Call Track Engineering Program, the P-32 In-house RCM program, increased EAM consulting expense, increased IT costs and expense increases for the annual Passenger Count Study.
- 2019-2020 expenses are higher by \$0.5 million and \$0.6 million, respectively, due to the P-32 In-house RCM program partially offset lower EAM consulting expense.

Reimbursable

- 2016 is lower by \$7.6 million due primarily to revised workflows for Signal Replacement: Greenwich to South Norwalk project was partially offset by increased activity for the Positive Train Control project.
- 2017 is lower by \$0.6 million due primarily to the completion of the Component Change Out (CCO) Shop Furniture Acquisition and the New Haven Yard Component Change Out. These decreases were partially offset by increased expense due to the start of the GCT PA Head End & VIS Systems project.
- 2018 is lower by \$3.9 million due to completion of the CCO Shop Furniture Acquisition, Installation of Cameras on rolling stock in Connecticut, and the New Haven Yard Component Change Out projects offset by the new 5-year Capital Program 3rd Rail Component Replacement project.
- 2019-2020 forecast levels of \$0.7 million annually reflect a decrease of \$19.9 million and \$20.4 million, respectively, due largely to the impact of revised scheduling for the Signal Replacement: Greenwich to South Norwalk project.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2016 is higher by \$0.5 million due to purchase price adjustments.
- 2017 is essentially flat to the July Plan.
- 2018-2020 expenses are lower by \$0.6 million, \$0.9 million and \$0.8 million, respectively, primarily reflecting a reduced obsolescence reserve in Maintenance of Equipment.

Reimbursable

- 2016 is lower by \$3.4 million primarily due to Bronx Stations Capacity Improvement, Turnouts Mainline High-Speed projects and a re-class of expense into Other Business Expense under the new Cyclical Track program.
- 2017 is lower by \$16.5 million due primarily to the Bronx Stations Capacity Improvement project, the new Cyclical Track program and Turnouts Mainline High-Speed project, revised estimates for the Network Infrastructure replacement, the current Turnouts Mainline High-Speed projects, and revised scheduling and materials projections for the 3rd Rail Component Replacement Project.
- 2018-2020 levels of \$23.5 million, \$19.0 million and \$21.0 million, respectively, reflect activity for the current and new Turnouts Mainline High-Speed projects, the new Cyclical Track program, the GCT Turnouts Switch Renewal project and the 3rd Rail Component Replacement Project.

Cash

- 2016-2020 reflects cash adjustments for the difference between expense accruals and cash payments.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2016-2017 is higher by \$0.4 million and \$1.0 million, respectively, due primarily to lower Amtrak reimbursements related to PRIIA partially offset by subsidy reductions in West of Hudson driven by lower inflation rates.
- 2018 is lower by \$7.7 million due primarily to recoveries related to the Park Avenue Viaduct Fire and subsidy reductions in West of Hudson driven by lower inflation rates partially offset by lower Amtrak reimbursements related to PRIIA.
- 2019-2020 is higher by \$2.3 million and \$2.4 million, respectively, versus the July Plan due primarily to lower Amtrak reimbursements related to PRIIA partially offset by subsidy reductions in West of Hudson driven by lower inflation rates.

Reimbursable

- 2016 is higher by \$3.0 million for a re-class of materials expense subsequently revised in later years.
- 2017 is lower by \$0.2 million mostly due to the M-9 Specifications Development project.
- 2018-2020 levels of \$0.2 million annually reflect a continuation of current requirements.

DEPRECIATION

Non-Reimbursable

- 2016-2020 includes provisions for changes in Metro-North's capital assets.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2016-2020 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

- 2016-2020 costs reflect the estimated liability for environmental remediation costs associated with capital projects.

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017-2020
Summary of November Plan-to-Plan Changes by Generic Category

November Financial Plan vs. February Financial Plan

REVENUE

FAREBOX REVENUE

Non-Reimbursable

- 2016 is lower than the Adopted Budget by \$6.1 million due to decreased non-commutation ridership as well as the Park Avenue Viaduct Fire.
- 2017-2019 reflects increased ridership growth from the February Plan resulting in higher revenue of \$4.6 million, \$3.9 million and \$2.1 million, respectively.
- 2020 is lower by \$0.5 million due to slightly reduced ridership.

Cash

- 2017-2020 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

- 2016-2020 increases of \$3.1 million, \$6.0 million, \$5.0 million, \$4.6 million and \$4.1 million, respectively, due to increased Inter-agency revenue from NYCTA and higher net GCT retail revenue partially offset by lower advertising revenues.

Cash

- 2017-2020 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.
- 2017 adjustments reflect the timing change from 2016 to 2017 for a reimbursement from FMTAC for the Spuyten Duyvil derailment claims of \$15.5 million (offsetting expenditures were recorded in the Claims category).

CAPITAL AND OTHER REIMBURSEMENTS

Reimbursable

- Reimbursements in 2016 of \$214.6 million reflect a decrease of \$35.3 million due primarily to revised scheduling for The Signals Replacement: Greenwich to South Norwalk and Positive Train Control projects. Additionally, revised scheduling for several new 5-year Capital Program initiatives including the new Cyclical Track program, Network Infrastructure Improvement, Harlem & Hudson Power Improvements projects as well as the Bronx Stations Capacity Improvement project further contribute to the overall plan-over-plan decrease. Lastly, an adjustment to reflect the impact of revised Reimbursable Overhead rates further impacted 2016 and contributed to the decrease relative to the Adopted Budget.

Cash

- 2016-2020 includes adjustments for receipt timing differences.

EXPENSES

PAYROLL

Management Labor

- 2016-2020 non-agreement salary expense is higher by \$2.0 million, \$5.8 million, \$7.2 million, \$5.4 million and \$4.4 million, respectively, driven by the full year impact of new hires as well as staffing for the new Expanded Security Operations and Expanded Video Management Capabilities initiatives.

Agreement Labor

- 2016 is higher by \$6.1 million due to the impact of adjusted capital work due to timing.
- 2017 is lower than 2016 by \$1.4 million due to the timing of new hires.
- 2018-2020 expenses are higher by \$2.2 million, \$8.3 million, and \$9.8 million, respectively, due to the redeployment of reimbursable labor forces to non-reimbursable work efforts and the impact of new infrastructure initiatives.

Reimbursable

- 2016 labor expenses decreased by \$1.8 million due primarily to estimate refinements for the Power Infrastructure Restoration project and revised scheduling for the new Cyclical Track program.
- 2017-2020 increases of \$6.8 million, \$9.5 million, \$8.1 million and \$8.7 million, respectively, reflect the impact of training costs for staff performing capital work in Connecticut, the Signal Replacement: Greenwich to South Norwalk, Walk Bridge, and the Power Infrastructure Restoration project.

Cash

- 2017-2020 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.

OVERTIME

Non-Reimbursable

- 2016-2020 overtime expense is lower reflecting a reduced provision for the milder winter weather.

Reimbursable

- 2016 is higher by \$6.1 million driven by revised workflows for the current Turnouts Mainline High-Speed, Devon Bridge, Power Infrastructure Restoration, and C-31 Track projects.
- 2017-2020 increases of \$6.8 million, \$6.9 million, \$6.5 million and \$7.1 million, respectively, reflect the impact of several new 5-year Capital Program initiatives: Replace Timbers Undergrade Bridge, GCT Turnouts Switch Renewal, and the C-31 Track and S-21 Bridge Programs. Additionally, revisions to the Signal Replacement: Greenwich to South Norwalk, Power Infrastructure Restoration, Devon Bridge projects further contributed to the increases.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2016-2020 November Forecast changes primarily reflect fewer filled positions compared to the February Plan.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- 2016-2020 cash contributions have been adjusted to reflect the latest funding assumption criteria for retirees and premiums.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2016-2020 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

- 2016-2020 reflects changes in Railroad Retirement taxes, adjustments to employee claims and the revised wage settlement estimate.

Cash

- 2016-2020 adjustments include differences between expense accruals and cash disbursements.

REIMBURSABLE OVERHEAD

Reimbursable

- 2016 decreased by \$6.0 million due to the one-time Overhead rate adjustment.
- 2017-2020 levels of \$57.3 million, \$58.7 million, \$60.0 million and \$61.4 million, respectively, are based upon ongoing project activity levels adjusted for the impact of inflation.

ELECTRIC POWER

Traction Power - Revenue

Non-Reimbursable

- 2016-2020 decreases by \$13.6 million in 2016, \$4.1 million in 2017, \$6.3 million in 2018, \$9.5 million in 2019 and \$8.3 million in 2020 due to lower rates.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2016-2020 reflects the impact of lower rates.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2016-2020 decreases by \$5.3 million in 2016 and 2017, \$6.8 million in 2018, \$7.8 million in 2019 and \$5.6 million in 2020 due to lower rates.

Cash

- 2016-2020 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

- 2016-2020 is essentially flat to the February Financial Plan.

INSURANCE

Non-Reimbursable and Reimbursable

- 2016-2020 incorporates the impact of revised premiums.

Cash

- 2016-2020 includes an adjustment for the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2016-2020 reflects current passenger claim trends.

Cash

- 2017 includes \$20.2 million of forecasted claims settlements for the Spuyten Duyvil and Bridgeport derailments. FMTAC will reimburse Metro-North \$15.5 million for Spuyten Duyvil claims (which is recognized in the Other Operating Revenue line).
- 2017-2020 reflects the timing of payments made for passenger injury and miscellaneous claims.

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2016 decrease of \$11.1 million reflects:
 - Power Control/ Supervisory Control and Data Acquisition (SCADA), and Centralized Traffic Control (CTC) System upgrades transferred to Operating Capital.
 - Timing of BL-20 Locomotive Overhaul costs, other Infrastructure Improvement costs, and the track undercutting initiative.
 - Lower Grand Central Terminal utilities costs resulting from more efficient chiller equipment.

These costs reductions are partially offset by:

- Increased contractual repairs for M-8 equipment damaged in the Bridgeport derailment.
- The installation of credit card chip technology.

- 2017 is essentially flat to the February Financial Plan.
- 2018 decrease of \$2.9 million reflects a reduction in contracted repairs of M-8 equipment damaged in the Bridgeport derailment, M-7 Centralized Diagnostic System Replacement (CDS) and Software Support, elimination of 347 Madison Avenue rental expenses and lower Grand Central Terminal utilities costs resulting from more efficient chiller equipment. These items are partially offset by an increase in BL-20 Locomotive Overhaul costs, revised training facilities assumptions, increased Right-of-Way Cleanup program costs and NHL Police services.
- 2019 is essentially flat to the February Financial Plan.
- 2020 increase of \$3.0 million reflects an increase in BL-20 Locomotive Overhaul costs and the Right-of-Way Cleanup program partially offset by a reduction in contracted repairs of M-8 equipment damaged in the Bridgeport derailment and lower maintenance expense in the New Haven Component Change-out Shop.

Reimbursable

- 2016 is higher by \$11.5 million due primarily to Signal Replacement: Greenwich to South Norwalk project, revised workflows for the Installation of Cameras on rolling stock in Connecticut and the Design Railway C&S Systems projects, and revised workflows for Positive Train Control.
- 2017-2018 is higher by \$5.8 million and \$12.3 million, respectively, as a result of the impact of the Signal Replacement: Greenwich to South Norwalk project, the Hot Bearing and Wheel Impact Detector project, the new Transformer Rehabilitation project and revised workflows for the Installation of Cameras on rolling stock in Connecticut.
- 2019-2020 are lower by \$4.2 million and \$7.3 million, respectively, as a result of GCT Leaks, Rail Vacuum Mitigation and the completion of Positive Train Control.

Cash

- 2016-2017 reflects the acceleration into 2016 of M8 camera purchases originally scheduled for 2017.
- 2017-2020 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.
- 2017-2020 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 November Forecast is lower by \$2.8 million vs. the Adopted Budget due primarily to favorable re-estimates of miscellaneous service contracts for medical services, outside training, and EAM consulting fees.
- 2017-2018 costs increase by \$5.8 million and \$6.0 million, respectively, reflecting increased EAM expense, the P-32 In-house RCM program, the use of Engineering Consultants for the high volume of RCM programs, the BL-20 locomotive overhaul program and the continuation of the On-Call Track Engineering Program.
- 2019-2020 expenses are higher by \$2.0 million and \$2.2 million, respectively, due primarily to the P-32 In-house RCM program, the use of Engineering Consultants for

the high volume of Reliability Centered Maintenance programs, and the BL-20 locomotive overhaul program.

Reimbursable

- 2016 expenditures decreased by \$15.2 million largely due to revised workflows for the Signal Replacement: Greenwich to South Norwalk project and revised estimates for the Waterbury Branch Cab Signaling project.
- 2017-2020 decreases of \$9.2 million, \$12.8 million, \$29.0 million and \$29.6 million, respectively, reflect the impact of the Signal Replacement: Greenwich to South Norwalk and Waterbury Branch Cab Signaling projects as well as revised scheduling and workflows for the Installation of Cameras in Connecticut, GCT Leaks, and the completion of the CCO Shop Furniture Acquisition project.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2016 expenses are higher than the February Financial Plan due primarily due to Metro-North performing the P-32 Locomotive overhauls in-house, increases in the obsolescence program, and increased spend on M-2 materials partially offset by lower spending on the Third Rail Power System Project.
- 2017-2020 expenses are higher than the February Financial Plan due primarily due to Metro-North performing the P-32 Locomotive overhauls in-house, increases in the obsolescence program and revisions to the M-7 Seat Change-Out Plan.

Reimbursable

- 2016 is lower by \$34.0 million due to revised requirements and work flows for the Network Infrastructure Replacement, Harlem & Hudson Power Rehabilitation, the new Cyclical Track program, and the Turnouts/Mainline High-Speed project.
- 2017-2020 is lower by \$33.1 million, \$40.3 million, \$46.3 million and \$45.6 million, respectively, reflecting a continuation of the impact from the aforementioned projects

Cash

- Cash adjustments reflect differences between expense accruals and cash requirements.
- 2017-2020 includes adjustments for obsolete material reserves of \$0.6 million in 2017 and 2018, and \$0.7 million for 2019 and 2020.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2016 November Financial Plan is lower by \$1.9 million due to decreased West of Hudson net subsidy expense partially offset by higher credit card fees and the write-off of rolling stock related to Tropical Storm Sandy.
- 2017 is lower by \$0.6 million due to decreased West of Hudson net subsidy expense partially offset by higher credit card fees and lower Amtrak reimbursements related to the PRIIA.
- 2018 is lower by \$8.7 million due to recoveries related to the Park Avenue Viaduct Fire and decreased West of Hudson net subsidy expense partially offset by increased credit card fees and lower Amtrak reimbursements related to PRIIA.

- 2019-2020 costs are higher by \$1.4 million and \$1.3 million, respectively, due to lower Amtrak reimbursements related to the PRIIA and increased credit card fees partially offset by lower West of Hudson net subsidy.

Reimbursable

- 2016 is higher by \$3.0 million due to a pending re-class of materials expense.
- 2017 is lower by \$0.2 million due primarily to the M-9 Specifications Development project.
- 2018-2020 levels of \$0.2 million annually reflect a continuation of current requirements.

Cash

- 2017-2020 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

- 2016-2020 includes provisions for changes in Metro-North's capital assets.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2016-2020 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

- 2016-2020 costs reflect the estimated liability for environmental remediation costs associated with capital projects.

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019	2020
2016 July Financial Plan - Operating Cash Surplus/(Deficit)	(\$508.018)	(\$574.046)	(\$583.083)	(\$579.995)	(\$620.505)
Baseline Changes					
Revenue					
Farebox Revenue	(\$12.530)	(\$4.220)	(\$1.872)	(\$0.869)	\$0.018
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.803)	(0.984)	(1.350)	(1.376)	(1.398)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	(\$13.332)	(\$5.205)	(\$3.223)	(\$2.245)	(\$1.380)
Expenses					
<i>Labor:</i>					
Payroll	(\$4.317)	(\$5.993)	(\$7.358)	(\$9.387)	(\$11.135)
Overtime	(0.000)	1.130	1.590	1.856	2.202
Health and Welfare	0.191	(0.257)	(0.894)	(4.356)	(1.997)
OPEB Current Payment	(1.500)	(1.200)	(1.000)	(1.000)	(1.000)
Pensions	(0.633)	(0.519)	(0.360)	(0.291)	(0.141)
Other Fringe Benefits	(0.966)	(1.137)	(1.380)	(1.877)	(2.178)
Reimbursable Overhead	(3.959)	6.735	7.009	5.581	5.431
Total Labor Expense Changes	(\$11.185)	(\$1.241)	(\$2.394)	(\$9.474)	(\$8.818)
<i>Non-Labor:</i>					
Electric Power	\$2.841	\$0.829	\$3.056	\$6.603	\$5.428
Fuel	(0.052)	(0.823)	(0.468)	0.335	1.862
Insurance	0.180	0.067	0.060	0.073	0.076
Claims	(2.496)	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(1.519)	(4.152)	(3.749)	(5.972)	(6.986)
Professional Service Contracts	1.285	(4.008)	(3.711)	(0.497)	(0.583)
Materials & Supplies	(0.544)	0.057	0.643	0.911	0.789
Other Business Expenses	(0.432)	(1.003)	7.693	(2.276)	(2.371)
Total Non-Labor Expense Changes	(\$0.736)	(\$9.033)	\$3.523	(\$0.824)	(\$1.785)
Total Expenses before Depreciation and GASB Adjustments	(\$11.921)	(\$10.274)	\$1.130	(\$10.298)	(\$10.603)
Depreciation	\$5.595	(\$3.793)	(\$3.793)	(\$3.793)	(\$3.793)
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Adjustment	14.188	0.000	0.000	0.000	0.000
Environmental Remediation	0.459	1.000	1.000	1.000	1.000
Total Expense Changes	\$8.322	(\$13.066)	(\$1.663)	(\$13.090)	(\$13.396)
Cash Conversion Adjustment Changes					
Depreciation	(\$5.595)	\$3.793	\$3.793	\$3.793	\$3.793
Operating/Capital	(0.120)	(0.299)	(0.232)	(0.245)	(0.371)
Other Cash Adjustments	(24.321)	23.378	(0.150)	12.758	(0.419)
Total Cash Conversion Adjustments	(\$30.036)	\$26.872	\$3.410	\$16.305	\$3.003
Total Baseline Changes	(\$35.047)	\$8.600	(\$1.475)	\$0.970	(\$11.773)
2016 November Financial Plan - Operating Cash Surplus/(Deficit)	(\$543.065)	(\$565.445)	(\$584.558)	(\$579.025)	(\$632.278)

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019	2020
2016 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	(3.131)	(4.595)	(8.055)	(56.625)	(57.814)
Total Revenue Changes	(\$3.131)	(\$4.595)	(\$8.055)	(\$56.625)	(\$57.814)
Expenses					
Labor:					
Payroll	\$6.991	\$4.399	\$4.927	\$10.023	\$9.802
Overtime	(7.874)	(7.967)	(8.470)	(8.099)	(8.755)
Health and Welfare	0.587	0.052	0.182	1.657	1.526
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.303	(0.226)	(0.220)	0.643	0.525
Other Fringe Benefits	0.333	1.316	0.025	1.104	0.988
Reimbursable Overhead	4.066	(6.182)	(5.102)	(3.971)	(4.334)
Total Labor Expense Changes	\$4.406	(\$8.609)	(\$8.658)	\$1.357	(\$0.248)
Non-Labor:					
Electric Power	(\$0.058)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000
Insurance	0.137	0.849	0.853	1.352	1.256
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	(9.273)	(4.967)	(11.463)	5.034	8.221
Professional Service Contracts	7.562	0.645	3.936	19.910	20.398
Materials & Supplies	3.397	16.504	23.142	28.721	27.931
Other Business Expenses	(3.042)	0.174	0.247	0.252	0.257
Total Non-Labor Expense Changes	(\$1.277)	\$13.206	\$16.715	\$55.269	\$58.064
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2016 November Financial Plan - Operating Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
2016 July Financial Plan - Operating Cash Surplus/(Deficit)	(\$508.018)	(\$574.046)	(\$583.083)	(\$579.995)	(\$620.505)
Baseline Changes					
Revenue					
Farebox Revenue	(\$12.530)	(\$4.220)	(\$1.872)	(\$0.869)	\$0.018
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.803)	(0.984)	(1.350)	(1.376)	(1.398)
Capital and Other Reimbursement	(3.131)	(4.595)	(8.055)	(56.625)	(57.814)
Total Revenue Changes	(\$16.463)	(\$9.800)	(\$11.278)	(\$58.869)	(\$59.194)
Expenses					
Labor:					
Payroll	\$2.674	(\$1.595)	(\$2.432)	\$0.635	(\$1.333)
Overtime	(7.874)	(6.837)	(6.881)	(6.243)	(6.552)
Health and Welfare	0.778	(0.205)	(0.712)	(2.698)	(0.470)
OPEB Current Payment	(1.500)	(1.200)	(1.000)	(1.000)	(1.000)
Pensions	(0.331)	(0.745)	(0.580)	0.352	0.384
Other Fringe Benefits	(0.633)	0.179	(1.356)	(0.773)	(1.191)
Reimbursable Overhead	0.107	0.553	1.908	1.611	1.096
Total Labor Expense Changes	(\$6.779)	(\$9.850)	(\$11.052)	(\$8.117)	(\$9.065)
Non-Labor:					
Electric Power	\$2.783	\$0.829	\$3.056	\$6.603	\$5.428
Fuel	(0.052)	(0.823)	(0.468)	0.335	1.862
Insurance	0.318	0.916	0.912	1.425	1.332
Claims	(2.496)	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	(10.792)	(9.119)	(15.212)	(0.938)	1.235
Professional Service Contracts	8.847	(3.362)	0.225	19.413	19.816
Materials & Supplies	2.854	16.560	23.784	29.632	28.720
Other Business Expenses	(3.474)	(0.829)	7.941	(2.024)	(2.115)
Total Non-Labor Expense Changes	(\$2.013)	\$4.173	\$20.238	\$54.445	\$56.278
Total Expenses before Non-Cash Liability Adjs.	(\$8.792)	(\$5.677)	\$9.186	\$46.329	\$47.213
Depreciation	\$5.595	(\$3.793)	(\$3.793)	(\$3.793)	(\$3.793)
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Adjustment	14.188	0.000	0.000	0.000	0.000
Environmental Remediation	0.459	1.000	1.000	1.000	1.000
Total Expense Changes	\$11.451	(\$8.470)	\$6.394	\$43.536	\$44.420
Net Surplus/(Deficit) Changes	(\$5.012)	(\$18.270)	(\$4.884)	(\$15.334)	(\$14.774)
Cash Conversion Adjustment Changes					
Depreciation	(\$5.595)	\$3.793	\$3.793	\$3.793	\$3.793
Operating/Capital	(0.120)	(0.299)	(0.232)	(0.245)	(0.371)
Other Cash Adjustments	(24.321)	23.378	(0.150)	12.758	(0.419)
Total Cash Conversion Adjustments	(\$30.036)	\$26.872	\$3.410	\$16.305	\$3.003
Total Baseline Changes	(\$35.048)	\$8.602	(\$1.474)	\$0.972	(\$11.771)
2016 November Financial Plan - Operating Cash Surplus/(Deficit)	(\$543.067)	(\$565.444)	(\$584.557)	(\$579.024)	(\$632.276)

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017-2020
Summary of Major Plan-to-Plan Changes

Revisions to Metro-North's Financial Plan for years 2016-2020 reflects the effect of evolving economic condition and projected new needs as well as changes in timing of cost assumptions and resource allocations.

2016: NOVEMBER FINANCIAL PLAN vs. JULY FINANCIAL PLAN

The 2016 November Forecast cash subsidy requirement of \$543.1 million for non-reimbursable operations is \$35.0 million higher than the 2016 Mid-Year Forecast. This is primarily a result of a lower provision for GASB 68 (Accounting and Financial Reporting for Pensions) of \$14.2 million combined with lower Farebox revenue of \$12.5 million and the timing of reimbursement from PRIIA of \$10.3 million. Operating revenues of \$750.7 million reflect passenger revenues of \$687.2 million that are \$12.5 million unfavorable versus the 2016 Mid-Year Forecast resulting from the Park Avenue Viaduct Fire and lower ridership. Non-passenger revenues of \$63.5 million are \$0.8 million lower than the 2016 Mid-Year Forecast resulting from lower GCT net retail income. Non-Reimbursable operating expenses of \$1,512.9 million are \$8.3 million lower than the 2016 Mid-Year Forecast primarily due to lower non-cash expenses (including GASB 68 Pension and depreciation) and electric propulsion expense partially offset by increased agreement payroll costs due to rescheduled capital work.

The 2016 November Forecast reimbursable revenue and expense projections of \$214.6 million are \$3.1 million lower than the 2016 Mid-Year Forecast. This is due primarily to revised scheduling that pushed major workflows for The Signals Replacement: Greenwich to South Norwalk project and the Positive Train Control project into the following year as well as delayed completion of CP109 impacting the Bronx Stations Capacity Improvement project and a one-time credit rate adjustment for Reimbursable Overhead.

2017: NOVEMBER FINANCIAL PLAN vs. JULY FINANCIAL PLAN

The 2017 November Financial Plan cash subsidy requirement of \$565.4 million is \$8.6 million lower than the 2017 Preliminary Budget cash subsidy. This is driven primarily by the timing of PRIIA reimbursements and the timing of MTA reimbursable receipts for capital related projects. These increases are partially offset by unfavorable operating expenses which are driven by higher Maintenance and Other Operating Expenses, Professional Services Contracts and Labor Expenses.

The 2017 Final Proposed Budget reimbursable revenue and expense projection is \$247.1 million, a decrease of \$4.6 million from the 2017 Preliminary Budget of \$251.7 million. Primarily responsible for this decrease were revised timing for the current and new Turnouts Mainline High-Speed projects, the C-30 Track program, Bronx Stations-Capacity

Improvement projects and the 3rd Rail Component Replacement project. Offsetting these were increased estimates and accelerated workflows for Waterbury Branch Cab Signals project as well as the impact of Right-of-Way Fencing, West of Hudson Track Improvements, Rock Slope Remediation, Signal Replacement: Greenwich to South Norwalk projects and the impact of staff training for capital work in Connecticut.

2018-2020: NOVEMBER FINANCIAL PLAN vs. JULY FINANCIAL PLAN

The 2018-2020 November Financial Plan subsidy requirements are higher by \$1.5 million in 2018, lower by \$1.0 million in 2019 and higher by \$11.8 million in 2020 as compared to the July Financial Plan. In general, the changes in the subsidy requirements are driven by higher operating deficits combined with the timing of MTA Reimbursable receipts for capital related projects.

The 2018-2020 November Financial Plan for reimbursable expenditures (and receipts) is lower by \$8.1 million in 2018, \$56.6 million in 2019 and \$57.8 million in 2020 as compared to the July Financial Plan. These decreases are primarily the result of revised scheduling and estimates for the new Network Infrastructure Replacement project, the current Turnouts Mainline High-Speed project, accelerated Waterbury Branch Signal project, and the projected completion of Positive Train Control in 2018.

MTA Metro-North Railroad
November Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
2016 July Financial Plan - Operating Cash Surplus/(Deficit)	(\$508.018)	(\$574.046)	(\$583.083)	(\$579.995)	(\$620.505)
Non-Reimbursable Major Changes					
Revenue					
Farebox Revenue - CT Fare Increase and Revised Ridership Forecasts	\$0.590	\$3.091	\$3.214	\$3.438	\$3.631
Farebox Revenue - Revised Ridership Growth Assumptions for Harlem and Hudson Lines	(12.454)	(7.312)	(5.086)	(4.307)	(3.614)
Other Operating Revenue	(0.803)	(0.984)	(1.350)	(1.376)	(1.398)
Sub-Total Non-Reimbursable Revenue Changes	(\$12.667)	(\$5.205)	(\$3.223)	(\$2.245)	(\$1.380)
Expenses					
Net Labor Changes due to the re-timing of reimbursable allocations to capital projects.	(\$5.333)	(\$10.877)	(\$16.638)	(\$22.515)	(\$22.977)
Other Net Labor and Fringe Changes	(2.197)	4.946	10.970	10.989	12.058
Communications Department CCTV Staffing	0.000	(0.209)	(0.427)	(0.436)	(0.446)
System-Wide Right of Way Clean-Up Efforts	0.000	(1.276)	(2.794)	(2.858)	(2.931)
Safety: Reorganization of the GCT Emergency Response Group	0.000	(0.234)	(0.474)	(0.484)	(0.495)
Customer Service: Power Washing Supervision - Safety Challenge	0.000	(0.631)	(0.740)	(0.755)	(0.773)
Procurement Reorganization	0.000	(0.342)	(0.693)	(0.706)	(0.723)
Customer Service 24/7 Social Media Initiative/Customer Advocacy	(0.108)	(0.813)	(1.000)	(1.020)	(1.045)
Reimbursable Overhead Recovery Reflecting Higher Rates	0.000	6.735	7.009	5.581	5.431
Electric and Fuel Rate Changes	2.790	0.006	2.588	6.938	7.290
Updated Claims for 2013 Bridgeport Derailment	(2.496)	0.000	0.000	0.000	0.000
Updated Repair Cost for 2013 Bridgeport Derailment	(2.484)	(0.247)	0.166	0.000	0.000
Net Occupancy changes due to Timing and Lower Utilities	(1.184)	(0.865)	(0.758)	(1.193)	(1.386)
MTA Allocated Costs for New Haven Line	(1.792)	(0.520)	(0.496)	0.128	0.077
Rockland County Express Bus Service Improvement	0.000	(0.515)	(0.515)	0.000	0.000
Updated Repair Cost for 2013 Bridgeport Derailment	(2.484)	(0.247)	0.166	0.000	0.000
EAM Labor and Consulting Retiming	0.551	(1.630)	(1.230)	1.179	1.356
Revision to Passenger Rail Investment & Improvement Act of 2008 (PRIIA) Recoveries	(2.707)	(4.093)	(4.093)	(4.093)	(4.093)
Other Net Expenses Changes	5.524	0.538	10.089	(1.053)	(1.947)
Non Cash Liability Adjustments	20.242	(2.793)	(2.793)	(2.793)	(2.793)
Sub-Total Non-Reimbursable Expense Changes	\$8.322	(\$13.066)	(\$1.663)	(\$13.090)	(\$13.396)
Total Non-Reimbursable Major Changes	(\$4.345)	(\$18.271)	(\$4.886)	(\$15.335)	(\$14.776)
Reimbursable Major Changes					
Revenue					
Projections for 2016-2020 include revised forecasts for several projects, new MTA Five-Year Capital Program initiatives, training of Transportation and Maintenance of Way for staff dedicated to ConnDOT capital work and the increased efforts to complete the Positive Train Control project	(\$3.131)	(\$4.595)	(\$8.055)	(\$56.625)	(\$57.814)
Sub-Total Reimbursable Revenue Changes	(\$3.131)	(\$4.595)	(\$8.055)	(\$56.625)	(\$57.814)
Expenses					
Projections for 2016-2020 include revised forecasts for several projects, new MTA Five-Year Capital Program initiatives, training of Transportation and Maintenance of Way for staff dedicated to ConnDOT capital work and the increased efforts to complete the Positive Train Control project	\$3.131	\$4.595	\$8.055	\$56.625	\$57.814
Sub-Total Reimbursable Expense Changes	\$3.131	\$4.595	\$8.055	\$56.625	\$57.814
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	(\$4.345)	(\$18.271)	(\$4.886)	(\$15.335)	(\$14.776)
Cash Adjustment Changes					
Timing of PRIIA Reimbursements	(\$10.320)	\$12.940	\$0.000	\$0.000	\$0.000
Delay in Reimbursable Receipts	4.990	4.581	(2.283)	9.965	(1.126)
Graybar Occupancy Reporting Change	4.116	1.395	1.395	1.395	0.000
Revised Retiree Payouts	(2.856)	(2.520)	(2.520)	(2.520)	(2.800)
Non Cash Liability Adjustments	(20.242)	2.793	2.793	2.793	2.793
Other Net Cash Adjustments	(6.390)	7.683	4.026	4.672	4.136
Total Cash Adjustment Changes	(\$30.703)	\$26.872	\$3.410	\$16.305	\$3.003
Total Baseline Changes	(\$35.048)	\$8.600	(\$1.475)	\$0.970	(\$11.773)
2016 November Financial Plan - Operating Cash Surplus/(Deficit)	(\$543.066)	(\$565.445)	(\$584.558)	(\$579.025)	(\$632.278)

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017-2020
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, CPI, employment and population forecasts, and government supported mass transit initiatives. In addition, Metro-North initiatives that enhance service, proposed parking expansions, and connecting services are incorporated into ridership forecasts.

Total Metro-North ridership in 2016 is 86.4 million, which is 0.4% higher than 2015, and the highest in the railroad's history.

East of Hudson ridership in 2016 is 84.6 million or 0.4% over the previous year due to growth across all commuter lines for both commutation and non-commutation. By service line, the 2017 Final Proposed Budget includes a 2.1% increase in the Hudson line, a 2.2% increase in the Harlem line and a 0.9% increase in the New Haven line over the 2016 Forecast. In 2018 through 2020, East of Hudson ridership is projected to grow by 1.2%, 0.9%, and 1.0%, respectively.

West of Hudson ridership in 2016 is 1.7 million or 1.1% below last year due to lower growth in both the Port Jervis and Pascack Valley lines. In 2017-2020, West of Hudson ridership is projected to grow 2.3%, 2.1%, 2.0%, and 1.3% respectively.

There is a planned 6.0% fare increase in Connecticut effective December 1, 2016, and a 1.0% fare increase in Connecticut in 2018. New York State fare increases that are projected for 2017 and 2019 are not included in this section, they are captured in Volume 1 of this Plan.

Passenger revenue in the 2017 Final Proposed Budget totals \$711.9 million, reflecting an East of Hudson increase of \$24.8 million or 3.6% over the 2016 November Forecast. This includes the aforementioned State of Connecticut fare increases. Revenue in 2018 through 2020 is projected to grow by 1.5%, 0.9% and 0.9%, respectively.

MTA METRO-NORTH RAILROAD
November Financial Plan 2017 - 2020

Ridership (Utilization)

(in millions)

	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
<u>Farebox Revenue by Line & Type</u>						
Harlem Line - Commutation Revenue	106.636	109.463	112.039	113.618	114.784	115.913
Harlem Line - Non-Commutation Revenue	<u>95.113</u>	<u>95.191</u>	<u>97.431</u>	<u>98.804</u>	<u>99.818</u>	<u>100.800</u>
Total	\$201.749	\$204.654	\$209.470	\$212.422	\$214.602	\$216.713
Hudson Line - Commutation Revenue	69.792	70.980	72.529	73.544	74.240	75.150
Hudson Line - Non-Commutation Revenue	<u>77.098</u>	<u>77.516</u>	<u>79.208</u>	<u>80.317</u>	<u>81.076</u>	<u>82.070</u>
Total	\$146.891	\$148.496	\$151.737	\$153.861	\$155.316	\$157.221
New Haven Line - Commutation Revenue	148.342	151.427	158.999	161.546	162.699	163.829
New Haven Line - Non-Commutation Revenue	<u>180.199</u>	<u>182.254</u>	<u>191.368</u>	<u>194.433</u>	<u>195.821</u>	<u>197.181</u>
Total	\$328.540	\$333.682	\$350.368	\$355.979	\$358.519	\$361.011
Total Commutation (East of Hudson)	324.770	331.870	343.568	348.709	351.723	354.892
Total Non-Commutation (East of Hudson)	<u>352.410</u>	<u>354.961</u>	<u>368.007</u>	<u>373.554</u>	<u>376.715</u>	<u>380.052</u>
Total Farebox Revenue (East of Hudson)	\$677.180	\$686.832	\$711.575	\$722.263	\$728.438	\$734.944
West of Hudson Mail & Ride Revenue ⁽¹⁾	\$0.376	\$0.354	\$0.363	\$0.371	\$0.379	\$0.384
Total Farebox Revenue	\$677.556	\$687.186	\$711.938	\$722.634	\$728.817	\$735.328
<u>Ridership by Line & Type</u>						
Harlem Line Ridership - Commutation	16.634	16.931	17.304	17.544	17.725	17.915
Harlem Line Ridership - Non-Commutation	<u>10.870</u>	<u>10.757</u>	<u>10.994</u>	<u>11.146</u>	<u>11.261</u>	<u>11.382</u>
Total	27.504	27.687	28.298	28.690	28.987	29.298
Hudson Line Ridership - Commutation	9.247	9.371	9.566	9.699	9.795	9.921
Hudson Line Ridership - Non-Commutation	<u>7.178</u>	<u>7.137</u>	<u>7.286</u>	<u>7.387</u>	<u>7.460</u>	<u>7.556</u>
Total	16.425	16.508	16.852	17.087	17.255	17.477
New Haven Line Ridership - Commutation	22.478	22.718	22.921	23.133	23.320	23.508
New Haven Line Ridership - Non-Commutation	<u>17.866</u>	<u>17.730</u>	<u>17.889</u>	<u>18.054</u>	<u>18.200</u>	<u>18.347</u>
Total	40.344	40.448	40.810	41.187	41.520	41.854
Total Commutation (East of Hudson)	48.359	49.019	49.791	50.376	50.840	51.344
Total Non-Commutation (East of Hudson)	<u>35.914</u>	<u>35.624</u>	<u>36.169</u>	<u>36.588</u>	<u>36.922</u>	<u>37.285</u>
Total Ridership (East of Hudson)	84.272	84.643	85.960	86.964	87.761	88.629
West of Hudson Ridership ⁽²⁾	<u>1.746</u>	<u>1.726</u>	<u>1.766</u>	<u>1.803</u>	<u>1.838</u>	<u>1.862</u>
Total Ridership	86.018	86.370	87.726	88.767	89.600	90.491

(1) West of Hudson ticket sales received through Metro-North Mail & Ride program are reported as Metro-North Farebox Revenues; all other West of Hudson ticket revenues are offset against New Jersey Transit operating costs for providing service to the Pascack Valley Line and Port Jervis Line.

(2) West of Hudson total ridership for both Pascack Valley and Port Jervis lines.

MTA Metro-North Railroad
November Financial Plan 2017-2020
2016 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
Administration										
Non-Represented Wage Increase	-	0.971	-	1.036	-	1.147	-	1.210	-	1.214
Transportation: Trainmaster for Poughkeepsie to Eliminate Special Duty Overtime Coverage	-	0.000	(1)	0.049	(1)	0.052	(1)	0.053	(1)	0.054
Transportation: Fleet Management Office Clerk to Reduce Overtime Coverage	-	0.000	(1)	0.034	(1)	0.035	(1)	0.036	(1)	0.037
Subtotal Administration	-	0.971	(2)	1.120	(2)	1.234	(2)	1.299	(2)	1.305
Customer Convenience/Amenities										
CDOT Subsidy Reduction Program: Close ticket windows at select NHL stations	5	0.199	5	0.598	5	0.598	5	0.598	5	0.598
Subtotal Customer Convenience/Amenities	5	0.199	5	0.598	5	0.598	5	0.598	5	0.598
Maintenance										
Overtime Reduction for CDOT Subsidy Reduction Program	-	0.000	-	0.868	-	0.945	-	1.198	-	1.531
Reductions to Operating Capital Projects (July Plan)	-	13.130	-	3.567	-	3.567	-	3.567	-	3.567
Subtotal Maintenance	-	13.130	-	4.435	-	4.512	-	4.765	-	5.098
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										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Other	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	5	\$14.300	3	\$6.153	3	\$6.344	3	\$6.663	3	\$7.002

**MTA Metro-North Railroad
November Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Non-Represented Wage Increase

Background Details:	Savings resulting from a 2% cost of living allowance wage increase for non-represented employees that was budgeted to begin on January 1, 2016 but was instead made effective on July 1, 2016.
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Program Description/ Implementation Plan:			
Program Implementation Date:	Jul-16	When will savings begin?:	Jan-16
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.971	\$1.036	\$1.147	\$1.210	\$1.214
<i>Total Positions Required:</i>					

**MTA Metro-North Railroad
November Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Transportation: Trainmaster for Poughkeepsie to Eliminate Special Duty Overtime Coverage

Background Details: Add 1 non-represented Trainmaster to Poughkeepsie to supervise train moves during daylight hours and support AM service delivery. Eliminate special duty overtime coverage.

Program Description/Implementation Plan:

Program Implementation Date: Jan-17 **When will savings begin?:** Jan-17
Are these savings recurring?: Yes

Other Issues:

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$0.049	\$0.052	\$0.053	\$0.054
<i>Total Positions Required:</i>		(1)	(1)	(1)	(1)

**MTA Metro-North Railroad
November Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Transportation: Fleet Management Office Clerk to Reduce Overtime Coverage

Background Details: Add 1 Transportation Clerk to Fleet Management Office. Reduce Overtime Coverage of existing tasks.

Program Description/ Implementation Plan:

Program Implementation Date: Jan-17 **When will savings begin?:** Jan-17
Are these savings recurring?: Yes

Other Issues:

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$0.034	\$0.035	\$0.036	\$0.037
<i>Total Positions Required:</i>		(1)	(1)	(1)	(1)

**MTA Metro-North Railroad
November Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Customer Convenience & Amenities

Program: CDOT Subsidy Reduction Program: Close ticket windows at select NHL stations - Eliminate 5 New Haven Ticket Seller Positions

Background Details: Eliminate 5 New Haven Line Ticket Seller positions. Close ticket windows at Greenwich, South Norwalk and Bridgeport. Reduce New Haven Ticket Windows from 3 to 2.

Program Description/ Implementation Plan:

Program Implementation Date: Sep-16 **When will savings begin?:** Sep-16
Are these savings recurring?: Yes

Other Issues:

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.199	\$0.598	\$0.598	\$0.598	\$0.598
<i>Total Positions Required:</i>	5	5	5	5	5

**MTA Metro-North Railroad
November Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Reduce Overtime for New Haven Line Activities

Background Details:	<p>Reduce Overtime for New Haven Line activities:</p> <ol style="list-style-type: none"> 1. Reduce coverage for overnight car cleaning on New Haven Line Trains 2. Reduce coverage for station maintenance 3. Reduce coverage for station cleaning 4. Reduce coverage for CT ticket windows with the exception of holidays and emergencies
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Program Description/ Implementation Plan:			
Program Implementation Date:	Jan-17	When will savings begin?:	Jan-17
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$0.868	\$0.945	\$1.198	\$1.531
<i>Total Positions Required:</i>					

**MTA Metro-North Railroad
July Financial Plan 2017-2020
2016 Budget Reduction Plan Summary**

Category by Function: Maintenance

Program: Reductions to Operating Capital Projects (July Plan)

Background Details:	2016 reflects the one-time savings recognition of contract items in February Approved Budget retimed or moved to Operating Capital in July Financial Plan. Changes 2016-2020 also reflect additional reductions to Operating Capital Projects - Reduce and retime Operating Capital projects within and across years.
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Program Description/ Implementation Plan:	Revise and retime Operating Capital Projects		
Program Implementation Date:	3/1/2016	When will savings begin?:	3/1/2016
		Are these savings recurring?:	Yes
Other Issues:	Timing of projects changes frequently		

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$13.130	\$3.567	\$3.567	\$3.567	\$3.567
<i>Total Positions Required:</i>					

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Positions

POSITION ASSUMPTIONS

YEAR-TO-YEAR CHANGES

2016-2017

2017 includes an increase of 135 authorized positions. The increase consists of 74 Maintenance of Way (MW) positions which include:

- 40 Power positions to support Power Capital Projects.
- 12 Administration positions for the Enterprise Asset Management program.
- 10 Communications & Signals Department (C&S) agreement positions that will support the Walk Bridge replacement project (6) as well as the PTC system (4).
- 8 Trackworkers for the Right-of-Way Clean-Up Efforts.
- 3 MW C&S positions for Expanded Video Management Capabilities.
- 1 Structures position to support increased capital work.

Also added were:

- 20 Train & Engine Flagging positions to support CDOT Capital Funded Power Projects.
- 12 positions for the Procurement Reorganization.
- 6 Customer Service positions for the Station Power Washing Supervision Project.
- 5 Security positions for expanded operational and video management capabilities.
- 4 Safety positions for the Reorganization of the GCT Emergency Response Group.
- 4 Engineering and Design positions to support capital projects (3) and Expanded Video Management Capabilities (1).
- 2 drug testing positions to meet FRA Expanded Drug-Testing Pool Requirements.
- 2 VP Finance positions for the Enterprise Asset Management program.
- 2 Customer Service positions to support customer advocacy.
- 1 Controller position for the billing and analysis manager of PRIIA.
- 1 Budget position for Hyperion Financial System support.
- 1 Clerk position in the Transportation for Fleet Management support.
- 1 Trainmaster position to support train service in Poughkeepsie region.

2017-2018

2018 includes an increase of 25 Maintenance of Way authorized positions which consist of 15 Track positions for the Cyclical Track Program, 8 C&S positions to support various capital projects and 2 Administration positions for the Enterprise Asset Management program.

2018-2019

2019 includes an increase of 4 Maintenance of Way authorized positions including 3 C&S positions to support several critical capital projects and 1 Administration position.

2019-2020

2019 includes an increase of 2 MW C&S authorized positions to support various capital projects.

MTA METRO-NORTH RAILROAD					
November Financial Plan 2017-2020					
Favorable/(Unfavorable)					
Total Position Changes at a Glance					
	2016	2017	2018	2019	2020
2016 July Plan - Total Positions	6,829	6,862	6,864	6,866	6,866
Total Plan-to-Plan Changes	(7)	(109)	(132)	(134)	(136)
2016 November Plan - Total Positions	6,836	6,971	6,996	7,000	7,002
Total Year-to-Year Changes, November Plan		(135)	(25)	(4)	(2)
Total Plan-to-Plan Changes by Reporting Category:					
<i>Non-Reimbursable</i>	(70)	(60)	(85)	(144)	(144)
<i>Reimbursable</i>	63	(49)	(47)	10	8
Total	(7)	(109)	(132)	(134)	(136)
<i>Full-Time</i>	(7)	(109)	(132)	(134)	(136)
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	(7)	(109)	(132)	(134)	(136)
By Function Category					
- Administration	(6)	(18)	(18)	(18)	(18)
- Operations	5	(25)	(25)	(25)	(25)
- Maintenance	(6)	(62)	(85)	(87)	(89)
- Engineering/Capital	0	(4)	(4)	(4)	(4)
- Public Safety	0	0	0	0	0
Total	(7)	(109)	(132)	(134)	(136)
By Occupational Group					
- Managers/Supervisors	(209)	(232)	(237)	(237)	(237)
- Professional, Technical, Clerical	134	124	124	125	125
- Operational Hourlies	68	(1)	(19)	(22)	(24)
Total	(7)	(109)	(132)	(134)	(136)
Total Plan-to-Plan Changes by Major Category:					
<i>2016 BRPs</i>	5	3	3	3	3
<i>New Needs</i>	(6)	(108)	(123)	(123)	(123)
<i>Change in Reimbursable Positions</i>	63	(49)	(47)	10	8
<i>Re-estimates & All Other¹</i>	(69)	45	35	(24)	(24)
Total	(7)	(109)	(132)	(134)	(136)

¹ Includes Full-time Equivalents

MTA METRO-NORTH RAILROAD
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Positions

PLAN-TO-PLAN CHANGES

2016

The 2016 Mid-Year Forecast includes a net increase of 7 authorized positions versus the Mid-Year Forecast due to the addition of 5 Customer Service positions for Social Media Coverage, the rescheduling of 4 MW Administration positions for Enterprise Asset Management, 2 Security positions for the previously approved Expanded Video Management Capabilities and 1 Human Resource position for expanded recruiting responsibilities. These increases are partially offset by the reduction of 5 CDOT funded positions in Customer Service. There is also a reallocation of 58 positions from Reimbursable to non-reimbursable work.

2017

The November Financial Plan includes an increase of 109 authorized positions versus the July Financial Plan. This is comprised of 60 non-reimbursable and 49 reimbursable positions.

The non-reimbursable positions provide for the addition of:

- 8 MW Track positions for the Right-of-Way Clean-Up Efforts.
- 5 positions for the Procurement Reorganization.
- 6 Customer Service positions for the Station Power Washing Supervision project.
- 4 Safety positions to support the reorganization of the GCT Emergency Response Group.
- 3 MW C&S positions for Expanded Video Management Capabilities.
- 2 drug testing positions to meet FRA Expanded Drug-Testing Pool Requirements.
- 2 Customer Service positions to support customer advocacy.
- 1 position for the billing and analysis manager of PRIIA.
- 1 Budget position for Hyperion Financial System support.
- 1 Trainmaster position to support train service in Poughkeepsie region.
- 1 Clerk position in Transportation for Fleet Management support.
- The increase of 9 non-reimbursable positions carried forward from 2016.
- The reallocation of 17 positions from reimbursable to perform non-reimbursable work.

The net increase in reimbursable positions consists of:

- 22 MW Power positions that are for CDOT Capital Funded Projects.
- 20 Train & Engine Flagging positions to support CDOT Capital Funded Power Projects.

- 18 MW Power positions to support MTA Capital Program Funded Power Projects.
- 7 positions for the Procurement Reorganization.
- 3 Capital Program positions to support capital projects.
- 1 MW Structures position to support increased capital work.
- These increases are partially offset by the decrease of 5 CDOT funded positions carried forward from 2016 and the reallocation of 17 positions from reimbursable to perform non-reimbursable work.

2018

The November Financial Plan includes a net increase of 132 authorized positions versus the July Financial Plan. Non-Reimbursable positions are comprised of the increase of 43 non-reimbursable positions carried forward from 2017 and the reallocation of 42 positions from reimbursable to non-reimbursable work.

The net increase in reimbursable positions consists of 15 MW Track positions for the Cyclical Track Program, 8 MW C&S positions for various capital projects and the increase of 66 positions carried forward from 2017. These increases are partially offset by the reallocation of 42 positions from reimbursable to non-reimbursable work.

2019

The November Financial Plan for 2019 shows a net increase of 134 authorized positions over the July Financial Plan due to the increase of 144 non-reimbursable positions partially offset by the reduction of 10 reimbursable positions. The non-reimbursable positions are comprised of the increase of 42 non-reimbursable positions carried forward from 2018 and the reallocation of 102 positions from reimbursable to non-reimbursable work.

The net decrease in reimbursable positions consists of the reallocation of 102 positions from Reimbursable to non-reimbursable work. The decrease is partially offset by 3 additional MW C&S positions for various capital projects and the increase of 89 positions carried forward from 2018.

2020

The November Financial Plan for 2020 shows a net increase of 136 authorized positions over the July Financial Plan due to the increase of 144 non-reimbursable positions partially offset by the reduction of 8 reimbursable positions. The non-reimbursable positions are comprised of the increase of 42 non-reimbursable positions carried forward from 2019 and the reallocation of 102 positions from reimbursable to non-reimbursable work.

The net decrease in reimbursable positions consists of the reallocation of 102 positions from reimbursable to non-reimbursable work. The decrease is partially offset by 2 additional MW C&S positions for various capital projects and the increase of 92 positions carried forward from 2019.

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020	Notes
Administration							
President	4	4	4	4	4	4	
Labor Relations	16	18	18	18	18	18	
Safety	58	54	58	58	58	58	A
Security	0	21	26	26	26	26	A
Office of the Executive VP	0	10	10	10	10	10	B
Corporate & Public Affairs	22	19	19	19	19	19	B,C
Customer Service	53	66	68	68	68	68	C
Legal	17	19	19	19	19	19	
Claims	13	14	14	14	14	14	
Environmental Compliance & Svce	7	8	8	8	8	8	
VP Human Resources	37	48	48	48	48	48	E
Training	66	98	98	98	98	98	
Employee Relations & Diversity	6	6	6	6	6	6	
VP Planning	2	2	2	2	2	2	
Operations Planning & Analysis	20	22	22	22	22	22	
Capital Planning & Programming	10	18	18	18	18	18	C
GCT & Corporate Development	9	0	0	0	0	0	C
Long Range Planning	7	8	8	8	8	8	
VP Finance & Info Systems	1	7	9	9	9	9	
Controller	75	80	81	81	81	81	
Budget	17	22	23	23	23	23	
Procurement & Material Management	28	34	41	41	41	41	
Corporate	0	0	0	0	0	0	
Total Administration	466	578	600	600	600	600	
Operations							
Operations Administration	76	70	72	72	72	72	
Transportation	1,511	1,488	1,510	1,510	1,510	1,510	D
Customer Service	222	324	330	330	330	330	
GCT & Corporate Development	30	0	0	0	0	0	C
Metro-North West	29	46	46	46	46	46	
Total Operations	1,867	1,928	1,958	1,958	1,958	1,958	
Maintenance							
GCT & Corporate Development	158	0	0	0	0	0	C
Maintenance of Equipment	1,617	1,764	1,764	1,764	1,764	1,764	
Maintenance of Way	1,877	2,319	2,393	2,418	2,422	2,424	C
Procurement & Material Management	120	124	129	129	129	129	
Total Maintenance	3,771	4,207	4,286	4,311	4,315	4,317	
Engineering/Capital							
Construction Management	36	43	43	43	43	43	
Engineering & Design	70	80	84	84	84	84	C
Total Engineering/Capital	106	123	127	127	127	127	
Total Positions	6,211	6,836	6,971	6,996	7,000	7,002	
<i>Non-Reimbursable</i>	5,888	6,300	6,250	6,234	6,252	6,252	
<i>Reimbursable</i>	323	536	721	762	748	750	
<i>Total Full-Time</i>	6,210	6,835	6,970	6,995	6,999	7,001	
<i>Total Full-Time-Equivalents</i>	1	1	1	1	1	1	

^(A) To improve the focus on two critical operating units the Safety and Security Department was re-organized to form two separate departments.

^(B) In 2015 positions were transferred to the newly formed Office of the Executive VP department.

^(C) 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.

^(D) Please note that the Transportation department has recently undergone a name change and was formerly known as Operation Services.

^(E) In 2016 positions in the Human Resources department will be consolidated with VP Human Resources department.

MTA METRO-NORTH RAILROAD
November Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Managers/Supervisors	148	169	176	176	176	176
Professional, Technical, Clerical	318	409	424	424	424	424
Operational Hourlies	-	-	-	-	-	-
Total Administration	466	578	600	600	600	600
Operations						
Managers/Supervisors	216	230	233	233	233	233
Professional, Technical, Clerical	179	198	200	200	200	200
Operational Hourlies	1,472	1,500	1,525	1,525	1,525	1,525
Total Operations	1,867	1,928	1,958	1,958	1,958	1,958
Maintenance						
Managers/Supervisors	570	704	717	722	722	722
Professional, Technical, Clerical	496	540	556	558	559	559
Operational Hourlies	2,705	2,963	3,013	3,031	3,034	3,036
Total Maintenance	3,771	4,207	4,286	4,311	4,315	4,317
Engineering/Capital						
Managers/Supervisors	40	43	44	44	44	44
Professional, Technical, Clerical	66	80	83	83	83	83
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	106	123	127	127	127	127
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Positions						
Managers/Supervisors	975	1,146	1,170	1,175	1,175	1,175
Professional, Technical, Clerical	1,060	1,227	1,263	1,265	1,266	1,266
Operational Hourlies	4,177	4,463	4,538	4,556	4,559	4,561
Total Positions	6,211	6,836	6,971	6,996	7,000	7,002

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MTA Headquarters

MTA HEADQUARTERS
2017 Final Proposed Budget
November Financial Plan 2017 – 2020

FINANCIAL OVERVIEW

MTA Headquarters' operations include four distinct components: Policy and Oversight; Consolidated Functions, the Business Service Center (BSC); and MTA Security, which includes the MTA Police Department (MTAPD). The MTA Headquarters' November Financial Plan continues the support begun in prior plans to further the organization's commitment to streamlining operations, maximizing efficiencies and increasing revenue opportunities within the Headquarters 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.

Policy, Oversight and Consolidated Functions

MTA Headquarters' November Financial Plan continues to fund MTA-wide initiatives considered to be the highest priority by executive management and the Board. Funding for the Energy Management System, Enterprise Asset Management (EAM) and various safety initiatives such as "Don't Block the Box" remain in place. The Plan also retains the funding for the PeopleSoft 9.2 Upgrade project necessary for Financial and Human Resources.

The Plan captures the successful consolidations of treasury, occupational health & safety, and pension functions. Additional efficiencies have been achieved by optimizing office space through location consolidations. The consolidation of non-core procurement functions at Headquarters, which is expected to generate additional savings, will be completed in 2017.

The Plan also captures the successful completion of the Information Technology (IT) Transformation in 2015; that consolidation has resulted in significant savings with more on the way. The consolidated IT department is doing more work in response to an increasing reliance on technology in all aspects of our business. Moreover, with this construct, it is much more capable of addressing cyber-threats to the organization.

MTA Security

MTA is ensuring that the highest level of protection is provided for our customers, employees and facilities. This mission continues to become more challenging as our system expands and the threat of terror attacks loom. As included in previous financial plans, 46 additional police officers are being hired to provide front-line counterterrorism policing. The MTA is also hiring 13 employees to create a Homeless Outreach Unit to better aid homeless New Yorkers. The MTAPD will begin a hiring schedule for approximately 30 new officers each year in 2019 through 2021 to augment safety and

security throughout the MTA system in the short-term and be available to establish a fully-trained security presence for East Side Access (ESA) when it opens in 2022.

Business Service Center

Funding is provided for the BSC to address increased volume needs primarily resulting from the IT Transformation. Increased volume is also attributable to the growing processing needs at the Data Management Center and the Customer Management Center as well as 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. Consulting support is provided to help implement the MTA-wide procurement function consolidation processes.

2016 November Forecast

The MTA Headquarters Baseline Deficit of \$664.3 million in the November Plan includes total Non-Reimbursable Operating Revenues of \$57.2 million and total expenses before depreciation and other post-employment benefits of \$621.9 million, consisting of \$341.6 million in labor expenses and \$280.3 million in non-labor expenses. Total capital and other reimbursements are projected to be \$138.8 million. Total reimbursable labor expenses are \$100.0 million and non-labor expenses are \$38.8 million. Cash adjustments prior to depreciation, OPEB obligation and GASB 68 are favorable by \$65.1 million. The Baseline Cash Deficit is projected to be \$499.6 million, an \$81.5 million favorable variance from the Mid-Year Forecast that was captured in the July Plan.

Major operating cash changes from the Mid-Year Forecast include:

Favorable

- Non-recurring MTA IT savings in 2016 of \$36.0 million as a result of re-examination of the IT expense spending base and improved overall operational efficiencies realized as a result of the IT consolidation.
- Rescheduling of MTA IT operating projects into 2017 and slightly into 2018, of \$33.5 million.
- Shift of \$11.4 million of expenses from 2016 to 2017 for expenses relating to the MTA Procurement Consolidation effort.
- Higher rental revenue of \$3.1 million primarily from continued use of the Madison Avenue buildings.
- One-time salary and benefit savings, combined with timing of recruiting and equipment costs, resulting from a delay in hiring of 36 MTAPD recruits for and counter terrorism and homeless outreach activities will yield \$1.9 million.
- Higher vacancy savings of \$2.0 million due to timing of hires, particularly for MTA IT functions.
- Re-alignment of Headquarters Operating Capital projects results in \$2.7 million shift into outer years.

- Savings of \$1.1 million resulting from a 2% cost of allowance wage increase for non-represented employees that had been budgeted for January 1, 2016, but was instead made effective July 1, 2016.

Unfavorable

- Replacement of Fulton Transit Center video advertising screens of \$2.0 million.
- Headquarters new and re-estimated administrative staffing needs and non-labor expenses of \$1.7 million
- Additional \$1.4 million in non-reimbursable MTA Police overtime required to provide consistent police coverage despite higher vacancies, as well as higher coverage for special events, service disruptions, increase in arrest processing.
- Investment of \$1.0 million for work in support of B-Division countdown clocks pilot program.
- Higher than anticipated MTAPD accrued vacation pay-outs of \$0.8 million due to higher employee retiree rates.
- Procurement personnel transfers from the Agencies in support of the consolidation effort of \$0.5 million.

Reimbursable expenses are projected to decrease by \$4.2 million in 2016 mainly as a result of lower recoverable MTA IT expenses; this results in an offsetting decrease in reimbursable revenue.

Total baseline positions are projected to decrease by 18 positions to 2,918 positions. This decrease in positions results from a shift in hiring of 36 MTA Police positions until 2017, offset by 6 new administrative positions, one headcount correction, and a total of 11 positions being transferred from Metro North (6), LIRR (1) and NYCT (4) in advance of the Procurement Consolidation .

2017 Final Proposed Budget - Baseline

The MTA Headquarters Baseline Deficit of \$824.5 million in the November Plan includes total Non-Reimbursable Operating Revenues of \$53.3 million and total expenses before depreciation and other post-employment benefits of \$726.1 million, consisting of \$370.7 million in labor expenses and \$355.4 million in non-labor expenses. Total capital and other reimbursements are projected to be \$118.7 million. Total reimbursable labor expenses are \$93.0 million and non-labor expenses are \$25.8 million. Cash adjustments prior to depreciation, OPEB obligation and GASB 68 are unfavorable by \$80.2 million primarily reflecting timing of relocation recovery offset by lower Operating Capital needs and higher advertising revenue receipts.

The Baseline Cash Deficit is projected to be \$592.5 million, a \$62.3 million unfavorable variance (primarily timing-related) from the July Preliminary Budget of \$530.2 million.

Major operating cash changes include:

Unfavorable

- MTA IT operating expenses shifted from 2016 combined with some smaller expense re-estimates of \$33.9 million.
- Higher Madison Avenue buildings expenses of \$1.9 million for continued use through the end of 2017.
- Transfer of 11 Procurement positions from the Agencies prior to the Procurement function consolidation increases HQ salaries and benefits by \$1.4 million.
- Higher operating capital expenses resulting from re-alignment of project timelines.

Favorable

- BRPs of \$9.0 million due to continued additional savings resulting from a one year increase in the vacancy assumption for MTA IT and savings resulting from a 2% cost of allowance wage increase for non-represented employees that was budgeted to be on January 1, 2016, but was instead made effective July 1, 2016.
- Re-estimated rental revenues of \$3.0 million from continued use of Madison Avenue buildings.
- Revised electricity costs of \$0.5 million as a result of rate changes.

Reimbursable expenses are projected to increase by \$2.8 million in 2017 mainly as a result of \$2.0 million in higher reimbursable MTAPD overtime. Reimbursable revenues increase by an offsetting \$2.8 million.

Total baseline positions are projected to increase by 21 positions to 2,998 positions. This increase in positions includes, 20 non-reimbursable and 1 reimbursable administrative new needs, 1 headcount correction, a total of 11 Procurement positions being transferred from MNR (6), LIRR (1) and NYCT (4) and 1 Labor Relations position being transferred from NYCT.

2018 - 2020 Projections

Operating cash deficits are projected to decrease by \$12.0 million in 2018 and increase by \$22.8 million in 2019 and by \$29.4 million in 2020.

Major operating cash changes include:

Unfavorable

- Rescheduling of primarily MTA IT Operating Capital projects and inclusion of reserve funding for MTA IT projects, are the basis of increases totaling \$21.8 million in 2019 and \$31.8 million in 2020.

- Re-estimated costs of \$1.8 million, \$4.9 million and \$0.8 million in 2018 through 2020, respectively, for IT expenses.
- Continuation of \$1.7 million of salary and benefits impact of 11 Procurement positions and 1 Labor Relations position that were transferred from the Agencies.
- Non Labor new needs, including e-Discovery costs, all-Agency Executive search costs, IT Employee search costs and third party COBRA administration fees total \$3.6 million in 2018, \$2.8 million in 2019 and \$2.5 million in 2020.
- New Headquarters staffing needs contribute \$1.3 million annually
- Correction of Transit Museum revenues in 2018 of \$0.9 million.

Favorable

- Rescheduling of Operating Capital budget, primarily in MTA IT, of \$18.2 million in 2019.
- Re-allocation of EAM contingency funding for Agency requirements of \$6.1 million, \$4.8 million and \$4.1 million in 2018 through 2020. On an MTA-wide basis, this adjustment will not impact the MTA cash deficit.
- Revised electricity rates yield savings averaging \$2.0 million each year for 2018 through 2020.
- BRP savings of \$1.4 million in 2018, and \$1.5 million in 2019 and 2020 resulting from a 2% cost of allowance wage increase for non-represented employees that was budgeted to be on January 1, 2017, but was instead made effective July 1, 2017.
- Revised CPI-U rates yield savings averaging \$0.7 million per year over the period 2018 through 2020.

Reimbursable expenses and revenues are generally unchanged from the July Plan.

Total baseline positions are projected to increase by 21 positions from the prior plan in 2018 and all years beyond. This increase in positions includes, 20 non-reimbursable and 1 reimbursable administrative new needs, 1 headcount correction, a total of 11 Procurement positions being transferred from MNR (6), LIRR (1) and NYCT (4) and 1 Labor Relations position being transferred from NYCT. Accounting for these positions, year-end headcount levels are 3,002 for 2018, 3,026 for 2019 and 3,080 for 2020.

Budget Reduction Program (BRPs)

The November Plan includes a Headquarters BRPs of \$1.1 million in 2016 and growing to \$1.5 million by 2020. These savings are due to the assumption that non-represented wage adjustments being effective July 1st of each year instead of January 1st as previously assumed.

Building on a July Plan BRP which captures higher vacancy savings going forward in recognition of higher IT turnover when compared with other MTA administrative areas, an additional BRP in 2017 raises the vacancy rate assumption yielding an additional \$7.6 million a savings. As MTA IT and Human Resources adjust hiring practices in

order to fill positions more quickly and retain employees in 2017 and beyond, the vacancy rate returns to previously assumed levels in 2018.

The November Plan BRPs are in addition to the five year total of \$117.7 million in savings identified in the July plan. The July Plan BRPs consisted of \$112.5 million in MTA IT position reductions and non-labor savings and \$5.2 million in savings from administrative reductions within Headquarters and MTAPD.

MTA HEADQUARTERS
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</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	46.723	54.037	49.374	48.084	50.007	52.007
Advertising	-	-	-	-	-	-
Other	3.668	3.208	3.968	4.031	4.072	4.173
Total Other Operating Revenue	\$50.391	\$57.245	\$53.342	\$52.115	\$54.079	\$56.180
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$50.391	\$57.245	\$53.342	\$52.115	\$54.079	\$56.180
Operating Expenses						
<u>Labor:</u>						
Payroll	\$243.390	\$261.156	\$273.942	\$282.970	\$287.608	\$295.355
Overtime	8.239	9.055	7.401	7.522	7.631	7.741
Health and Welfare	46.823	47.513	55.515	58.955	61.760	65.211
OPEB Current Payment	10.203	12.820	13.705	14.020	14.637	15.281
Pensions	66.624	70.112	71.668	74.154	76.874	79.085
Other Fringe Benefits	15.037	25.182	27.966	28.957	29.477	30.225
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	(32.214)	(84.249)	(79.480)	(79.511)	(78.973)	(78.822)
Total Labor Expenses	\$358.103	\$341.588	\$370.717	\$387.067	\$399.015	\$414.075
<u>Non-Labor:</u>						
Electric Power	\$6.855	\$7.180	\$6.812	\$6.490	\$6.639	\$7.079
Fuel	0.823	0.975	1.654	1.702	1.745	1.927
Insurance	4.695	4.873	5.108	5.334	2.503	2.774
Claims	2.107	3.112	2.518	2.463	2.475	2.419
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	67.051	72.965	97.909	85.975	87.513	90.172
Professional Service Contracts	142.972	171.096	219.364	163.042	156.332	157.616
Materials & Supplies	0.010	0.832	0.204	0.266	0.309	0.364
<u>Other Business Expenses</u>						
MTA Internal Subsidy	15.200	12.300	12.300	12.300	12.300	12.300
Other	5.256	6.951	9.494	9.513	9.186	10.273
Total Other Business Expenses	20.456	19.251	21.794	21.813	21.486	22.573
Total Non-Labor Expenses	\$244.969	\$280.285	\$355.362	\$287.084	\$279.003	\$284.925
<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.	\$603.072	\$621.873	\$726.079	\$674.151	\$678.018	\$699.000
Depreciation	\$26.524	\$30.296	\$50.679	\$59.526	\$65.210	\$67.746
OPEB Liability Adjustment	79.176	79.538	105.532	107.748	112.597	117.663
GASB 68 Pension Expense Adjustment	(16.410)	(10.200)	(4.400)	(4.400)	(5.400)	(7.400)
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$692.361	\$721.507	\$877.890	\$837.024	\$850.424	\$877.009
Surplus/(Deficit)	(\$641.970)	(\$664.262)	(\$824.548)	(\$784.910)	(\$796.345)	(\$820.828)

MTA HEADQUARTERS
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	Actuals	November Forecast	Final Proposed Budget	2018	2019	2020
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	101.422	138.758	118.744	115.893	109.624	103.547
Total Revenue	\$101.422	\$138.758	\$118.744	\$115.893	\$109.624	\$103.547
Expenses						
<u>Labor:</u>						
Payroll	\$3.967	\$4.548	\$6.153	\$6.241	\$6.331	\$6.427
Overtime	14.532	9.366	4.900	2.858	2.815	2.771
Health and Welfare	0.679	0.701	1.019	1.036	1.074	1.113
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.730	0.730	0.938	0.983	1.018	1.052
Other Fringe Benefits	0.372	0.367	0.479	0.488	0.497	0.507
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	32.214	84.249	79.480	79.511	78.973	78.822
Total Labor Expenses	\$52.494	\$99.962	\$92.969	\$91.118	\$90.709	\$90.692
<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	-	0.010	0.021	0.021	0.022	0.022
Professional Service Contracts	48.886	38.702	25.628	24.625	18.761	12.698
Materials & Supplies	-	-	-	-	-	-
<u>Other Business Expenses</u>	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-
Other	0.043	0.084	0.126	0.129	0.132	0.135
Total Other Business Expenses	0.043	0.084	0.126	0.129	0.132	0.135
Total Non-Labor Expenses	\$48.928	\$38.796	\$25.775	\$24.775	\$18.915	\$12.856
<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	\$101.422	\$138.758	\$118.744	\$115.893	\$109.624	\$103.547
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$101.422	\$138.758	\$118.744	\$115.893	\$109.624	\$103.547
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2015	2016	2017			
	Actuals	November Forecast	Final Proposed Budget	2018	2019	2020
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	46.723	54.037	49.374	48.084	50.007	52.007
Data Center Billings	-	-	-	-	-	-
Other	3.668	3.208	3.968	4.031	4.072	4.173
Total Other Operating Revenue	\$50.391	\$57.245	\$53.342	\$52.115	\$54.079	\$56.180
Capital and Other Reimbursements	101.422	138.758	118.744	115.893	109.624	103.547
Total Revenue	\$151.813	\$196.003	\$172.086	\$168.008	\$163.703	\$159.728
Expenses						
<u>Labor:</u>						
Payroll	\$247.357	\$265.703	\$280.095	\$289.211	\$293.939	\$301.782
Overtime	22.770	18.421	12.301	10.380	10.447	10.512
Health and Welfare	47.502	48.214	56.535	59.991	62.834	66.323
OPEB Current Payment	10.203	12.820	13.705	14.020	14.637	15.281
Pensions	67.354	70.842	72.606	75.137	77.893	80.137
Other Fringe Benefits	15.410	25.550	28.445	29.446	29.974	30.732
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$410.596	\$441.550	\$463.686	\$478.185	\$489.724	\$504.767
<u>Non-Labor:</u>						
Electric Power	\$6.855	\$7.180	\$6.812	\$6.490	\$6.639	\$7.079
Fuel	0.823	0.975	1.654	1.702	1.745	1.927
Insurance	4.695	4.873	5.108	5.334	2.503	2.774
Claims	2.107	3.112	2.518	2.463	2.475	2.419
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	67.051	72.975	97.929	85.996	87.535	90.194
Professional Service Contracts	191.857	209.798	244.992	187.667	175.094	170.314
Materials & Supplies	0.010	0.832	0.204	0.266	0.309	0.364
<u>Other Business Expenses</u>						
MTA Internal Subsidy	15.200	12.300	12.300	12.300	12.300	12.300
Other Business Expenses	5.299	7.035	9.619	9.642	9.318	10.408
Total Other Business Expenses	20.499	19.335	21.919	21.942	21.618	22.708
Total Non-Labor Expenses	\$293.898	\$319.081	\$381.137	\$311.859	\$297.917	\$297.780
<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.	\$704.494	\$760.631	\$844.823	\$790.044	\$787.641	\$802.547
Depreciation	\$26.524	\$30.296	\$50.679	\$59.526	\$65.210	\$67.746
OPEB Liability Adjustment	79.176	79.538	105.532	107.748	112.597	117.663
GASB 68 Pension Expense Adjustment	(16.410)	(10.200)	(4.400)	(4.400)	(5.400)	(7.400)
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$793.783	\$860.265	\$996.634	\$952.917	\$960.048	\$980.556
Net Surplus/(Deficit)	(\$641.970)	(\$664.262)	(\$824.548)	(\$784.910)	(\$796.345)	(\$820.828)

MTA HEADQUARTERS
November Financial Plan 2017-2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actuals	November Forecast	Final Proposed Budget	2018	2019	2020
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	49.700	54.049	49.374	48.084	50.007	52.007
Advertising	142.585	154.064	159.315	163.927	168.674	173.559
Other	3.698	2.887	3.968	104.627	8.978	23.663
Total Other Operating Revenue	195.983	211.000	212.657	316.638	227.659	249.230
Capital and Other Reimbursements	101.423	138.758	118.744	115.893	109.624	103.547
Total Receipts	\$297.406	\$349.758	\$331.401	\$432.531	\$337.283	\$352.777
Expenditures						
<u>Labor:</u>						
Payroll	\$244.781	\$259.801	\$273.595	\$282.711	\$287.439	\$295.282
Overtime	22.770	18.421	12.301	10.380	10.447	10.512
Health and Welfare	47.496	48.546	55.370	58.801	61.644	65.133
OPEB Current Payment	10.203	12.820	13.705	14.020	14.637	15.281
Pensions	65.153	68.387	71.320	73.744	76.488	78.701
Other Fringe Benefits	22.351	26.277	28.445	29.446	29.974	30.732
GASB Account	0.000	0.000	0.000	0.063	0.187	0.315
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$412.754	\$434.253	\$454.736	\$469.165	\$480.816	\$495.956
<u>Non-Labor:</u>						
Electric Power	\$6.301	\$6.844	\$6.812	\$6.490	\$6.639	\$7.079
Fuel	0.751	1.103	1.654	1.702	1.745	1.927
Insurance	6.042	5.260	5.085	5.309	2.476	2.745
Claims	2.059	3.112	2.518	2.463	2.475	2.419
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	67.759	71.866	95.019	83.039	84.535	87.094
Professional Service Contracts	114.664	208.393	238.550	181.376	169.194	164.714
Materials & Supplies	0.018	0.813	0.204	0.266	0.309	0.364
<u>Other Business Expenses</u>						
MTA Internal Subsidy	15.200	12.300	12.300	12.300	12.300	12.300
Other Business Expenses	42.126	21.735	17.032	13.876	12.996	9.828
Total Other Business Expenses	57.326	34.035	29.332	26.176	25.296	22.128
Total Non-Labor Expenditures	\$254.920	\$331.427	\$379.175	\$306.820	\$292.668	\$288.471
<u>Other Expenditure Adjustments:</u>						
Capital	\$34.779	\$83.649	\$90.038	\$90.141	\$71.949	\$79.801
Total Other Expenditure Adjustments	\$34.779	\$83.649	\$90.038	\$90.141	\$71.949	\$79.801
Total Expenditures	\$702.453	\$849.329	\$923.949	\$866.126	\$845.433	\$864.228
Net Cash Surplus/(Deficit)	(\$405.047)	(\$499.571)	(\$592.548)	(\$433.595)	(\$508.150)	(\$511.451)

MTA HEADQUARTERS
November Financial Plan 2017-2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actuals	November Forecast	Final Proposed Budget	2018	2019	2020
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	2.977	0.011	-	-	-	-
Advertising	142.585	154.064	159.315	163.927	168.674	173.559
Other	0.030	(0.321)	0.000	100.596	4.906	19.490
Total Other Operating Revenue	\$145.592	\$153.755	\$159.315	\$264.523	\$173.580	\$193.049
Capital and Other Reimbursements	0.001	-	-	-	-	-
Total Receipts	\$145.593	\$153.755	\$159.315	\$264.523	\$173.580	\$193.049
Expenditures						
<u>Labor:</u>						
Payroll	\$2.576	\$5.902	\$6.500	\$6.500	\$6.500	\$6.500
Overtime	0.000	0.000	-	-	-	-
Health and Welfare	0.006	(0.333)	1.165	1.190	1.190	1.190
OPEB Current Payment	0.000	(0.000)	0.000	0.000	0.000	0.000
Pensions	2.201	2.455	1.285	1.393	1.405	1.436
Other Fringe Benefits	(6.941)	(0.727)	0.000	0.000	0.000	0.000
GASB Account	-	0.000	0.000	(0.063)	(0.187)	(0.315)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	(\$2.158)	\$7.297	\$8.950	\$9.020	\$8.908	\$8.811
<u>Non-Labor:</u>						
Electric Power	\$0.554	\$0.336	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.072	(0.128)	-	-	-	-
Insurance	(1.347)	(0.386)	0.023	0.025	0.027	0.029
Claims	0.048	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.708)	1.109	2.910	2.957	3.000	3.100
Professional Service Contracts	77.193	1.405	6.442	6.291	5.900	5.600
Materials & Supplies	(0.008)	0.020	-	-	-	-
<u>Other Business Expenses</u>						
MTA Internal Subsidy	-	-	-	-	-	-
Other Business Expenses	(36.827)	(14.701)	(7.413)	(4.234)	(3.678)	0.580
Total Other Business Expenses	(36.827)	(14.701)	(7.413)	(4.234)	(3.678)	0.580
Total Non-Labor Expenditures	\$38.978	(\$12.346)	\$1.962	\$5.039	\$5.249	\$9.309
<u>Other Expenditure Adjustments:</u>						
Capital	(\$34.779)	(\$83.649)	(\$90.038)	(\$90.141)	(\$71.949)	(\$79.801)
Total Other Expenditure Adjustments	(\$34.779)	(\$83.649)	(\$90.038)	(\$90.141)	(\$71.949)	(\$79.801)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	\$147.634	\$65.057	\$80.189	\$188.441	\$115.788	\$131.368
Depreciation Adjustment	\$26.524	\$30.296	\$50.679	\$59.526	\$65.210	\$67.746
OPEB Liability Adjustment	79.176	79.538	105.532	107.748	112.597	117.663
GASB 68 Pension Expense Adjustment	(16.410)	(10.200)	(4.400)	(4.400)	(5.400)	(7.400)
Environmental Remediation	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$236.923	\$164.691	\$232.000	\$351.315	\$288.195	\$309.377

MTA Headquarters
2016 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>	39,568	2.410	27%
<u>Weather Emergencies</u>	0	0.000	0%
<u>Safety/Security/Law Enforcement</u>	93,379	5.196	57%
<u>Other¹</u>	37,554	1.449	16%
Subtotal	170,501	\$9.055	100%
REIMBURSABLE OVERTIME	173,174	\$9.366	
TOTAL OVERTIME	343,676	\$18.421	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA HEADQUARTERS
NOVEMBER FINANCIAL PLAN 2017 - 2020
Year-to-Year Changes by Category - Baseline

Revenues:

Rental and Other Income and Reimbursements

- A reduction in total revenue in 2017 from 2016 is driven by lower rental revenues and lower recovery for work performed for MTA Agencies, including West Side Yard development activities. Higher advertising revenue in 2017 serves to slightly offset these decreases.
- Rental revenue grows by 4% annually for 2018 through 2020 while advertising revenue increases by approximately 3% over the same period. Other revenue grows by CPI-U with adjustments in 2018, 2019 and 2020 for the reimbursement of consolidation/relocation expenses from the disposition of the Madison Avenue buildings.

Expenses:

Payroll

- Payroll increases in 2017 over 2016 primarily reflects full-year staffing and MTA Headquarters and MTAPD civilian salaries inflated by 2%. Increases also reflect higher personnel levels in support of approved MTA IT projects.
- Payroll expenses in 2018, 2019, and 2020 reflect MTA Headquarters and MTAPD civilian salaries inflated by wage growth assumptions of 2% per year.
- MTAPD and other represented Headquarters salaries will increase in accordance with the terms agreed through the collective bargaining process.
- The Plan also reflects the increase in patrol force necessary to provide greater coverage for the hiring of officers to perform counter terrorism patrols, the establishment of a Homeless Outreach Unit and the ESA Project with hiring beginning in 2019.

Overtime

- MTAHQ overtime is primarily utilized by MTAPD with lesser amounts used by MTA IT and the BSC. In order to control overtime MTAPD closely monitors vacancy/absentee coverage and makes daily decisions on which open posts require coverage on overtime. MTAPD continues to add to, and utilize, an extra list that allows MTAPD Command staff to address backfill issues with straight-time coverage, the largest of MTAPD's overtime expense.
- In 2016, overtime expenses reflect higher backfill usage by MTAPD to cover vacant positions as well as higher coverage required for special events and incidents.
- Expenses in 2018, 2019, and 2020 are primarily inflated by prevailing inflator assumptions.

Health and Welfare

- Based on revised Empire Plan cost assumptions provided by the NYS Department of Civil Service, Health and Welfare medical insurance family coverage rates in 2017 are projected to increase at a rate of 6.2% over the prior year, 0.9% in 2018, and 3.3% in 2019 and in each year thereafter. Individual coverage rates in 2017 are projected to increase at a rate of 6.9%, 2.3% in 2018 and 4.4% in each year thereafter.
- Health and Welfare increases also reflect a higher level of personnel.

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 2016 primarily are based on estimated New York State and Local Employees System (NYSLERS) and MTA Defined Benefits contributions and estimated agency rates for those MTA Headquarters' employees currently on other agency payrolls.
- NYSLERS 2017 estimate is inflated at a 3-year average CPI +1%. These rates are 3.48% in 2017, 3.48% in 2018, 3.59% in 2019 and 3.62% in 2020.
- MTA Defined Benefits contributions estimates are based on actuarial growth assumptions through 2020.
- GASB 68 adjustments are reflected separately and represent the difference between the actuarially required contribution and the total pension liability.

Other Fringe Benefits

- Projections are consistent with payroll rate increase assumptions.

Insurance and Claims

- The core of excess liability and automotive policies are inflated at 10% annually. Insurance charges for 2016 through 2018 also include expenses related to ongoing Super Storm Sandy claims work that is being performed.
- Claims estimates in 2017 reflect a reduction from 2016 activity.

Maintenance and Other Operating Contracts

- Part of the increase in Maintenance expenses in 2017 is attributable to a one-time MTA IT savings in 2016 of \$7.0 million.
- Maintenance expenses within the rest of MTAHQ increase annually reflecting CPI-U growth on baseline expenses with adjustments and draw-downs of EAM contingency funding reflecting approved EAM program changes at the Agencies. Beginning in 2018, all Madison Avenue buildings maintenance expenses are eliminated.

Professional Service Contracts

- Total Professional services in 2017 increase over 2016 by \$35.2 million. The primary driver of the growth is a \$27.2 million in one-time reduction of MTA IT expenses in 2016 and a \$30.5 million shift in MTA IT expenses from 2016 into 2017. This growth also includes an adjustment of \$11.4 million from 2016 into 2017 for expenses related to the Procurement consolidation effort.
- In 2018 through 2020, the majority of expenses are inflated by the CPI-Urban rates of 2.39%, 2.45% and 2.56%, respectively, with adjustments corresponding to the needs of the West Side Yards development.

Materials and Supplies

- Lower expenses in 2017 primarily reflects a reclassification of Two Broadway expenses to other expense categories.
- Expenses in 2018, 2019, and 2020 are inflated by CPI-U rates of 2.39%, 2.45% and 2.56%, respectively.

MTA Internal Subsidy

- In all plan years, the MTA Internal Subsidy includes annual support requirements for the Rockaway Resident Discount Program of \$5.3 million, and \$7.0 million for the Verrazano-Narrows Bridge toll rebate program.

Other Business Expenses

- Expenses in 2017 are higher than 2016 levels which reflect a portion (\$1.8 million) of the non-recurring savings from MTA IT.
- In 2018, 2019 and 2020 expenses are inflated by the CPI-Urban rates of 2.39%, 2.45% and 2.56%, respectively. 2016 through 2019 also include on-going expenses related to MTA's relocation of its employees and Metro-North Railroad (MNR) employees from the Madison Avenue buildings.

Other Expense Adjustments:

Capital Expenditures

- MTA Headquarters Operating Capital expenses are primarily for MTA-wide information technology needs and projects with some funding for MTAPD and Headquarters projects.
- MTA IT funding includes provisions for EAM system software, devices and networks over the plan period. Additional funding exists for various IT equipment, hardware, software and services, network cable maintenance and upgrades, diagnostic software maintenance, security, infrastructure and application upgrades and replacement, data center maintenance and support, and customer service.
- Changes from year-to-year for Operating Capital needs reflect the assumed spending requirements.

MTA HEADQUARTERS
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018- 2019	2020	Change 2019 - 2020
Revenue									
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
<u>Other Operating Revenue</u>									
Rental Income	54.037	49.374	(4.663)	48.084	(1.291)	50.007	1.923	52.007	2.000
Advertising	-	-	-	-	-	-	-	-	-
Other	3.208	3.968	0.760	4.031	0.063	4.072	0.042	4.173	0.101
Total Other Operating Revenue	\$57.245	\$53.342	(\$3.903)	\$52.115	(\$1.228)	\$54.079	\$1.965	\$56.180	\$2.101
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$57.245	\$53.342	(\$3.903)	\$52.115	(\$1.228)	\$54.079	\$1.965	\$56.180	\$2.101
Expenses									
Labor:									
Payroll	\$261.156	\$273.942	(\$12.787)	\$282.970	(\$9.027)	\$287.608	(\$4.638)	\$295.355	(\$7.748)
Overtime	9.055	7.401	1.654	7.522	(0.122)	7.631	(0.109)	7.741	(0.109)
Health and Welfare	47.513	55.515	(8.003)	58.955	(3.440)	61.760	(2.805)	65.211	(3.450)
OPEB Current Payment	12.820	13.705	(0.885)	14.020	(0.315)	14.637	(0.618)	15.281	(0.644)
Pensions	70.112	71.668	(1.556)	74.154	(2.486)	76.874	(2.720)	79.085	(2.211)
Other Fringe Benefits	25.182	27.966	(2.783)	28.957	(0.991)	29.477	(0.520)	30.225	(0.748)
GASB Account	-	-	-	-	-	-	-	-	-
<u>Reimbursable Overhead</u>	<u>(84.249)</u>	<u>(79.480)</u>	<u>(4.769)</u>	<u>(79.511)</u>	<u>0.031</u>	<u>(78.973)</u>	<u>(0.539)</u>	<u>(78.822)</u>	<u>(0.151)</u>
Total Labor Expenses	\$341.588	\$370.717	(\$29.129)	\$387.067	(\$16.350)	\$399.015	(\$11.949)	\$414.075	(\$15.060)
Non-Labor:									
Electric Power	\$7.180	\$6.812	\$0.368	\$6.490	\$0.322	\$6.639	(\$0.149)	\$7.079	(\$0.441)
Fuel	0.975	1.654	(0.679)	1.702	(0.048)	1.745	(0.043)	1.927	(0.182)
Insurance	4.873	5.108	(0.235)	5.334	(0.226)	2.503	2.831	2.774	(0.271)
Claims	3.112	2.518	0.594	2.463	0.055	2.475	(0.012)	2.419	0.056
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	72.965	97.909	(24.944)	85.975	11.934	87.513	(1.538)	90.172	(2.659)
Professional Service Contracts	171.096	219.364	(48.268)	163.042	56.322	156.332	6.709	157.616	(1.283)
Materials & Supplies	0.832	0.204	0.628	0.266	(0.062)	0.309	(0.043)	0.364	(0.055)
<u>Other Business Expenses</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
MTA Internal Subsidy	12.300	12.300	-	12.300	-	12.300	-	12.300	-
<u>Other Business Expenses</u>	<u>6.951</u>	<u>9.494</u>	<u>(2.543)</u>	<u>9.513</u>	<u>(0.019)</u>	<u>9.186</u>	<u>0.327</u>	<u>10.273</u>	<u>(1.087)</u>
Total Other Business Expenses	\$19.251	\$21.794	(\$2.543)	\$21.813	(\$0.019)	\$21.486	\$0.327	\$22.573	(\$1.087)
Total Non-Labor Expenses	\$280.285	\$355.362	(\$75.078)	\$287.084	\$68.278	\$279.003	\$8.082	\$284.925	(\$5.922)
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.	\$621.873	\$726.079	(\$104.206)	\$674.151	\$51.928	\$678.018	(\$3.867)	\$699.000	(\$20.982)
Depreciation									
Depreciation	\$30.296	\$50.679	(\$20.382)	\$59.526	(\$8.847)	\$65.210	(\$5.684)	\$67.746	(\$2.536)
OPEB Liability Adjustment	79.538	105.532	(25.994)	107.748	(2.216)	112.597	(4.849)	117.663	(5.066)
GASB 68 Pension Expense Adjustment	(10.200)	(4.400)	(5.800)	(4.400)	-	(5.400)	1.000	(7.400)	2.000
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$721.507	\$877.890	(\$156.383)	\$837.024	\$40.865	\$850.424	(\$13.400)	\$877.009	(\$26.584)
Net Surplus/(Deficit)	(\$664.262)	(\$824.548)	(\$160.286)	(\$784.910)	\$39.638	(\$796.345)	(\$11.435)	(\$820.828)	(\$24.483)

MTA HEADQUARTERS
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018- 2019	2020	Change 2019 - 2020
Revenue									
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
<u>Other Operating Revenue</u>	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
<u>Other</u>	-	-	-	-	-	-	-	-	-
Total Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	138.758	118.744	(20.014)	115.893	(2.851)	109.624	(6.269)	103.547	(6.076)
Total Revenue	\$138.758	\$118.744	(\$20.014)	\$115.893	(\$2.851)	\$109.624	(\$6.269)	\$103.547	(\$6.076)
Expenses									
Labor:									
Payroll	\$4.548	\$6.153	(\$1.605)	\$6.241	(\$0.088)	\$6.331	(\$0.090)	\$6.427	(\$0.095)
Overtime	9.366	4.900	4.466	2.858	2.042	2.815	0.043	2.771	0.044
Health and Welfare	0.701	1.019	(0.318)	1.036	(0.016)	1.074	(0.038)	1.113	(0.039)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.730	0.938	(0.208)	0.983	(0.046)	1.018	(0.035)	1.052	(0.033)
Other Fringe Benefits	0.367	0.479	(0.112)	0.488	(0.009)	0.497	(0.008)	0.507	(0.010)
GASB Account	-	-	-	-	-	-	-	-	-
<u>Reimbursable Overhead</u>	84.249	79.480	4.769	79.511	(0.031)	78.973	0.539	78.822	0.151
Total Labor Expenses	\$99.962	\$92.969	\$6.992	\$91.118	\$1.851	\$90.709	\$0.409	\$90.692	\$0.017
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	0.010	0.021	(0.011)	0.021	(0.000)	0.022	(0.001)	0.022	(0.001)
Professional Service Contracts	38.702	25.628	13.074	24.625	1.003	18.761	5.864	12.698	6.063
Materials & Supplies	-	-	-	-	-	-	-	-	-
<u>Other Business Expenses</u>	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
<u>Other</u>	0.084	0.126	(0.042)	0.129	(0.003)	0.132	(0.003)	0.135	(0.003)
Total Other Business Expenses	0.084	0.126	(0.042)	0.129	(0.003)	0.132	(0.003)	0.135	(0.003)
Total Non-Labor Expenses	\$38.796	\$25.775	\$13.022	\$24.775	\$1.000	\$18.915	\$5.860	\$12.856	\$6.059
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	\$138.758	\$118.744	\$20.014	\$115.893	\$2.851	\$109.624	\$6.269	\$103.547	\$6.076
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$138.758	\$118.744	\$20.014	\$115.893	\$2.851	\$109.624	\$6.269	\$103.547	\$6.076
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 2017-2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018- 2019	2020	Change 2019 - 2020
Receipts									
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
<u>Other Operating Revenue</u>	-	-	-	-	-	-	-	-	-
Rental Income	54.049	49.374	(4.674)	48.084	(1.291)	50.007	1.923	52.007	2.000
Advertising	154.064	159.315	5.251	163.927	4.612	168.674	4.747	173.559	4.885
Other	2.887	3.968	1.081	104.627	100.659	8.978	(95.648)	23.663	14.685
Total Other Operating Revenue	\$211.000	\$212.657	\$1.657	\$316.638	\$103.980	\$227.659	(\$88.978)	\$249.230	\$21.570
Capital and Other Reimbursements	138.758	118.744	(20.014)	115.893	(2.851)	109.624	(6.269)	103.547	(6.076)
Total Revenue	\$349.758	\$331.401	(\$16.700)	\$432.531	\$205.110	\$337.283	(\$184.226)	\$352.777	\$37.065
Expenditures									
Labor:									
Payroll	\$259.801	\$273.595	(\$13.794)	\$282.711	(\$9.116)	\$287.439	(\$4.728)	\$295.282	(\$7.843)
Overtime	18.421	12.301	6.120	10.380	1.920	10.447	(0.066)	10.512	(0.066)
Health and Welfare	48.546	55.370	(6.823)	58.801	(3.431)	61.644	(2.843)	65.133	(3.489)
OPEB Current Payment	12.820	13.705	(0.885)	14.020	(0.315)	14.637	(0.618)	15.281	(0.644)
Pensions	68.387	71.320	(2.934)	73.744	(2.424)	76.488	(2.743)	78.701	(2.213)
Other Fringe Benefits	26.277	28.445	(2.168)	29.446	(1.001)	29.974	(0.529)	30.732	(0.758)
GASB Account	-	-	-	0.063	(0.063)	0.187	(0.124)	0.315	(0.128)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$434.253	\$454.736	(\$20.483)	\$469.165	(\$14.429)	\$480.816	(\$11.651)	\$495.956	(\$15.140)
Non-Labor:									
Electric Power	\$6.844	\$6.812	\$0.032	\$6.490	\$0.322	\$6.639	(\$0.149)	\$7.079	(\$0.441)
Fuel	1.103	1.654	(0.551)	1.702	(0.048)	1.745	(0.043)	1.927	(0.182)
Insurance	5.260	5.085	0.175	5.309	(0.224)	2.476	2.833	2.745	(0.269)
Claims	3.112	2.518	0.594	2.463	0.055	2.475	(0.012)	2.419	0.056
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	71.866	95.019	(23.153)	83.039	11.980	84.535	(1.496)	87.094	(2.560)
Professional Service Contracts	208.393	238.550	(30.156)	181.376	57.174	169.194	12.182	164.714	4.480
Materials & Supplies	0.813	0.204	0.609	0.266	(0.062)	0.309	(0.043)	0.364	(0.055)
<u>Other Business Expenses</u>	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	12.300	12.300	-	12.300	-	12.300	-	12.300	-
Other Business Expenses	21.735	17.032	4.703	13.876	3.157	12.996	0.880	9.828	3.168
Total Other Business Expenses	\$34.035	\$29.332	\$4.703	\$26.176	\$3.157	\$25.296	\$0.880	\$22.128	\$3.168
Total Non-Labor Expenditures	\$331.427	\$379.175	(\$47.748)	\$306.820	\$72.355	\$292.668	\$14.152	\$288.471	\$4.197
Other Expenditure Adjustments:									
Capital	\$83.649	\$90.038	-\$6.389	\$90.141	-\$0.103	\$71.949	\$18.192	\$79.801	-\$7.852
Total Other Expenditure Adjustments	\$83.649	\$90.038	(\$6.389)	\$90.141	(\$0.103)	\$71.949	\$18.192	\$79.801	(\$7.852)
Total Expenditures	\$849.329	\$923.949	(\$74.620)	\$866.126	\$57.823	\$845.433	\$20.692	\$864.228	(\$18.795)
Net Cash Surplus/(Deficit)	(\$499.571)	(\$592.548)	(\$92.977)	(\$433.595)	\$158.953	(\$508.150)	(\$74.555)	(\$511.451)	(\$3.301)

MTA HEADQUARTERS
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Summary of Plan-to-Plan Changes by Generic Category

2016: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Other operating revenues are projected to decrease from the July Financial Plan by \$1.0 million.

Major generic category changes include:

- Lower Capital & Other Reimbursement revenue of \$4.2 million reflects lower levels of expenses chargeable to the Agencies, particularly MTA IT charges to Metro-North in support of the New Haven Line.
- Rental income is projected to increase by \$3.1 million due to higher rental revenue from continued use of the Madison Avenue buildings.
- Other revenues show a slight increase in Transit Museum revenue due to higher sales volumes.

Operating Expense Changes

Total operating expenses before non-cash adjustments decrease by \$73.2 million from the July Financial Plan.

Major generic category changes include:

- Professional services decrease by \$67.9 million. This reduction is attributed to \$27.2 million MTA IT savings in 2016 and \$33.5 of budget rollover from 2016 to 2017-2019. The savings are a result of MTA IT consolidation and the subsequent re-examination of the spending baseline to eliminate un-needed funds and improve overall operational efficiencies. Additionally, \$11.4 million of software and consulting expenses in support of the MTA Procurement consolidation effort are shifted from 2016 into 2017. Offsetting these reductions are cost included for the replacement of Fulton Transit Center video screens, funding within MTA IT for B-Division countdown clocks, e-Discovery costs and other Headquarters administrative needs.
- Lower Maintenance and Other Operating Contracts of \$7.7 million are almost entirely due to MTA IT consolidation and the subsequent re-examination of the spending baseline to eliminate un-needed funds and improve overall operational efficiencies.
- Higher employee benefit costs of \$4.0 million are mainly attributable to charges received from the Agencies for MTA employees on their payrolls.

- Lower Payroll expenses of \$5.0 million reflect higher vacancy rates primarily in MTA IT and shift in hiring of 36 MTAPD personnel. Offsets to the savings are from transfers of Procurement personnel from the Agencies
- Increase in Claims of \$0.8 million due to higher than anticipated settlements.

2017: November Financial Plan vs. July Financial Plan

Other operating revenues are projected to increase from the July Financial Plan by \$5.9 million.

Operating Revenue Changes

- Rental income is projected to increase by \$3.0 million due to higher rental revenue from continued use of the Madison Avenue buildings.
- Other revenues show a slight increase in Transit Museum revenue due to higher sales volumes.
- Higher Capital & Other Reimbursement revenue of \$2.8 million reflects higher levels of expenses chargeable to the Agencies, particularly MTA IT charges to MNR in support of the New Haven Line.

Operating Expense Changes

Total operating expenses before non-cash adjustments increase by \$52.2 million from the July Financial Plan.

Major generic category changes include:

- Professional services increase by \$47.2 million primarily related to the shift of MTA IT activities and expenses in support of the MTA Procurement consolidation effort from 2016 into 2017.
- Salary and Fringe decrease of \$5.7 million due to a one time increase in the MTA IT vacancy rate, offset by transfers of Procurement positions from the Agencies and Headquarters staffing needs.
- Increased reimbursable MTAPD overtime of \$2.0 million.
- Higher Maintenance and Other Operating Contracts resulting from an adjustment to the EAM Contingency.
- Higher Other Business Expenses for MTA IT recruitment and Executive search costs.

2018, 2019 and 2020: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues in 2018 through 2020 reflect a correction to the Transit Museum revenue forecast and some minor adjustments to Capital and Other Reimbursements.

Operating Expense Changes

Total operating expenses before non-cash adjustments remain relatively flat from the July Plan.

Major generic category changes include:

- Professional services increase by \$3.1 million, \$6.3 million and \$2.0 million in 2018 through 2020, respectively, mainly resulting from higher re-estimates of MTA IT needs and e-Discovery costs.
- Salary and Fringe increases result from the transfer of Procurement positions from the Agencies and Headquarters staffing requirements.
- Higher Other Business Expenses reflect the MTA IT recruitment costs through 2018 and Executive search costs through 2020.
- Lower Maintenance and Other Operating Contracts reflects adjustments to the EAM contingency captured within Headquarters and used to offset EAM adjustments at the Agencies.

2016 – 2020: November Financial Plan vs. February Financial Plan

Major Operating Revenue Changes

- Rental revenue is higher by \$7.2 million in 2016 reflecting higher Two Broadway rental for the year, combined with rental revenue that results from the continued use of the Madison Avenue buildings. Rental in 2018 reflects higher revenue from the Madison Avenue buildings offset by revised Two Broadway rental. The revised Two Broadway rental is also reflected in 2018 through 2020.
- Capital and Other Reimbursements reflects recoverable expenses from either the Agencies or outside sources. A major driver is the level of recoverable work performed by MTA IT benefitting the MNR New Haven Line.

Major Operating Expenses Changes

- Payroll changes from the February Financial Plan reflect position reductions in MTA IT that were able to be eliminated through efficiencies, MTA IT vacancy savings and change in assumptions for a 2% cost of allowance wage increase

for non-represented employees. Offsetting these decreases are additional investments in personnel required for Headquarters Administrative departments, MTA IT and MTAPD.

- Non-Reimbursable overtime increases reflect higher backfill usage by MTAPD to cover vacant positions as well as higher coverage required for special events and incidents during 2016. Other minor increases address the needs at the BSC. Reimbursable overtime reflects higher levels of Directed Patrol activities, particularly in counter terrorism operations.
- Fringe Benefits are driven by the change in personnel strength between the two plans as well as adjustments to rates.
- Increased Professional Services primarily reflect investments in, and securing MTA IT systems. Savings achieved from re-examining the MTA IT baseline and operational efficiencies resulting from the IT transformation are reflected in 2016. Timing of spending was also re-examined in light of current and projected staffing levels.
- Maintenance and Other Operating Contracts changes from the February Financial Plan result from timing shifts of MTA IT expenses from 2016 into 2017 and adjustments to the EAM contingency.
- Other Business Expenses reflect the addition of funding for All Agency Executive Search fees for all years of the plan and employee search fees in 2017 and 2018 aimed at reducing the high vacancy and turnover rates within MTA IT.

MTA HEADQUARTERS
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$581.034)	(\$530.243)	(\$445.575)	(\$485.418)	(\$482.058)
Baseline Changes					
Revenue					
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
<u>Other Operating Revenue</u>					
Rental Income	3.078	3.000	-	-	-
Advertising	-	-	-	-	-
Other	0.125	0.100	(0.921)	-	-
Total Other Operating Revenue	3.203	3.100	(0.921)	-	-
<u>Capital and Other Reimbursements</u>	-	-	-	-	-
Total Revenue Changes	\$3.203	\$3.100	(\$0.921)	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	\$4.492	\$4.559	(\$1.098)	(\$1.120)	(\$1.142)
Overtime	(1.472)	-	-	-	-
Health and Welfare	(1.540)	1.074	0.156	0.207	0.167
OPEB Current Payment	(0.000)	0.089	0.064	0.081	0.099
Pensions	0.079	(0.318)	(0.011)	(0.212)	(0.309)
Other Fringe Benefits	(2.617)	0.262	(0.106)	(0.110)	(0.114)
GASB Account	-	-	-	-	-
<u>Reimbursable Overhead</u>	<u>(3.578)</u>	<u>0.589</u>	<u>(0.141)</u>	<u>0.287</u>	<u>(0.151)</u>
Total Labor Expense Changes	(\$4.636)	\$6.255	(\$1.136)	(\$0.867)	(\$1.450)
<i>Non-Labor:</i>					
Electric Power	(\$0.118)	\$0.516	\$1.819	\$2.027	\$2.110
Fuel	0.137	(0.039)	(0.059)	(0.071)	(0.003)
Insurance	(0.000)	-	-	-	-
Claims	(0.805)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	7.734	(7.432)	6.249	4.924	4.314
Professional Service Contracts	65.082	(47.198)	(3.130)	(6.325)	(2.083)
Materials & Supplies	0.129	(0.000)	0.001	0.001	0.002
<u>Other Business Expenses</u>					
MTA Internal Subsidy	-	-	-	-	-
Other	1.489	(1.487)	(1.276)	(0.457)	(0.446)
<u>Total Other Business Expenses</u>	<u>\$1.489</u>	<u>(\$1.487)</u>	<u>(\$1.276)</u>	<u>(\$0.457)</u>	<u>(\$0.446)</u>
Total Non-Labor Expense Changes	\$73.648	(\$55.640)	\$3.603	\$0.099	\$3.893
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	\$3.970	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	(1.329)	-	-	-	-
GASB 68 Pension Expense Adjustment	-	0.300	0.200	0.400	0.500
Total Expense Changes	\$71.653	(\$49.085)	\$2.667	(\$0.368)	\$2.943
Cash Adjustment Changes					
Revenue Adjustments	(\$0.466)	\$0.000	\$0.000	\$0.000	\$0.000
Expense Adjustments	7.075	(16.320)	10.234	(22.364)	(32.336)
Total Cash Adjustment Changes	\$6.609	(\$16.320)	\$10.234	(\$22.364)	(\$32.336)
Total Baseline Changes	\$81.464	(\$62.305)	\$11.980	(\$22.733)	(\$29.393)
November Financial Plan - Cash Surplus/(Deficit)	(\$499.571)	(\$592.548)	(\$433.595)	(\$508.150)	(\$511.451)

MTA HEADQUARTERS
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019	2020
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	-	-	-	-	-
<u>Other Operating Revenue</u>					
Rental Income	-	-	-	-	-
Advertising	-	-	-	-	-
Other	-	-	-	-	-
Total Other Operating Revenue					
<u>Capital and Other Reimbursement</u>	<u>(4.186)</u>	<u>2.780</u>	<u>0.031</u>	<u>0.446</u>	<u>0.017</u>
Total Revenue Changes	(\$4.186)	\$2.780	\$0.031	\$0.446	\$0.017
Expenses					
<i>Labor:</i>					
Payroll	\$0.501	(\$0.145)	(\$0.148)	(\$0.151)	(\$0.154)
Overtime	(2.957)	(2.000)	-	-	-
Health and Welfare	0.052	(0.015)	(0.016)	(0.017)	(0.018)
OPEB Current Payment	-	-	-	-	-
Pensions	0.060	(0.014)	(0.015)	(0.016)	(0.016)
Other Fringe Benefits	0.037	(0.014)	(0.014)	(0.015)	(0.015)
GASB Account	-	-	-	-	-
<u>Reimbursable Overhead</u>	<u>3.579</u>	<u>(0.589)</u>	<u>0.141</u>	<u>(0.287)</u>	<u>0.151</u>
Total Labor Expense Changes	\$1.272	(\$2.777)	(\$0.052)	(\$0.485)	(\$0.052)
<i>Non-Labor:</i>					
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.012	(0.000)	0.000	0.000	0.000
Professional Services	2.864	(0.003)	0.020	0.039	0.035
Materials & Supplies	-	-	-	-	-
<u>Other Business Expenses</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
MTA Internal Subsidy	-	-	-	-	-
<u>Other</u>	<u>0.038</u>	<u>(0.001)</u>	<u>(0.000)</u>	<u>0.000</u>	<u>0.000</u>
<u>Total Other Business Expenses</u>	<u>\$0.038</u>	<u>(\$0.001)</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>
Total Non-Labor Expense Changes	\$2.913	(\$0.003)	\$0.020	\$0.039	\$0.035
Gap Closing Expenses :					
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$4.186	(\$2.780)	(\$0.031)	(\$0.446)	(\$0.017)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$4.186	(\$2.780)	(\$0.031)	(\$0.446)	(\$0.017)
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 - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON REIMBURSABLE/REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$581.034)	(\$530.243)	(\$445.575)	(\$485.418)	(\$482.058)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
<u>Other Operating Revenue</u>					
Rental Income	3.078	3.000	-	-	-
Advertising	-	-	-	-	-
Other	0.125	0.100	(0.921)	-	-
Total Other Operating Revenue	3.203	3.100	(0.921)	-	-
Capital and Other Reimbursement	(4.186)	2.780	0.031	0.446	0.017
Total Revenue Changes	(\$0.983)	\$5.880	(\$0.890)	\$0.446	\$0.017
Expenses					
<i>Labor:</i>					
Payroll	\$4.993	\$4.414	(\$1.246)	(\$1.271)	(\$1.296)
Overtime	(4.429)	(2.000)	-	-	-
Health and Welfare	(1.488)	1.059	0.140	0.190	0.149
OPEB Current Payment	(0.000)	0.089	0.064	0.081	0.099
Pensions	0.140	(0.332)	(0.026)	(0.227)	(0.325)
Other Fringe Benefits	(2.580)	0.248	(0.120)	(0.125)	(0.129)
GASB Account	-	-	-	-	-
<u>Reimbursable Overhead</u>	0.000	-	(0.000)	(0.000)	(0.000)
Total Labor Expense Changes	(\$3.364)	\$3.478	(\$1.188)	(\$1.352)	(\$1.503)
<i>Non-Labor:</i>					
Electric Power	(\$0.118)	\$0.516	\$1.819	\$2.027	\$2.110
Fuel	0.137	(0.039)	(0.059)	(0.071)	(0.003)
Insurance	(0.000)	-	-	-	-
Claims	(0.805)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	7.746	(7.432)	6.249	4.924	4.314
Professional Services	67.946	(47.201)	(3.110)	(6.286)	(2.048)
Materials & Supplies	0.129	(0.000)	0.001	0.001	0.002
<u>Other Business Expenses</u>	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-
Other	1.526	(1.487)	(1.276)	(0.457)	(0.446)
Total Other Business Expenses	\$1.526	(\$1.487)	(\$1.276)	(\$0.457)	(\$0.446)
Total Non-Labor Expense Changes	\$76.562	(\$55.643)	\$3.624	\$0.138	\$3.929
Gap Closing Expenses :					
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$73.198	(\$52.165)	\$2.436	(\$1.214)	\$2.426
Depreciation	\$3.970	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	(1.329)	-	-	-	-
GASB 68 Pension Expense Adjustment	-	0.300	0.200	0.400	0.500
Total Expense Changes	\$75.838	(\$51.865)	\$2.636	(0.814)	2.926
Cash Adjustment Changes					
Revenue Adjustments	(\$0.466)	\$0.000	\$0.000	\$0.000	\$0.000
Expense Adjustments	7.075	(16.320)	10.234	(22.364)	(32.336)
Total Cash Adjustment Changes	\$6.609	(\$16.320)	\$10.234	(\$22.364)	(\$32.336)
Total Baseline Changes	\$81.464	(\$62.305)	\$11.980	(\$22.733)	(\$29.393)
November Financial Plan - Cash Surplus/(Deficit)	(\$499.571)	(\$592.548)	(\$433.595)	(\$508.150)	(\$511.451)

MTA HEADQUARTERS
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Summary of Major Plan-to-Plan Changes

2016: November Financial Plan vs. July Financial Plan

Favorable changes totaling \$81.5 million from the July Financial Plan result in a baseline cash deficit of \$499.6 million.

Revenue Changes

The major driver of Total Revenue is a decrease in Capital and Other Reimbursements, a revenue category that captures reimbursement to MTA Headquarters from Agencies for work done on their behalf and from outside entities. The \$4.2 million decrease results from underspending and a shift of MTA IT expenses. Offsetting this, rental revenue is projected to increase from the July plan by \$3.1 million as use of the Madison Avenue buildings continue to generate rental income. Additionally, a minor increase in Transit museum revenue reflects sales volume.

Expense Changes

Total expenses, including Depreciation, OPEB Liability and GASB 68, decreased by \$75.8 million in 2016. Continued significant savings in MTA IT combined with shifting MTA IT expenses into 2017 were the driving factor behind the decrease. There is also funding that has been added to 2016 to address administrative needs as well as projects benefiting MTA's customers.

Major changes include:

Favorable

Non-recurring MTA IT savings of \$36.0 million are reflected in 2016, as a result of the IT transformation that has led to re-examination of the spending base and improved overall operational efficiencies. Shifts of \$11.4 million in expenses supporting the Procurement consolidation and \$33.5 million of MTA IT expenses have been shifted from 2016 into 2017. Additional savings are realized from higher vacancy rates and a delay in hiring of 36 additional MTA PD personnel.

Unfavorable

Higher overtime, primarily MTAPD non-reimbursable overtime of \$1.3 million to address backfill needs and increased coverage necessary to provided safety and security to MTA customers. An additional \$3.0 million in reimbursable overtime reflects higher security and counter terrorism coverage. Funding for an MTA IT pilot program for B-Division countdown clocks and replacement of Fulton Transit Center information/advertising screens, totaling \$3.0 million and directly impacting MTA's customers, have been included.

Higher employee fringe costs, a transfer of 11 employees from the Agencies prior to the Procurement consolidation of \$0.5 million and additional Administrative needs of \$0.4 million are included in 2016.

Cash Adjustments

Cash adjustments are favorable by \$6.6 million. Of that, \$2.6 million is due to realignment and rescheduling of Operating Capital projects that support MTA IT, EAM and other Headquarters' needs including MTAPD.

2017: November Financial Plan vs. July Financial Plan

Unfavorable changes totaling \$62.3 million from the July Financial Plan result in a baseline cash deficit of \$592.5 million.

Revenue Changes

The major driver of Total Revenue is an increase in Capital and Other Reimbursements of \$2.8 million resulting from the shift of MTA IT project expenses from 2016. Additionally, rental revenue is projected to increase from the July plan by \$3.0 million as use of the Madison Avenue buildings continue to generate rental income and a minor increase in Transit museum revenue is captured.

Expense Changes

Total expenses, including Depreciation, OPEB Liability and GASB 68, increased by \$51.9 million in 2017. The shifting MTA IT and Procurement consolidation related expenses from 2016 and full year impact of 11 transferred Procurement positions from the Agencies are the driving factors behind the increase. In addition, the proposed 2017 budget addresses an increase in administrative needs as well as projects benefiting MTA's customers.

Major changes include:

Unfavorable

The major impact of expenses shifted from 2016 are as a result of MTA IT re-evaluating project timelines in light of current staffing levels. Additional increases result from the timing of consulting and software costs in support of the MTA's Procurement consolidation as well as transfers of procurement positions from the Agencies. Combined, the MTA IT and Procurement shifts increase Headquarters expenses by \$46.3 million.

Additional administrative expenses, staffing needs, e-Discovery costs and Executive/MTA IT employee search costs add an additional \$4.6 million in expenses. Adjustment to the EAM contingency negatively impacts 2017 by \$3.5 million.

Favorable

Additional savings in 2017 are achieved by raising the vacancy rate assumption for MTA IT recognizing higher vacancies than anticipated during the July Financial Plan. This yields a favorable \$7.6 million in payroll and fringe benefit adjustments. Savings also continue from the change in assumptions of non-represented wage adjustments being effective July 1st of each year instead of January 1st as previously captured. Favorable electric rates also contribute a savings of \$0.5 million when compared to the July Financial Plan.

Cash Adjustments

Cash adjustments are projected to be unfavorable by \$16.3 million almost entirely due to rescheduling of Operating Capital project work in MTA IT and timing of purchases for MTAPD.

2018, 2019 and 2020: November Financial Plan vs. July Financial Plan

Favorable changes in 2018 totaling \$12.0 million from the July Financial Plan result in a baseline cash deficit of \$433.6 million. Unfavorable changes of \$22.7 million in 2019 and \$29.4 in 2020 result in baseline cash deficits of \$508.2 million and \$511.5 million respectively.

Revenue Changes

Revenues reflect a correction to Transit Museum revenues in 2018 and minor adjustments to Capital and Other Reimbursements in all years.

Expense Changes

Total expenses remain relatively flat from the July Financial Plan, however there are adjustments within expense categories.

Major changes include:

Favorable

Savings averaging \$1.5 million annually continue through the plan period attributable to the change in assumptions of non-represented wage adjustments being effective July 1st of each year instead of January 1st. Favorable electric rates provide savings of approximately \$2.0 million each year for 2018 through 2020. Favorable CPI-U rates also contribute a reduction in inflationary driven expense growth.

Adjustments have also been made to the EAM contingency of \$6.1 million, \$4.8 million and \$4.1 million in 2018, 2019 and 2020 respectively.

Unfavorable

The Procurement positions transfer into headquarters, additional new administrative expenses, staffing needs, e-Discovery costs and Executive/ MTA IT employee search

costs add an additional \$6.3 million in expenses in 2018, an additional \$5.6 million in 2019 and an additional \$5.3 million in 2020. Re-estimates of out-year expenses for current MTA IT projects increase expenses by \$1.8 million, \$4.9 million and \$0.8 million for 2018 through 2020.

Cash Adjustments

Cash adjustments are projected to be favorable by \$10.2 million in 2018 and unfavorable by \$22.4 million and \$32.3 million in 2019 and 2020 respectively. Almost the entire cash adjustment variances are the result of adjustments to Operating Capital expenses. Re-alignment of MTA IT projects, including work in support of EAM, and an acknowledgement of additional funding required in the later years of the plan drive the changes.

MTA HEADQUARTERS
November Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$581.034)	(\$530.243)	(\$445.575)	(\$485.418)	(\$482.058)
Non-Reimbursable Major Changes					
Revenue					
Rental Income	\$3.078	\$3.000	\$0.000	\$0.000	\$0.000
Other	0.125	0.100	(0.921)	-	-
Sub-Total Non-Reimbursable Revenue Change:	\$3.203	\$3.100	(\$0.921)	\$0.000	\$0.000
Expenses					
Budget Reduction Programs					
Higher 2017 IT Vacancy Savings	\$0.000	\$7.590	\$0.000	\$0.000	\$0.000
Non-Represented Wage Increase	1.110	1.411	1.446	1.481	1.510
New Needs					
Staffing needs across HQ Departments	(\$0.258)	(\$1.260)	(\$1.293)	(\$1.326)	(\$1.361)
All Agency Executive Employee Search needs	(0.113)	(0.451)	(0.451)	(0.451)	(0.451)
IT Employee Search Services	-	(0.800)	(0.800)	-	-
IT/Corp E-Discovery	-	(1.308)	(1.870)	(1.459)	(1.497)
Safety Management - Employee Preception Surveys	(0.020)	(0.380)	-	(0.401)	-
Procurement Consolidation - need for contingent employees	-	(0.137)	(0.140)	(0.143)	(0.146)
3rd Party COBRA administration fees	-	(0.300)	(0.308)	(0.316)	(0.325)
Other Changes					
Higher 2016 vacancy savings	\$2.000	\$0.000	\$0.000	\$0.000	\$0.000
Re-estimate of 2016 MTA IT requirements	35.976	-	-	-	-
Change in recovery	(4.186)	2.779	0.031	0.446	0.017
BSC Transfer to MTA IT Operating Capital	0.300	-	-	-	-
Shift in Procurement Consolidation expenses	11.400	(11.400)	-	-	-
OPEB Current Payments	-	0.009	0.064	0.081	0.099
Change in MTA-wide EAM Contingency Funding	-	(3.483)	6.146	4.813	4.126
Higher vacation time payouts than anticipated due to higher attrition	(0.780)	-	-	-	-
Higher Overtime - MTAPD Safety and Security	(4.338)	(2.000)	-	-	-
Labor Svings resulting from delay in hiring of previously approved O	0.698	-	-	-	-
Shift in hiring, testing and equipment costs for MTAPD	0.909	(0.909)	-	-	-
Shift in spending costs for MTAPD Recruit and Sergeant/Lieutenant	0.286	(0.286)	-	-	-
Transfer of Labor Relations position from NYCT	-	(0.165)	(0.169)	(0.173)	(0.178)
Transfer of Procurement positions from Agencies ahead of	-	-	-	-	-
Procurement function consolidation	(0.475)	(1.423)	(1.463)	(1.502)	(1.544)
Higher postage services	(0.200)	(0.200)	(0.200)	(0.200)	(0.200)
Market Research expenses	(0.125)	-	-	-	-
Additional Madison Avenue Facility expenses	-	(1.939)	-	-	-
Revised MTADB and NYSLEs accrued Contributions	-	(0.267)	(0.189)	(0.396)	(0.493)
Re-estimated non-labor expenses for Occupational Health Services	-	(0.025)	(0.026)	(0.026)	(0.027)
Shift in spending and re-estimates for MTA IT	33.470	(33.858)	(1.849)	(4.937)	(0.782)
MTA Inspector General re-estimates	-	(0.181)	(0.181)	(0.181)	(0.181)
Fulton Transit Center video screen replacement	(2.000)	-	-	-	-
Higher current year electric usage	(0.117)	-	-	-	-
Re-estimated HQ current year overtime spending	(0.091)	-	-	-	-
Higher claims activity	(0.805)	-	-	-	-
Higher Fringe Benefits	(4.156)	-	-	-	-
MTA IT B-Division countdown clocks pilot costs	(1.000)	-	-	-	-
Other Changes	1.528	(1.158)	1.256	0.864	0.463
Rate Changes					
Revised Medical Insurance costs	\$0.000	\$0.322	\$0.268	\$0.325	\$0.367
Rate Change - CPI-U	-	(0.043)	0.434	0.778	0.942
Rate Change - Electricity	-	0.516	1.819	2.027	2.109
Rate Change Fuel (Gasoline and Heating Fuel)	-	(0.039)	(0.059)	(0.071)	(0.003)
Changes in Non-Cash Items					
Depreciation	\$3.970	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	(1.329)	-	-	-	-
GASB 68 Pension Expense Adjustment	-	0.300	0.200	0.400	0.500
Sub-Total Non-Reimbursable Expense Change:	\$71.653	(\$49.085)	\$2.666	(\$3.68)	\$2.943
Total Non-Reimbursable Major Changes	\$74.856	(\$45.985)	\$1.745	(\$3.68)	\$2.943
Reimbursable Major Changes					
Revised Reimbursable Revenue	(\$4.186)	\$2.780	\$0.031	\$0.446	\$0.017
Sub-Total Reimbursable Revenue Change:	(\$4.186)	\$2.780	\$0.031	\$0.446	\$0.017
Expenses	\$4.186	(\$2.780)	(\$0.031)	(\$0.446)	(\$0.017)
All Other	-	-	-	-	-
Sub-Total Reimbursable Expense Change:	\$4.186	(\$2.780)	(\$0.031)	(\$0.446)	(\$0.017)
Total Reimbursable Major Changes:	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$74.856	(\$45.985)	\$1.745	(\$3.68)	\$2.943
Cash Adjustment Changes					
Realignment of Operating Capital Spending - non EAM	(\$0.913)	(\$26.837)	\$16.085	(\$15.704)	(\$20.258)
Realignment of Operating Capital Spending - EAM	\$3.577	\$10.484	(\$5.465)	(\$6.083)	(\$11.589)
All Other	3.945	0.033	(0.386)	(0.577)	(0.489)
Total Cash Adjustment Changes:	\$6.609	(\$16.320)	\$10.234	(\$22.364)	(\$32.336)
Total Baseline Changes	\$81.465	(\$62.305)	\$11.979	(\$22.733)	(\$29.392)
November Financial Plan - Cash Surplus/(Deficit)	(\$499.571)	(\$592.548)	(\$433.595)	(\$508.150)	(\$511.451)

MTA HEADQUARTERS
November Financial Plan 2017-2020
2016 Budget Reduction Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	2016		2017		2018		2019		2020	
	Positions	Expenses	Positions	Expenses	Positions	Expenses	Positions	Expenses	Positions	Expenses
Administration										
Higher 2017 IT Vacancy Savings	-	\$0.000	-	\$7.590	-	\$0.000	-	\$0.000	-	\$0.000
Non-Represented Wage Increase	-	1.110	-	1.411	-	1.446	-	1.481	-	1.510
IT Headcount Reduction (July Plan)	67	9.481	67	14.136	67	14.484	67	14.668	67	14.948
IT Consult Conversions (July Plan)	-	0.292	-	0.619	-	0.616	-	0.604	-	0.538
IT Vacancy Savings (July Plan)	-	11.207	-	7.571	-	7.686	-	7.806	-	7.888
Position Downgrades (July Plan)	-	-	-	-	-	-	-	-	-	-
Telephone Reduction (July Plan)	-	-	-	-	-	-	-	-	-	-
Subtotal Administration	67	\$22.089	67	\$31.327	67	\$24.232	67	\$24.560	67	\$24.884
Customer Convenience/Amenities										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Customer Convenience/Amenities	-	-	-	-	-	-	-	-	-	-
Maintenance										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Maintenance	-	-	-	-	-	-	-	-	-	-
Revenue Enhancement										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Revenue Enhancement	-	-	-	-	-	-	-	-	-	-
Safety										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Safety	-	-	-	-	-	-	-	-	-	-
Security										
MTA PD - Reduced Facility expenses (July Plan)	-	0.045	-	0.045	-	0.046	-	0.047	-	0.049
MTA PD - Reduced Professional Services and Purchases (July Plan)	-	0.268	-	0.268	-	0.275	-	0.282	-	0.290
MTAPD - Reduced Fuel and Electricity (July Plan)	-	0.258	-	0.258	-	0.266	-	0.274	-	0.287
MTAPD - Reduced Vehicle Repairs, Maintenance and Purchases (July Plan)	-	0.215	-	0.215	-	0.221	-	0.227	-	0.233
Subtotal Security	-	0.786	-	0.786	-	0.808	-	0.831	-	0.859
Service										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Service	-	-	-	-	-	-	-	-	-	-
Service Support										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Service Support	-	-	-	-	-	-	-	-	-	-
Other										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Other	-	-	-	-	-	-	-	-	-	-
Total	67	\$22.875	67	\$32.113	67	\$25.040	67	\$25.391	67	\$25.742

**MTA HEADQUARTERS
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administrative
Program: Higher 2017 IT Vacancy Savings

Background Details: Building on a July Plan BRP which captures higher vacancy savings going forward in recognition of higher IT turnover when compared with other MTA administrative areas, an additional BRP in 2017 raises the vacancy rate assumption yielding an additional \$7.6 million a savings. As MTA IT and Human Resources adjust hiring practices in order to fill positions more quickly and retain employees in 2017 and beyond, the vacancy rate returns to previously assumed levels in 2018.

Program Description/Implementation Plan:

Program Implementation Date: 2017 **When will savings begin?:** 2017
Are these savings recurring?: No

Other Issues: None

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$7.590	\$0.000	\$0.000	\$0.000
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA HEADQUARTERS
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Non-Represented Wage Increase

Background Details:	Savings resulting from a 2% cost of allowance wage increase for non-represented employees that was budgeted to be on January 1, 2016, but was instead made effective July 1, 2016
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Program Description/ Implementation Plan:			
Program Implementation Date:	7/1/2016	When will savings begin?:	7/1/2016
		Are these savings recurring?:	Yes
Other Issues:	None		

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.110	\$1.411	\$1.446	\$1.481	\$1.510
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: IT Headcount Reduction

Background Details:	DMB mandated headcount reduction of 67 positions.
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Program Description/ Implementation Plan:	7% Headcount and Non-Labor reduction mandated for MTA IT, is realized by 67 IT vacancy eliminations in 2016 through 2020, representing a reduction of approximately \$9M in Labor costs. Beginning in 2017, \$5M in non-labor costs savings are achieved annually, for a total savings of over \$14 million annually.
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Program Implementation Date: 7/1/2016	When will savings begin?: 7/1/2016
	Are these savings recurring?: Yes
Other Issues: None	

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$9.481	\$14.136	\$14.484	\$14.668	\$14.948
<i>Total Positions Required:</i>	67	67	67	67	67

**MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: IT Consultant Conversions

Background Details:	This program captures the effect of the MTAHQ IT conversions of "staff" positions held by consultants to in-house employees who would be represented by TCU.
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Program Description/ Implementation Plan:	MTA IT has worked with HQ Budget and Labor Relations over the past year to explore both the feasibility, timing, and potential budget impact of converting up to 67 consultants to in-house positions. In January, it was agreed that MTA Headquarters can both satisfy the TCU and achieve modest savings by replacing selected IT consultants.
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Program Implementation Date: 7/1/2016	When will savings begin?: 7/1/2016
	Are these savings recurring?: Yes

Other Issues: None

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.292	\$0.619	\$0.616	\$0.604	\$0.538

Total Positions Required:

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: IT Vacancy Savings

Background Details: The total 2016 IT Vacancy savings of \$11.2M consist of vacancies in 67 positions that were eliminated effective with the July Plan and resulted in savings of \$6.5M. Vacancies in other IT positions, resulting from a slower hiring rate, are responsible for the remaining savings of approximately \$4.6M in 2016. Additional annual vacancy savings averaging \$7.7M are projected in 2017 and beyond. This Plan captures these vacancy savings going forward in recognition of higher IT turnover when compared with other MTA administrative areas..

Program Description/ Implementation Plan:	Vacancy Savings		
Program Implementation Date:	1/1/2016	When will savings begin?:	1/1/2016
		Are these savings recurring?:	Yes
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$11.207	\$7.571	\$7.686	\$7.806	\$7.888

Total Positions Required:

**MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Position Downgrades

Background Details:	This program captures the effect of position downgrades throughout MTAHQ.
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Program Description/ Implementation Plan:	This program has been in effect since November 2015.		
Program Implementation Date:	1/1/2016	When will savings begin?:	1/1/2016
		Are these savings recurring?:	Yes
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.436	\$0.443	\$0.452	\$0.462	\$0.472

Total Positions Required:

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Administration
Program: Telephone Reduction

Background Details:	This program captures the effect of telephone cost eliminations throughout MTAHQ.
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Program Description/ Implementation Plan:	This program will be implemented in the July 2016 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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.032	\$0.033	\$0.034	\$0.035	\$0.035

Total Positions Required:

List of Other Concerns:

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Security
Program: MTAPD Facility Expenses

Background Details:

**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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.045	\$0.045	\$0.046	\$0.047	\$0.049

Total Positions Required:

**MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Security

Program: MTAPD Professional and Services and Purchases

Background Details:

**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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.134	\$0.134	\$0.138	\$0.141	\$0.145

Total Positions Required:

**MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Security
Program: MTAPD Fuel and Electric

Background Details:

**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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.129	\$0.129	\$0.133	\$0.137	\$0.144

Total Positions Required:

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Security

Program: MTAPD Vehicle Repair, Maintenance and Purchases

Background Details:

**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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.215	\$0.215	\$0.221	\$0.227	\$0.233

Total Positions Required:

MTA HEADQUARTERS
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Positions

POSITION ASSUMPTIONS

2016-2020: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to decrease by 18 positions in 2016 and then increase by 21 positions in 2017 through 2020 from the July Financial Plan. The 21 position increase consists of 20 new non-reimbursable positions, one new reimbursable position, one position correction and 12 positions transferred from the agencies.

Administration (10 positions)

- One Senior Director position reporting to the Chairman.
- Two Real Estate positions, (Director and Assistant Deputy Director) resulting from the large volume of real estate development deals which generate substantial income for both the capital program and the operating agencies.
- Three Labor Relations positions, one of which is being transferred from NYCT. These positions will enable Labor Relations to properly and fully support the initiatives necessary to advance the adoption and maintenance of unified MTA functions.
- One Associate Video Editor position to assist with the MTA's expanding multimedia presence.
- One Director position within the General Counsel's Department to establish a dedicated all-agency electronic discovery ("e-Discovery") unit.
- One Machine Operator required due to increased in-house reproduction needs.
- One reimbursable Deputy Director in Risk and Insurance Management.

BSC/Procurement (11 positions)

- 11 Procurement positions being transferred from Metro North (6), LIRR (1) and NYCTA (4) in support of the MTA Procurement consolidation effort.

Public Safety/MTAPD

- Shift into 2017 of hiring 36 baseline positions that were previously approved for MTAPD.

Position changes by occupational group are: Managers/Supervisors increase by 10 positions, Professional, Technical, Clerical positions increase by 8 positions, and

Operational Hourlies decrease by 36 positions in 2016. For 2017 through 2020, Managers/Supervisors increase by 13 positions, Professional, Technical, Clerical positions increase by 8 positions, and Operational Hourlies remain unchanged.

Year-over-Year

2017 over 2016

In 2017, total headcount increases by 80 positions to 2,998 positions due to the hiring of 59 MTAPD positions for counter terrorism and homeless outreach duties, addition of 19 non-reimbursable Information Technology positions, two additional Real Estate positions, one Labor Relation position transferred from NYCT partly offset by the elimination of the Associate Director, Real Estate position. Non-reimbursable positions are 2,861 in 2017, and reimbursable positions are 137. Occupational group increases include 20 positions for Professional, Technical, and Clerical to 1,724 positions. Managers/Supervisors increase by 1 to 639 positions and Operational Hourlies increase by 59 positions to 635.

2018 over 2017

In 2018, total headcount increases by 4 positions to 3,002 positions due to the addition of 4 non-reimbursable Information Technology positions. Non-reimbursable positions are 2,865 in 2018, and reimbursable positions remain at 137. Occupational group increases include 4 positions for Professional, Technical, and Clerical to 1,728 positions. Managers/Supervisors remain unchanged at 639 positions and Operational Hourlies stay at 635 positions.

2019 over 2018

In 2019, headcount increases by 24 non-reimbursable positions due to the MTAPD hiring plan for ESA that anticipates a projected opening in 2022 and four Information Technology positions. Total non-reimbursable headcount increases to 2,889 positions while reimbursable positions remain unchanged at 137. Operational Hourly positions increase by 20 positions to 655 while Managers/Supervisors remain unchanged at 639 and Professional, Technical, Clerical increase by 4 to 1,732.

2020 over 2019

In 2020, headcount increases by 54 non-reimbursable positions due to the MTAPD hiring plan for ESA that anticipates a projected opening in 2022. Total non-reimbursable headcount increases to 2,943 positions while reimbursable positions remain unchanged at 137. Operational Hourly positions increase by 39 positions to 694 while Managers/Supervisors increase by 14 to 653 and Professional, Technical, Clerical increase by 1 to 1,733.

MTA HEADQUARTERS					
November Financial Plan 2017-2020					
Favorable/(Unfavorable)					
Total Position Changes at a Glance					
	2016	2017	2018	2019	2020
2016 July Plan - Total Positions	2,936	2,977	2,981	3,005	3,059
Total Plan-to-Plan Changes	18	(21)	(21)	(21)	(21)
2016 November Plan - Total Positions	2,918	2,998	3,002	3,026	3,080
Total Year-to-Year Changes, November Plan		(80)	(4)	(24)	(54)

Total Plan-to-Plan Changes by Reporting Category:					
<i>Non-Reimbursable</i>	19	(20)	(20)	(20)	(20)
<i>Reimbursable</i>	(1)	(1)	(1)	(1)	(1)
Total	18	(21)	(21)	(21)	(21)
<i>Full-Time</i>	18	(21)	(21)	(21)	(21)
<i>Full-Time Equivalents</i>	-	-	-	-	-
Total	18	(21)	(21)	(21)	(21)
<i>By Function Category</i>					
- Administration	(18)	(21)	(21)	(21)	(21)
- Operations	-	-	-	-	-
- Maintenance	-	-	-	-	-
- Engineering/Capital	-	-	-	-	-
- Public Safety	36				
Total	18	(21)	(21)	(21)	(21)
<i>By Occupational Group</i>					
- Managers/Supervisors	(10)	(12)	(12)	(12)	(12)
- Professional, Technical, Clerical	(8)	(9)	(9)	(9)	(9)
- Operational Hourlies	36	0	0	0	0
Total	18	(21)	(21)	(21)	(21)

Total Plan-to-Plan Changes by Major Category:					
<i>2016 BRPs</i>					
<i>New Needs</i>	(5)	(7)	(7)	(7)	(7)
<i>Change in Reimbursable Positions</i>	(1)	(1)	(1)	(1)	(1)
<i>Re-estimates & All Other (xfer from agencies)</i>	24	(13)	(13)	(13)	(13)
Total	18	(21)	(21)	(21)	(21)

¹ Includes Full-time Equivalents

MTA HEADQUARTERS
November Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Office of Chairman	4	6	6	6	6	6
Chief Operating Officer	1	2	2	2	2	2
Govt Affairs & Community Relat		1	1	1	1	1
Agency Operations & Initiative		2	2	2	2	2
Chief Safety Officer	2	12	12	12	12	12
Office of Counselor to the Chairman	2	2	2	2	2	2
Office of Chief of Staff	7	7	7	7	7	7
Federal Affairs	1	1	1	1	1	1
Intergovernmental Relations	5	5	5	5	5	5
Spec. Project Develop/Planning	7	8	8	8	8	8
Corporate Account		4	4	4	4	4
Human Resources	18	31	31	31	31	31
PCAC	4	5	5	5	5	5
Labor Relations						
Office of Labor Relations	8	13	14	14	14	14
Labor Relations	8	13	14	14	14	14
General Counsel						
Office of Ded General Counsel	33	37	37	37	37	37
Record Management	1	2	2	2	2	2
General Counsel	34	39	39	39	39	39
Office of Diversity						
Office of Diversity	2	2	2	2	2	2
Office of Civil Rights	12	14	14	14	14	14
Office of Diversity	14	16	16	16	16	16
Corporate & Internal Communications						
Office of DED Corp. Affairs and Comm.	0	1	1	1	1	1
Marketing	8	11	11	11	11	11
Corporate & Internal Communications	8	12	12	12	12	12
Chief Financial Officer						
Office of Chief Financial Officer	4	4	4	4	4	4
Comptroller's Office	21	23	23	23	23	23
Management & Budget	21	23	23	23	23	23
Strategic Initiatives	5	9	9	9	9	9
Chief Financial Officer	51	59	59	59	59	59
Capital Programs						
Environmental, Sustainability & Compliance	5	6	6	6	6	6
New Fare Payment System	14	21	21	21	21	21
Capital Programs	19	27	27	27	27	27
Total MTA HQ, Policy & Oversight	185	252	253	253	253	253

MTA HEADQUARTERS
November Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
MTA Consolidated Functions						
External Communication	12	15	15	15	15	15
Audit	78	85	85	85	85	85
Office of Diversity - MWDBE/ DBE Contract Integrity	15	16	16	16	16	16
Pensions	52	63	63	63	63	63
Occupational Health & Safety	-	17	17	17	17	17
General Counsel/Compliance						
Compliance	6	10	10	10	10	10
Chief Financial Officer						
Director of Finance	6	6	6	6	6	6
Treasury	18	18	18	18	18	18
Risk and Insurance Management	20	23	23	23	23	23
Real Estate	62	71	72	72	72	72
Information Technology	881	1,100	1,119	1,123	1,127	1,127
Chief Financial Officer	987	1,218	1,238	1,242	1,246	1,246
Capital Programs						
Office of Capital Programs	1	1	1	1	1	1
Construction Oversight	3	5	5	5	5	5
Federal Policy	-	1	1	1	1	1
Enterprise Asset Management	2	9	9	9	9	9
Capital Program Management	10	15	15	15	15	15
Capital Program Funding	11	11	11	11	11	11
Total Capital Programs	27	42	42	42	42	42
Corporate and Internal Communications						
Internal Communications	3	3	3	3	3	3
Arts for Transit	8	8	8	8	8	8
Transit Museum Operations	11	13	13	13	13	13
Retail Operations	5	5	5	5	5	5
Corporate and Internal Communications	27	29	29	29	29	29
Total MTA Consolidated Functions	1,204	1,495	1,515	1,519	1,523	1,523
Business Service Center	308	359	359	359	359	359
Public Safety	777	812	871	871	891	945
Total Positions	2,474	2,918	2,998	3,002	3,026	3,080
<i>Non-Reimbursable</i>	2,340	2,781	2,861	2,865	2,889	2,943
<i>Reimbursable</i>	134	137	137	137	137	137
<i>Full-Time</i>	2,474	2,918	2,998	3,002	3,026	3,080
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

MTA HEADQUARTERS
November Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP		2015	2016	2017	2018	2019	2020
		Actual	November Forecast	Final Proposed Budget			
Administration							
	Managers/Supervisors	385	481	482	482	482	482
	Professional, Technical, Clerical	1,312	1,625	1,645	1,649	1,653	1,653
	Operational Hourlies	-	-	-	-	-	-
	Total Administration	1,697	2,106	2,127	2,131	2,135	2,135
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	158	157	157	157	157	171
	Professional, Technical, Clerical	58	79	79	79	79	80
	Operational Hourlies (Uniformed)	561	576	635	635	655	694
	Total Public Safety	777	812	871	871	891	945
Total Positions							
	Managers/Supervisors	543	638	639	639	639	653
	Professional, Technical, Clerical	1,370	1,704	1,724	1,728	1,732	1,733
	Operational Hourlies	561	576	635	635	655	694
	Total Positions	2,474	2,918	2,998	3,002	3,026	3,080

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. All aspects of Administration strive to identify opportunities to streamline expenses and increase efficiencies.
- MTA Consolidated Functions includes areas where savings have been achieved through function consolidations or areas where the work can be more efficiently performed at Headquarters. This Plan includes the consolidation of the Information Technology functions. Future consolidations will include the Procurement and Treasury functions. 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 table breaks out the MTA HQ personnel Budgets by these categories.

MTA HEADQUARTERS
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Major Function
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019	2020
<u>MTA HQ, Policy & Oversight</u>					
Operating Revenue	\$49.192	\$46.374	\$48.084	\$50.007	\$52.007
Labor Expenses	\$40.227	\$57.111	\$59.501	\$61.516	\$63.672
Non-Labor Expenses	119.811	120.083	116.246	113.633	116.500
GASB 68	(10.200)	(4.400)	(4.400)	(5.400)	(7.400)
<u>Depreciation / OPEB Liability Adjustment</u>	94.485	113.222	114.823	119.672	124.738
Total Expenses	\$244.323	\$286.016	\$286.170	\$289.421	\$297.510
Baseline Deficit	(\$195.131)	(\$239.642)	(\$238.086)	(\$239.414)	(\$245.503)
<u>MTA Consolidated Functions</u>					
Operating Revenue	\$8.053	\$6.968	\$4.031	\$4.072	\$4.173
Labor Expenses (non-IT)	\$15.275	\$20.188	\$20.517	\$21.016	\$21.516
Labor Expenses (IT Transformation)	126.755	124.334	135.701	141.181	145.633
Non-Labor Expenses (non-IT)	36.749	33.418	23.029	20.020	20.683
Non-Labor Expenses (IT Transformation)	103.076	168.988	128.128	124.448	125.764
Depreciation / OPEB Liability Adjustment (non-IT)	0.782	0.000	0.000	0.000	0.000
<u>Depreciation / OPEB Liability Adjustment (IT Transformation)</u>	4.718	35.496	46.449	52.133	56.146
Total Expenses	\$287.355	\$382.424	\$353.824	\$358.798	\$369.742
Baseline Deficit	(\$279.302)	(\$375.456)	(\$349.793)	(\$354.726)	(\$365.569)
<u>Business Service Center</u>					
Operating Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	\$31.715	\$36.192	\$36.941	\$37.792	\$38.640
Non-Labor Expenses	11.291	21.139	9.337	9.553	9.697
<u>Depreciation / OPEB Liability Adjustment</u>	-	-	-	-	-
Total Expenses	\$43.006	\$57.331	\$46.278	\$47.345	\$48.337
Baseline Deficit	(\$43.006)	(\$57.331)	(\$46.278)	(\$47.345)	(\$48.337)
<u>Public Safety</u>					
Operating Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	\$127.616	\$132.891	\$134.407	\$137.511	\$144.614
Non-Labor Expenses	9.357	11.735	10.344	11.349	12.281
<u>Depreciation / OPEB Liability Adjustment</u>	9.848	7.493	6.002	6.002	4.526
Total Expenses	\$146.821	\$152.119	\$150.753	\$154.862	\$161.421
Baseline Deficit	(\$146.821)	(\$152.119)	(\$150.753)	(\$154.862)	(\$161.421)

MTA HEADQUARTERS
November Financial Plan 2017-2020
Total Positions by Function
Non-Reimbursable/Reimbursable and Full-Time Positions/Full-Time Equivalents

FUNCTION	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
MTA Consolidated Functions	1,204	1,507	1,526	1,531	1,535	1,535
MTA HQ, Policy & Oversight	185	251	253	252	252	252
Business Service Center	308	348	348	348	348	348
Public Safety	777	812	871	871	891	945
Total Positions	2,474	2,918	2,998	3,002	3,026	3,080
Non-Reimbursable						
MTA Consolidated Functions	1,070	1,370	1,389	1,394	1,398	1,398
MTA HQ, Policy & Oversight	185	251	253	252	252	252
Business Service Center	308	348	348	348	348	348
Public Safety	777	812	871	871	891	945
Reimbursable						
MTA Consolidated Functions	134	137	137	137	137	137
MTA HQ, Policy & Oversight	-	-	-	-	-	-
Business Service Center	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
<i>Full-Time</i>	2,474	2,918	2,998	3,002	3,026	3,080
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

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MTA INSPECTOR GENERAL
2017 Preliminary Budget
November Financial Plan 2017-2020

Financial Overview

The forecast for the Office of Inspector General for the years 2017-2020 reflect the guidelines and assumptions used by MTA Headquarters, and provides adequate resources used to investigate and audit matters of concern throughout the MTA and its subsidiaries.

2016 November Forecast

In the 2016 November Forecast a total of \$13.1 million is projected in baseline expenses, compared to \$15.0 million in the 2016 Adopted Budget and \$13.5 million in the 2016 Mid-Year Plan. The favorable variance is mainly the result of vacancy savings.

2017 Preliminary Budget – Baseline

In the 2017 Final Proposed Budget, a total of \$14.5 million is projected in baseline expenses compared to the same \$14.5 million in the July Plan which represents no significant change between plans.

2018-2020 Projections

The forecast for the Office of Inspector General for the years 2018-2020 reflects inflationary growth according to the prevailing guidelines and assumptions.

MTA INSPECTOR GENERAL
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		Forecast	Budget			
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	11.892	13.095	14.448	14.788	15.147	15.514
Total Revenue	\$11.892	\$13.095	\$14.448	\$14.788	\$15.147	\$15.514
Expenses						
<u>Labor:</u>						
Payroll	\$6.621	\$7.345	\$8.206	\$8.369	\$8.535	\$8.705
Overtime	-	-	-	-	-	-
Health and Welfare	0.796	1.028	1.423	1.448	1.504	1.561
OPEB Current Payment	-	-	-	-	-	-
Pensions	1.058	1.025	0.972	1.032	1.073	1.109
Other Fringe Benefits	0.468	0.556	0.716	0.731	0.745	0.761
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$8.943	\$9.954	\$11.317	\$11.580	\$11.857	\$12.136
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.021	0.031	0.032	0.033	0.034	0.036
Insurance	0.021	0.019	0.025	0.028	0.031	0.034
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.605	2.730	2.756	2.822	2.892	2.966
Professional Service Contracts	0.173	0.236	0.204	0.209	0.214	0.220
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.129	0.125	0.114	0.116	0.119	0.122
Total Non-Labor Expenses	\$2.949	\$3.141	\$3.131	\$3.208	\$3.290	\$3.378
<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	\$11.892	\$13.095	\$14.448	\$14.788	\$15.147	\$15.514
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$11.892	\$13.095	\$14.448	\$14.788	\$15.147	\$15.514
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
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	11.892	13.095	14.448	14.788	15.147	15.514
Total Receipts	\$11.892	\$13.095	\$14.448	\$14.788	\$15.147	\$15.514
Expenditures						
<u>Labor:</u>						
Payroll	\$6.621	\$7.345	\$8.206	\$8.369	\$8.535	\$8.705
Overtime	-	-	-	-	-	-
Health and Welfare	0.796	1.028	1.423	1.448	1.504	1.561
OPEB Current Payment	-	-	-	-	-	-
Pensions	1.058	1.025	0.972	1.032	1.073	1.109
Other Fringe Benefits	0.468	0.556	0.716	0.731	0.745	0.761
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$8.943	\$9.954	\$11.317	\$11.580	\$11.857	\$12.136
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.021	0.031	0.032	0.033	0.034	0.036
Insurance	0.021	0.019	0.025	0.028	0.031	0.034
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.605	2.730	2.756	2.822	2.892	2.966
Professional Service Contracts	0.173	0.236	0.204	0.209	0.214	0.220
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.129	0.125	0.114	0.116	0.119	0.122
Total Non-Labor Expenditures	\$2.949	\$3.141	\$3.131	\$3.208	\$3.290	\$3.378
<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	\$11.892	\$13.095	\$14.448	\$14.788	\$15.147	\$15.514
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		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	-	-	-	-	-	-
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	-	-	-	-	-	-
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	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$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 INSPECTOR GENERAL
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
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	13.095	14.448	1.353	14.788	0.340	15.147	0.359	15.514	0.367
Total Revenue	\$13.095	\$14.448	\$1.353	\$14.788	\$0.340	\$15.147	\$0.359	\$15.514	\$0.367
Expenses									
Labor:									
Payroll	\$7.345	\$8.206	(\$0.861)	\$8.369	(\$0.163)	\$8.535	(\$0.166)	\$8.705	(\$0.170)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.028	1.423	(0.395)	1.448	(0.025)	1.504	(0.056)	1.561	(0.057)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	1.025	0.972	0.053	1.032	(0.060)	1.073	(0.041)	1.109	(0.036)
Other Fringe Benefits	0.556	0.716	(0.160)	0.731	(0.015)	0.745	(0.014)	0.761	(0.016)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$9.954	\$11.317	(\$1.363)	\$11.580	(\$0.263)	\$11.857	(\$0.277)	\$12.136	(\$0.279)
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	0.032	(0.001)	0.033	(0.001)	0.034	(0.001)	0.036	(0.002)
Insurance	0.019	0.025	(0.006)	0.028	(0.003)	0.031	(0.003)	0.034	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other	-	-	-	-	-	-	-	-	-
Operating Contracts	2.730	2.756	(0.026)	2.822	(0.066)	2.892	(0.070)	2.966	(0.074)
Professional Service Contracts	0.236	0.204	0.032	0.209	(0.005)	0.214	(0.005)	0.220	(0.006)
Materials & Supplies	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.125	0.114	0.011	0.116	(0.002)	0.119	(0.003)	0.122	(0.003)
Total Non-Labor Expenses	\$3.141	\$3.131	\$0.010	\$3.208	(\$0.077)	\$3.290	(\$0.082)	\$3.378	(\$0.088)
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	\$13.095	\$14.448	(\$1.353)	\$14.788	(\$0.340)	\$15.147	(\$0.359)	\$15.514	(\$0.367)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$13.095	\$14.448	(\$1.353)	\$14.788	(\$0.340)	\$15.147	(\$0.359)	\$15.514	(\$0.367)
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 2017 - 2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
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	13.095	14.448	1.353	14.788	0.340	15.147	0.359	15.514	0.367
Total Receipts	\$13.095	\$14.448	\$1.353	\$14.788	\$0.340	\$15.147	\$0.359	\$15.514	\$0.367
Expenditures									
Labor:									
Payroll	\$7.345	\$8.206	(\$0.861)	\$8.369	(\$0.163)	\$8.535	(\$0.166)	\$8.705	(\$0.170)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.028	1.423	(0.395)	1.448	(0.025)	1.504	(0.056)	1.561	(0.057)
OPEB Current Payment	-	-	0.000	-	0.000	-	0.000	-	0.000
Pensions	1.025	0.972	0.053	1.032	(0.060)	1.073	(0.041)	1.109	(0.036)
Other Fringe Benefits	0.556	0.716	(0.160)	0.731	(0.015)	0.745	(0.014)	0.761	(0.016)
GASB Account	-	-	-	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$9.954	\$11.317	(\$1.363)	\$11.580	(\$0.263)	\$11.857	(\$0.277)	\$12.136	(\$0.279)
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	0.032	(0.001)	0.033	(0.001)	0.034	(0.001)	0.036	(0.002)
Insurance	0.019	0.025	(0.006)	0.028	(0.003)	0.031	(0.003)	0.034	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other	-	-	-	-	-	-	-	-	-
Operating Contracts	2.730	2.756	(0.026)	2.822	(0.066)	2.892	(0.070)	2.966	(0.074)
Professional Service Contracts	0.236	0.204	0.032	0.209	(0.005)	0.214	(0.005)	0.220	(0.006)
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	0.125	0.114	0.011	0.116	(0.002)	0.119	(0.003)	0.122	(0.003)
Total Non-Labor Expenditures	\$3.141	\$3.131	\$0.010	\$3.208	(\$0.077)	\$3.290	(\$0.082)	\$3.378	(\$0.088)
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	\$13.095	\$14.448	(\$1.353)	\$14.788	(\$0.340)	\$15.147	(\$0.359)	\$15.514	(\$0.367)
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 2017 - 2020
Summary of Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019	2020
2016 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Revenue:					
Capital and Other Reimbursements	(\$0.420)	(\$0.002)	(\$0.011)	(\$0.018)	(\$0.022)
Sub-Total Revenue Changes	(\$0.420)	(\$0.002)	(\$0.011)	(\$0.018)	(\$0.022)
Expenses:					
Payroll	\$0.276	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-
Health and Welfare	0.080	0.000	0.000	0.000	0.000
OPEB Current Payment	-	-	-	-	-
Pensions	(0.098)	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.035	0.000	0.000	0.000	0.000
Reimbursable Overhead	-	-	-	-	-
Fuel	0.008	0.003	0.003	0.002	0.005
Insurance	0.006	0.000	0.000	0.000	0.000
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other					
Operating Contracts	0.050	(0.001)	0.007	0.014	0.015
Professional Service Contracts	0.060	0.000	0.000	0.001	0.001
Materials & Supplies	-	-	-	-	-
Other Business Expenses	0.003	0.000	0.001	0.001	0.001
Depreciation	0.000	0.000	0.000	0.000	0.000
Sub-Total Expense Changes	\$0.420	\$0.002	\$0.011	\$0.018	\$0.022
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)
2016 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	(\$0.000)	\$0.000	\$0.000	(\$0.000)

MTA INSPECTOR GENERAL
November Financial Plan 2017 - 2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Office of the Inspector General	71	86	86	86	86	86
Total Administration	71	86	86	86	86	86
Baseline Total Positions	71	86	86	86	86	86
Non-Reimbursable	-	-	-	-	-	-
Reimbursable	71	86	86	86	86	86
Total	71	86	86	86	86	86
Total Full-Time	71	86	86	86	86	86
Total Full-Time Equivalents	-	-	-	-	-	-

**First Mutual Transportation Assurance Co.
(FMTAC)**

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
2017 Final Proposed Budget
November Financial Plan for 2017 - 2020

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 are generally 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
2017 Final Proposed Budget
November Financial Plan 2017 - 2020

2016 November Forecast

In the 2016 November Forecast, a total of \$18.5 million is projected in Baseline Surplus compared to the \$17.4 million Baseline Surplus in the 2016 Mid-Year Forecast. This consists of a \$1.2 million increase in revenues and no change in expenses. The favorable outcome is a result of higher Other Operating Revenue (realized investment income) than projected in the 2016 Mid-Year Forecast. 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 2016.

2017 Final Proposed Budget

In the 2017 Final Proposed Budget, a total of \$17.7 million is projected in Baseline Surplus compared to the \$16.6 million Baseline Surplus in the July Plan. This consists of a \$1.2 million increase in revenues and no change in expenses. The favorable outcome is a result of higher Other Operating Income (realized investment income) than projected in the 2016 Mid-Year Forecast. Claims are based on actuarial analysis of claim activity on an estimated basis.

2018 – 2020 Projections

2018 – 2020 Projections are representative of 2016 projections with market increases. Investment Income and Other Operating Revenue are estimated to increase over 2016 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 2016 at a rate of 2% each year.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	11.113	10.350	10.621	10.870	11.140	11.431
Investment Income	(7.605)	12.000	12.314	12.603	12.916	13.253
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$3.508	\$22.350	\$22.936	\$23.472	\$24.057	\$24.685
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	(80.092)	(97.909)	(103.722)	(110.828)	(119.227)	(128.945)
Claims	96.507	90.220	97.201	100.177	105.521	110.381
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	11.454	11.500	11.730	11.965	12.204	12.448
Total Non-Labor Expenses	\$27.869	\$3.811	\$5.209	\$1.314	(\$1.502)	(\$6.116)
<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	\$27.869	\$3.811	\$5.209	\$1.314	(\$1.502)	(\$6.116)
Depreciation	-	-	-	-	-	-
Total Expenses	\$27.869	\$3.811	\$5.209	\$1.314	(\$1.502)	(\$6.116)
Net Surplus/(Deficit)	(\$24.361)	\$18.539	\$17.727	\$22.159	\$25.559	\$30.801

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		Forecast	Budget			
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	11.113	10.350	10.621	10.870	11.140	11.431
Investment Income	(7.605)	12.000	12.314	12.603	12.916	13.253
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$3.508	\$22.350	\$22.936	\$23.472	\$24.057	\$24.685
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	(80.092)	(97.909)	(103.722)	(110.828)	(119.227)	(128.945)
Claims	96.507	82.018	88.365	91.070	95.928	100.346
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	11.454	11.500	11.730	11.965	12.204	12.448
Total Non-Labor Expenditures	\$27.869	(\$4.391)	(\$3.627)	(\$7.793)	(\$11.095)	(\$16.151)
<u>Other Expenditure Adjustments:</u>						
Other - Restricted Cash Adjustment	(\$24.361)	\$26.741	\$26.563	\$31.266	\$35.152	\$40.836
Total Other Expenditure Adjustments	(\$24.361)	\$26.741	\$26.563	\$31.266	\$35.152	\$40.836
Total Expenditures	\$3.508	\$22.350	\$22.936	\$23.472	\$24.057	\$24.685
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 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	<u>Actual</u>	<u>Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</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	8.202	8.836	9.107	9.593	10.035
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$8.202	\$8.836	\$9.107	\$9.593	\$10.035
<u>Other Expenditures Adjustments:</u>						
Other	\$24.361	(\$26.741)	(\$26.563)	(\$31.266)	(\$35.152)	(\$40.836)
Total Other Expenditures Adjustments	\$24.361	(\$26.741)	(\$26.563)	(\$31.266)	(\$35.152)	(\$40.836)
Total Cash Conversion Adjustments before Depreciation	\$24.361	(\$18.539)	(\$17.727)	(\$22.159)	(\$25.559)	(\$30.801)
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$24.361	(\$18.539)	(\$17.727)	(\$22.159)	(\$25.559)	(\$30.801)

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2017 - 2020
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 2, 2016.

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 2, 2016.

Expenses

Insurance

- Insurance (premiums paid to FMTAC) is from the 2016 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 increase 10%.
- 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 2017 – 2020 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 2017 – 2020 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 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 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
Other Operating Revenue	10.350	10.621	0.271	10.870	0.249	11.140	0.271	11.431	0.291
Investment Income	12.000	12.314	0.314	12.603	0.288	12.916	0.314	13.253	0.337
Capital and Other Reimbursement									
Total Revenue	\$22.350	\$22.936	\$0.586	\$23.472	\$0.537	\$24.057	\$0.584	\$24.685	\$0.628
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	(97.909)	(103.722)	5.813	(110.828)	7.106	(119.227)	8.399	(128.945)	9.718
Claims	90.220	97.201	(6.981)	100.177	(2.976)	105.521	(5.344)	110.381	(4.860)
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	11.500	11.730	(0.230)	11.965	(0.235)	12.204	(0.239)	12.448	(0.244)
Total Non-Labor Expenses	\$3.811	\$5.209	(\$1.398)	\$1.314	\$3.895	(\$1.502)	\$2.816	(\$6.116)	\$4.614
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	\$3.811	\$5.209	(\$1.398)	\$1.314	\$3.895	(\$1.502)	\$2.816	(\$6.116)	\$4.614
Depreciation	-	-	0.000	-	0.000	-	0.000	-	0.000
Total Expenses	\$3.811	\$5.209	(\$1.398)	\$1.314	\$3.895	(\$1.502)	\$2.816	(\$6.116)	\$4.614
Net Surplus/(Deficit)	\$18.539	\$17.727	(\$0.812)	\$22.159	\$4.432	\$25.559	\$3.400	\$30.801	\$5.242

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 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	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Operating Revenue	10.350	10.621	0.271	10.870	0.249	11.140	0.271	11.431	0.291
Investment Income	12.000	12.314	0.314	12.603	0.288	12.916	0.314	13.253	0.337
Capital and Other Reimbursement									
Total Receipts	\$22.350	\$22.936	\$0.586	\$23.472	\$0.537	\$24.057	\$0.584	\$24.685	\$0.628
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	(97.909)	(103.722)	5.813	(110.828)	7.106	(119.227)	8.399	(128.945)	9.718
Claims	82.018	88.365	(6.347)	91.070	(2.705)	95.928	(4.858)	100.346	(4.418)
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	11.500	11.730	(0.230)	11.965	(0.235)	12.204	(0.239)	12.448	(0.244)
Total Non-Labor Expenditures	(\$4.391)	(\$3.627)	(\$0.764)	(\$7.793)	\$4.166	(\$11.095)	\$3.302	(\$16.151)	\$5.056
Other Expenditure Adjustments:									
Other	26.741	26.563	0.178	31.266	(4.703)	35.152	(3.886)	40.836	(5.684)
Total Other Expenditure Adjustments	\$26.741	\$26.563	\$0.178	\$31.266	(\$4.703)	\$35.152	(\$3.886)	\$40.836	(\$5.684)
Total Expenditures	\$22.350	\$22.936	(\$0.586)	\$23.472	(\$0.537)	\$24.057	(\$0.584)	\$24.685	(\$0.628)
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 2017 - 2020
Summary of Changes Between Financial Plans by Category

2016 – 2020 November Financial Plan vs. July Financial Plan

Revenue

Revenue changes from the July Plan over the 2016 – 2020 periods include:

- The increase baseline estimate for 2016 is due to increases in Other Operating Revenue for the first eight months of 2016. For 2017 – 2019, the increased baseline estimate for 2016 is then projected based on the MTA Region All Urban Consumer CPI inflation rates as provided in the Economic and Demographic Forecasts August 2, 2016.

Expenses

Expense changes from the July Plan over the 2016 – 2020 periods include:

- No change to the Insurance (premium revenue) as projected in the 2016 Mid-year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets.
- No change to Claim expenses as projected in the 2016 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.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019	2020
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	1.161	1.174	1.197	1.236	1.283
Investment Income	0.000	(0.023)	(0.030)	(0.018)	0.001
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	\$1.161	\$1.151	\$1.167	\$1.219	\$1.285
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	-	-	-	-	-
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	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Business Expenses	-	-	-	-	-
Total Expense Changes	-	-	-	-	-
Restricted Cash Adjustment	(1.161)	(1.151)	(1.167)	(1.219)	(1.285)
Total Cash Adjustment Changes	(\$1.161)	(\$1.151)	(\$1.167)	(\$1.219)	(\$1.285)
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
November Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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New York City Transit

MTA New York City Transit 2017 Final Proposed Budget November Financial Plan 2017 - 2020

FINANCIAL OVERVIEW

New York City Transit's November Financial Plan maintains funding to sustain current operations, as well as targeted initiatives that advance the agency's mission to provide safe, convenient, reliable, and customer-oriented transit service.

System Investments

New York City Transit's \$15.8 billion 2015-2019 Capital Program provides funding for essential investments to maintain key assets in a state of good repair, including rolling stock and mainline track and switches, as well as investments in signals, stations, and other infrastructure that will steadily build toward state of good repair in these asset categories. Some of the major initiatives in the 2015-2019 Capital Program that impact New York City Transit's operating environment include the upgrade of signals on several lines to Communication Based Train Control, the normal replacement of aging buses and railcars, the replacement of MetroCard with a modernized fare payment system, key component repairs at over 150 subway stations, and full rollout of HelpPoint intercoms system-wide.

Providing safe, high quality and reliable service is New York City Transit's highest priority. To improve service and meet growing ridership demands, New York City Transit is taking a multi-pronged approach. Infrastructure investments are being made to extend subway lines. Funding is provided for procurement of new subway cars and buses, fleet maintenance, and programmatic subway and bus service initiatives to get riders where they need to go as quickly as possible. Key actions include:

- **System Expansion.** The Second Avenue Subway (SAS) Phase 1 is planned to open to customers in December 2016. This service will re-route and extend the "Q" line to provide new service from 63rd Street/Lexington Avenue to 96th Street/Second Avenue. This new service will provide a convenient rail service option for residents of Manhattan's under-served upper East Side, as well as significantly relieve overcrowding on the Lexington Avenue lines. The 2010-15 capital program includes funding for SAS Phase 2 which will extend the line from 96th Street to 125th Street and connect to the Lexington Avenue lines.
- **Rolling Stock.** The first R179 test train arrived earlier this year with delivery of the 300 cars included in this purchase expected during 2017-2018. Delivery of 1,052 new buses also funded from the 2010-14 capital program was completed in May 2016. The 2015-19 Capital program includes funding to purchase 940 R211 cars and an additional 1,572 new buses.

- **Service Changes.** Based on continuing increases in ridership, the November Plan includes a provision for guidelines-based subway service increases in 2017.
- **Subways' Delay Mitigation Program.** Historic increases in ridership have led to peak service at track capacity on many subway lines, and an increased number of train delays. Several strategies are being employed to reduce this problem. Running times for many lines have been adjusted over the past three years to provide more reliable service and additional running time changes planned for 2017 are added in the November Plan. Passenger controllers have been added at key station platforms on the Lexington Avenue and F lines to reduce station dwell times, provide customer assistance and response to operating incidents; this program which initially focused on the morning rush hour service period is being expanded to the afternoon peak service period in 2017.
- **Select Bus Service (SBS).** SBS provides bus riders with faster service through a combination of off-board fare collection, special bus lanes, real-time information, and traffic signal priority. An important part of our bus service strategy is its continued expansion. There are currently 11 SBS routes, with additional routes planned. The next SBS route will be the M23, expected to start service by the end of 2016, with two additional routes planned for each year during 2017-2019.
- **Enterprise Asset Management (EAM) Project.** This significant project is intended to maximize the safety, service life and efficiency of all New York City Transit assets, contributing directly to advancing the agency's mission. The initial objectives of the Subways EAM rollout include automation of track inspection and joint switch inspection reports, the replacement of historical paper 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 applying reliability-based maintenance (RBM) practices to critical bus component maintenance protocols.

Safety Initiatives

Safety is paramount to New York City Transit and is factored in to all decisions, actions and initiatives. Key initiatives planned or underway in support of this goal include:

- **Reduce Infrastructure Defects and Track Fires.** Increasing the stringency of standards and frequency of inspections resulted in earlier identification of track and third rail defects, leading to a concerted effort to reduce the number defects which is ongoing. Additional resources are also in place to correct more iron and structural defects, perform more extensive water remediation in the subway, and implement a more aggressive trash removal program intended to reduce track fires and improve

right-of-way cleanliness. The anticipated delivery of three new vacuum trains next year will further enhance this effort.

- **Recovery and Resiliency Projects after Super Storm Sandy.** New York City Transit continues its major investment in recovery and resiliency projects related to Super Storm Sandy. To support this effort, a total of 332 reimbursable positions have been added to the budget through 2019. Major recovery projects already completed include restoration of the Rockaway Line and rehabilitation of the Montague, Greenpoint, and Steinway tubes. Projects currently underway include reconstruction of the South Ferry Station and rehabilitation of the Cranberry, 53rd Street, Joralemon, and Clark Street tubes. Upcoming projects include various yard improvement projects, rehabilitation of the Rutgers tube, and most important, rehabilitation of the Canarsie tube planned to start in 2018. Under the resiliency program, multi-phase projects to seal street-level openings to the subway and augment pump train capabilities have made considerable progress and will ultimately result in a system far less prone to flooding and better able to recover from flooding than previously.
- **Improve Bus Performance - All-Weather Tires.** To facilitate reliable operations in inclement weather, the November Plan adds funding to replace standard tires with all-weather tires on approximately 70% of the bus fleet. This is expected to improve bus service reliability in snow conditions as well as reduce reliance on tire chains.
- **Bus Safety.** To improve bus safety, new pedestrian turn warning and collision avoidance system technologies are currently being piloted on 200 buses. These technologies are expected to reduce bus accidents and injuries, and if successful, will be rolled out fleet-wide.

Customer Amenities

New York City Transit is investing in new designs and technologies to significantly enhance the customer experience. Key elements of this priority initiative program, which was largely funded in the July Financial Plan, include:

- **Subway Car Technology Upgrade.** Over the next three years, 600 subway cars will have Electronic Display Signs installed, to improve the overall customer experience in the subways.
- **Buses On-Board Technology Upgrades.** To enhance amenities available for bus customers, a portion of the existing bus fleet and all new buses purchased will be outfitted with high-speed Wi-Fi connectivity, USB charging stations, and digital display screens with on-board Announcement and Infotainment systems. The display screens will include real time next stop and service information.
- **Enhanced Station Initiative.** In addition to the ongoing station component program, 30 stations will be renovated including improvements in station aesthetics, lighting fixtures, staircases, and walls to bring a more welcoming ambiance for customers.

Additional maintenance and cleaning resources are provided to properly maintain the enhanced stations.

- **Subway Wireless Service.** Customers will benefit from comprehensive mobile phone and internet service at all underground subway stations by the end of 2016.
- **B-Division Beacon Train Arrival System.** The Beacon Train Arrival System will be installed at 268 “B” Division stations, anticipated to be completed by the end of 2017. This system will provide customers with real-time information on the arrival of the next available train and service changes. The November Plan adds funding for the ongoing operating costs of this system.
- **On-The-Go Kiosks (OTG).** OTG is an innovative interactive digital communications tool that provides subway customers with a wealth of valuable information, from service status to trip planning to information about nearby destinations. At completion of Phase II anticipated in March 2017, a total of 380 kiosks will be installed.
- **All Electric Bus Lease.** In an effort to reduce carbon emissions, New York City Transit is implementing a three-year pilot program to lease and operate 10 All Electric Buses (AEB). Pilot service is planned to begin in 2017. If successful, this project will be expanded to 50 buses, providing New York City Transit with the largest All Electric Bus fleet in North America.

Budget Reduction Program

Two budget reduction programs are included in this Financial Plan as follows:

- **Health & Welfare Medical Rebid.** The medical plan contract for hourly employees was rebid during 2016 with the new contract taking effect January 2017. The new contract projects significant savings in claim costs as a result of lower rates. Projected savings are \$20.3 million in 2017, \$33.9 million in 2018, \$36.0 million in 2019 and \$38.4 million in 2020.
- **Non-Represented Employees General Wage Adjustment.** The effective date of planned general wage increases for non-represented employees has been changed from January 1st to July 1st in each year of the plan. Savings are projected at \$2.5 million in 2016, \$2.9 million in 2017, \$4.7 million in 2018, \$4.8 million in 2019 and \$4.9 million in 2020.

Overtime

Overtime management continues to be an agency priority, though it remains an integral component of the budget and an important resource that enables New York City Transit to deliver safe, reliable service to its 8 million daily riders.

For Subways, overtime drivers include flagging rule changes that have resulted in increased work hours, vacancy backfill challenges and sharply decreased risk tolerance.

For Buses, key overtime drivers include traffic conditions, shortfalls in employee availability, maintenance needs of over-aged buses and expanded facility maintenance requirements. All departments were impacted by new State-mandated training requirements and increased use of contract provisions that enable employees to bank overtime when earned and use it as a source of paid time off later.

To control overtime, New York City Transit continues to pursue a number of strategies. These strategies include: implementing an aggressive hiring plan to fill vacancies; increasing focus on employee availability and monitoring workforce attendance; evaluating service patterns and reviewing delay mitigation strategies for Subways and Buses, and reviewing weather responses to determine if any operational or procedural changes are required.

While we are confident that these efforts will generate favorable impacts, overtime has been and will continue to be necessary to ensure safe and reliable service.

2016 November Forecast

MTA NYC Transit's 2016 November Forecast includes total expenses before depreciation, other post-employment benefits and GASB # 68 Pension Expense Adjustment of \$8,993.8 million, consisting of \$7,791.8 million of non-reimbursable expenses and \$1,202.1 million of reimbursable expenses. Total revenues are projected to be \$6,051.3 million, of which \$4,849.3 million are operating revenues and \$1,202.1 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 48,908 (43,673 non-reimbursable positions and 5,235 reimbursable positions).

The 2016 net operating cash deficit is projected to increase by a net \$113.2 million from the 2016 Mid-Year Forecast.

Major operating cash changes include:

- The unfavorable timing of reimbursements of capital project job overrun expenses of \$120.0 million.
- Updated inflation assumptions, resulting in higher expenses of \$28.3 million, mainly from projected higher healthcare rates.
- Cost increases of \$10.5 million in support of new programmatic initiatives, including Transit Wireless and bus all-weather tire upgrade.
- The favorable timing of expenses of \$25.4 million, mostly offset in 2017.
- Increased operating revenues of \$11.1 million.

Reimbursable expenses are projected to increase in 2016 by \$32.2 million, including Help Point and bus shuttle material requirements and OTPS adjustments.

Plan-to-Plan, total baseline positions are projected to increase by 201, including a non-reimbursable increase of 87 and a reimbursable increase of 114. The non-reimbursable increase represents an increase of 143 in support of training float requirements, partly offset by a reduction of 57 Second Avenue Subway support positions. The reimbursable position increase is due to 76 for Capital Program support and 37 in support of MTA Priority Initiatives.

2017 Final Proposed Budget

MTA New York City Transit's 2017 Final Proposed Budget includes total expenses before depreciation, other post-employment benefits and GASB #68 Pension Adjustment of \$9,359.8 million, consisting of \$8,120.4 million of non-reimbursable expenses and \$1,239.4 million of reimbursable expenses. Total revenues are projected to be \$6,133.7 million, of which \$4,894.3 million are operating revenues and \$1,239.4 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 49,245, including 43,931 non-reimbursable positions and 5,314 reimbursable positions.

The 2017 net operating cash deficit is projected to decrease by \$68.6 million from the July Financial Plan.

Major operating cash variances include:

- The projected favorable timing of Capital Program reimbursements of 2016 capital project job overrun expenses of \$120.0 million.
- Budget reduction program savings of \$23.2 million, due largely to health & welfare rebid savings.
- Improved operating revenues of \$15.7 million, mostly higher farebox revenue.
- The unfavorable timing of cash payments of \$27.9 million.
- The unfavorable timing of operating expenses of \$24.2 million from 2016.
- Cost increases of \$15.6 million in support of new programmatic initiatives, including Transit Wireless and a bus all-weather tire upgrade.
- Updated inflation assumptions, resulting in higher expenses of \$10.0 million, mainly from projected higher health & welfare rates and fuel costs, partly offset by lower electric power expenses.

Reimbursable expenses are projected to increase in 2017 by \$85.8 million, due primarily to programmatic construction/engineering requirements support for the 2015-2019 capital program as well as ongoing Sandy reconstruction projects.

Plan-to-Plan, total baseline positions are projected to increase by 775, including a non-reimbursable increase of 341 and a reimbursable increase of 434. The non-reimbursable increase represents an increase of 263 in support of training float requirements and 117 in support of the platform budget requirements. The reimbursable increase is due mostly to 346 for programmatic construction/engineering requirements and 88 in support of MTA priority initiatives. .

2018-2020 Projections

Net operating cash deficits are projected to decrease by \$32.5 million in 2018, \$46.9 million in 2019, and \$22.5 million in 2020 relative to the July Financial Plan.

Major operating cash changes include:

- Budget Reduction Program savings of \$38.6 million in 2018, \$40.9 million in 2019 and \$43.3 million in 2020 are due mostly to projected health & welfare rebid savings.
- Operating revenues increase by \$23.2 million in 2018, \$25.3 million in 2019, and \$22.7 million in 2020, due primarily to increased Transit Wireless revenues driven by the implementation of the MTA priority initiative.
- Inflation-related savings are planned for \$24.2 million in 2019 and \$37.6 million in 2020, based mainly on projected lower electric power expenses.
- Investments in new programmatic initiatives of \$19.0 million in 2018, \$20.2 million in 2019 and \$20.5 million in 2020, mainly in support of the MTA priority Transit Wireless initiative.
- Platform budget additional requirements of \$13.7 million each year.
- Additional subway car scheduled maintenance requirements of \$27.2 million in 2020.

Reimbursable expenses are projected to increase by \$50.7 million in 2018, by \$43.2 million in 2019, and by \$25.5 million in 2020, due mostly to programmatic construction/engineering requirements.

Plan-to-Plan, total baseline positions are projected to increase by 534 in 2018, 473 in 2019, and 514 in 2020, including non-reimbursable increases of 270 in 2018, 250 in 2019 and 371 in 2020. Reimbursable increases are 264 in 2018, 223 in 2019 and 143 in 2020. The non-reimbursable increases are due mostly additional revenue crews for normal

business service increases and associated training float requirements. The reimbursable increases were due mostly to programmatic construction/engineering requirements.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		Forecast	Budget			
Operating Revenue						
<u>Farebox Revenue:</u>						
Subway	\$3,313.600	\$3,352.702	\$3,376.792	\$3,397.716	\$3,409.592	\$3,429.211
Bus	964.784	967.735	969.134	972.293	973.437	976.854
Paratransit	17.425	18.347	19.633	20.923	22.296	23.758
Fare Media Liability	75.583	73.500	73.500	73.500	73.500	73.500
Farebox Revenue	\$4,371.392	\$4,412.284	\$4,439.059	\$4,464.432	\$4,478.825	\$4,503.323
Vehicle Toll Revenue						
Other Operating Revenue:						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	191.064	182.910	194.372	202.509	218.416	236.218
Other	180.673	170.060	176.867	195.164	204.676	211.005
Other Operating Revenue	\$455.753	\$436.986	\$455.255	\$481.689	\$507.108	\$531.239
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4,827.145	\$4,849.270	\$4,894.314	\$4,946.121	\$4,985.933	\$5,034.562
Expenses						
<u>Labor:</u>						
Payroll	\$3,075.994	\$3,173.448	\$3,287.706	\$3,346.461	\$3,410.278	\$3,500.813
Overtime	458.579	457.128	446.394	448.053	455.538	464.484
Total Salaries & Wages	\$3,534.573	\$3,630.576	\$3,734.100	\$3,794.514	\$3,865.816	\$3,965.297
Health and Welfare	741.052	840.170	915.634	959.548	1,026.149	1,096.200
OPEB Current Payment	371.230	397.823	430.981	466.791	512.534	562.103
Pensions	867.658	981.142	941.451	937.006	926.157	913.069
Other Fringe Benefits	511.677	512.895	508.933	526.811	539.820	560.602
Total Fringe Benefits	\$2,491.617	\$2,732.030	\$2,796.999	\$2,890.156	\$3,004.660	\$3,131.974
Reimbursable Overhead	(240.904)	(255.506)	(255.026)	(240.080)	(240.344)	(234.855)
Total Labor Expenses	\$5,785.286	\$6,107.100	\$6,276.073	\$6,444.590	\$6,630.132	\$6,862.416
<u>Non-Labor:</u>						
Electric Power	\$286.555	\$253.919	\$317.207	\$331.464	\$347.164	\$372.045
Fuel	101.575	77.111	96.598	99.958	103.984	113.281
Insurance	72.444	73.381	80.992	91.056	102.528	115.938
Claims	184.366	145.145	146.455	149.333	150.909	152.484
Paratransit Service Contracts	379.271	390.885	411.339	435.067	472.313	511.273
Maintenance and Other Operating Contracts	196.382	223.240	244.323	203.338	202.629	207.488
Professional Service Contracts	93.673	135.010	154.813	154.032	147.152	151.877
Materials & Supplies	289.716	310.264	314.663	299.335	311.748	330.180
Other Business Expenses	85.973	75.733	77.900	79.603	81.177	82.915
Total Non-Labor Expenses	\$1,689.955	\$1,684.688	\$1,844.290	\$1,843.186	\$1,919.604	\$2,037.481
<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	\$7,475.241	\$7,791.788	\$8,120.363	\$8,287.776	\$8,549.736	\$8,899.897
Depreciation	\$1,692.141	\$1,728.062	\$1,778.062	\$1,828.062	\$1,878.062	\$1,928.062
OPEB Liability Adjustment	1,130.113	1,443.361	1,501.095	1,561.139	1,623.584	1,688.528
GASB 68 Pension Expense Adjustment	(314.515)	(354.784)	(296.003)	(305.534)	(296.398)	(303.171)
Environmental Remediation	12.876	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$9,995.856	\$10,608.427	\$11,103.517	\$11,371.443	\$11,754.984	\$12,213.316
Net Surplus/(Deficit)	(\$5,168.711)	(\$5,759.157)	(\$6,209.203)	(\$6,425.322)	(\$6,769.051)	(\$7,178.754)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
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	1,182.909	1,202.051	1,239.435	1,176.316	1,179.848	1,144.871
Total Revenue	\$1,182.909	\$1,202.051	\$1,239.435	\$1,176.316	\$1,179.848	\$1,144.871
Expenses						
Labor:						
Payroll	\$436.699	\$451.288	\$506.437	\$485.920	\$487.014	\$468.050
Overtime	133.561	138.746	105.017	102.248	103.646	101.874
Total Salaries & Wages	\$570.260	\$590.034	\$611.454	\$588.168	\$590.660	\$569.924
Health and Welfare	20.452	21.507	22.286	23.289	24.267	23.886
OPEB Current Payment	7.602	7.766	8.347	8.796	9.254	9.734
Pensions	29.795	23.075	33.617	33.872	33.469	31.940
Other Fringe Benefits	172.261	177.039	197.731	189.135	189.229	182.560
Total Fringe Benefits	\$230.110	\$229.387	\$261.981	\$255.092	\$256.219	\$248.120
Reimbursable Overhead	240.904	255.506	255.026	240.080	240.344	234.855
Total Labor Expenses	\$1,041.274	\$1,074.927	\$1,128.461	\$1,083.340	\$1,087.223	\$1,052.899
Non-Labor:						
Electric Power	\$0.553	\$0.252	\$0.252	\$0.252	\$0.252	\$0.252
Fuel	0.019	0.000	0.119	0.050	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	42.082	33.208	33.987	31.670	31.658	31.685
Professional Service Contracts	27.489	12.092	8.843	8.883	9.232	9.232
Materials & Supplies	75.367	79.665	67.815	52.163	51.524	50.845
Other Business Expenses	(3.875)	1.907	(0.042)	(0.042)	(0.041)	(0.042)
Total Non-Labor Expenses	\$141.635	\$127.124	\$110.974	\$92.976	\$92.625	\$91.972
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	\$1,182.909	\$1,202.051	\$1,239.435	\$1,176.316	\$1,179.848	\$1,144.871
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$1,182.909	\$1,202.051	\$1,239.435	\$1,176.316	\$1,179.848	\$1,144.871
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Revenue						
<u>Farebox Revenue:</u>						
Subway	\$3,313.600	\$3,352.702	\$3,376.792	\$3,397.716	\$3,409.592	\$3,429.211
Bus	964.784	967.735	969.134	972.293	973.437	976.854
Paratransit	17.425	18.347	19.633	20.923	22.296	23.758
Fare Media Liability	75.583	73.500	73.500	73.500	73.500	73.500
Farebox Revenue	\$4,371.392	\$4,412.284	\$4,439.059	\$4,464.432	\$4,478.825	\$4,503.323
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	191.064	182.910	194.372	202.509	218.416	236.218
Other	180.673	170.060	176.867	195.164	204.676	211.005
Other Operating Revenue	\$455.753	\$436.986	\$455.255	\$481.689	\$507.108	\$531.239
Capital and Other Reimbursements	1,182.909	1,202.051	1,239.435	1,176.316	1,179.848	1,144.871
Total Revenue	\$6,010.054	\$6,051.321	\$6,133.749	\$6,122.437	\$6,165.781	\$6,179.433
Expenses						
<u>Labor:</u>						
Payroll	\$3,512.693	\$3,624.736	\$3,794.143	\$3,832.381	\$3,897.292	\$3,968.863
Overtime	592.140	595.874	551.411	550.301	559.184	566.358
Total Salaries & Wages	\$4,104.833	\$4,220.610	\$4,345.554	\$4,382.682	\$4,456.476	\$4,535.221
Health and Welfare	761.504	861.677	937.920	982.837	1,050.416	1,120.086
OPEB Current Payment	378.832	405.589	439.328	475.587	521.788	571.837
Pensions	897.453	1,004.217	975.068	970.878	959.626	945.009
Other Fringe Benefits	683.938	689.934	706.664	715.946	729.049	743.162
Total Fringe Benefits	2,721.727	2,961.417	3,058.980	3,145.248	3,260.879	3,380.094
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$6,826.560	\$7,182.027	\$7,404.534	\$7,527.930	\$7,717.355	\$7,915.315
<u>Non-Labor:</u>						
Electric Power	\$287.108	\$254.171	\$317.459	\$331.716	\$347.416	\$372.297
Fuel	101.594	77.111	96.717	100.008	103.984	113.281
Insurance	72.444	73.381	80.992	91.056	102.528	115.938
Claims	184.366	145.145	146.455	149.333	150.909	152.484
Paratransit Service Contracts	379.271	390.885	411.339	435.067	472.313	511.273
Maintenance and Other Operating Contracts	238.464	256.448	278.310	235.008	234.287	239.173
Professional Service Contracts	121.162	147.102	163.656	162.915	156.384	161.109
Materials & Supplies	365.083	389.929	382.478	351.498	363.272	381.025
Other Business Expenses	82.098	77.640	77.858	79.561	81.136	82.873
Total Non-Labor Expenses	\$1,831.590	\$1,811.812	\$1,955.264	\$1,936.162	\$2,012.229	\$2,129.453
<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						
Depreciation and GASB Adjustments	\$8,658.150	\$8,993.839	\$9,359.798	\$9,464.092	\$9,729.584	\$10,044.768
Depreciation	\$1,692.141	\$1,728.062	\$1,778.062	\$1,828.062	\$1,878.062	\$1,928.062
OPEB Liability Adjustment	1,130.113	1,443.361	1,501.095	1,561.139	1,623.584	1,688.528
GASB 68 Pension Expense Adjustment	(314.515)	(354.784)	(296.003)	(305.534)	(296.398)	(303.171)
Environmental Remediation	12.876	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,178.765	\$11,810.478	\$12,342.952	\$12,547.759	\$12,934.832	\$13,358.187
Net Surplus/(Deficit)	(\$5,168.711)	(\$5,759.157)	(\$6,209.203)	(\$6,425.322)	(\$6,769.051)	(\$7,178.754)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		Forecast	Budget			
Receipts						
Farebox Revenue	\$4,386.386	\$4,412.484	\$4,439.259	\$4,464.632	\$4,479.025	\$4,503.523
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	114.052	99.016	39.016	84.016	84.016	84.016
Paratransit Reimbursement	171.705	183.189	194.407	202.509	218.355	236.081
Other	50.680	53.004	56.299	70.979	76.765	79.257
Other Operating Revenue	\$336.437	\$335.209	\$289.722	\$357.504	\$379.136	\$399.354
Capital and Other Reimbursements	1,221.961	1,150.346	1,352.969	1,188.969	1,178.604	1,151.649
Total Receipts	\$5,944.784	\$5,898.039	\$6,081.950	\$6,011.105	\$6,036.765	\$6,054.526
Expenditures						
<u>Labor:</u>						
Payroll	\$3,515.903	\$3,589.612	\$3,763.818	\$3,801.186	\$3,864.967	\$3,936.759
Overtime	592.140	595.874	551.411	550.301	559.184	566.358
Total Salaries & Wages	\$4,108.043	\$4,185.486	\$4,315.229	\$4,351.487	\$4,424.151	\$4,503.117
Health and Welfare	765.077	854.791	934.076	974.879	1,041.861	1,110.890
OPEB Current Payment	378.832	405.589	439.328	475.587	521.788	571.837
Pensions	922.314	1,004.217	975.068	970.878	959.626	945.009
Other Fringe Benefits	441.895	469.685	473.818	480.985	489.352	498.734
Total Fringe Benefits	\$2,508.118	\$2,734.282	\$2,822.290	\$2,902.329	\$3,012.627	\$3,126.470
GASB Account	0.000	0.000	0.000	7.162	16.311	26.224
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$6,616.161	\$6,919.768	\$7,137.519	\$7,260.978	\$7,453.089	\$7,655.811
<u>Non-Labor:</u>						
Electric Power	\$296.712	\$254.171	\$317.459	\$331.716	\$347.416	\$372.297
Fuel	102.215	77.111	96.717	100.008	103.984	113.281
Insurance	72.796	72.456	80.674	91.365	104.392	116.088
Claims	125.855	111.544	115.689	118.644	121.672	124.777
Paratransit Service Contracts	380.751	388.885	409.339	433.067	470.313	509.273
Maintenance and Other Operating Contracts	226.597	270.448	294.910	245.708	244.987	249.873
Professional Service Contracts	112.077	143.128	151.656	150.915	144.384	149.109
Materials & Supplies	389.990	370.983	365.978	349.998	361.772	379.525
Other Business Expenditures	79.721	77.640	85.059	79.561	81.136	82.873
Total Non-Labor Expenditures	\$1,786.714	\$1,766.366	\$1,917.481	\$1,900.982	\$1,980.056	\$2,097.096
<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	\$8,402.875	\$8,686.134	\$9,055.000	\$9,161.960	\$9,433.145	\$9,752.907
Net Cash Deficit	(\$2,458.091)	(\$2,788.095)	(\$2,973.050)	(\$3,150.855)	(\$3,396.380)	(\$3,698.381)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2016		2017	2018	2019	2020
	2015 Actual	November Forecast	Final Proposed Budget			
Receipts						
Fare Revenue	\$14.994	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:						
Fare Reimbursement	30.036	15.000	(45.000)	0.000	0.000	0.000
Paratransit Reimbursement	(19.359)	0.279	0.035	0.000	(0.061)	(0.137)
Other	(129.993)	(117.056)	(120.568)	(124.185)	(127.911)	(131.748)
Other Operating Revenue	(\$119.316)	(\$101.777)	(\$165.533)	(\$124.185)	(\$127.972)	(\$131.885)
Capital and Other Reimbursements	39.052	(51.705)	113.534	12.653	(1.244)	6.778
Total Receipt Adjustments	(\$65.270)	(\$153.282)	(\$51.799)	(\$111.332)	(\$129.016)	(\$124.907)
Expenditures						
Labor:						
Payroll	(\$3.210)	\$35.124	\$30.325	\$31.195	\$32.325	\$32.104
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Total Salaries & Wages	(\$3.210)	\$35.124	\$30.325	\$31.195	\$32.325	\$32.104
Health and Welfare	(3.573)	6.886	3.844	7.958	8.555	9.196
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	(24.861)	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	242.043	220.249	232.846	234.961	239.697	244.428
Total Fringe Benefits	\$213.609	\$227.135	\$236.690	\$242.919	\$248.252	\$253.624
GASB Account	0.000	0.000	0.000	(7.162)	(16.311)	(26.224)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$210.399	\$262.259	\$267.015	\$266.952	\$264.266	\$259.504
Non-Labor:						
Electric Power	(\$9.604)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.621)	0.000	0.000	0.000	0.000	0.000
Insurance	(0.352)	0.925	0.318	(0.309)	(1.864)	(0.150)
Claims	58.511	33.601	30.766	30.689	29.237	27.707
Paratransit Service Contracts	(1.480)	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	11.867	(14.000)	(16.600)	(10.700)	(10.700)	(10.700)
Professional Service Contracts	9.085	3.974	12.000	12.000	12.000	12.000
Materials & Supplies	(24.907)	18.946	16.500	1.500	1.500	1.500
Other Business Expenditures	2.377	0.000	(7.201)	0.000	0.000	0.000
Total Non-Labor Expenditures	\$44.876	\$45.446	\$37.783	\$35.180	\$32.173	\$32.357
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	\$255.275	\$307.705	\$304.798	\$302.132	\$296.439	\$291.861
Total Cash Conversion Adjustments						
before Depreciation and GASB Adjustments	\$190.005	\$154.423	\$252.999	\$190.800	\$167.423	\$166.954
Depreciation Adjustment	\$1,692.141	\$1,728.062	\$1,778.062	\$1,828.062	\$1,878.062	\$1,928.062
OPEB Liability Adjustment	1,130.113	1,443.361	1,501.095	1,561.139	1,623.584	1,688.528
GASB 68 Pension Expense Adjustment	(314.515)	(354.784)	(296.003)	(305.534)	(296.398)	(303.171)
Environmental Remediation	12.876	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$2,710.620	\$2,971.062	\$3,236.153	\$3,274.467	\$3,372.671	\$3,480.373

MTA New York City Transit
2016 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	4,151,183	\$ 131.529	28.8%
<u>Unscheduled Service</u>	4,176,513	133.899	29.3%
<u>Programmatic/Routine Maintenance</u>	3,802,803	134.636	29.5%
<u>Unscheduled Maintenance</u>	-	-	0.0%
<u>Vacancy/Absentee Coverage</u>	724,289	23.712	5.2%
<u>Weather Emergencies</u>	739,771	24.933	5.5%
<u>Safety/Security/Law Enforcement</u>	128,419	3.708	0.8%
<u>Other</u> ¹	156,706	4.711	1.0%
Subtotal	13,879,683	\$ 457.128	100.0%
REIMBURSABLE OVERTIME	4,050,175	138.746	
TOTAL OVERTIME	17,929,859	\$ 595.874	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA NEW YORK CITY TRANSIT
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
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 2017 from 2016 of \$26.8 million includes the impact of severe winter weather in early 2016 not recurring in 2017.
- 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 include annual increases (based on the lower of 120 percent of the prior calendar year total amounts billed or 33% of the current year net expenses subject to reimbursement) that serve to partially fund the annual growth in paratransit expenses and Urban Tax revenue generated from Commercial Real Estate Market transactions.
- Other revenues include annual increases mostly from advertising revenues, based upon current contracts in place, and increases in real estate revenue now generated by leasing part of an optical infrastructure (Dark Fiber) to telecommunication carriers.

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 are 2.0% for each plan year. The increase in 2017 over 2016 of \$114.3 million or 3.6% was due in part to additional headcount requirements.
- Wage increases for non-represented employees are projected at 2.0% for each plan year, now effective July 1 of each year.
- 2016 includes \$5.6 million of unfavorable cash timing adjustments from 2015.

Overtime

- 2017-2020 payroll wage rate increase assumptions apply.
- 2017 expenses are lower than 2016, reflecting the impact of filling vacancies, and lower projected adverse weather requirements than incurred in 2016. Subsequent year-over-year increases are due mostly to planned wage increases.

Health & Welfare

- Inflation assumptions for 2017-2020: Annual employees = 6.8% in 2017 and 4.1% per year in 2018 and subsequently; for Hourly employees = 7.5% 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.
- 2016 includes \$2.0 million of unfavorable cash timing adjustments from 2015.

Electric Power

- The financial plan reflects projected New York Power Authority and Con Edison energy rate increases for both traction and non-traction power.

Fuel

- The financial plan reflects diesel, CNG and heating fuel price assumptions.

Insurance

- Annual expenses include premium rates provided by MTA.

Paratransit Service Contracts

- The primary driver of expense increases is projected annual ridership growth of 6.5% effective 2017.
- 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: 2017=0.00%, 2018=2.39%, 2019=2.45% and 2020=2.56%.
- The increase of \$21.1 million in 2017 over 2016 is mostly due to additional maintenance requirements for both buses and subways. The decrease of \$41.0 million in 2018 over 2017 was due to the cost of retro-fitting R160 subway cars in 2017 not recurring in 2018 as well as the favorable timing of bus shop requirements. Subsequent year-over-year variances are due mainly to the timing of bus shop requirements.

- 2016 includes \$10.6 million of unfavorable cash timing adjustments from 2015.

Professional Service Contracts

- Inflation assumptions are as follows: 2017=0.00%, 2018=2.39%, 2019=2.45% and 2020=2.56%.
- An increase in expenses in 2017 over 2016 of \$19.8 million is due to priority Enterprise Asset Management initiatives. A reduction in 2019 over 2018 of \$6.9 million is due to the timing of priority initiative expenses.
- 2016 includes \$10.9 million of unfavorable cash timing adjustments from 2015.

Materials and Supplies

- Inflation assumptions are as follows: 2017=0.00%, 2018=0.79%, 2019=1.20% and 2020=1.18%.
- 2016 includes \$1.8 million of favorable cash timing adjustments from 2015.
- Non-reimbursable expense levels fluctuate year-to-year, primarily due to the timing of subway and bus fleet maintenance program requirements.
- The increase in 2017 over 2016 of \$4.4 million, the decrease in 2018 over 2017 of \$15.3 and increases of \$12.4 million in 2019 over 2018 and \$18.4 million in 2020 over 2019 were due primarily to the timing of bus shop and subways fleet maintenance requirements.

Other Business Expenses

- Inflation assumptions are as follows: 2017=0.00%, 2018=2.39%, 2019=2.45% and 2020=2.56%.
- An increase in expenses in 2017 over 2016 of \$2.2 million, 2018 over 2017 of \$1.7 million, 2019 over 2018 of \$1.6 million and 2020 over 2019 of \$1.7 million, are largely due to increases in MVM debit/credit card charges.

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 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016-2017	2018	Change 2017-2018	2019	Change 2018-2019	2020	Change 2019-2020
Revenue									
Farebox Revenue:									
Subway	\$3,352.702	\$3,376.792	\$24.090	\$3,397.716	\$20.924	\$3,409.592	\$11.876	\$3,429.211	\$19.619
Bus	967.735	969.134	1.399	972.293	3.159	973.437	1.144	976.854	3.417
Paratransit	18.347	19.633	1.286	20.923	1.290	22.296	1.373	23.758	1.462
Fare Media Liability	73.500	73.500	0.000	73.500	0.000	73.500	0.000	73.500	0.000
Total Farebox Revenue	\$4,412.284	\$4,439.059	\$26.775	\$4,464.432	\$25.373	\$4,478.825	\$14.393	\$4,503.323	\$24.498
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	182.910	194.372	11.462	202.509	8.137	218.416	15.907	236.218	17.802
Other	170.060	176.867	6.807	195.164	18.297	204.676	9.512	211.005	6.329
Total Other Operating Revenue	\$436.986	\$455.255	\$18.269	\$481.689	\$26.434	\$507.108	\$25.419	\$531.239	\$24.131
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4,849.270	\$4,894.314	\$45.044	\$4,946.121	\$51.807	\$4,985.933	\$39.812	\$5,034.562	\$48.629
Expenses									
Labor:									
Payroll	\$3,173.448	\$3,287.706	(\$114.258)	\$3,346.461	(\$58.755)	\$3,410.278	(\$63.817)	\$3,500.813	(\$90.535)
Overtime	457.128	446.394	10.734	448.053	(1.659)	455.538	(7.485)	464.484	(8.946)
Total Salaries & Wages	\$3,630.576	\$3,734.100	(\$103.524)	\$3,794.514	(\$60.414)	\$3,865.816	(\$71.302)	\$3,965.297	(\$99.481)
Health and Welfare	840.170	915.634	(75.464)	959.548	(43.914)	1,026.149	(66.601)	1,096.200	(70.051)
OPEB Current Payment	397.823	430.981	(33.158)	466.791	(35.810)	512.534	(45.743)	562.103	(49.569)
Pensions	981.142	941.451	39.691	937.006	4.445	926.157	10.849	913.069	13.088
Other Fringe Benefits	512.895	508.933	3.962	526.811	(17.878)	539.820	(13.009)	560.602	(20.782)
Total Fringe Benefits	\$2,732.030	\$2,796.999	(\$64.969)	\$2,890.156	(\$93.157)	\$3,004.660	(\$114.504)	\$3,131.974	(\$127.314)
Reimbursable Overhead	(255.506)	(255.026)	(0.480)	(240.080)	(14.946)	(240.344)	0.264	(234.855)	(5.489)
Total Labor Expenses	\$6,107.100	\$6,276.073	(\$168.973)	\$6,444.590	(\$168.517)	\$6,630.132	(\$185.542)	\$6,862.416	(\$232.284)
Non-Labor:									
Electric Power	\$253.919	\$317.207	(\$63.288)	\$331.464	(\$14.257)	\$347.164	(\$15.700)	\$372.045	(\$24.881)
Fuel	77.111	96.598	(19.487)	99.958	(3.360)	103.984	(4.026)	113.281	(9.297)
Insurance	73.381	80.992	(7.611)	91.056	(10.064)	102.528	(11.472)	115.938	(13.410)
Claims	145.145	146.455	(1.310)	149.333	(2.878)	150.909	(1.576)	152.484	(1.575)
Paratransit Service Contracts	390.885	411.339	(20.454)	435.067	(23.728)	472.313	(37.246)	511.273	(38.960)
Mtce. and Other Operating Contracts	223.240	244.323	(21.083)	203.338	40.985	202.629	0.709	207.488	(4.859)
Professional Service Contracts	135.010	154.813	(19.803)	154.032	0.781	147.152	6.880	151.877	(4.725)
Materials & Supplies	310.264	314.663	(4.399)	299.335	15.328	311.748	(12.413)	330.180	(18.432)
Other Business Expenses	75.733	77.900	(2.167)	79.603	(1.703)	81.177	(1.574)	82.915	(1.738)
Total Non-Labor Expenses	\$1,684.688	\$1,844.290	(\$159.602)	\$1,843.186	\$1.104	\$1,919.604	(\$76.418)	\$2,037.481	(\$117.877)
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	\$7,791.788	\$8,120.363	(\$328.575)	\$8,287.776	(\$167.413)	\$8,549.736	(\$261.960)	\$8,899.897	(\$350.161)
Depreciation	\$1,728.062	\$1,778.062	(\$50.000)	\$1,828.062	(\$50.000)	\$1,878.062	(\$50.000)	\$1,928.062	(\$50.000)
OPEB Liability Adjustment	1,443.361	1,501.095	(57.734)	1,561.139	(60.044)	1,623.584	(62.445)	1,688.528	(64.944)
GASB 68 Pension Expense Adjustment	(354.784)	(296.003)	(58.781)	(305.534)	9.531	(296.398)	(9.136)	(303.171)	6.773
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$10,608.427	\$11,103.517	(\$495.090)	\$11,371.443	(\$267.926)	\$11,754.984	(\$383.541)	\$12,213.316	(\$458.332)
Net Surplus/(Deficit)	(\$5,759.157)	(\$6,209.203)	(\$450.046)	(\$6,425.322)	(\$216.119)	(\$6,769.051)	(\$343.729)	(\$7,178.754)	(\$409.703)

MTA New York City Transit
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016-2017	2018	Change 2017-2018	2019	Change 2018-2019	2020	Change 2019-2020
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Capital and Other Reimbursements	\$1,202.051	\$1,239.435	\$37.384	\$1,176.316	(\$63.119)	\$1,179.848	\$3.532	\$1,144.871	(\$34.977)
Total Revenue	\$1,202.051	\$1,239.435	\$37.384	\$1,176.316	(\$63.119)	\$1,179.848	\$3.532	\$1,144.871	(\$34.977)
Expenses									
Labor:									
Payroll	\$451.288	\$506.437	(\$55.149)	\$485.920	\$20.517	\$487.014	(\$1.094)	\$468.050	\$18.964
Overtime	138.746	105.017	33.729	102.248	2.769	103.646	(1.398)	101.874	1.772
Total Salaries & Wages	\$590.034	\$611.454	(\$21.420)	\$588.168	\$23.286	\$590.660	(\$2.492)	\$569.924	\$20.736
Health and Welfare	21.507	22.286	(0.779)	23.289	(1.003)	24.267	(0.978)	23.886	0.381
OPEB Current Payment	7.766	8.347	(0.581)	8.796	(0.449)	9.254	(0.458)	9.734	(0.480)
Pensions	23.075	33.617	(10.542)	33.872	(0.255)	33.469	0.403	31.940	1.529
Other Fringe Benefits	177.039	197.731	(20.692)	189.135	8.596	189.229	(0.094)	182.560	6.669
Total Fringe Benefits	\$229.387	\$261.981	(\$32.594)	\$255.092	\$6.889	\$256.219	(\$1.127)	\$248.120	\$8.099
Reimbursable Overhead	255.506	255.026	0.480	240.080	14.946	240.344	(0.264)	234.855	5.489
Total Labor Expenses	\$1,074.927	\$1,128.461	(\$53.534)	\$1,083.340	\$45.121	\$1,087.223	(\$3.883)	\$1,052.899	\$34.324
Non-Labor:									
Electric Power	\$0.252	\$0.252	\$0.000	\$0.252	\$0.000	\$0.252	\$0.000	\$0.252	\$0.000
Fuel	0.000	0.119	(0.119)	0.050	0.069	0.000	0.050	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	33.208	33.987	(0.779)	31.670	2.317	31.658	0.012	31.685	(0.027)
Professional Service Contracts	12.092	8.843	3.249	8.883	(0.040)	9.232	(0.349)	9.232	0.000
Materials & Supplies	79.665	67.815	11.850	52.163	15.652	51.524	0.639	50.845	0.679
Other Business Expenses	1.907	(0.042)	1.949	(0.042)	0.000	(0.041)	(0.001)	(0.042)	0.001
Total Non-Labor Expenses	\$127.124	\$110.974	\$16.150	\$92.976	\$17.998	\$92.625	\$0.351	\$91.972	\$0.653
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	\$1,202.051	\$1,239.435	(\$37.384)	\$1,176.316	\$63.119	\$1,179.848	(\$3.532)	\$1,144.871	\$34.977
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$1,202.051	\$1,239.435	(\$37.384)	\$1,176.316	\$63.119	\$1,179.848	(\$3.532)	\$1,144.871	\$34.977
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 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2016-2017	2018	Change 2017-2018	2019	Change 2018-2019	2020	Change 2019-2020
Revenue									
Farebox Revenue:									
Subway	\$3,352.702	\$3,376.792	\$24.090	\$3,397.716	\$20.924	\$3,409.592	\$11.876	\$3,429.211	\$19.619
Bus	967.735	969.134	1.399	972.293	3.159	973.437	1.144	976.854	3.417
Paratransit	18.347	19.633	1.286	20.923	1.290	22.296	1.373	23.758	1.462
Fare Media Liability	73.500	73.500	0.000	73.500	0.000	73.500	0.000	73.500	0.000
Total Farebox Revenue	\$4,412.284	\$4,439.059	\$26.775	\$4,464.432	\$25.373	\$4,478.825	\$14.393	\$4,503.323	\$24.498
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	84.016	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	182.910	194.372	11.462	202.509	8.137	218.416	15.907	236.218	17.802
Other	170.060	176.867	6.807	195.164	18.297	204.676	9.512	211.005	6.329
Total Other Operating Revenue	\$436.986	\$455.255	\$18.269	\$481.689	\$26.434	\$507.108	\$25.419	\$531.239	\$24.131
Capital and Other Reimbursements	1,202.051	1,239.435	37.384	1,176.316	(63.119)	1,179.848	3.532	1,144.871	(34.977)
Total Revenue	\$6,051.321	\$6,133.749	\$82.428	\$6,122.437	(\$11.312)	\$6,165.781	\$43.344	\$6,179.433	\$13.652
Expenses									
Labor:									
Payroll	\$3,624.736	\$3,794.143	(\$169.407)	\$3,832.381	(\$38.238)	\$3,897.292	(\$64.911)	\$3,968.863	(\$71.571)
Overtime	595.874	551.411	44.463	550.301	1.110	559.184	(8.883)	566.358	(7.174)
Total Salaries & Wages	\$4,220.610	\$4,345.554	(\$124.944)	\$4,382.682	(\$37.128)	\$4,456.476	(\$73.794)	\$4,535.221	(\$78.745)
Health and Welfare	861.677	937.920	(76.243)	982.837	(44.917)	1,050.416	(67.579)	1,120.086	(69.670)
OPEB Current Payment	405.589	439.328	(33.739)	475.587	(36.259)	521.788	(46.201)	571.837	(50.049)
Pensions	1,004.217	975.068	29.149	970.878	4.190	959.626	11.252	945.009	14.617
Other Fringe Benefits	689.934	706.664	(16.730)	715.946	(9.282)	729.049	(13.103)	743.162	(14.113)
Total Fringe Benefits	\$2,961.417	\$3,058.980	(\$97.563)	\$3,145.248	(\$86.268)	\$3,260.879	(\$115.631)	\$3,380.094	(\$119.215)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$7,182.027	\$7,404.534	(\$222.507)	\$7,527.930	(\$123.396)	\$7,717.355	(\$189.425)	\$7,915.315	(\$197.960)
Non-Labor:									
Electric Power	\$254.171	\$317.459	(\$63.288)	\$331.716	(\$14.257)	\$347.416	(\$15.700)	\$372.297	(\$24.881)
Fuel	77.111	96.717	(19.606)	100.008	(3.291)	103.984	(3.976)	113.281	(9.297)
Insurance	73.381	80.992	(7.611)	91.056	(10.064)	102.528	(11.472)	115.938	(13.410)
Claims	145.145	146.455	(1.310)	149.333	(2.878)	150.909	(1.576)	152.484	(1.575)
Paratransit Service Contracts	390.885	411.339	(20.454)	435.067	(23.728)	472.313	(37.246)	511.273	(38.960)
Mtce. and Other Operating Contracts	256.448	278.310	(21.862)	235.008	43.302	234.287	0.721	239.173	(4.886)
Professional Service Contracts	147.102	163.656	(16.554)	162.915	0.741	156.384	6.531	161.109	(4.725)
Materials & Supplies	389.929	382.478	7.451	351.498	30.980	363.272	(11.774)	381.025	(17.753)
Other Business Expenses	77.640	77.858	(0.218)	79.561	(1.703)	81.136	(1.575)	82.873	(1.737)
Total Non-Labor Expenses	\$1,811.812	\$1,955.264	(\$143.452)	\$1,936.162	\$19.102	\$2,012.229	(\$76.067)	\$2,129.453	(\$117.224)
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	\$8,993.839	\$9,359.798	(\$365.959)	\$9,464.092	(\$104.294)	\$9,729.584	(\$265.492)	\$10,044.768	(\$315.184)
Depreciation	\$1,728.062	\$1,778.062	(\$50.000)	\$1,828.062	(\$50.000)	\$1,878.062	(\$50.000)	\$1,928.062	(\$50.000)
OPEB Liability Adjustment	1,443.361	1,501.095	(57.734)	1,561.139	(60.044)	1,623.584	(62.445)	1,688.528	(64.944)
GASB 68 Pension Expense Adjustment	(354.784)	(296.003)	(58.781)	(305.534)	9.531	(296.398)	(9.136)	(303.171)	6.773
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,810.478	\$12,342.952	(\$532.474)	\$12,547.759	(\$204.807)	\$12,934.832	(\$387.073)	\$13,358.187	(\$423.355)
Net Surplus/(Deficit)	(\$5,759.157)	(\$6,209.203)	(\$450.046)	(\$6,425.322)	(\$216.119)	(\$6,769.051)	(\$343.729)	(\$7,178.754)	(\$409.703)

MTA New York City Transit
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	Favorable/(Unfavorable)								
	2016	2017	Change 2016-2017	2018	Change 2017-2018	2019	Change 2018-2019	2020	Change 2019-2020
Receipts									
Farebox Revenue	\$4,412.484	\$4,439.259	\$26.775	\$4,464.632	\$25.373	\$4,479.025	\$14.393	\$4,503.523	\$24.498
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	99.016	39.016	(60.000)	84.016	45.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	183.189	194.407	11.218	202.509	8.102	218.355	15.846	236.081	17.726
Other	53.004	56.299	3.295	70.979	14.680	76.765	5.786	79.257	2.492
Total Other Operating Revenue	\$335.209	\$289.722	(\$45.487)	\$357.504	\$67.782	\$379.136	\$21.632	\$399.354	\$20.218
Capital and Other Reimbursements	1,150.346	1,352.969	202.623	1,188.969	(164.000)	1,178.604	(10.365)	1,151.649	(26.955)
Total Receipts	\$5,898.039	\$6,081.950	\$183.911	\$6,011.105	(\$70.845)	\$6,036.765	\$25.660	\$6,054.526	\$17.761
Expenditures									
Labor:									
Payroll	\$3,589.612	\$3,763.818	(\$174.206)	\$3,801.186	(\$37.368)	\$3,864.967	(\$63.781)	\$3,936.759	(\$71.792)
Overtime	595.874	551.411	44.463	550.301	1.110	559.184	(8.883)	566.358	(7.174)
Total Salaries & Wages	\$4,185.486	\$4,315.229	(\$129.743)	\$4,351.487	(\$36.258)	\$4,424.151	(\$72.664)	\$4,503.117	(\$78.966)
Health and Welfare	854.791	934.076	(79.285)	974.879	(40.803)	1,041.861	(66.982)	1,110.890	(69.029)
OPEB Current Payment	405.589	439.328	(33.739)	475.587	(36.259)	521.788	(46.201)	571.837	(50.049)
Pensions	1,004.217	975.068	29.149	970.878	4.190	959.626	11.252	945.009	14.617
Other Fringe Benefits	469.685	473.818	(4.133)	480.985	(7.167)	489.352	(8.367)	498.734	(9.382)
Total Fringe Benefits	\$2,734.282	\$2,822.290	(\$88.008)	\$2,902.329	(\$80.039)	\$3,012.627	(\$110.298)	\$3,126.470	(\$113.843)
GASB Account	0.000	0.000	0.000	7.162	(7.162)	16.311	(9.149)	26.224	(9.913)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$6,919.768	\$7,137.519	(\$217.751)	\$7,260.978	(\$123.459)	\$7,453.089	(\$192.111)	\$7,655.811	(\$202.722)
Non-Labor:									
Electric Power	\$254.171	\$317.459	(63.288)	\$331.716	(14.257)	\$347.416	(15.700)	\$372.297	(24.881)
Fuel	77.111	96.717	(19.606)	100.008	(3.291)	103.984	(3.976)	113.281	(9.297)
Insurance	72.456	80.674	(8.218)	91.365	(10.691)	104.392	(13.027)	116.088	(11.696)
Claims	111.544	115.689	(4.145)	118.644	(2.955)	121.672	(3.028)	124.777	(3.105)
Paratransit Service Contracts	388.885	409.339	(20.454)	433.067	(23.728)	470.313	(37.246)	509.273	(38.960)
Mtce. and Other Operating Contracts	270.448	294.910	(24.462)	245.708	49.202	244.987	0.721	249.873	(4.886)
Professional Service Contracts	143.128	151.656	(8.528)	150.915	0.741	144.384	6.531	149.109	(4.725)
Materials & Supplies	370.983	365.978	5.005	349.998	15.980	361.772	(11.774)	379.525	(17.753)
Other Business Expenditures	77.640	85.059	(7.419)	79.561	5.498	81.136	(1.575)	82.873	(1.737)
Total Non-Labor Expenditures	\$1,766.366	\$1,917.481	(\$151.115)	\$1,900.982	\$16.499	\$1,980.056	(\$79.074)	\$2,097.096	(\$117.040)
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	\$8,686.134	\$9,055.000	(\$368.866)	\$9,161.960	(\$106.960)	\$9,433.145	(\$271.185)	\$9,752.907	(\$319.762)
Net Cash Deficit	(\$2,788.095)	(\$2,973.050)	(\$184.955)	(\$3,150.855)	(\$177.805)	(\$3,396.380)	(\$245.525)	(\$3,698.381)	(\$302.001)

MTA NEW YORK CITY TRANSIT
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes by Generic Categories

2016: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the July Financial Plan by \$11.1 million.

Major generic category changes include:

- Farebox revenue increased by \$11.8 million, due primarily to higher average fares.
- Other operating revenue decreased by a net \$0.8 million.

Operating Expense Changes

Operating expenses are projected to increase by \$75.1 million from the July Financial Plan.

Major generic category changes include:

- Payroll expenses are lower by \$16.2 million, due principally to vacancies and a delay in the planned non-represented wage increase to July 1 from January 1.
- Overtime is projected to increase by \$13.6 million, due largely to vacancy coverage requirements.
- Health & welfare/OPEB current payment expenses are projected to increase by \$15.4 million, due mainly to unfavorable rates.
- Other fringe benefits are projected to increase by \$89.4 million, due mainly to a projected increase in Workers' Compensation reserve requirements.
- Electric power expenses are projected to decrease by \$4.8 million, due mostly to a decrease in projected prices and the favorable timing of expenses.
- Maintenance contract expenses are projected to decrease by \$8.0 million, due mostly to the favorable timing of subway and automated fare collection facility-related expenses.

- Professional service contract expenses are projected to increase by \$3.2 million, due mostly to additional Enterprise Asset Management expenses and priority project related expenses.
- Materials & supplies expenses are projected to decrease by \$2.6 million, due to the favorable timing of scheduled maintenance requirements, partly offset by increased bus material usage at depots.
- Other business expenses are projected to decrease by \$3.2 million, due to additional employee exam fees and lower bus warranty payments.

2017-2020: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the July Financial Plan by \$15.7 million in 2017, \$23.2 million in 2018, \$25.3 million in 2019 and \$22.6 million in 2020:

Major generic category changes include:

- Farebox revenue is projected to increase by \$14.8 million in 2017, \$8.6 million in 2018, \$5.4 million in 2019 and \$1.7 million in 2020, due to higher average fares.
- Other operating revenue is projected to increase by \$0.9 million in 2017, \$14.6 million in 2018, \$19.9 million in 2019 and \$21.0 million in 2020, due largely to projected increases in Transit Wireless revenues driven by the implementation of this MTA priority initiative.

Operating Expense Changes

Operating expenses increased from the July Financial Plan by \$117.8 million in 2017, \$71.3 million in 2018, \$55.9 million in 2019 and \$81.6 million in 2020.

Major generic category changes include:

- Payroll expenses are projected to increase by \$11.0 million in 2017, \$9.7 million in 2018, \$12.6 million in 2019, and \$28.8 million in 2020, due to additional headcount requirements supporting the platform budget and additional training float requirements.
- Health & welfare/OPEB current expenses are projected to increase by a net \$8.4 million in 2017, and decrease by \$13.5 million in 2018, \$23.0 million in 2019, and \$31.9 million in 2020. The increase in 2017 is due to unfavorable rates, while the decreases in subsequent years anticipate an improvement resulting from the planned rebid.

- Pension expenses are projected to increase by \$6.1 million in 2017, \$6.2 million in 2018, \$7.5 million in 2019 and \$10.0 million in 2020, based on updated actuarial information incorporating inflation assumptions.
- Other fringe benefit expenses are projected to increase by \$68.7 million in 2017, \$73.2 million in 2018, \$76.7 million in 2019 and \$83.2 million in 2020, due primarily to projected Workers' Compensation additional reserve requirements.
- Electric power expenses are projected to decrease by \$10.1 million in 2017, \$15.9 million in 2018, \$22.1 million in 2019 and \$24.0 million in 2020, based on projected lower prices.
- Maintenance contract costs are projected to increase by \$18.3 million in 2017, due to the timing from 2016 of subways maintenance requirements and expenses related to the new AFC facility.
- Professional service contract expenses are projected to increase by \$28.0 million in 2017, \$22.2 million in 2018, \$23.4 million in 2019 and \$24.4 million in 2020, due mostly to additional requirements for Transit Wireless and MTA Priority initiatives, additional outside council fees, and technical system requirements.
- Materials & supplies expenses are projected to increase by \$5.8 million in 2017, decrease by \$1.2 million in 2018 and \$3.0 million in 2019, and then increase by \$6.6 million in 2020. These variances are primarily due to the timing of subway and bus material requirements.
- Other business expenses increase by \$2.4 million in 2017, \$2.0 million in 2018, \$1.9 million in 2019 and \$2.5 million in 2020, due mostly to the removal of Second Avenue Subway revenues of \$3.0 million per year, established initially for revenue tracking purposes.

MTA New York City Transit
November Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$2,674.917)	(\$3,041.619)	(\$3,183.354)	(\$3,443.306)	(\$3,720.888)
Baseline Changes					
Revenue					
Farebox Revenue	\$11.823	\$14.774	\$8.559	\$5.404	\$1.699
Other Operating Revenue	(0.764)	0.941	14.592	19.891	20.858
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	\$11.059	\$15.715	\$23.151	\$25.295	\$22.557
Expenses					
<i>Labor:</i>					
Payroll	\$16.191	(\$10.980)	(\$9.676)	(\$12.601)	(\$28.835)
Overtime	(13.565)	(2.806)	(1.901)	(1.608)	(1.330)
Health and Welfare	(26.499)	(25.639)	(7.373)	1.670	10.202
OPEB Current Payment	11.079	17.174	20.900	21.309	21.660
Pensions	(345.535)	(6.072)	(6.248)	(7.476)	(10.041)
Other Fringe Benefits	(89.374)	(68.667)	(73.165)	(76.663)	(83.196)
Reimbursable Overhead	13.401	19.852	13.391	11.538	6.898
Total Labor Expense Changes	(\$434.302)	(\$77.138)	(\$64.072)	(\$63.831)	(\$84.642)
<i>Non-Labor:</i>					
Electric Power	\$4.791	\$10.059	\$15.910	\$22.107	\$24.041
Fuel	(1.692)	(1.676)	(0.279)	6.142	9.921
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	(0.203)	(0.001)	(0.001)	0.000	0.000
Maintenance and Other Operating Contracts	8.025	(18.330)	(3.324)	(0.559)	0.445
Professional Service Contracts	(3.235)	(27.996)	(22.152)	(23.417)	(24.353)
Materials & Supplies	2.565	(5.798)	1.153	2.993	(6.601)
Other Business Expenses	3.217	(2.382)	(1.981)	(1.946)	(2.545)
Total Non-Labor Expense Changes	\$13.468	(\$46.124)	(\$10.674)	\$5.320	\$0.908
GASB 68 Pension Expense Adjustment	\$345.712	\$5.465	\$3.460	\$2.616	\$2.114
Total Expense Changes	(\$75.122)	(\$117.797)	(\$71.286)	(\$55.895)	(\$81.620)
Cash Adjustment Changes					
Revenue	(\$0.043)	(\$0.090)	\$0.000	\$0.130	\$0.043
Expense	425.130	65.591	76.778	78.451	79.858
GASB 68 Pension Expense Adjustment	(345.712)	(5.465)	(3.460)	(2.616)	(2.114)
Total Cash Adjustment Changes	\$79.375	\$60.036	\$73.318	\$75.965	\$77.787
Total Baseline Changes	\$15.312	(\$42.046)	\$25.183	\$45.365	\$18.724
November Financial Plan - Cash Surplus/(Deficit)	(\$2,659.605)	(\$3,083.665)	(\$3,158.171)	(\$3,397.941)	(\$3,702.164)

MTA New York City Transit
November Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2016	2017	2018	2019	2020
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	\$32.152	\$85.777	\$50.664	\$43.171	\$25.493
Total Revenue Changes	\$32.152	\$85.777	\$50.664	\$43.171	\$25.493
Expenses					
<i>Labor:</i>					
Payroll	\$36.429	(\$30.491)	(\$19.448)	(\$15.788)	(\$8.619)
Overtime	(39.695)	(5.304)	(3.528)	(3.185)	(1.448)
Health and Welfare	0.203	0.907	0.792	0.844	0.930
OPEB Current Payment	1.160	1.383	1.347	1.425	1.507
Pensions	(0.147)	(0.234)	(0.333)	(0.408)	(0.468)
Other Fringe Benefits	6.305	(19.471)	(14.422)	(12.942)	(9.598)
Reimbursable Overhead	(13.401)	(19.852)	(13.391)	(11.538)	(6.898)
Total Labor Expense Changes	(\$9.146)	(\$73.062)	(\$48.983)	(\$41.592)	(\$24.594)
<i>Non-Labor:</i>					
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	(0.142)	(0.050)	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	(1.365)	(2.293)	(0.012)	0.000	0.001
Professional Service Contracts	(1.958)	(0.500)	(0.551)	(0.900)	(0.900)
Materials & Supplies	(17.735)	(9.780)	(1.068)	(0.679)	0.000
Other Business Expenses	(1.948)	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	(\$23.006)	(\$12.715)	(\$1.681)	(\$1.579)	(\$0.899)
Total Expense Changes	(\$32.152)	(\$85.777)	(\$50.664)	(\$43.171)	(\$25.493)
Cash Adjustment Changes					
Capital Reimbursement Timing	(128.490)	110.615	7.316	1.561	3.683
Total Cash Adjustment Changes	(\$128.490)	\$110.615	\$7.316	\$1.561	\$3.683
Total Baseline Changes	(\$128.490)	\$110.615	\$7.316	\$1.561	\$3.683
November Financial Plan - Cash Surplus/(Deficit)	(\$128.490)	\$110.615	\$7.316	\$1.561	\$3.683

MTA New York City Transit
November Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$2,674.917)	(\$3,041.619)	(\$3,183.354)	(\$3,443.306)	(\$3,720.888)
Baseline Changes					
Revenue					
Farebox Revenue	\$11.823	\$14.774	\$8.559	\$5.404	\$1.699
Other Operating Revenue	(0.764)	0.941	14.592	19.891	20.958
Capital and Other Reimbursement	32.152	85.777	50.664	43.171	25.493
Total Revenue Changes	\$43.211	\$101.492	\$73.815	\$68.466	\$48.150
Expenses					
<i>Labor:</i>					
Payroll	\$52.620	(\$41.471)	(\$29.124)	(\$28.389)	(\$37.454)
Overtime	(53.260)	(8.110)	(5.429)	(4.793)	(2.778)
Health and Welfare	(26.296)	(24.732)	(6.581)	2.514	11.132
OPEB Current Payment	12.239	18.557	22.247	22.734	23.167
Pensions	(345.682)	(6.306)	(6.581)	(7.884)	(10.509)
Other Fringe Benefits	(83.069)	(88.138)	(87.587)	(89.605)	(92.794)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	(\$443.448)	(\$150.200)	(\$113.055)	(\$105.423)	(\$109.236)
<i>Non-Labor:</i>					
Electric Power	\$4.791	\$10.059	\$15.910	\$22.107	\$24.041
Fuel	(1.692)	(1.818)	(0.329)	6.142	9.921
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	(0.203)	(0.001)	(0.001)	0.000	0.000
Maintenance and Other Operating Contracts	6.660	(20.623)	(3.336)	(0.559)	0.446
Professional Service Contracts	(5.193)	(28.496)	(22.703)	(24.317)	(25.253)
Materials & Supplies	(15.170)	(15.578)	0.085	2.314	(6.601)
Other Business Expenses	1.269	(2.382)	(1.981)	(1.946)	(2.545)
Total Non-Labor Expense Changes	(\$9.538)	(\$58.839)	(\$12.355)	\$3.741	\$0.009
GASB 68 Pension Expense Adjustment	\$345.712	\$5.465	\$3.460	\$2.616	\$2.114
Total Expense Changes	(\$107.274)	(\$203.574)	(\$121.950)	(\$99.066)	(\$107.113)
Cash Adjustment Changes					
Revenue	(0.043)	(0.090)	0.000	0.130	0.043
Expense	425.130	65.591	76.778	78.451	79.858
Capital Reimbursement Timing	(128.490)	110.615	7.316	1.561	3.683
GASB 68 Pension Expense Adjustment	(345.712)	(5.465)	(3.460)	(2.616)	(2.114)
Total Cash Adjustment Changes	(\$49.115)	\$170.651	\$80.634	\$77.526	\$81.470
Total Baseline Changes	(\$113.178)	\$68.569	\$32.499	\$46.926	\$22.507
November Financial Plan - Cash Surplus/(Deficit)	(\$2,788.095)	(\$2,973.050)	(\$3,150.855)	(\$3,396.380)	(\$3,698.381)

**MTA New York City Transit
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes by Generic Categories**

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

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$41.7 million in 2016, \$35.1 million in 2017, \$27.3 million in 2018 and \$25.0 million in 2019 due to:

- Reductions in farebox revenue of \$43.0 million in 2016, \$45.3 million in 2017, \$46.2 million in 2018 and \$46.7 million in 2019, based on projected ridership losses, including the impact of adverse weather early in the year,
- Other operating revenue is projected to improve by of \$1.3 million in 2016, \$10.2 million in 2017, \$18.9 million in 2018 and \$21.7 million in 2019, due largely to a new revenue source resulting from the partial leasing of an optical infrastructure (aka dark fiber), driven by the implementation of this customer-oriented MTA Priority initiative.

Operating Expense Changes

Operating expenses increase from the February Financial Plan by \$211.3 million in 2016, \$335.6 million in 2017, \$258.1 million in 2018, and \$201.5 million in 2019.

Major generic category changes include:

- Payroll is projected to decrease by \$17.0 million in 2016, and increase by \$9.5 million in 2017, \$10.8 million in 2018, and \$15.0 million in 2019, due mostly to vacancies in 2016 and in subsequent years headcount requirements in support of investments in new programmatic initiatives and training float requirements.
- Overtime expenses are projected to increase by \$25.4 million in 2016, \$12.2 million in 2017, \$5.9 million in 2018 and \$2.7 million in 2019. The 2016 increase is due to vacancy coverage requirements, the impact of adverse weather early in the year, a service increase and some unanticipated overruns. The 2017 increase is due mostly to increased service and project support.
- Health & welfare/OPEB current expenses are projected to decrease by \$16.0 million in 2016, \$3.0 million in 2017, \$29.7 million in 2018 and \$39.0 million in 2019, due largely to an expected rate improvement based on a planned rebid.

- Pension expenses are projected to increase by \$97.4 million in 2016, \$91.8 million in 2017, \$103.7 million in 2018 and \$83.9 million in 2019, based on updated actuarial information incorporating inflation assumptions.
- Other fringe benefits are projected to increase by \$201.8 million in 2016, \$182.6 million in 2017, \$187.9 million in 2018, and \$193.3 million in 2019, due primarily to Workers' Compensation projected additional reserve requirements.
- Reimbursable overhead credits are projected to increase by \$17.0 million in 2016, \$23.1 million in 2017, \$15.5 million in 2018, and \$14.2 million in 2019, due to significant increases in reimbursable program requirements.
- Electric power expenses are projected to decrease by \$55.4 million in 2016, \$8.1 million in 2017, \$14.9 million in 2016 and \$23.2 million in 2019, based on projected lower prices.
- Fuel expenses are projected to decrease by \$34.4 million in 2016, \$20.6 million in 2017, \$35.5 million in 2018 and \$49.0 million in 2019, due largely to projected lower prices.
- Claims (Public Liability) expenses are projected to increase on an estimated basis by \$20.0 million for each year, in anticipation of an actuarial update to be completed later in the year.
- Paratransit service contract expenses are projected to decrease by \$15.8 million in 2016, \$14.9 million in 2017, \$28.3 million in 2018 and \$29.6 million in 2019, based mostly on projected lower trips.
- Maintenance contract expenses are projected to increase by \$4.7 million in 2016, \$39.9 million in 2017, \$17.5 million in 2018 and \$15.1 million in 2019. The increase in 2017 includes the R160 subway car retro-fitting priority requirement, an increase in paratransit vehicle purchases, additional bus shop requirements, the timing of subways maintenance requirements and expenses related to the new AFC facility. Increases in 2018 and 2019 include additional bus shop requirements and paratransit vehicle purchases.
- Professional service contract expenses are projected to increase by \$27.3 million in 2016, \$51.5 million in 2017, \$48.4 million in 2018 and \$40.2 million in 2019, due primarily to requirements for enhancement initiatives for 30 subway stations, and transit wireless/electric bus/USB/WiFi requirements.
- Materials & supplies expenses are projected to decrease by \$9.8 million in 2018 and \$11.1 million in 2019, due largely to the timing of subways scheduled maintenance requirements.

MTA NEW YORK CITY TRANSIT
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes

2016: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue changes from the July Financial Plan increased by \$43.2 million.

Major changes include:

- Farebox revenue increased by \$11.8 million, due primarily to higher average fares.
- Other operating revenue was unfavorable by a net \$0.8 million.
- Capital reimbursements increase by \$32.2 million to provide for reimbursement of projected reimbursable expense increases.

Expense Changes

Total expenses are projected to increase from the July Financial Plan by \$107.3 million.

Major changes include:

- An expense increase in other fringe benefits of \$84.6 million, due primarily to estimated Workers' Compensation additional reserve requirements.
- Reimbursable expenses are projected to increase by \$32.2 million, including Help Point and bus shuttle material requirements and OTPS adjustments.
- Updated inflation assumptions, resulting in higher expenses of \$28.3 million, mainly from projected higher health& welfare rates.
- Cost increases of \$10.5 million in support of new programmatic initiatives, including Transit Wireless and a bus all-weather tire upgrade.
- The favorable timing of expenses of \$25.4 million, mostly offset in 2017.

Cash Adjustments

Cash adjustments are projected to be an unfavorable by \$49.1 million.

Major changes include:

- The unfavorable timing of reimbursement of 2016 capital project work costs of \$120.0 million now planned to be reimbursed in 2017.
- Workers' Compensation favorable cash adjustments of \$79.5 million, reducing expense reserve projected expenses to projected payment increases.

2017-2020: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue changes from the July Financial Plan represent increases of \$101.5 million in 2017, \$73.8 million in 2018, \$68.5 million in 2019 and \$48.2 million in 2020.

Major changes include:

- Farebox revenue is projected to increase by \$14.8 million in 2017, \$8.6 million in 2018, \$5.4 million in 2019 and \$1.7 million in 2020, due to higher average fares.
- Other operating revenue is projected to increase by \$0.9 million in 2017, \$14.6 million in 2018, \$19.9 million in 2019 and \$20.9 million in 2020, due largely to projected increases in Transit Wireless revenues driven by the implementation of this MTA priority initiative.
- Capital reimbursements increase by \$85.8 million in 2017, \$50.7 million in 2018, 43.2 million in 2019 and \$25.5 million in 2020 to provide for reimbursement of reimbursable expense increases.

Expense Changes

Total expenses increase by \$203.6 million in 2017, \$122.0 million in 2018, \$99.1 million in 2019 and \$107.1 million in 2020.

Major changes include:

- Expense increases in other fringe benefits by \$88.1 million in 2017, \$87.6 million in 2018, \$89.6 million in 2019 and \$92.8 million in 2020, due primarily to estimated Workers' Compensation additional reserve requirements.
- Reimbursable expenses are projected to increase by \$85.8 million in 2017, \$50.7 million in 2018, \$43.2 million in 2019 and \$25.5 million in 2020, due primarily to programmatic construction/engineering requirements support for MTA priority initiatives.
- Cost increases of \$15.6 million in 2017, \$19.0 million in 2018, \$20.2 million in 2019 and \$20.5 million in 2020, in support of new programmatic initiatives, including Transit Wireless and a bus all-weather tire upgrade.

- Subway car scheduled maintenance reforecast in 2020, resulting in an increase of \$27.2 million.
- The unfavorable timing of expenses of \$24.2 million in 2017.
- Updated inflation assumptions, resulting in expense savings of of \$24.2 million in 2019 and \$37.6 million in 2020, mostly related to lower electric power prices.
- Budget Reduction Program savings of \$23.2 million in 2017, \$38.6 million in 2018, \$40.9 million in 2019 and \$43.3 million in 2020, to result mainly from health & welfare rebid savings.

Cash Adjustments

Cash adjustments are projected to be favorable by \$170.7 million in 2017, \$80.6 million in 2018, \$77.5 million in 2019 and \$81.5 million in 2019.

Major changes include:

- The favorable timing of reimbursement of 2016 capital project work costs of \$120.0 million, now planned to be reimbursed in 2017.
- Workers' Compensation favorable cash adjustments of \$78.6 million in 2017, \$77.6 million in 2018, \$79.1 million in 2019 and \$80.7 million in 2020, reducing expense reserve projected expenses to projected payment increases.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017 - 2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$2,674.917)	(\$3,041.619)	(\$3,183.354)	(\$3,443.306)	(\$3,720.888)
Non-Reimbursable Major Changes					
Revenue					
Farebox	\$11.823	\$14.774	\$8.559	\$5.404	\$1.699
Other Operating Revenue	(0.764)	0.941	14.592	19.891	20.958
Sub-Total Non-Reimbursable Revenue Changes	\$11.059	\$15.715	\$23.151	\$25.295	\$22.657
Expenses					
Inflation-Related:					
Health & Welfare Rates	(\$26.501)	(\$15.493)	(\$9.456)	(\$2.762)	\$4.907
Electric Power	4.792	12.294	18.145	24.342	26.276
Bus/Heating Fuel	(1.878)	(6.110)	(4.343)	2.378	6.157
Pension	(4.696)	(1.365)	(4.367)	(6.663)	(8.445)
Materials, Insurance, Rentals and Miscellaneous Expenses	0.000	0.691	4.174	6.890	8.740
Sub-total Inflation-Related	(\$28.283)	(\$9.983)	\$4.153	\$24.185	\$37.635
Programmatic Initiatives:					
Transit Wireless Priority Initiative Cost Requirements	(\$5.541)	(\$10.576)	(\$13.209)	(\$13.539)	(\$13.877)
Bus Upgrade to All-Weather Tires	(4.981)	(5.042)	(4.642)	(4.242)	(4.242)
Enhanced Stations Initiative	0.000	0.000	(1.184)	(2.369)	(2.369)
Sub-total Programmatic Initiatives	(\$10.522)	(\$15.618)	(\$19.035)	(\$20.150)	(\$20.488)
Budget Reduction Program:					
Health & Welfare Rebid Savings	\$0.000	\$20.268	\$33.895	\$36.049	\$38.351
Non-Represented General Wage Adjustment	2.535	2.898	4.716	4.811	4.932
Sub-total Budget Reduction Program	\$2.535	\$23.166	\$38.611	\$40.860	\$43.283
Technical Adjustments/Re-estimates:					
Workers Compensation/Other Frnge Benefit Reforecast Adjustments	(\$84.604)	(\$87.903)	(\$89.603)	(\$91.346)	(\$93.108)
Platform Budget Normal Business	(1.354)	(7.614)	(13.705)	(13.705)	(13.705)
Impact of Reimbursable Adjustments	7.495	14.986	25.250	17.484	15.224
Enterprise Asset Management Adjustment	2.264	(5.543)	(1.067)	(0.153)	(0.235)
Bus Shop Plan Engine Rebuild Reforecast	0.000	(1.434)	(4.119)	(4.592)	(4.418)
Subway Car Scheduled Maintenance Reforecast	0.000	(0.859)	(0.859)	(0.859)	(27.234)
Homeless Outreach Requirements/Timing	3.000	(7.200)	0.000	0.000	0.000
Miscellaneous Base Pay	(3.670)	(2.071)	(2.071)	(2.071)	(2.071)
Other Re-estimates	0.805	(2.684)	(3.796)	(4.910)	(8.181)
CNG Tax Credit	0.000	3.654	3.654	3.654	3.654
Timing of Expenses	25.415	(24.218)	(0.969)	(0.229)	0.000
All Other	11.797	5.524	(7.730)	(4.063)	(11.976)
Sub-total Technical Adjustments/Re-estimates	(\$38.852)	(\$115.362)	(\$95.015)	(\$100.790)	(\$142.050)
Sub-Total Non-Reimbursable Expense Changes*	(\$75.122)	(\$117.797)	(\$71.286)	(\$55.895)	(\$81.620)
Total Non-Reimbursable Major Changes	(\$64.063)	(\$102.082)	(\$48.135)	(\$30.600)	(\$58.963)
Reimbursable Major Changes					
Revenue					
Increased Reimbursements-Higher Expenses	\$32.152	\$85.777	\$50.664	\$43.171	\$25.493
Sub-Total Reimbursable Revenue Changes	\$32.152	\$85.777	\$50.664	\$43.171	\$25.493
Expenses					
Increased Expenses	(\$32.152)	(\$85.777)	(\$50.664)	(\$43.171)	(\$25.493)
Sub-Total Reimbursable Expense Changes	(\$32.152)	(\$85.777)	(\$50.664)	(\$43.171)	(\$25.493)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	(\$64.063)	(\$102.082)	(\$48.135)	(\$30.600)	(\$58.963)
Cash Adjustment Changes					
Cap. Project Job Overruns Timing-Capital Reimbursements	(\$120.000)	\$120.000	\$0.000	\$0.000	\$0.000
Other Capital Reimbursement Adjustments	(8.490)	(9.385)	7.316	1.561	3.683
Other Fringe Benefits-Workers' Compensation Cash Adjustments	79.482	78.579	77.582	79.137	80.708
Materials & Supplies-Adjustment	2.585	0.000	0.000	0.000	0.000
Maintenance Contract Adjustment	0.000	(5.900)	0.000	0.000	0.000
Other Business Expense Adjustment	0.000	0.000	(7.201)	0.000	0.000
All Other	(2.692)	(12.643)	2.937	(3.172)	(2.921)
Total Cash Adjustment Changes*	(\$49.115)	\$170.651	\$80.634	\$77.526	\$81.470
Total Baseline Changes	(\$113.178)	\$68.569	\$32.499	\$46.926	\$22.507
November Financial Plan - Cash Surplus/(Deficit)	(\$2,788.095)	(\$2,973.050)	(\$3,150.855)	(\$3,396.380)	(\$3,698.381)

MTA NEW YORK CITY TRANSIT
2017 Preliminary Budget
November Financial Plan 2017 – 2020

RIDERSHIP/ (UTILIZATION)

The November 2016 Financial Plan baseline ridership forecast assumes that weather adjusted 2016 subway ridership will be 0.3 percent below the July Plan and 2016 bus ridership will be 0.3 percent above the July Plan, based on February-August 2016 weather and calendar adjusted ridership compared to the same period in 2015. The revised 2016 forecast includes preliminary actual ridership through August 2016, which was 0.2 percent below the July Plan on subway and 0.3 percent above the July Plan on bus. As a result of lower subway ridership partially offset by higher bus ridership, projected 2016 subway and bus ridership is 3.4 million lower than the July 2016 Plan.

In developing the 2017 ridership forecast, baseline subway ridership is projected to increase by approximately 0.7 percent over 2016 based on the revised July 2016 employment forecast, which is 0.08 percent higher than the March 2016 forecast used in the July Financial Plan, with an 80 percent factor applied to the forecast. 2017 bus ridership is projected to increase by approximately 0.1 percent, based a 25 percent factor applied to the employment forecast. The 80 percent subway factor and 25 percent bus factor are lower than the 100 percent subway and 40 percent bus factors used in the July Plan and are based on the recent declining impact from employment growth on ridership. Subway ridership also includes a projected 1.6 million increase resulting from the opening of Phase 1 of the 2nd Avenue Subway. As a result of lower subway and higher bus baseline ridership, slightly lower 2017 employment growth, and the 2nd Avenue Subway increase, projected 2017 subway and bus ridership is 3.4 million lower than the July Plan.

Working off the revised 2017 baseline projection, 2018-2020 subway and bus ridership growth forecasts are based on the July 2016 employment forecast, which is similar to the forecast used in the July Plan. An 80 percent factor is applied to the forecast for subway and a 25 percent factor is used for bus. Subway ridership also includes an increase of 1.6 million each year due to the 2nd Avenue Subway. The resulting ridership is expected to be 6.8 million lower than the February Plan in 2018, 8.5 million lower in 2019, and 10.5 million lower in 2020.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017 - 2020
Ridership/Traffic Volume (Utilization)
(\$ in millions)

	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
RIDERSHIP						
Subway	1,762.565	1,762.082	1,773.826	1,784.415	1,790.425	1,800.353
Bus	650.682	642.499	643.108	645.025	645.719	647.793
Paratransit	8.829	8.983	9.671	10.299	10.969	11.682
Total Ridership	2,422.076	2,413.564	2,426.605	2,439.739	2,447.113	2,459.828
FAREBOX REVENUE (Excluding fare media liability)						
Subway	\$3,313.600	\$3,352.702	\$3,376.792	\$3,397.716	\$3,409.592	\$3,429.211
Bus	964.784	967.735	969.134	972.293	973.437	976.854
Paratransit	17.425	18.347	19.633	20.923	22.296	23.758
Total Farebox Revenue	\$4,295.809	\$4,338.784	\$4,365.559	\$4,390.932	\$4,405.325	\$4,429.823

NEW YORK CITY TRANSIT
November Financial Plan 2017-2020
2016 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
Administration										
Administrative and OTPS Savings	7	1.421	11	2.306	11	2.306	11	2.306	11	2.306
Employer Group Waiver Plan	-	11.520	-	11.520	-	11.520	-	11.520	-	11.520
Non-Represented Wage Increase Deferral	-	2.535	-	2.898	-	4.716	-	4.811	-	4.932
Health & Welfare - Medical Rebid	-	0.000	-	20.268	-	33.895	-	36.049	-	38.351
Recovery From Prior Medical Plans	-	<u>7.625</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<i>Subtotal Administration</i>	7	23.101	11	36.992	11	52.437	11	54.686	11	57.109
Customer Convenience/Amenities										
Destaff Auxiliary Full-Time Booth	-	0.000	42	2.165	42	3.720	42	3.720	42	3.720
Customer Assistance Program Reduction	-	<u>1.140</u>	-	<u>0.704</u>	-	<u>0.704</u>	<u>14</u>	<u>2.231</u>	<u>14</u>	<u>2.231</u>
<i>Subtotal Customer Convenience/Amenities</i>	-	1.140	42	2.869	42	4.424	56	5.951	56	5.951
Maintenance										
Buses Maintenance Savings	9	0.758	9	0.845	9	0.845	9	0.845	9	0.845
Buses Facility Savings	-	0.500	-	0.500	-	0.500	-	0.500	-	0.500
Car Equipment Maintenance Material Savings	-	0.800	-	0.800	-	0.800	-	0.800	-	0.800
Terminal Car Cleaning Savings	-	0.000	24	2.025	24	2.025	24	2.025	24	2.025
Signals Maintenance Efficiencies	7	0.280	7	0.626	7	0.626	7	0.626	7	0.626
Other	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<i>Subtotal Maintenance</i>	16	2.338	40	4.796	40	4.796	40	4.796	40	4.796
Revenue Enhancement										
Zero Fare Revenue Increase	-	<u>0.000</u>	-	<u>2.100</u>	-	<u>3.600</u>	-	<u>3.600</u>	-	<u>3.600</u>
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	2.100	-	3.600	-	3.600	-	3.600
Safety										
None	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
Security Efficiencies	<u>3</u>	<u>0.562</u>	<u>2</u>	<u>0.601</u>	<u>2</u>	<u>0.601</u>	<u>2</u>	<u>0.601</u>	<u>2</u>	<u>0.601</u>
<i>Subtotal Security</i>	3	0.562	2	0.601	2	0.601	2	0.601	2	0.601
Service										
Paratransit Additional Savings	-	<u>21.800</u>	-	<u>5.741</u>	-	<u>16.008</u>	-	<u>17.771</u>	-	<u>18.840</u>
<i>Subtotal Service</i>	-	21.800	-	5.741	-	16.008	-	17.771	-	18.840
Service Support										
None	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	26	\$48.941	95	\$53.099	95	\$81.866	109	\$87.405	109	\$90.897

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Administrative and OTPS Savings

Background Details:	Administrative savings include eliminating six positions in the Department of Subways and five traffic checking position from Operations due to operational efficiencies. OTPS reductions include savings from migrating telephone line service from Verizon to Broadview, and reducing frequency of employee facility extermination services, external printing services, special ticket stock, uniforms and inspection and testing services.
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Program Description/ Implementation Plan:	Reductions being in July 2016.
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Program Implementation Date:	Jul-16	When will savings begin?:	Jul-16
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.420	\$2.306	\$2.306	\$2.306	\$2.306
<i>Total Positions Required:</i>	7	11	11	11	11

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Employer Group Waiver Plan (EGWP)

Background Details:	NYCT has been the recipient in recent years of an annual Retiree Drug Subsidy (RDS) from the federal government for continuing to offer a prescription drug plan to Medicare eligible members that is at least equal to a Medicare Part D prescription drug plan. The Affordable Care Act ("ACA"), through the Center for Medicare and Medicaid Services ("CMS"), makes provision for an Employer Group Waiver Plan (EGWP), which is more financially attractive alternative to RDS for Medicare eligible members.
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Program Description/ Implementation Plan:	NYCT has implemented EGWP with partners UHC and Prescription Solutions, and the agency is currently receiving significant scheduled rebates for drug costs from both the Drug Manufacturers and CMS for employees who have elected to enroll in EGWP. EGWP was implemented at NYCT in 2013 with budgeted annual savings of \$15.7M. 2015 actual savings are estimated at \$27.2M, \$11.52M above the initial projection.
--	--

Program Implementation Date:	1/1/2016	When will savings begin?:	1/1/2016
		Are these savings recurring?:	Yes
Other Issues:			

	<u>Favorable/(Unfavorable)</u>				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$11.520	\$11.520	\$11.520	\$11.520	\$11.520

Total Positions Required:

**NEW YORK CITY TRANSIT
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Non-Represented Wage Increase Deferral

Background Details:	Savings resulting from delayed implementation of a 2% general wage increase for non-represented employees. It was budgeted to begin on January 1, 2016, but was instead made effective July 1, 2016.
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Program Description/ Implementation Plan:	This six month delay of the GWI for non-represented employees will recur. Annual implementation date effective July 1st of each plan year.		
Program Implementation Date:	1/1/2016	When will savings begin?:	Jan-16
		Are these savings recurring?:	Y
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$2.535	\$2.898	\$4.716	\$4.811	\$4.932
<i>Total Positions Required:</i>					

**NEW YORK CITY TRANSIT
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Health & Welfare - Medical Rebid

Background Details: Medical Rebid for hourly employees effective January 1, 2017. The medical plan contract for the TWU, ATU 726 and ATU 1056 expires at the end of 2016. The new contract reflects a significant savings in claim costs as a result of efficiencies and lower negotiated rates. The first year savings are partially offset by the cost of transition from the current carriers to the new; as such, the savings in 2017 are less than in the out-years.

Program Description/Implementation Plan:

Program Implementation Date: 1/1/2017 **When will savings begin?:** Jan-17
Are these savings recurring?: Y

Other Issues:

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$20.268	\$33.895	\$36.049	\$38.351
<i>Total Positions Required:</i>					

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Recovery From Prior Medical Plans

Background Details:	In December 2010, NYCTA withheld \$8.276M of health benefit payments. In January 2014, NYCTA commenced litigation alleging that Emblem and GHI had breached the Administrative Services Agreement by failing to coordinate benefits with third-party payers, resulting in significant monetary losses to NYCTA.
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Program Description/ Implementation Plan:	NYCTA has reached a settlement agreement resolving the litigation, resulting in NYCTA receiving a \$7.625M settlement payment, with expected receipt in Q2 2016.
--	--

Program Implementation Date:	7/1/2016	When will savings begin?:	7/1/2016
		Are these savings recurring?:	No
Other Issues:			

	<u>Favorable/(Unfavorable)</u>				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$7.625	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Positions Required:</i>					

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Customer Convenience/Amenities
Program: Destaff Auxiliary Full-Time Station Booths

Background Details:	In 2010, most auxiliary station booths were closed, creating a standard of one full-time staffed booth per station or station complex. Auxiliary full-time booths were retained at 18 station complexes for a variety of reasons and since 2010 a number of new in-system transfers have opened with no changes to booth staffing at these stations after the transfers opened. A re-evaluation of station booth staffing in spring 2015 identified seven booths, including two at stations with new in-system transfers, that could be destaffed with minimal impact on our customers.
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Program Description/ Implementation Plan:	This initiative reflects reductions in labor costs resulting from the de-staffing of auxiliary full-time booths at seven station complexes. Booth removal cost is included at \$45K per booth. This proposal requires Public Hearings.
--	--

Program Implementation Date:	When will savings begin?:	May-17
	Are these savings recurring?:	yes
Other Issues:		

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$2.165	\$3.720	\$3.720	\$3.720
<i>Total Positions Required:</i>	0	42	42	42	42

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Customer Convenience/Amenities

Program: Customer Assistance Program

Background Details:	The Customer Assistant Program was originally staffed with managers. This revision replaces managers with station supervisors and hourly, who will facilitate and oversee Customer interaction and service.
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Program Description/ Implementation Plan:	This program has been re-evaluated and staffing adjusted, beginning in March 2016. Program goals will be achieved and through efficiencies the program can be eliminated in 2019.
--	---

Program Implementation Date:	Mar-16	When will savings begin?:	Mar-16
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.140	\$0.704	\$0.704	\$2.231	\$2.231
<i>Total Positions Required:</i>	0	0	0	14	14

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Buses Maintenance Savings

Background Details:	Older buses have experienced more cumulative wear and tear to the exterior body panels and underframe structures than the newer buses. These buses are being retired and are being replaced with new deliveries that require less body repair work.
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Program Description/Implementation Plan:	Reduce 9 positions associated with bus body maintenance due to new buses delivered and retirement of older buses.
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Program Implementation Date:	Jan-16 When will savings begin?:	Jan-16
Other Issues:	Are these savings recurring?:	Yes

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Costs (in millions)	\$0.758	\$0.845	\$0.845	\$0.845	\$0.845
<i>Total Increase in Positions Required:</i>	9	9	9	9	9

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Buses Facility Savings

Background Details:	Reduction in facilities repair services based on current workload assessment.
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Program Description/ Implementation Plan:	A \$0.5M reduction in facilities repair services due to increased facility maintenance and repairs being performed in-house by existing workforce.
--	--

Program Implementation Date:	Jan-16 When will savings begin?:	Jan-16
Other Issues:	Are these savings recurring?:	Yes

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Costs (in millions)	\$0.500	\$0.500	\$0.500	\$0.500	\$0.500

Total Positions Required:

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Car Equipment Mtce Material Savings

Background Details:	Car Equipment will achieve \$800K in Maintenance Materials savings through improved planning for Non-inventory purchases. This is approximately 9% of the 2016 Non-inventory budget of \$9.1M.
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Program Description/ Implementation Plan:	Savings began in January 2016		
Program Implementation Date:	1/1/2016	When will savings begin?:	1/1/2016
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.800	\$0.800	\$0.800	\$0.800	\$0.800

Total Positions Required:

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Terminal Car Cleaning Savings

Background Details:	This initiative reduces terminal car cleaning on the overnight tours of the A, D, and F lines, where terminal car cleaning occurs at both ends of the line.
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Program Description/ Implementation Plan:	Under this proposal, terminal car cleaning on the Midnight tour will only take place at 207th St for A service and at Stillwell Ave for D and F service. The terminal car cleaning at the opposite ends will be eliminated. There will be no overnight cleaning at all on the A Shuttle service to Lefferts Blvd and Rockaway Park. To compensate for the reduced amount of cleaning occurring during overnight hours on these lines, the AM tours will be rescheduled to start earlier in the day at 4 AM, to ensure that cars are clean in time for the AM rush.
--	--

Program Implementation Date:	When will savings begin?:	Jan-17
	Are these savings recurring?:	yes
Other Issues:		

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$2.025	\$2.025	\$2.025	\$2.025
<i>Total Positions Required:</i>	0	24	24	24	24

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Signals Maintenance Efficiencies

Background Details:	Current standards call for maintenance on switches every 30 days on the mainline (~1700 machines) and every 60 days in yards (~800 machines). A pilot in 2015 tested use of the yard cycle of 60 days on mainline switches which are not used in revenue service and found no impact on reliability. This proposal would extend the yard standard to all 72 switches currently considered mainline, but not used in revenue or customer service. It results in savings of one team (2 Signal Maintainers and 5 Helpers), with little impact on the system.
----------------------------	--

Program Description/ Implementation Plan:	The proposal increases maintenance interval from 30 to 60 days for 72 mainline switch machines not used in regular customer service. Pilot program indicates no impact on equipment reliability. Effective July 2016, 72 out of 1,549 mainline switch machines not used in regular customer service would have the maintenance interval increased to the 60 days used in yards.
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Program Implementation Date:	Jul-16	When will savings begin?:	Jul-16
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.280	\$0.626	\$0.626	\$0.626	\$0.626
<i>Total Positions Required:</i>	7	7	7	7	7

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Revenue Enhancement

Program: Zero Fare Revenue Increase

Background Details:	Additional fare revenue would be realized from changing Paratransit's Zero Fare Program participants to the Reduced Fare Program. Under this change, all Paratransit registrants would be made eligible for the Reduced Fare Program, under which registrants would pay half fare for regular transit service, rather than riding for free with a Zero Fare Card.
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Program Description/ Implementation Plan:	This policy change will be included as part of the upcoming fare increase review process and subject to public hearings before board adoption.
--	--

Program Implementation Date:	Jun-17	When will savings begin?:	Jun-17
Other Issues:		Are these savings recurring?:	Yes

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$2.100	\$3.600	\$3.600	\$3.600
<i>Total Positions Required:</i>					

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Security

Program: Security Efficiencies

Background Details:	Security efficiencies will reduce 2 supervisory positions, and one analyst position by consolidating work functions. This initiative also includes overtime reductions for absent relief coverage to historical actuals and reductions in unarmed guard service at Fulton Street Transit Center in anticipation of camera installations.
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Program Description/ Implementation Plan:	Reductions being in July 2016.
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Program Implementation Date:	When will savings begin?:	Jul-16
	Are these savings recurring?:	Yes
Other Issues:		

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.562	\$0.601	\$0.601	\$0.601	\$0.601
<i>Total Positions Required:</i>	3	2	2	2	2

**NEW YORK CITY TRANSIT
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Service
Program: Paratransit Additional Savings

Background Details:	Trip activity is projected to increase 1.6% above 2015 trip levels during 2016 and 6.5% annually thereafter. The diversion of trips from higher cost 'Primary' providers to lower cost taxis and vouchers is also included in the projection. These factors have favorably affected insurance and fuel costs as the NYCT dedicated fleet is smaller and a larger number of trips are now routed towards taxi/voucher service. In addition, reduced trip levels have also favorably affected scheduling and eligibility certification costs. Savings are partially offset by reduced NYC reimbursements and fare revenue.
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Program Description/ Implementation Plan:	The February Financial Plan assumptions were revised to include projections of revised trip growth based on 2015 actual results.
--	--

Program Implementation Date:	Jan-16	When will savings begin?:	Jan-16
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$21.800	\$5.741	\$16.008	\$17.771	\$18.840

Total Positions Required:

MTA NEW YORK CITY TRANSIT
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
Positions

POSITION ASSUMPTIONS

2016: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to increase by 201, including a non-reimbursable increase of 87 and a reimbursable increase of 114. Specifically:

Reimbursable (total increase of 114 positions) includes:

- 37 positions for MTA Priority Initiatives - Beacons
- 77 positions for Capital Program Support

Re-estimates (increase of 87 positions) include:

- 143 positions for Training Float adjustments
- 27 positions for Platform Budget – Normal Business
- 6 positions for Enterprise Asset Management Program
- -57 positions for OBI Second Avenue Subway
- -23 positions for Platform Budget - SBS Rollout
- -9 positions for miscellaneous other

The breakdown of the 201 position increase by function is as follows:

Administration (total decrease of 5 positions) includes:

- -5 position for miscellaneous other

Operations (total increase of 218 positions) include:

- 143 positions for Training Float adjustments
- 27 positions for Platform Budget – Normal Business
- 73 positions for Capital Program Support
- -23 positions for Platform Budget - SBS Rollout
- -2 positions for miscellaneous other

Maintenance (total decrease of 12 positions) includes:

- -12 positions for miscellaneous other

Position increases by occupational group are: Managers/Supervisors 18, Professional, Technical, Clerical -4, and Operational Hourlies 187.

For further details, please see position tables.

2017: November Financial Plan vs. July Financial Plan

Reimbursable (total increase of 434 positions) includes:

- 145 positions for RTO TA Labor
- 88 positions for MTA Priority Initiatives - Beacons
- 40 positions for Signals Construction
- 36 positions for Bus Shuttles Capital Track Program
- 34 positions for Reimbursable Subway Service
- 27 positions for Subways Capital Program Support
- 23 positions for DoS Engineering Support
- 18 positions for Electronic Maintenance Division Support
- 17 positions for Car Equipment Support
- 6 positions for Second Avenue Subway Support

Re-estimates (increase of 341 positions) include:

- 263 positions for Training Float adjustments
- 117 positions for Platform Budget – Normal Business
- -33 positions for OBI Second Avenue Subway
- -6 positions for miscellaneous other

The breakdown of the 775 position increase by function is as follows:

- Administration (total increase of 3 positions) – mainly due to EAM adjustment
- Operations (total increase of 532 positions) – mainly due to platform budget changes, RTO TA labor and training float adjustments
- Maintenance (total increase of 230 positions) – mainly due to reimbursable adjustments noted above
- Engineering (no change)
- Public Safety (total increase of 10 positions) – mainly due to SBS support costs for eagle teams.

Position increases by occupational group are: Managers/Supervisors +99, Professional, Technical, Clerical +51, and Operational Hourlies +625.

2018 - 2020: November Financial Plan vs. July Financial Plan

New Needs (total increase of 26 positions in 2018, 2019 and 2020) includes:

- 26 positions for MTA Priority Initiative – Enhance Station Initiative (ESI)

Reimbursable (total increase of 264 positions in 2018, 223 positions in 2019 and 143 in 2020) includes:

- 145 positions for RTO TA Labor in 2018 and 2019 (115 positions in 2020)
- 40 positions for Signals Construction (18 in 2019, 0 in 2020)

- 26 positions for Subways Capital Program Support (22 in 2019, 20 in 2020)
- 22 positions for DoS Engineering Support (14 in 2019, 1 in 2020)
- 10 positions for Electronic Maintenance Division Support (3 in 2019, 0 in 2020)
- 17 positions for Car Equipment Support in 2018 and 2019 (3 in 2020)
- 4 positions for Second Avenue Subway Support

Re-estimates (total increase of 244 positions in 2018, 224 positions in 2019 and 345 positions in 2020) include:

- 119 positions for Training Float adjustments (82 positions in 2019 and 2020)
- 109 positions for Platform Budget – Normal Business
- 17 positions for Bus Shop Plan – Engine Rebuild (20 in 2019, 19 in 2020)
- 14 positions for SBS Support costs
- 8 positions for SMS Reforecast in 2018 and 2019 (130 positions in 2020)
- -19 positions for OBI Second Avenue Subway
- -4 positions for miscellaneous other (10 positions in 2019 and 2020)

The breakdown of the 534 position increase in 2018, 473 positions in 2019 and 514 positions in 2020 by function is as follows:

- Administration (total increase of 3 positions in 2018 and 2019) – mainly due to EAM adjustment
- Operations (total increase of 361 positions in 2018, 334 positions in 2019 and 302 positions in 2020) – mainly due to platform budget changes, RTO TA labor and training float adjustments
- Maintenance (total increase of 160 positions in 2018, 126 positions in 2019 and 199 positions in 2020) – mainly due to reimbursable adjustments noted above and SMS program changes.
- Engineering (no change)
- Public Safety (total increase of 10 positions) – mainly due to SBS support costs for eagle teams.

Position increases by occupational group in 2018 are: Managers/Supervisors +70, Professional, Technical, Clerical +40, and Operational Hourlies +424. In 2019, positions increase among Managers/Supervisors +70, and Professional, Technical, Clerical +23 and Operational Hourlies +380. In 2020, positions increase among Managers/Supervisors +82, and Professional, Technical, Clerical +14 and Operational Hourlies +418.

Year over Year

2017 over 2016

Total positions increase by 337 positions. The increase is mainly due to platform budget – normal business and TA labor adjustments and platform controller program increase.

2018 over 2017

Total positions decrease by 489 positions, mainly due to Capital Program support, training float adjustments and changes in Subways SMS program.

2019 over 2018

Total positions decrease by 90 positions, mainly due to changes in capital project completion.

2020 over 2019

Total positions decrease by 255 positions, mainly due to changes in capital project completion and Sandy Recovery & Resiliency program.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2017-2020
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019	2020
2016 July Plan - Total Baseline Positions	48,707	48,470	48,222	48,193	47,897
Total Plan-to-Plan Changes	(201)	(775)	(534)	(473)	(514)
2016 November Plan - Total Baseline Positions	48,908	49,245	48,756	48,666	48,411
Total Year-to-Year Changes, November Plan		(337)	489	90	255

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(87)	(341)	(270)	(250)	(371)
<i>Reimbursable</i>	(114)	(434)	(264)	(223)	(143)
Total	(201)	(775)	(534)	(473)	(514)
<i>Full-Time</i>	(200)	(774)	(533)	(472)	(513)
<i>Full-Time Equivalents</i>	(1)	(1)	(1)	(1)	(1)
Total	(201)	(775)	(534)	(473)	(514)
<i>By Function Category</i>					
- Administration	5	(3)	(3)	(3)	(3)
- Operations	(218)	(532)	(361)	(334)	(302)
- Maintenance	12	(230)	(160)	(126)	(199)
- Engineering/Capital	0	0	0	0	0
- Public Safety	0	(10)	(10)	(10)	(10)
Total	(201)	(775)	(534)	(473)	(514)
<i>By Occupational Group</i>					
- Managers/Supervisors	(18)	(99)	(70)	(70)	(82)
- Professional, Technical, Clerical	4	(51)	(40)	(23)	(14)
- Operational Hourlies	(187)	(625)	(424)	(380)	(418)
Total	(201)	(775)	(534)	(473)	(514)

Total Plan-to-Plan Changes by Major Category:

2016 BRPs	0	0	0	0	0
New Needs	0	0	(26)	(26)	(26)
Change in Reimbursable Positions	(114)	(434)	(264)	(223)	(143)
Re-estimates & All Other ¹	(87)	(341)	(244)	(224)	(345)
Total	(201)	(775)	(534)	(473)	(514)

¹ Includes Full-time Equivalents

MTA New York City Transit
November Financial Plan 2017 - 2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Office of the President	59	50	55	55	56	56
Law	290	320	320	320	320	320
Office of the EVP	42	55	55	55	55	53
Human Resources	239	232	233	231	230	230
Office of Management and Budget	39	42	42	42	42	41
Capital Planning & Budget	31	35	35	35	35	35
Corporate Communications	251	265	270	270	270	268
Non-Departmental	-	(34)	(34)	(34)	(34)	(34)
Labor Relations	95	98	97	97	97	97
Materiel	272	290	284	283	281	256
Controller	123	128	128	128	128	125
Total Administration	1,441	1,481	1,485	1,482	1,480	1,447
Operations						
Subways Service Delivery	7,867	8,315	8,540	8,416	8,389	8,263
Subways Operation Support /Admin	386	392	392	392	392	392
Subways Stations	2,620	2,669	2,608	2,592	2,592	2,592
Subtotal - Subways	10,873	11,376	11,540	11,400	11,373	11,247
Buses	11,005	11,042	11,158	11,118	11,118	11,118
Paratransit	200	213	213	213	213	213
Operations Planning	395	400	402	402	401	394
Revenue Control	546	583	583	583	583	583
Non-Departmental	-	-	-	-	-	-
Total Operations	23,019	23,614	23,896	23,716	23,688	23,555
Maintenance						
Subways Operation Support /Admin	149	175	225	232	244	251
Subways Engineering	358	379	386	361	334	310
Subways Car Equipment	4,396	4,429	4,404	4,325	4,282	4,280
Subways Infrastructure	1,503	1,642	1,674	1,546	1,545	1,534
Subways Elevator & Escalators	408	488	487	482	485	485
Subways Stations	3,649	3,808	3,803	3,807	3,791	3,789
Subways Track	2,755	2,841	2,845	2,820	2,805	2,805
Subways Power	609	625	627	616	604	598
Subways Signals	1,484	1,517	1,517	1,485	1,459	1,441
Subways Electronics Maintenance	1,493	1,630	1,610	1,567	1,554	1,546
Subtotal - Subways	16,804	17,534	17,578	17,241	17,103	17,039
Buses	3,675	3,683	3,648	3,657	3,736	3,789
Supply Logistics	553	559	563	560	560	560
System Safety	89	99	99	99	99	96
Non-Departmental	-	(82)	(55)	(30)	(31)	(31)
Total Maintenance	21,121	21,793	21,833	21,527	21,467	21,453
Engineering/Capital						
Capital Program Management	1,369	1,358	1,358	1,358	1,358	1,283
Total Engineering/Capital	1,369	1,358	1,358	1,358	1,358	1,283
Public Safety						
Security	622	662	673	673	673	673
Total Public Safety	622	662	673	673	673	673
Total Baseline Positions	47,572	48,908	49,245	48,756	48,666	48,411
Non-Reimbursable	43,449	43,673	43,931	43,793	43,795	43,874
Reimbursable	4,123	5,235	5,314	4,963	4,871	4,537
Total Full-Time	47,315	48,695	49,032	48,543	48,453	48,198
Total Full-Time Equivalents	257	213	213	213	213	213

**MTA New York City Transit
November Financial Plan 2016-2020
Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Managers/Supervisors	468	536	535	534	532	513
Professional, Technical, Clerical	948	916	921	919	919	905
Operational Hourlies	25	29	29	29	29	29
Total Administration	1,441	1,481	1,485	1,482	1,480	1,447
Operations						
Managers/Supervisors	2,689	2,786	2,787	2,781	2,778	2,769
Professional, Technical, Clerical	490	507	509	509	507	503
Operational Hourlies	19,840	20,321	20,600	20,426	20,403	20,283
Total Operations	23,019	23,614	23,896	23,716	23,688	23,555
Maintenance						
Managers/Supervisors	3,826	3,925	3,956	3,876	3,859	3,852
Professional, Technical, Clerical	1,016	1,124	1,140	1,110	1,102	1,081
Operational Hourlies	16,279	16,744	16,737	16,541	16,506	16,520
Total Maintenance	21,121	21,793	21,833	21,527	21,467	21,453
Engineering/Capital						
Managers/Supervisors	348	339	339	339	339	283
Professional, Technical, Clerical	1,019	1,017	1,017	1,017	1,017	998
Operational Hourlies	2	2	2	2	2	2
Total Engineering/Capital	1,369	1,358	1,358	1,358	1,358	1,283
Public Safety						
Managers/Supervisors	265	288	295	295	295	295
Professional, Technical, Clerical	38	38	42	42	42	42
Operational Hourlies	319	336	336	336	336	336
Total Public Safety	622	662	673	673	673	673
Total Baseline Positions						
Managers/Supervisors	7,596	7,874	7,912	7,825	7,803	7,712
Professional, Technical, Clerical	3,511	3,602	3,629	3,597	3,587	3,529
Operational Hourlies	36,465	37,432	37,704	37,334	37,276	37,170
Total Baseline Positions	47,572	48,908	49,245	48,756	48,666	48,411

MTA Bus Company

MTA BUS COMPANY
2017 Final Proposed Budget
November Financial Plan 2017 – 2020

FINANCIAL OVERVIEW

MTA Bus Company 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.

Important programmatic initiatives funded in this financial plan are summarized as follows:

Maintenance Campaigns: Maintenance campaigns are specific scopes of work issued to repair/address concerns on the bus fleet. Depending on the issue to be addressed, a maintenance campaign can be fleet-wide or fleet-specific. Maintenance campaigns are issued to resolve problematic and/or potential issues that can be raised by the Public Transportation Safety Board (PTSP), the Chief Maintenance Officer, the manufacturer and other regulatory agencies and parties. The campaigns mandate repairs, address safety, reliability and/or customer concerns to ensure the safe and dependable operation of the bus fleet, and are budgeted at a cost \$0.8 million in 2017 and \$0.9 million in 2018 through 2020.

Tires & Tubes: The current tire and tube contract expired in April 2016, and a new contract is currently being negotiated with the vendor. Based on the most recent Best and Final Offer (BAFO) from the vendor, the new contract is expected to have an incremental cost of \$0.7 million in 2016 and \$0.8 million in 2017 through 2020.

Shop Hawk Shift: The increase in the number of Shop Program buses has a direct impact on bus availability. In order to meet the service needs of the depot and Shop Production goals, a Hawk Shift (or third shift) must be implemented. This is projected to cost \$0.7 million in 2017 and \$0.8 million in 2018 through 2020.

Automatic Passenger Count (APC): One of the new customer initiatives is the implementation of an APC system. APC will modernize the gathering of passenger counting information and will provide real-time passenger loading information at each bus stop, leading to more efficient bus service as schedules are updated to reflect the more accurate passenger loads. New buses ordered before the 3rd Quarter of 2017 will need to be retrofitted as new bus specifications go into effect after this time. The projected cost of this initiative is \$0.5 million in 2017 and 2018.

SBS Engineers: The rollout of Select Bus Service (SBS) will require additional engineers to plan, perform, and direct the installation of SBS Metrocard fareboxes and coin machines at each bus stop. The engineers will be responsible for the development of construction and technical drawings, specifications, and cost reviews at each location, as well as performing oversight and monitoring all field work to ensure completeness and compliance with regulatory and construction codes. Expected cost is \$0.2 million annually from 2017 to 2020.

2016 November Forecast

MTA Bus Company's 2016 November Forecast includes total expenses before depreciation and other post-employment benefits of \$688.8 million, consisting of \$682.7 million of non-reimbursable expenses and \$6.0 million of reimbursable expenses. Total revenues are projected to be \$240.9 million, of which \$214.1 million is Farebox Revenue, \$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 3,845 (3,805 non-reimbursable and 40 reimbursable).

The 2016 net operating cash deficit is projected to decrease by \$7.9 million from the Mid-Year Forecast.

Major operating cash changes include:

- **Farebox Revenue** increase of \$3.7 million due to an increase in ridership.
- **Programmatic investment** increases of \$1.3 million as a result of several initiatives (see detailed information at the beginning of this narrative).
- **Maintenance and Other Operating contract** decreases of \$7.1 million due to the timing of Shop Program expenses.
- **Other Business Expense** increases of \$1.4 million due to higher Automatic Fare Collection (AFC) and MTA Mobility Tax expenses.

Reimbursable expenses are projected to remain the same.

Total baseline positions are projected to remain the same.

2017 Final Proposed Budget

MTA Bus Company's 2017 Final Proposed Budget includes total expenses before depreciation and other post-employment benefits of \$732.1 million, consisting of \$726.3 million of non-reimbursable expenses and \$5.9 million of reimbursable expenses. Total revenue is projected to be \$241.5 million, of which \$214.6 million is Farebox Revenue, \$21.1 million is Other Operating Revenue, and \$5.9 million is Capital and Other

Reimbursements. Total baseline full-time and full-time equivalent positions are 3,940 (3,900 non-reimbursable and 40 reimbursable).

The 2017 net operating cash deficit is projected to increase by \$11.4 million from the July Financial Plan.

Major operating cash changes include:

- **Farebox Revenue** increases of \$3.8 million.
- **Programmatic investment** increases of \$3.8 million mainly due to several initiatives (see detailed information at the beginning of this narrative).
- **Payroll** expense increases of \$4.9 million due to several programmatic initiatives.
- **Health & Welfare** (including OPEB current payment) increases of \$1.3 million due to increased headcount.
- **Fuel** expense increases of \$2.7 million due to revised forecast assumptions.
- **Maintenance and Other Operating Contract** increases of \$4.1 million primarily due to Shop Program changes.
- **Materials & Supplies** increases of \$0.6 million mainly due to Shop Program changes.
- **Other Business Expense** increases of \$1.4 million due to higher AFC and MTA Mobility Tax expenses.

Reimbursable expenses remain the same.

Total baseline positions are projected to increase by 73.

2018 - 2020 Projections

Net operating cash deficits are projected to increase by \$12.7 million in 2018, and \$7.5 million in 2019 and 2020, relative to the July Financial Plan.

Major operating cash changes include:

- **Revenue** increases of \$3.8 million in 2018, 2019 and 2020 due to higher projected ridership.
- **Programmatic investment** increases of \$3.9 million in 2018, and \$3.5 million in 2019 and 2020 due to new/ongoing initiatives.

- **Payroll** increases of \$5.0 million in 2018, \$5.1 million in 2019, and \$5.2 million in 2020, mostly due to programmatic initiatives referenced in the overview.
- **Health & Welfare** (including OPEB current payment) expense increases of \$1.3 million in 2018, and \$1.4 million in 2019 and 2020, mainly due to headcount increases.
- **Fuel** expense increases of \$2.8 million in 2018, \$2.9 million in 2019, and \$3.0 million in 2020 as a result of revised forecast assumptions.
- **Maintenance and Other Operating Contract** increases of \$2.4 million in 2018, and \$0.9 million in 2019 and 2020, primarily due to Shop Program changes.
- **Materials & Supplies** increases of \$4.5 million in 2018, and \$1.0 million in 2019 and 2020 primarily due to Shop Program changes.

Reimbursable expenses remain the same.

Total Baseline positions are projected to increase by 73 annually for the 2018 to 2020 period.

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE	2015	2016	2017			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	2018	2019	2020
Operating Revenue						
Farebox Revenue	\$210.333	\$214.145	\$214.591	\$215.465	\$215.856	\$216.745
Other Operating Revenue	23.109	20.724	21.089	21.471	21.650	21.832
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$233.442	\$234.869	\$235.680	\$236.936	\$237.506	\$238.577
Operating Expenses						
Labor:						
Payroll	\$272.882	\$263.186	\$276.683	\$278.623	\$284.514	\$285.504
Overtime	58.326	54.783	55.441	56.822	57.189	56.484
Health and Welfare	59.155	60.890	67.312	73.136	78.110	83.865
OPEB Current Payment	18.124	23.911	25.928	28.016	30.324	32.824
Pensions	43.923	43.887	44.752	44.959	45.376	44.193
Other Fringe Benefits	63.811	65.689	66.229	69.433	70.016	69.950
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$516.221	\$512.347	\$536.345	\$550.988	\$565.530	\$572.820
Non-Labor:						
Electric Power	\$1.696	\$1.651	\$1.937	\$2.028	\$2.127	\$2.285
Fuel	22.088	18.974	23.145	24.361	26.936	29.870
Insurance	3.448	5.501	6.100	7.078	7.682	8.886
Claims	34.952	29.000	29.447	29.977	30.490	30.502
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	24.379	33.280	42.379	40.599	32.454	29.846
Professional Service Contracts	21.113	26.824	27.189	29.231	32.911	32.612
Materials & Supplies	46.459	51.148	54.542	59.725	51.837	49.280
Other Business Expenses	3.955	3.987	5.172	5.316	6.422	6.412
Total Non-Labor Expenses	\$158.090	\$170.366	\$189.912	\$198.314	\$190.859	\$189.693
Other Expenses Adjustments:						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation & GASB Adj.	\$674.311	\$682.712	\$726.257	\$749.302	\$756.389	\$762.513
Depreciation	\$50.014	\$42.236	\$42.887	\$43.658	\$43.657	\$43.657
OPEB Liability Adjustment	60.951	100.150	100.150	100.150	100.150	100.150
GASB 68 Pension Expense Adjustment	(12.143)	40.200	43.300	42.900	41.600	37.300
Environmental Remediation	0.203	-	-	-	-	-
Total Expenses	\$773.336	\$865.298	\$912.595	\$936.010	\$941.796	\$943.620
Net Surplus/(Deficit)	(\$539.894)	(\$630.429)	(\$676.915)	(\$699.073)	(\$704.290)	(\$705.043)

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		Forecast	Budget			
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	5.252	6.039	5.857	5.960	5.925	5.871
Total Revenue	\$5.252	\$6.039	\$5.857	\$5.960	\$5.925	\$5.871
Expenses						
Labor:						
Payroll	\$2.936	\$2.892	\$2.682	\$2.731	\$2.586	\$2.430
Overtime	-	-	-	-	-	-
Health and Welfare	0.921	1.093	1.101	1.121	1.214	1.314
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.439	0.498	0.498	0.508	0.508	0.509
Other Fringe Benefits	0.440	0.482	0.486	0.495	0.495	0.495
Reimbursable Overhead	0.379	-	-	-	-	-
Total Labor Expenses	\$5.115	\$4.965	\$4.767	\$4.855	\$4.803	\$4.748
Non-Labor:						
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	-	0.231	0.235	0.238	0.242	0.242
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	0.137	0.843	0.855	0.867	0.881	0.881
Other Business Expenses	-	-	-	-	-	-
Total Non-Labor Expenses	\$0.137	\$1.074	\$1.090	\$1.105	\$1.122	\$1.123
Other Expenses Adjustments:						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation & GASB Adj.	\$5.252	\$6.039	\$5.857	\$5.960	\$5.925	\$5.871
Depreciation	-	-	-	-	-	-
Total Expenses	\$5.252	\$6.039	\$5.857	\$5.960	\$5.925	\$5.871
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue						
Farebox Revenue	\$210.333	\$214.145	\$214.591	\$215.465	\$215.856	\$216.745
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	23.109	20.724	21.089	21.471	21.650	21.832
Capital and Other Reimbursements	5.252	6.039	5.857	5.960	5.925	5.871
Total Revenue	\$238.694	\$240.908	\$241.537	\$242.896	\$243.431	\$244.448
Expenses						
<u>Labor:</u>						
Payroll	\$275.818	\$266.078	\$279.365	\$281.354	\$287.100	\$287.934
Overtime	58.326	54.783	55.441	56.822	57.189	56.484
Health and Welfare	60.076	61.984	68.413	74.257	79.324	85.178
OPEB Current Payment	18.124	23.911	25.928	28.016	30.324	32.824
Pensions	44.362	44.385	45.250	45.466	45.885	44.702
Other Fringe Benefits	64.251	66.171	66.714	69.928	70.511	70.446
Reimbursable Overhead	0.379	-	-	-	-	-
Total Labor Expenses	\$521.336	\$517.312	\$541.112	\$555.843	\$570.333	\$577.568
<u>Non-Labor:</u>						
Electric Power	\$1.696	\$1.651	\$1.937	\$2.028	\$2.127	\$2.285
Fuel	22.088	18.974	23.145	24.361	26.936	29.870
Insurance	3.448	5.501	6.100	7.078	7.682	8.886
Claims	34.952	29.000	29.447	29.977	30.490	30.502
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	24.379	33.511	42.614	40.837	32.695	30.088
Professional Service Contracts	21.113	26.824	27.189	29.231	32.911	32.612
Materials & Supplies	46.596	51.991	55.397	60.592	52.717	50.161
Other Business Expenses	3.955	3.987	5.172	5.316	6.422	6.412
Total Non-Labor Expenses	\$158.227	\$171.440	\$191.002	\$199.419	\$191.981	\$190.816
<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.	\$679.563	\$688.752	\$732.114	\$755.261	\$762.314	\$768.384
Depreciation	\$50.014	\$42.236	\$42.887	\$43.658	\$43.657	\$43.657
OPEB Liability Adjustment	60.951	100.150	100.150	100.150	100.150	100.150
GASB 68 Pension Expense Adjustment	(12.143)	40.200	43.300	42.900	41.600	37.300
Environmental Remediation	0.203	-	-	-	-	-
Total Expenses	\$778.588	\$871.338	\$918.452	\$941.969	\$947.721	\$949.491
Net Surplus/(Deficit)	(\$539.894)	(\$630.429)	(\$676.915)	(\$699.073)	(\$704.290)	(\$705.043)

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Receipts						
Farebox Revenue	\$209.816	\$214.145	\$214.591	\$215.465	\$215.856	\$216.745
Other Operating Revenue	\$20.529	21.724	21.089	21.471	21.650	21.832
Capital and Other Reimbursements	\$5.560	9.227	11.048	11.244	14.575	14.580
Total Receipts	\$235.905	\$245.096	\$246.728	\$248.180	\$252.081	\$253.157
Expenditures						
<u>Labor:</u>						
Payroll	\$246.476	\$278.849	\$277.325	\$279.275	\$288.479	\$289.472
Overtime	58.371	58.883	55.441	56.822	57.189	56.484
Health and Welfare	62.071	61.567	67.993	73.829	79.324	85.179
OPEB Current Payment	20.005	23.911	25.928	28.016	30.324	32.824
Pensions	46.001	44.213	45.080	45.292	45.711	44.528
Other Fringe Benefits	45.798	50.998	51.541	54.751	55.334	55.269
GASB Account	-				0.094	0.205
Reimbursable Overhead	0.238	-	-	-	-	-
Total Labor Expenditures	\$478.960	\$518.421	\$523.309	\$537.985	\$556.455	\$563.961
<u>Non-Labor:</u>						
Electric Power	\$1.696	\$1.651	\$1.937	\$2.028	\$2.127	\$2.285
Fuel	24.750	18.974	23.145	24.361	25.513	28.447
Insurance	1.762	8.801	6.100	7.078	7.682	8.886
Claims	26.484	25.000	25.385	25.842	26.355	26.367
Paratransit Service Contracts	-					
Maintenance and Other Operating Contracts	27.984	33.511	42.615	40.837	31.207	28.599
Professional Service Contracts	20.202	37.924	27.189	29.231	32.911	32.612
Materials & Supplies	47.608	51.991	55.397	60.592	52.718	50.161
Other Business Expenses	2.948	3.988	5.172	5.315	6.422	6.412
Total Non-Labor Expenditures	\$153.434	\$181.841	\$186.941	\$195.282	\$184.935	\$183.769
<u>Other Expenditure Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$632.394	\$700.262	\$710.251	\$733.267	\$741.390	\$747.730
Net Cash Surplus/(Deficit)	(\$396.489)	(\$455.165)	(\$463.523)	(\$485.087)	(\$489.309)	(\$494.573)

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	November	Final Proposed	2018	2019	2020
		Forecast	Budget			
Receipts						
Farebox Revenue	(\$0.517)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(2.580)	1.000	-	-	-	-
Capital and Other Reimbursements	0.308	3.188	5.191	5.284	8.650	8.709
Total Receipts	(\$2.789)	\$4.188	\$5.191	\$5.284	\$8.650	\$8.709
Expenditures						
Labor:						
Payroll	\$29.342	(\$12.771)	\$2.040	\$2.079	(\$1.379)	(\$1.538)
Overtime	(0.045)	(4.100)	-	-	-	-
Health and Welfare	(1.995)	0.417	0.420	0.428	-	(0.001)
OPEB Current Payment	(1.881)	-	-	-	-	-
Pensions	(1.639)	0.172	0.170	0.174	0.174	0.174
Other Fringe Benefits	18.453	15.173	15.173	15.177	15.177	15.177
GASB Account	-	-	-	-	(0.094)	(0.205)
Reimbursable Overhead	0.141	-	-	-	-	-
Total Labor Expenditures	\$42.376	(\$1.109)	\$17.803	\$17.858	\$13.878	\$13.607
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(2.662)	-	(0.000)	-	1.423	1.423
Insurance	1.686	(3.300)	-	-	-	-
Claims	8.468	4.000	4.062	4.135	4.135	4.135
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(3.605)	-	(0.001)	-	1.488	1.489
Professional Service Contracts	0.911	(11.100)	-	-	-	-
Materials & Supplies	(1.012)	-	-	-	(0.001)	-
Other Business Expenditures	1.007	(0.001)	-	0.001	0.000	-
Total Non-Labor Expenditures	\$4.793	(\$10.401)	\$4.061	\$4.136	\$7.046	\$7.047
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	\$44.380	(\$7.322)	\$27.055	\$27.278	\$29.574	\$29.363
Depreciation Adjustment	\$50.014	\$42.236	\$42.887	\$43.658	\$43.657	\$43.657
OPEB Liability Adjustment	60.951	100.150	100.150	100.150	100.150	100.150
GASB 68 Pension Expense Adjustment	(12.143)	40.200	43.300	42.900	41.600	37.300
Environmental Remediation	0.203	-	-	-	-	-
Total Cash Conversion Adjustments	\$143.405	\$175.264	\$213.392	\$213.986	\$214.981	\$210.470

MTA Bus Company
2016 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	634,597	\$26.301	48.0%
<u>Unscheduled Service</u>	144,435	6.517	11.9%
<u>Programmatic/Routine Maintenance</u>	233,054	9.909	18.1%
<u>Unscheduled Maintenance</u>	0	-	0.0%
<u>Vacancy/Absentee Coverage</u>	190,474	9.757	17.8%
<u>Weather Emergencies</u>	48,458	1.854	3.4%
<u>Safety/Security/Law Enforcement</u>	2,641	0.128	0.2%
<u>Other</u> ¹	3,802	0.316	0.6%
Sub-Total	1,257,461	\$54.783	100.0%
REIMBURSABLE OVERTIME	0	-	
TOTAL NR & R OVERTIME	1,257,461	\$54.783	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA BUS COMPANY
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
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.
- Changes in Farebox Revenue are as follows: Increases of \$0.4 million, or 0.2% in 2017; \$0.9 million, or 0.4% in 2018; \$0.4 million, or 0.2% in 2019; and \$0.9 million, or 0.4% in 2020.

Other Operating Revenue

- Year to year increases in Other Operating Revenue is as follows: \$0.4 million 2017 and 2018, \$0.2 million in 2019 and 2020, mostly due to higher advertising revenue and senior citizen fare reimbursements.

Capital and Other Reimbursements

- Capital and Other Reimbursements are projected to essentially remain the same.

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 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 \$13.5 million in 2017, \$1.9 million in 2018, \$5.9 million in 2019, and \$1.0 million in 2020 mainly due to changes in the Shop Program and Platform Budget.

Overtime

- Non-Reimbursable overtime expenses are projected to increase by \$0.7 million in 2017, \$1.4 million in 2018, and \$0.4 million in 2019, and decrease by \$0.7 million in 2020. The increases are due to the impact of Shop Program changes, CPI based rate increases, and Priority Initiatives.

Health & Welfare and OPEB Current

- The increases of \$8.4 million in 2017, \$7.9 million in 2018, \$7.4 million in 2019, and \$8.4 million in 2020 are due to the latest inflation assumptions for 2017-2020: 2017=6.9%; 2018=2.3%; 2019=4.4%; 2020=4.4%.

Pension

- The increases of \$0.9 million in 2017, \$0.2 million in 2018, \$0.4 million in 2019, and a decrease of \$1.2 million in 2020 are consistent with current actuarial information.

Other Fringe Benefits

- Projected year-to-year increases mainly reflect changes in staffing levels and programmatic changes.

Electric Power

- The financial plan reflects the projected NYPA and PSE&G power, and Con Ed delivery forecast guidelines.

Fuel

- The Financial Plan reflects diesel, CNG, and heating fuel price assumptions. Diesel fuel inflation assumptions are as follows: 2017=16.1%; 2018=4.7%; 2019=4.4%; 2020=9.0%.

Insurance

- On average, insurance premium rates reflect guidelines.

Claims

- Projections are consistent with the current actuarial information.

Maintenance and Other Operating Contracts

- The increase of \$9.1 million in 2017 and decreases of \$1.8 million in 2018, \$8.1 million in 2019, and \$2.6 million in 2020, are mainly due to changes in SBS routes.

Professional Service Contracts

- The 2017 - 2020 changes are mainly due to the continued rollout of SBS routes and the purchase of bus diagnostic licenses and software to maintain the bus fleet.

Materials and Supplies

- The year-to-year changes in Materials and Supplies are primarily due to the timing of bus fleet maintenance program requirements.

Other Business Expenses

- Expenses increase by \$1.2 million in 2017, \$0.1 million in 2018, and \$1.1 million in 2019, and are flat in 2020. The 2017 to 2019 increase is mainly due to higher MTA Mobility tax and Automatic Fare Collection (AFC) fees.

Depreciation (non-cash)

- Annual expense changes are due to projections of additional assets reaching full beneficial use.

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Farebox Revenue	\$214.145	\$214.591	\$0.446	\$215.465	\$0.874	\$215.856	\$0.391	\$216.745	\$0.889
Other Operating Revenue	20.724	21.089	0.365	21.471	0.382	21.650	0.179	21.832	0.182
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$234.869	\$235.680	\$0.811	\$236.936	\$1.256	\$237.506	\$0.570	\$238.577	\$1.071
Expenses									
Labor:									
Payroll	\$263.186	\$276.683	(\$13.497)	\$278.623	(\$1.939)	\$284.514	(\$5.892)	\$285.504	(\$0.990)
Overtime	54.783	55.441	(0.658)	56.822	(1.380)	57.189	(0.368)	56.484	0.705
Health and Welfare	60.890	67.312	(6.422)	73.136	(5.824)	78.110	(4.973)	83.865	(5.755)
OPEB Current Payment	23.911	25.928	(2.017)	28.016	(2.088)	30.324	(2.308)	32.824	(2.500)
Pensions	43.887	44.752	(0.865)	44.959	(0.207)	45.376	(0.418)	44.193	1.183
Other Fringe Benefits	65.689	66.229	(0.540)	69.433	(3.205)	70.016	(0.583)	69.950	0.066
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$512.347	\$536.345	(\$23.999)	\$550.988	(\$14.643)	\$565.530	(\$14.542)	\$572.820	(\$7.291)
Non-Labor:									
Electric Power	\$1.651	\$1.937	(\$0.286)	\$2.028	(\$0.090)	\$2.127	(\$0.099)	\$2.285	(\$0.158)
Fuel	18.974	23.145	(4.170)	24.361	(1.217)	26.936	(2.574)	29.870	(2.934)
Insurance	5.501	6.100	(0.600)	7.078	(0.977)	7.682	(0.605)	8.886	(1.204)
Claims	29.000	29.447	(0.447)	29.977	(0.530)	30.490	(0.513)	30.502	(0.012)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	33.280	42.379	(9.099)	40.599	1.781	32.454	8.145	29.846	2.608
Professional Service Contracts	26.824	27.189	(0.365)	29.231	(2.042)	32.911	(3.680)	32.612	0.298
Materials & Supplies	51.148	54.542	(3.394)	59.725	(5.182)	51.837	7.888	49.280	2.557
Other Business Expenses	3.987	5.172	(1.185)	5.316	(0.144)	6.422	(1.107)	6.412	0.011
Total Non-Labor Expenses	\$170.366	\$189.912	(\$19.547)	\$198.314	(\$8.401)	\$190.859	\$7.455	\$189.693	\$1.166
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 Adjts.	\$682.712	\$726.257	(\$43.545)	\$749.302	(\$23.044)	\$756.389	(\$7.087)	\$762.513	(\$6.124)
Depreciation	42.236	42.887	(0.651)	43.658	(0.771)	43.657	0.001	43.657	-
OPEB Liability Adjustment	100.150	100.150	-	100.150	-	100.150	-	100.150	-
GASB 68 Pension Expense Adjustment	40.200	43.300	(3.100)	42.900	0.400	41.600	1.300	37.300	4.300
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$865.298	\$912.595	(\$47.296)	\$936.010	(\$23.415)	\$941.796	(\$5.786)	\$943.620	(\$1.824)
Net Surplus/(Deficit)	(\$630.429)	(\$676.915)	(\$46.485)	(\$699.073)	(\$22.159)	(\$704.290)	(\$5.216)	(\$705.043)	(\$0.753)

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	6.039	5.857	(0.182)	5.960	0.103	5.925	(0.034)	5.871	(0.054)
Total Revenue	\$6.039	\$5.857	(\$0.182)	\$5.960	\$0.103	\$5.925	(\$0.034)	\$5.871	(\$0.054)
Expenses									
Labor:									
Payroll	\$2.892	\$2.682	\$0.210	\$2.731	(\$0.049)	\$2.586	\$0.145	\$2.430	\$0.156
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.093	1.101	(0.008)	1.121	(0.020)	1.214	(0.093)	1.314	(0.100)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.498	0.498	(0.000)	0.508	(0.009)	0.508	(0.000)	0.509	(0.000)
Other Fringe Benefits	0.482	0.486	(0.003)	0.495	(0.009)	0.495	(0.000)	0.495	(0.000)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$4.965	\$4.767	\$0.198	\$4.855	(\$0.088)	\$4.803	\$0.051	\$4.748	\$0.055
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	0.231	0.235	(0.004)	0.238	(0.003)	0.242	(0.004)	0.242	(0.001)
Professional Service Contracts	-	-	-	-	-	-	-	-	-
Materials & Supplies	0.843	0.855	(0.012)	0.867	(0.012)	0.881	(0.014)	0.881	(0.001)
Other Business Expenses	-	-	-	-	-	-	-	-	-
Total Non-Labor Expenses	\$1.074	\$1.090	(\$0.016)	\$1.105	(\$0.015)	\$1.122	(\$0.017)	\$1.123	(\$0.001)
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	\$6.039	\$5.857	\$0.182	\$5.960	(\$0.103)	\$5.925	\$0.034	\$5.871	\$0.054
Depreciation	-	-	-	-	-	-	-	-	-
Total Expenses	\$6.039	\$5.857	\$0.182	\$5.960	(\$0.103)	\$5.925	\$0.034	\$5.871	\$0.054
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 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE

Favorable/(Unfavorable)

	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Revenue									
Farebox Revenue	\$214.145	\$214.591	\$0.446	\$215.465	\$0.874	\$215.856	\$0.391	\$216.745	\$0.889
Other Operating Revenue	20.724	21.089	0.365	21.471	0.382	21.650	0.179	21.832	0.182
Capital and Other Reimbursements	6.039	5.857	(0.182)	5.960	0.103	5.925	(0.034)	5.871	(0.054)
Total Revenue	\$240.908	\$241.537	\$0.629	\$242.896	\$1.359	\$243.431	\$0.535	\$244.448	\$1.017
Expenses									
Labor:									
Payroll	\$266.078	\$279.365	(\$13.287)	\$281.354	(\$1.988)	\$287.100	(\$5.747)	\$287.934	(\$0.834)
Overtime	54.783	55.441	(0.658)	56.822	(1.380)	57.189	(0.368)	56.484	0.705
Health and Welfare	61.984	68.413	(6.430)	74.257	(5.844)	79.324	(5.066)	85.178	(5.855)
OPEB Current Payment	23.911	25.928	(2.017)	28.016	(2.088)	30.324	(2.308)	32.824	(2.500)
Pensions	44.385	45.250	(0.865)	45.466	(0.216)	45.885	(0.418)	44.702	1.183
Other Fringe Benefits	66.171	66.714	(0.543)	69.928	(3.214)	70.511	(0.583)	70.446	0.066
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$517.312	\$541.112	(\$23.800)	\$555.843	(\$14.731)	\$570.333	(\$14.490)	\$577.568	(\$7.235)
Non-Labor:									
Electric Power	\$1.651	\$1.937	(\$0.286)	\$2.028	(\$0.090)	\$2.127	(\$0.099)	\$2.285	(\$0.158)
Fuel	18.974	23.145	(4.170)	24.361	(1.217)	26.936	(2.574)	29.870	(2.934)
Insurance	5.501	6.100	(0.600)	7.078	(0.977)	7.682	(0.605)	8.886	(1.204)
Claims	29.000	29.447	(0.447)	29.977	(0.530)	30.490	(0.513)	30.502	(0.012)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	33.511	42.614	(9.103)	40.837	1.778	32.695	8.141	30.088	2.607
Professional Service Contracts	26.824	27.189	(0.365)	29.231	(2.042)	32.911	(3.680)	32.612	0.298
Materials & Supplies	51.991	55.397	(3.406)	60.592	(5.194)	52.717	7.874	50.161	2.557
Other Business Expenses	3.987	5.172	(1.185)	5.316	(0.144)	6.422	(1.107)	6.412	0.011
Total Non-Labor Expenses	\$171.440	\$191.002	(\$19.563)	\$199.419	(\$8.416)	\$191.981	\$7.438	\$190.816	\$1.165
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.	\$688.752	\$732.114	(\$43.363)	\$755.261	(\$23.147)	\$762.314	(\$7.053)	\$768.384	(\$6.070)
Depreciation									
Depreciation	\$42.236	\$42.887	(\$0.651)	\$43.658	(\$0.771)	\$43.657	\$0.001	\$43.657	\$0.000
OPEB Liability Adjustment	100.150	100.150	-	100.150	-	100.150	-	100.150	-
GASB 68 Pension Expense Adjustment	40.200	43.300	(3.100)	42.900	0.400	41.600	1.300	37.300	4.300
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$871.338	\$918.452	(\$47.114)	\$941.969	(\$23.518)	\$947.721	(\$5.752)	\$949.491	(\$1.770)
Net Surplus/(Deficit)	(\$630.429)	(\$676.915)	(\$46.485)	(\$699.073)	(\$22.159)	(\$704.290)	(\$5.216)	(\$705.043)	(\$0.753)

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	2020	Change 2019 - 2020
Receipts									
Farebox Revenue	\$214.145	\$214.591	\$0.446	\$215.465	\$0.874	\$215.856	\$0.391	\$216.745	\$0.889
Other Operating Revenue	21.724	21.089	(0.635)	21.471	0.382	21.650	0.179	21.832	0.182
Capital and Other Reimbursements	9.227	11.048	1.821	11.244	0.196	14.575	3.332	14.580	0.005
Total Receipts	\$245.096	\$246.728	\$1.632	\$248.180	\$1.452	\$252.081	\$3.901	\$253.157	\$1.076
Expenditures									
Labor:									
Payroll	\$278.849	\$277.325	\$1.524	\$279.275	(\$1.949)	\$288.479	(\$9.205)	\$289.472	(\$0.993)
Overtime	58.883	55.441	3.442	56.822	(1.380)	57.189	(0.368)	56.484	0.705
Health and Welfare	61.567	67.993	(6.427)	73.829	(5.836)	79.324	(5.494)	85.179	(5.856)
OPEB Current Payment	23.911	25.928	(2.017)	28.016	(2.088)	30.324	(2.308)	32.824	(2.500)
Pensions	44.213	45.080	(0.867)	45.292	(0.212)	45.711	(0.418)	44.528	1.183
Other Fringe Benefits	50.998	51.541	(0.543)	54.751	(3.209)	55.334	(0.583)	55.269	0.066
GASB Account	-	-	-	-	-	0.094	(0.094)	0.205	(0.111)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$518.421	\$523.309	(\$4.888)	\$537.985	(\$14.675)	\$556.455	(\$18.470)	\$563.961	(\$7.506)
Non-Labor:									
Electric Power	\$1.651	\$1.937	(\$0.286)	\$2.028	(\$0.090)	\$2.127	(\$0.099)	\$2.285	(\$0.158)
Fuel	18.974	23.145	(4.170)	24.361	(1.217)	25.513	(1.151)	28.447	(2.934)
Insurance	8.801	6.100	2.700	7.078	(0.977)	7.682	(0.605)	8.886	(1.204)
Claims	25.000	25.385	(0.385)	25.842	(0.457)	26.355	(0.513)	26.367	(0.012)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	33.511	42.615	(9.104)	40.837	1.779	31.207	9.630	28.599	2.608
Professional Service Contracts	37.924	27.189	10.735	29.231	(2.042)	32.911	(3.680)	32.612	0.298
Materials & Supplies	51.991	55.397	(3.406)	60.592	(5.194)	52.718	7.874	50.161	2.557
Other Business Expenses	3.988	5.172	(1.184)	5.315	(0.142)	6.422	(1.108)	6.412	0.011
Total Non-Labor Expenditures	\$181.841	\$186.941	(\$5.101)	\$195.282	(\$8.341)	\$184.935	\$10.347	\$183.769	\$1.166
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	\$700.262	\$710.251	(\$9.989)	\$733.267	(\$23.016)	\$741.390	(\$8.123)	\$747.730	(\$6.340)
Net Cash Surplus/(Deficit)	(\$455.165)	(\$463.523)	(\$8.358)	(\$485.087)	(\$21.564)	(\$489.309)	(\$4.222)	(\$494.573)	(\$5.264)

MTA BUS COMPANY
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes by Generic Category

2016: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the July Financial Plan by \$3.7 million.

Major generic category changes include:

- An increase in Farebox Revenue of \$3.7 million due to higher projected ridership.

Operating Expense Changes

Operating expenses increased from the July Financial Plan by \$10.8 million.

Major generic category changes include:

- **Other Fringe Benefits** expenses are projected to increase by \$15.1 million due to an increase in Workers Compensation, to align it with the past two years of actuarial trend.
- **Fuel** expenses are projected to increase by \$0.9 million as a result of higher fuel prices.
- **Maintenance and Other Operating Contracts** are projected to decrease by \$7.1 million due to the timing of Shop Program changes.

2017-2020: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the July Financial Plan by \$3.8 million in 2017 through 2020.

Major changes include:

- An increase in Farebox Revenue of \$3.8 million annually due to higher ridership projections.

Operating Expense Changes

Operating expenses increased from the July Plan by \$30.3 million in 2017, \$31.6 million in 2018, and \$26.4 million in 2019 and 2020.

Major changes include:

- **Payroll** is projected to increase by \$4.9 million in 2017, \$5.0 million in 2018, \$5.1 million in 2019, and \$5.2 million in 2020, mainly due to labor settlement assumptions, programmatic initiatives (described earlier), and Shop Program changes.
- **Health & Welfare/OPEB current payment** expenses are projected to increase by \$1.3 million in 2017 and 2018, \$1.4 million in 2019 and 2020, based on the latest projected inflation rates.
- **Pension** expenses are projected to decrease by \$0.7 million in 2017, \$1.9 million in 2018, \$2.3 million in 2019, and \$2.8 million in 2020, based on the most current actuarial re-estimate.
- **Other Fringe Benefits** expenses are projected to increase by \$15.6 million annually, primarily due to an increase in Workers Compensation, to align it with the past two years of actuarial trend.
- **Fuel** expenses are projected to increase by \$2.7 million in 2017, \$2.8 million in 2018, \$2.9 million in 2019, and \$3.0 million in 2020, due to revised forecast assumptions.
- **Maintenance and Other Operating Contract** expenses are projected to increase by \$4.1 million in 2017, \$2.4 million 2018, and \$0.9 million in 2019 and 2020. This is mainly due to Shop Program changes, SBS Routes, and Non-Revenue Vehicle Replacements.
- **Materials and Supplies** expenses are projected to increase by \$0.6 million in 2017, \$4.5 million in 2018, and \$1.0 million in 2019 and 2020, mainly due to Shop Program changes.

MTA BUS COMPANY
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes by Generic Category

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

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$0.3 million in 2016, increase from the February Financial Plan by \$0.1 million in 2017, \$0.2 million in 2018, and \$0.2 million in 2019, in accordance with the latest ridership projections.

Operating Expense Changes

Operating expenses increase from the February Plan by \$10.3 million in 2016, \$14.4 million in 2017, \$84.2 million in 2018, and \$84.7 million in 2019.

Major generic category changes include:

- **Payroll** is projected to increase \$1.7 million in 2016, \$8.6 million in 2017, \$10.8 million in 2018 and \$17.6 million in 2019, primarily due to labor settlement assumptions, programmatic initiatives (discussed earlier) and Shop Programs.
- **Health & Welfare/OPEB** current payment expenses are projected to increase by \$0.8 million in 2016, \$11.0 million in 2017, \$21.3 million in 2018 and \$29.1 million in 2019, based on the latest projected rates.
- **Pension expenses** are projected to decrease by \$4.6 million in 2016, \$4.4 million in 2017, \$4.9 million in 2018 and \$6.4 million in 2019, based on the most current actuarial re-estimate.
- **Other Fringe Benefits** expenses are projected to increase by \$15.3 million in 2016, \$16.0 million in 2017, \$16.3 million in 2018 and \$15.8 million in 2019 due to an increase in Workers Compensation to align it with the actuarial re-estimate.
- **Fuel** expenses are projected to decrease by \$5.1 million in 2016, \$2.0 million in 2017, and \$3.8 million in 2018 and 2019, due to revised forecast assumptions.
- **Maintenance and Other Operating Contract** expenses are projected to decrease by \$5.1 million in 2016 and \$28.1 million in 2017 and increase by \$16.1 million 2018 and \$11.3 million in 2019. This is mostly due to additional tire costs, the Shop Program and SBS Routes.

- **Materials and Supplies** expenses are projected to increase by \$4.3 million in 2016, \$10.2 million in 2017, \$22.3 million in 2018 and \$11.3 million in 2019, primarily due to changes in the Shop Program.
- **Other Business Expenses** are projected to increase by \$1.4 million in 2016, \$1.5 million in 2017 and 2018 and \$2.5 million in 2019, due mainly to higher MTA Mobility tax and Automatic Fare Collection fees.

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019	2020
July Financial Plan - Net Cash Surplus/(Deficit)	(\$463.037)	(\$452.106)	(\$472.348)	(\$481.782)	(\$487.034)
Baseline Changes					
Revenue					
Farebox Revenue	\$3.666	\$3.849	\$3.838	\$3.843	\$3.849
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-
Total Revenue Changes	\$3.666	\$3.849	\$3.838	\$3.843	\$3.849
Expenses					
Labor:					
Payroll	\$0.071	(\$4.901)	(\$5.000)	(\$5.102)	(\$5.203)
Overtime	(0.625)	(0.606)	(0.618)	(0.631)	(0.644)
Health and Welfare	0.019	(1.315)	(1.341)	(1.368)	(1.394)
OPEB Current Payment	-	-	-	-	-
Pensions	0.356	0.662	1.892	2.268	2.801
Other Fringe Benefits	(15.057)	(15.560)	(15.573)	(15.583)	(15.594)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$15.235)	(\$21.720)	(\$20.640)	(\$20.415)	(\$20.034)
Non-Labor:					
Electric Power	\$0.073	\$0.212	\$0.246	\$0.298	\$0.133
Fuel	(0.866)	(2.714)	(2.776)	(2.872)	(2.993)
Insurance	-	-	-	-	-
Claims	-	(0.000)	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	7.092	(4.125)	(2.415)	(0.856)	(0.888)
Professional Service Contracts	0.131	0.102	(0.021)	(0.042)	(0.055)
Materials & Supplies	(0.603)	(0.599)	(4.498)	(0.971)	(1.001)
Other Business Expenses	(1.385)	(1.422)	(1.474)	(1.512)	(1.551)
Total Non-Labor Expense Changes	\$4.441	(\$8.546)	(\$10.937)	(\$5.955)	(\$6.354)
Total Expenses before Depreciation and GASB Adjs.	(\$10.794)	(\$30.266)	(\$31.577)	(\$26.370)	(\$26.388)
Depreciation	-	(0.000)	-	-	-
OPEB Liability Adjustment	-	-	-	-	-
GASB 68 Pension Adjustment	-	-	-	-	-
Environmental Remediation	-	-	-	-	-
Total Expense Changes	(\$10.794)	(\$30.266)	(\$31.577)	(\$26.370)	(\$26.388)
Cash Adjustment Changes					
Revenue	-	-	-	-	-
Expense (Woker's Comp)	15.000	15.000	15.000	15.000	15.000
Depreciation	-	-	-	-	-
Total Cash Adjustment Changes	\$15.000	\$15.000	\$15.000	\$15.000	\$15.000
Total Baseline Changes	\$7.872	(\$11.417)	(\$12.739)	(\$7.527)	(\$7.539)
November Financial Plan - Net Cash Surplus/(Deficit)	(\$455.165)	(\$463.523)	(\$485.087)	(\$489.309)	(\$494.573)

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2016	2017	2018	2019	2020
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	-	-	-	-	-
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Labor:					
Payroll	\$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 Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
November Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE	2016	2017	2018	2019	2020
July Financial Plan - Net Cash Surplus/(Deficit)	(\$463.037)	(\$452.106)	(\$472.348)	(\$481.782)	(\$487.034)
Baseline Changes					
Revenue					
Farebox Revenue	\$3.666	\$3.849	\$3.838	\$3.843	\$3.849
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-
Total Revenue Changes	\$3.666	\$3.849	\$3.838	\$3.843	\$3.849
Expenses					
Labor:					
Payroll	\$0.071	(\$4.901)	(\$5.000)	(\$5.102)	(\$5.203)
Overtime	(0.625)	(0.606)	(0.618)	(0.631)	(0.644)
Health and Welfare	0.019	(1.315)	(1.341)	(1.368)	(1.394)
OPEB Current Payment	-	-	-	-	-
Pensions	0.356	0.662	1.892	2.268	2.801
Other Fringe Benefits	(15.057)	(15.560)	(15.573)	(15.583)	(15.594)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$15.235)	(\$21.720)	(\$20.640)	(\$20.415)	(\$20.034)
Non-Labor:					
Electric Power	\$0.073	\$0.212	\$0.246	\$0.298	\$0.133
Fuel	(0.866)	(2.714)	(2.776)	(2.872)	(2.993)
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	7.092	(4.125)	(2.415)	(0.856)	(0.888)
Professional Service Contracts	0.131	0.102	(0.021)	(0.042)	(0.055)
Materials & Supplies	(0.603)	(0.599)	(4.498)	(0.971)	(1.001)
Other Business Expenses	(1.385)	(1.422)	(1.474)	(1.512)	(1.551)
Total Non-Labor Expense Changes	\$4.441	(\$8.546)	(\$10.937)	(\$5.955)	(\$6.354)
Total Expenses before Depreciation and GASB Adjs.	(\$10.794)	(\$30.266)	(\$31.577)	(\$26.370)	(\$26.388)
Depreciation	-	-	-	-	-
OPEB Liability Adjustment	-	-	-	-	-
GASB 68 Pension Adjustment	-	-	-	-	-
Environmental Remediation	-	-	-	-	-
Total Expense Changes	(\$10.794)	(\$30.266)	(\$31.577)	(\$26.370)	(\$26.388)
Cash Adjustment Changes					
Revenue	-	-	-	-	-
Expense	15.000	15.000	15.000	15.000	15.000
Depreciation	-	-	-	-	-
Total Cash Adjustment Changes	\$15.000	\$15.000	\$15.000	\$15.000	\$15.000
Total Baseline Changes	\$7.872	(\$11.417)	(\$12.739)	(\$7.527)	(\$7.539)
November Financial Plan - Net Cash Surplus/(Deficit)	(\$455.165)	(\$463.522)	(\$485.088)	(\$489.309)	(\$494.573)

MTA BUS COMPANY
2017 Final Proposed Budget
November Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes

2016: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue changes from the July Financial Plan increased by \$3.7 million.

Major changes include:

- An increase in Farebox Revenue of \$3.7 million annually due to higher ridership.

Expense Changes

Operating expenses increased from the July Financial Plan by \$10.8 million.

Major changes include:

- Fuel expense increases of \$0.9 million, mainly due to higher fuel prices.
- Workers Compensation expense re-estimates of \$15.1 million.
- Programmatic investments of \$1.3 million, mainly to meet maintenance requirements.
- Cash Adjustments of \$15.0 million due to the timing of Workers Compensation expenditures.

2017-2020: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue changes from the July Financial Plan result in an increase of \$3.8 million annually in 2017 through 2020.

Major changes include:

- An increase in Farebox Revenue of \$3.8 million annually due to higher ridership projections.

Expense Changes

Total expenses increase by \$30.3 million in 2017, \$31.6 million in 2018, and \$26.4 million in 2019 and 2020. Changes are due to inflation, forecast assumptions, and programmatic investments.

Major changes include:

- Programmatic investments costing \$3.8 million in 2017, \$3.9 million in 2018, and \$3.5 million in 2019 and 2020, mainly to meet maintenance requirements.
- Fuel expense increases of \$2.6 million in 2017, \$2.7 million in 2018, \$2.8 million in 2019, and \$2.9 million in 2020 based on higher rates.
- Workers Compensation expense re-estimates of \$15.6 million annually.
- Platform Budget adjustment increases of approximately \$5 million per year.
- Pension decreases of \$1.5 million in 2017 and averaging \$3 million per year in 2018 through 2020.
- Reductions in employee availability averaging \$1.6 million annually for each of the Plan years.

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Net Cash Surplus/(Deficit)	(\$463.037)	(\$452.106)	(\$472.348)	(\$481.782)	(\$487.034)
Non-Reimbursable Major Changes					
Revenue					
Farebox Revenue	\$3.666	\$3.849	\$3.838	\$3.843	\$3.849
Other Operating Revenue	-	-	-	-	-
Sub-Total Non-Reimbursable Revenue Changes	\$3.666	\$3.849	\$3.838	\$3.843	\$3.849
Expenses					
Programs:					
Automatic Passenger Count (APC)	\$0.000	(\$0.500)	(\$0.512)	\$0.000	\$0.000
Central Road Service (CRS) Line Supervisor	0.000	(0.139)	(0.142)	(0.145)	(0.146)
Farebox Line Supervisor	(0.029)	(0.401)	(0.410)	(0.417)	(0.426)
General Superintendent Maintenance - Training Program	0.000	(0.171)	(0.174)	(0.178)	(0.181)
Maintenance Campaigns	(0.502)	(0.842)	(0.859)	(0.877)	(0.896)
Tires & Tubes	(0.745)	(0.765)	(0.782)	(0.802)	(0.823)
Shop - Hawk Shift	-	(0.738)	(0.754)	(0.769)	(0.784)
Rock Salt	(0.020)	(0.021)	(0.021)	(0.022)	(0.022)
SBS Engineers	-	(0.232)	(0.236)	(0.242)	(0.247)
Sub-Total Programs	(\$1.296)	(\$3.809)	(\$3.891)	(\$3.452)	(\$3.524)
Major Re-estimates/Technical Adjustments/Other:					
Mobility Tax	(\$0.400)	(\$0.411)	(\$0.421)	(\$0.431)	(\$0.442)
Worker's Compensation	(15.000)	(15.000)	(15.000)	(15.000)	(15.000)
Platform Budget	(0.896)	(4.772)	(4.867)	(4.964)	(5.063)
Employee Availability	0.000	(1.597)	(1.629)	(1.661)	(1.694)
Shop Program	4.470	(0.445)	(5.175)	(0.520)	(0.520)
Automatic Fare Collection Fees	(1.000)	(1.028)	(1.053)	(1.078)	(1.104)
Pension	0.441	1.512	2.759	3.153	3.703
Electric Power	0.073	0.212	0.246	0.298	0.133
Energy - Fuel	(0.976)	(2.599)	(2.660)	(2.758)	(2.878)
SBS Routes Rollover	3.000	(3.000)	-	-	-
OTPS CPI Adjustment	0.681	0.560	-	(0.073)	(0.116)
Admin 2% Retro	0.585	0.596	0.608	0.620	0.633
Admin Rate Adjustment	(0.476)	(0.485)	(0.495)	(0.505)	(0.515)
Sub-Total Non-Reimbursable Expense Changes	(\$9.498)	(\$26.457)	(\$27.686)	(\$22.918)	(\$22.864)
Total Non-Reimbursable Major Changes	(\$7.128)	(\$26.417)	(\$27.739)	(\$22.528)	(\$22.539)
Reimbursable Major Changes					
Revenue					
Reimbursement of Increased Expense Requirements	-	-	-	-	-
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Sub-Total Reimbursable Expense Changes	\$0.000	\$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	(\$7.128)	(\$26.417)	(\$27.739)	(\$22.528)	(\$22.539)
Cash Adjustment Changes					
Expenses					
	\$15.000	\$15.000	\$15.000	\$15.000	\$15.000
Total Cash Adjustment Changes	\$15.000	\$15.000	\$15.000	\$15.000	\$15.000
Total Baseline Changes	\$7.872	(\$11.417)	(\$12.739)	(\$7.528)	(\$7.539)
November Financial Plan - Net Cash Surplus/(Deficit)	(\$455.165)	(\$463.523)	(\$485.087)	(\$489.309)	(\$494.573)

MTA BUS COMPANY
2017 Final Proposed Budget
November Financial Plan 2017– 2020
RIDERSHIP/ (UTILIZATION)

Ridership

The 2016 November Financial Plan baseline ridership forecast assumes that the weather adjusted March-August 2016 ridership trend, which was 0.4% below budget on local bus and 3.6% below budget on express bus, will continue for the rest of the year. The November Plan local bus ridership forecast is an improvement over the July 2016 Plan, which assumed that May through December 2016 local bus ridership would be 2.4% below budget, while the express bus forecast is more negative than the 2.2% negative variance assumed in the July Plan forecast. November Plan student ridership is 1.8% higher than the July Plan. As a result of the improved local bus and student ridership forecast, partially offset by lower express bus ridership, projected 2016 local and express ridership is 1.95 million higher than the July 2016 Plan.

2017 local and express bus ridership is projected to increase by approximately 0.35% from the 2016 base, based on a 0.40 elasticity factor applied to the most recent (August 2016) 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 2017 local and express ridership is 1.95 million higher than the July Plan.

Working off the revised 2017 baseline projection, 2018-2020 local and express bus ridership growth forecasts are based on the August 2016 employment forecast (with an elasticity factor), which was similar to the forecast for 2018-2020 used in the July Plan. The resulting ridership is expected to be 1.9 million higher than the July Plan in 2018, 2019 and 2020.

Revenue

Projected Farebox Revenue is \$3.7 million higher than the July Plan in 2016 and \$3.8 million higher in 2017 through 2020. The more positive revenue variances compared to ridership are mainly due to higher pass average fares.

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Ridership/(Utilization)
(in millions)

	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
<u>RIDERSHIP</u>						
Fixed Route	125.399	126.111	126.354	126.826	127.038	127.514
Baseline Total Ridership	125.399	126.111	126.354	126.826	127.038	127.514
<u>FAREBOX REVENUE</u>						
Fixed Route	\$210.333	\$214.145	\$214.591	\$215.465	\$215.856	\$216.745
Baseline Total Revenue	\$210.333	\$214.145	\$214.591	\$215.465	\$215.856	\$216.745

MTA BUS COMPANY
November Financial Plan 2017 - 2020
2016 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
<u>Administration</u>										
Non-Represented Wage Increase Deferral	-	0.585	-	0.596	-	0.608	-	0.620	-	0.633
Subtotal Administration	-	0.585	-	0.596	-	\$0.608	-	\$0.620	-	\$0.633
<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>										
Shop	4	4.226	(6)	(0.002)	-	0.220	-	0.000	1	0.157
Fuel Economy	-	0.317	-	0.317	-	0.317	-	0.317	-	0.317
Subtotal Maintenance	4	4.543	(6)	0.315	-	0.537	-	0.317	1	0.474
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety/Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Other	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	4	\$5.127	(6)	\$0.911	-	\$1.145	-	\$0.937	1	\$1.107

MTA BUS COMPANY
November Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet

Category by Function: Administration
Program: Non-Represented Wage Increase Deferral

Background Details:	Savings resulting from delayed implementation of a 2% general wage increase for non-represented employees. It was budgeted to begin on January 1, 2016, but was instead made effective July 1, 2016.
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Program Description/ Implementation Plan:	This six month delay of the GWI for non-represented employees will recur. Annual implementation date effective July 1st of each plan year.
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Program Implementation Date:	1/1/2016	When will savings begin?:	Jan-16
		Are these savings recurring?:	Y
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>	\$0.585	\$0.596	\$0.608	\$0.620	\$0.633
Net Cash Savings (in millions)	\$0.585	\$0.596	\$0.608	\$0.620	\$0.633

Total Positions Required:

MTA BUS COMPANY
July Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet

Category by Function: Maintenance

Program: Shop BRP

Background Details:	Net Shop Reductions include: 1) AC upgrades on all hybrid buses to be completed in-house rather than by a vendor, 2) MCI engines on the 247 buses with extended life are done on a fix as fail basis. 3) Hybrid structural work on 284 buses with extended life (Hyb'06,'07) will be completed by EOY 2020 incurring budget savings in the out years. A net savings of 4 positions.
Program Description/ Implementation Plan:	
Program Implementation Date:	When will savings begin?: 2016
	Are these savings recurring?: Yes
Other Issues:	

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>	\$4.226	(\$0.002)	\$0.220	\$0.000	\$0.157
Net Cash Savings (in millions)	\$4.226	(\$0.002)	\$0.220	\$0.000	\$0.157
<i>Total Positions Required:</i>	4	(6)	0	0	1

MTA BUS COMPANY
July Financial Plan 2017 - 2020
2016 Budget Reduction Plan Worksheet

Category by Function: Maintenance
Program: Fuel Economy

Background Details:	Marked improvement in fuel efficiencies for new bus deliveries (2015 New Flyer fleet).
Program Description/ Implementation Plan:	
Program Implementation Date:	When will savings begin?: 2016
	Are these savings recurring?: Yes
Other Issues:	

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>	\$0.317	\$0.317	\$0.317	\$0.317	\$0.317
Net Cash Savings (in millions)	\$0.317	\$0.317	\$0.317	\$0.317	\$0.317
<i>Total Positions Required:</i>	0	0	0	0	0

MTA BUS COMPANY
2017 Final Proposed Budget
November Financial Plan 2017– 2020
Positions

POSITION ASSUMPTIONS

2016: November Financial Plan vs. July Financial Plan

The total positions for 2016 in the July Plan were 3,845. There is no change to the 2016 November Plan.

Reimbursable positions remain the same

2017: November Financial Plan vs. July Financial Plan

The total positions for 2017 in the July Plan were 3,867. There is an increase of 73 positions which will result in 3,940 for the 2016 November Plan. The changes are as follows:

New Needs (Total increase of 13 positions) includes:

- 1 position to support General Superintendent Training
- 1 position to support Central Road Service
- 3 positions to support Farebox
- 6 positions to support Shop-Hawk Shift
- 2 Positions to support SBS Engineers

Reimbursable positions remain the same

Re-estimates (increase of 60 positions) include:

- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

The breakdown of the 73 positions increase by function is as follows:

Administration (total increase of 1 position) includes:

- 1 position to support General Superintendent Training

Operations (total increase of 64 positions) include:

- 1 position to support Central Road Service
- 3 positions to support Farebox
- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

Maintenance (total increase of 8 positions) includes:

- 6 positions to support Shop-Hawk Shift
- 2 positions to support SBS Engineers

Position increases by occupational group are: Managers/Supervisor 8, Professional Technical, Clerical 2, and Operational Hourlies 63.

2018: November Financial Plan vs. July Financial Plan

The total positions for 2018 in the July Plan were 3,848. There is an increase of 73 positions which will result in the sum of 3,921 for the 2016 November Plan. The changes are as follows:

New Needs (Total increase of 13 positions) include:

- 1 position to support General Superintendent Training
- 1 position to support Central Road Service
- 3 positions to support Farebox
- 6 positions to support Shop-Hawk Shift
- 2 positions to support SBS Engineers

Reimbursable positions remain the same

Re-estimates (increase of 60 positions) include:

- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

The breakdown of the 73 positions increase by function is as follows:

Administration (total increase of 1 position) includes:

- 1 position to support General Superintendent Training

Operations (total increase of 64 positions) include:

- 1 position to support Central Road Service
- 3 positions to support Farebox
- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

Maintenance (total increase of 8 positions) includes:

- 6 positions to support Shop-Hawk Shift
- 2 positions to support SBS Engineers

Position increases by occupational group are: Managers/Supervisor 8, Professional Technical, Clerical 2, and Operational Hourlies 63.

2019: November Financial Plan vs. July Financial Plan

The total positions for 2019 in the July Plan were 3,871. There is an increase of 73 positions which will result in the sum of 3,944 for the 2016 November Plan. The changes are as follows:

New Needs (Total increase of 13 positions) include:

- 1 position to support General Superintendent Training
- 1 position to support Central Road Service
- 3 positions to support Farebox
- 6 positions to support Shop-Hawk Shift
- 2 positions to support SBS Engineers

Reimbursable positions remain the same

Re-estimates (increase of 60 positions) include:

- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

The breakdown of the 73 positions increase by function is as follows:

Administration (total increase of 1 position) includes:

- 1 position to support General Superintendent Training

Operations (total increase of 64 positions) include:

- 1 position to support Central Road Service
- 3 positions to support Farebox
- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

Maintenance (total increase of 8 positions) includes:

- 6 positions to support Shop-Hawk Shift
- 2 positions to support SBS Engineers

Position increases by occupational group are: Managers/Supervisor 8, Professional Technical, Clerical 2, and Operational Hourlies 63.

2020: November Financial Plan vs. July Financial Plan

The total positions for 2020 in the July Plan were 3,861. There is an increase of 73 positions which will result in the sum of 3,934 for the 2016 November Plan. The changes are as follows:

New Needs (total increase of 13 positions) Include:

- 1 position to support General Superintendent Training
- 1 position to support Central Road Service

- 3 positions to support Farebox
- 6 positions to support Shop-Hawk Shift
- 2 positions to support SBS Engineers

Reimbursable positions remain the same

Re-estimates (increase of 60 positions) include:

- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

The breakdown of the 73 positions increase by function is as follows:

Administration (total increase of 1 position) includes:

- 1 position to support General Superintendent Training

Operations (total increase of 64 positions) include:

- 1 position to support Central Road Service
- 3 positions to support Farebox
- 16 positions to support Employee Availability
- 44 positions to support the Platform Budget

Maintenance (total increase of 8 positions) includes:

- 6 positions to support Shop-Hawk Shift
- 2 positions to support SBS Engineers

Position increases by occupational group are: Managers/Supervisor 8, Professional Technical, Clerical 2, and Operational Hourlies 63.

Year-to-Year Changes

2017 Changes Over 2016:

Total positions increase by 95 positions. The increase is mainly due to support General Superintendent Training, Central Road Control, Farebox Maintenance, Shop-Hawk Shift, SBS Engineers, Employee Availability, Platform Budget, Shop Program, and Asset Management changes/adjustments.

2018 Changes Over 2017:

Total positions decrease by 19 positions. The decrease is mainly due to Shop Program changes/adjustments.

2019 Changes Over 2018:

Total positions increase by 23 positions. The increase is mainly due to changes/adjustments to the Shop Program, Asset Management, and Bus Technology.

2020 Changes Over 2019:

Total positions decrease by 10 positions. The decrease is mainly due to changes/adjustments to the Shop Program.

MTA BUS COMPANY					
November Financial Plan 2017 - 2020					
Favorable/(Unfavorable)					
Total Position Changes at a Glance					
	2016	2017	2018	2019	2020
2016 July Plan - Total Baseline Positions	3,845	3,867	3,848	3,871	3,861
Total Plan-to-Plan Changes	0	(73)	(73)	(73)	(73)
2016 November Plan - Total Baseline Positions	3,845	3,940	3,921	3,944	3,934
Total Year-to-Year Changes, November Plan		(95)	19	(23)	10

Total Plan-to-Plan Changes by Reporting Category:					
<i>Non-Reimbursable</i>	0	(73)	(73)	(73)	(73)
<i>Reimbursable</i>	0	0	0	0	0
Total	0	(73)	(73)	(73)	(73)
<i>Full-Time</i>	0	(73)	(73)	(73)	(73)
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	0	(73)	(73)	(73)	(73)
<i>By Function Category</i>					
- Administration	0	(1)	(1)	(1)	(1)
- Operations	0	(64)	(64)	(64)	(64)
- Maintenance	0	(8)	(8)	(8)	(8)
- Engineering/Capital	0	0	0	0	0
- Public Safety	0	0	0	0	0
Total	0	(73)	(73)	(73)	(73)
<i>By Occupational Group</i>					
- Managers/Supervisors	0	(8)	(8)	(8)	(8)
- Professional, Technical, Clerical	0	(2)	(2)	(2)	(2)
- Operational Hourlies	0	(63)	(63)	(63)	(63)
Total	0	(73)	(73)	(73)	(73)

Total Plan-to-Plan Changes by Major Category:					
2016 BRPs	0	0	0	0	0
New Needs	0	(13)	(13)	(13)	(13)
Change in Reimbursable Positions	0	0	0	0	0
Re-estimates & All Other ¹	0	(60)	(60)	(60)	(60)
Total	0	(73)	(73)	(73)	(73)

¹ Includes Full-time Equivalents

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Total Positions by Function & Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016	2017	2018	2019	2020
		November Forecast	Final Proposed Budget			
Administration						
Office of the EVP	3	3	3	3	3	3
Human Resources	10	19	19	19	19	19
Office of Management and Budget	13	14	14	14	14	14
Technology & Information Services	-	-	-	-	-	-
Materiel	15	18	18	18	18	18
Controller	19	17	17	17	17	17
Office of the President	5	6	6	6	6	6
System Safety Administration	1	5	5	5	5	5
Law	23	21	21	21	21	21
Corporate Communications	-	-	-	-	-	-
Strategic Office	3	24	26	28	29	29
Labor Relations	11	4	4	4	4	4
Non Departmental	-	23	31	28	45	45
Total Administration	103	154	164	163	181	181
Operations						
Buses	2,229	2,249	2,304	2,304	2,304	2,304
Office of the Executive Vice President, Regional	4	4	4	4	4	4
Safety & Training	66	29	29	29	29	29
Road Operations	120	120	121	121	121	121
Transportation Support	25	22	22	22	22	22
Operations Planning	29	33	33	33	33	33
Revenue Control	26	27	30	30	30	30
Total Operations	2,499	2,484	2,543	2,543	2,543	2,543
Maintenance						
Buses	752	757	742	748	748	748
Maintenance Support/CMF	181	219	255	231	236	226
Facilities	60	77	81	81	81	81
Supply Logistics	92	95	96	96	96	96
Total Maintenance	1,085	1,148	1,174	1,156	1,161	1,151
Engineering/Capital						
Capital Program Management	29	37	37	37	37	37
Public Safety						
Office of the Senior Vice President	16	22	22	22	22	22
Total Positions	3,732	3,845	3,940	3,921	3,944	3,934
Non-Reimbursable	3,693	3,805	3,900	3,881	3,904	3,894
Reimbursable	39	40	40	40	40	40
Total Full-Time	3,718	3,830	3,925	3,906	3,929	3,919
Total Full-Time Equivalents	14	15	15	15	15	15

MTA BUS COMPANY
November Financial Plan 2017 - 2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Managers/Supervisors	43	63	67	65	65	65
Professional, Technical, Clerical	60	73	73	75	76	76
Operational Hourlies	-	18	24	23	40	40
Total Administration	103	154	164	163	181	181
Operations						
Managers/Supervisors	309	303	307	307	307	307
Professional, Technical, Clerical	52	51	51	51	51	51
Operational Hourlies	2,138	2,130	2,185	2,185	2,185	2,185
Total Operations	2,499	2,484	2,543	2,543	2,543	2,543
Maintenance						
Managers/Supervisors	218	225	228	228	228	228
Professional, Technical, Clerical	19	26	28	28	28	28
Operational Hourlies	848	897	918	900	905	895
Total Maintenance	1,085	1,148	1,174	1,156	1,161	1,151
Engineering/Capital						
Managers/Supervisors	18	21	21	21	21	21
Professional, Technical, Clerical	11	16	16	16	16	16
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	29	37	37	37	37	37
Public Safety						
Managers/Supervisors	12	17	17	17	17	17
Professional, Technical, Clerical	4	5	5	5	5	5
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	16	22	22	22	22	22
Total Positions						
Managers/Supervisors	600	629	640	638	638	638
Professional, Technical, Clerical	146	171	173	175	176	176
Operational Hourlies	2,986	3,045	3,127	3,108	3,130	3,120
Total Baseline Positions	3,732	3,845	3,940	3,921	3,944	3,934

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Staten Island Railway

MTA STATEN ISLAND RAILWAY
2017 Final Proposed Budget
November Financial Plan 2017 - 2020

FINANCIAL OVERVIEW

The 2016 November Forecast, 2017 Final Proposed Budget and projections for the years 2018-2020 provide sufficient funding to maintain current service levels as well as to maintain MTA's commitment to safety and security. This plan includes primarily additional required funding in support of the R44 Car Fleet Maintenance Project and the timing of implementation of several other projects. Performance indicators including mean distance between failures and on-time performance remain within targeted levels.

The SIR R44 Car Fleet Maintenance Project is a significant requirement in order to maintain the safety and reliability of this 45 year old fleet until fleet replacement now estimated for around 2022-2023. The estimated initial cost of this project, of which the processing requirements are being carried out in an NYCT Subways facility in Brooklyn, was planned for \$26.7 million, in support of an eighteen month project which began December, 2015. These estimated costs included preliminary assumptions regarding required labor work hours and material requirements per car. Based on a recent assessment and evaluation of the actual requirements to process eleven of the cars during the first half of 2016, it was determined that additional work hours and material requirements per car over and above the original estimated assumptions are now required in order to appropriately process this car fleet, thus requiring an additional cost of \$6.5 million. Furthermore, in order to minimize possible fleet risk after completion of this project processing, another \$1.0 million is being added to the financial plan, beginning the end of 2017 to early 2019, to implement an 18 month per car inspection cycle, in order to be able to identify and manage subsequent maintenance issues.

Non-reimbursable overtime expense levels in this plan reflect the delay of three project implementation expenses from 2016 to 2017, including mostly the timing of Arrival Clock installation at all stations. During this plan period, SIR will continue to manage overtime use efficiently by optimizing the balance between personnel efficiency and overtime requirements.

2016 November Forecast

MTA Staten Island Railway's 2016 November Forecast reflects total expenses, before depreciation, other post-employment benefits (OPEB) and GASB 68 Pension Adjustment, of \$69.012 million, including \$64.016 million of non-reimbursable expenses and \$4.996 million of reimbursable expenses. Total revenues are projected to be \$13.998 million, of which \$9.002 million are operating revenues and \$4.996 million represent capital reimbursements. Total full-time positions are 318, including 304 non-reimbursable and 14 reimbursable positions.

The 2016 November Forecast operating cash deficit is projected to decrease by \$2.265 million in comparison with the 2016 Mid-Year Forecast. Major variances include:

- Project timing delays to 2017 of \$1.925 million, including the following: Station Arrival Clock installations-\$1.000 million; 293 Bay Street Fuel Tank Repairs-\$0.500 million; 293 Bay Street Non-Revenue Vehicle Shop Roof, Air Conditioning Repairs-\$0.175 million; Phase II Station House Platform Access-\$0.150 million and Signal Switch Replacement-\$0.100 million.
- The timing of non-revenue vehicle purchases of \$1.123 million to 2017.
- Additional R44 Car Fleet Maintenance Project costs of \$0.904 million

Reimbursable expenses of \$4.996 million did not change from the Mid-Year Forecast.

Total positions of 318 did not change from the Mid-Year Forecast.

2017 Final Proposed Budget

MTA Staten Island Railway's 2017 Final Proposed Budget reflects total expenses, before depreciation, OPEB and GASB #68 Pension Adjustment, of \$74.490 million, including \$71.980 million of non-reimbursable expenses and \$2.510 million of reimbursable expenses. Total revenues are projected to be \$11.578 million, of which \$9.068 million are operating revenues and \$2.510 million represent capital reimbursements. Total full-time positions are 318, including 304 non-reimbursable positions and 14 reimbursable positions.

The 2017 Final Proposed Budget operating cash deficit is projected to increase by \$8.874 million. Major changes include:

- Additional R44 Car Fleet Maintenance Project costs of \$5.296 million.
- Project timing delays from 2016 to 2017 of \$1.925 million, including the following: Station Arrival Clock installations-\$1.000 million; 293 Bay Street Fuel Tank Repairs-\$0.500 million; 293 Bay Street Non-Revenue Vehicle Shop Roof, AC Repairs-\$0.175 million; Phase II Station House Platform Access-\$0.150 million and Signal Switch Replacement-\$0.100 million.
- The unfavorable timing of non-revenue vehicle purchases of \$1.123 million from 2016.
- An update of Enterprise Asset Management expenses, resulting in an increase in expenses of \$0.617 million.

Reimbursable expenses of \$2.510 million did not change from the Mid-Year Forecast.

Total positions of 318 did not change from the Mid-Year Forecast.

Financial Plan 2018-2020 Projections

Operating cash deficits are projected to increase by \$0.306 million in 2018, and decrease by \$0.524 million in 2019 and \$0.824 million in 2020. Major changes include:

- Net inflation savings of \$0.753 million in 2018, \$0.956 million in 2019 and \$1.058 million 2020, mostly from Electric Power and pension savings.
- Increased R44 fleet maintenance costs of \$0.700 million in 2018 and \$0.200 million 2019, in support of an 18 month car inspection cycle after completion of the Car Fleet Maintenance Project.
- An update of Enterprise Asset Management expenses of \$0.201 million n 2018.

Reimbursable expenses of \$2.010 million in both 2018 and 2019 and \$0.900 million in 2020 did not change from the Mid-Year Forecast.

Total positions of 319 in 2018 and 305 in both 2019 and 2020 did not change from the Mid-Year Forecast.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Operating Revenue						
Farebox Revenue	\$6.401	\$6.574	\$6.618	\$6.665	\$6.687	\$6.732
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.635	2.428	2.450	2.473	2.496	2.520
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$9.036	\$9.002	\$9.068	\$9.138	\$9.183	\$9.252
Operating Expenses						
<u>Labor:</u>						
Payroll	\$22.407	\$23.406	\$22.726	\$23.091	\$23.465	\$23.924
Overtime	2.725	2.895	3.062	1.641	1.655	1.669
Health and Welfare	4.264	4.293	4.649	4.730	4.913	5.103
OPEB Current Payment	1.463	1.404	1.497	1.524	1.585	1.650
Pensions	6.000	6.074	6.128	6.128	6.229	6.130
Other Fringe Benefits	3.995	4.036	4.093	4.082	4.165	4.261
Reimbursable Overhead	(1.591)	(1.208)	(0.489)	(0.489)	(0.489)	0.000
Total Labor Expenses	\$39.263	\$40.900	\$41.666	\$40.707	\$41.523	\$42.737
<u>Non-Labor:</u>						
Electric Power	\$3.837	\$3.324	\$4.025	\$4.191	\$4.364	\$4.678
Fuel	0.282	0.235	0.275	0.288	0.293	0.316
Insurance	1.566	1.117	1.462	1.660	1.680	1.870
Claims	1.212	0.084	0.088	0.088	0.091	0.093
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.129	14.933	21.507	2.517	2.081	1.950
Professional Service Contracts	0.623	0.762	1.112	1.046	1.064	1.083
Materials & Supplies	1.945	2.631	1.815	1.331	1.340	1.350
Other Business Expenses	0.182	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$10.776	\$23.116	\$30.314	\$11.151	\$10.943	\$11.370
<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.						
	\$50.039	\$64.016	\$71.980	\$51.858	\$52.466	\$54.107
Depreciation	\$8.072	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Liability Adjustment	7.463	7.500	7.500	7.500	7.500	7.500
GASB 68 Pension Expense Adjustment	(1.514)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
Environmental Remediation	1.119	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$65.179	\$79.316	\$87.280	\$67.158	\$67.766	\$69.407
Net Surplus/(Deficit)	(\$56.143)	(\$70.314)	(\$78.212)	(\$58.020)	(\$58.583)	(\$60.155)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</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	3.817	4.996	2.510	2.010	2.010	0.900
Total Revenue	\$3.817	\$4.996	\$2.510	\$2.010	\$2.010	\$0.900
Expenses						
<u>Labor:</u>						
Payroll	\$1.024	\$1.288	\$0.521	\$0.521	\$0.521	\$0.000
Overtime	0.697	1.500	1.500	1.000	1.000	0.900
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.011	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	0.000	0.000	0.000	0.000
Reimbursable Overhead	1.591	1.208	0.489	0.489	0.489	0.000
Total Labor Expenses	\$3.323	\$3.996	\$2.510	\$2.010	\$2.010	\$0.900
<u>Non-Labor:</u>						
Electric Power	\$0.008	\$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	0.018	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.468	1.000	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	\$0.494	\$1.000	\$0.000	\$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	\$3.817	\$4.996	\$2.510	\$2.010	\$2.010	\$0.900
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$3.817	\$4.996	\$2.510	\$2.010	\$2.010	\$0.900
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Revenue						
Farebox Revenue	\$6.401	\$6.574	\$6.618	\$6.665	\$6.687	\$6.732
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.635	2.428	2.450	2.473	2.496	2.520
Capital and Other Reimbursements	3.817	4.996	2.510	2.010	2.010	0.900
Total Revenue	\$12.853	\$13.998	\$11.578	\$11.148	\$11.193	\$10.152
Expenses						
<u>Labor:</u>						
Payroll	\$23.431	\$24.694	\$23.247	\$23.612	\$23.986	\$23.924
Overtime	3.422	4.395	4.562	2.641	2.655	2.569
Health and Welfare	4.264	4.293	4.649	4.730	4.913	5.103
OPEB Current Payment	1.474	1.404	1.497	1.524	1.585	1.650
Pensions	6.000	6.074	6.128	6.128	6.229	6.130
Other Fringe Benefits	3.995	4.036	4.093	4.082	4.165	4.261
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$42.586	\$44.896	\$44.176	\$42.717	\$43.533	\$43.637
<u>Non-Labor:</u>						
Electric Power	\$3.845	\$3.324	\$4.025	\$4.191	\$4.364	\$4.678
Fuel	0.282	0.235	0.275	0.288	0.293	0.316
Insurance	1.566	1.117	1.462	1.660	1.680	1.870
Claims	1.212	0.084	0.088	0.088	0.091	0.093
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.129	14.933	21.507	2.517	2.081	1.950
Professional Service Contracts	0.641	0.762	1.112	1.046	1.064	1.083
Materials & Supplies	2.413	3.631	1.815	1.331	1.340	1.350
Other Business Expenses	0.182	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$11.270	\$24.116	\$30.314	\$11.151	\$10.943	\$11.370
<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	\$53.856	\$69.012	\$74.490	\$53.868	\$54.476	\$55.007
Depreciation	\$8.072	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Liability Adjustment	7.463	7.500	7.500	7.500	7.500	7.500
GASB 68 Pension Expense Adjustment	(1.514)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
Environmental Remediation	1.119	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$68.996	\$84.312	\$89.790	\$69.168	\$69.776	\$70.307
Net Surplus/(Deficit)	(\$56.143)	(\$70.314)	(\$78.212)	(\$58.020)	(\$58.583)	(\$60.155)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	<u>Actual</u>	<u>Forecast</u>	<u>Final Proposed Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Receipts						
Farebox Revenue	\$6.336	\$6.198	\$6.618	\$6.665	\$6.688	\$6.732
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.892	4.081	2.450	2.473	2.496	2.519
Capital and Other Reimbursements	3.034	5.779	2.510	2.010	2.010	0.900
Total Receipts	\$11.262	\$16.058	\$11.578	\$11.148	\$11.194	\$10.151
Expenditures						
<u>Labor:</u>						
Payroll	\$21.634	\$30.196	\$23.247	\$23.612	\$23.986	\$23.922
Overtime	3.121	4.896	4.562	2.641	2.655	2.569
Health and Welfare	5.097	4.293	4.649	4.730	4.913	5.101
OPEB Current Payment	0.620	1.404	1.497	1.524	1.585	1.650
Pensions	6.000	6.074	6.128	6.128	6.229	6.131
Other Fringe Benefits	4.000	4.449	4.093	4.082	4.167	4.265
GASB Account	0.000	0.000	0.000	0.005	0.018	0.031
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$40.472	\$51.312	\$44.176	\$42.722	\$43.553	\$43.669
<u>Non-Labor:</u>						
Electric Power	\$3.934	\$3.324	\$4.025	\$4.191	\$4.364	\$4.678
Fuel	0.105	0.320	0.275	0.288	0.293	0.316
Insurance	1.895	1.117	1.462	1.660	1.680	1.870
Claims	1.004	0.084	0.088	0.088	0.091	0.093
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.956	16.416	21.507	2.517	2.081	1.950
Professional Service Contracts	0.857	0.762	1.112	1.046	1.064	1.083
Materials & Supplies	2.114	3.631	1.815	1.331	1.340	1.350
Other Business Expenses	0.160	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenditures	\$11.025	\$25.684	\$30.314	\$11.151	\$10.943	\$11.370
<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	\$51.497	\$76.996	\$74.490	\$53.873	\$54.496	\$55.039
Net Cash Surplus/(Deficit)	(\$40.235)	(\$60.938)	(\$62.912)	(\$42.725)	(\$43.302)	(\$44.888)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	November Forecast	Final Proposed Budget	2018	2019	2020
Receipts						
Farebox Revenue	(\$0.065)	(\$0.376)	\$0.000	\$0.000	\$0.001	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.743)	1.653	0.000	0.000	0.000	(0.001)
Capital and Other Reimbursements	(0.783)	0.783	0.000	0.000	0.000	0.000
Total Receipts	(\$1.591)	\$2.060	\$0.000	\$0.000	\$0.001	(\$0.001)
Expenditures						
<u>Labor:</u>						
Payroll	\$1.797	(\$5.502)	\$0.000	\$0.000	\$0.000	\$0.002
Overtime	0.301	(0.501)	0.000	0.000	0.000	0.000
Health and Welfare	(0.833)	0.000	0.000	0.000	0.000	0.002
OPEB Current Payment	0.854	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000	(0.001)
Other Fringe Benefits	(0.005)	(0.413)	0.000	0.000	(0.002)	(0.004)
GASB Account	0.000	0.000	0.000	(0.005)	(0.018)	(0.031)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$2.114	(\$6.416)	\$0.000	(\$0.005)	(\$0.020)	(\$0.032)
<u>Non-Labor:</u>						
Traction and Propulsion Power	(\$0.089)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.177	(0.085)	0.000	0.000	0.000	0.000
Insurance	(0.329)	0.000	0.000	0.000	0.000	0.000
Claims	0.208	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	0.173	(1.483)	0.000	0.000	0.000	0.000
Professional Service Contracts	(0.216)	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.299	0.000	0.000	0.000	0.000	0.000
Other Business Expenditures	0.022	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.245	(\$1.568)	\$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 and GASB Adjs.	\$0.768	(\$5.924)	\$0.000	(\$0.005)	(\$0.019)	(\$0.033)
Depreciation Adjustment	\$8.072	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Liability Adjustment	7.463	7.500	7.500	7.500	7.500	7.500
GASB 68 Pension Expense Adjustment	(1.514)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
Environmental Remediation	1.119	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$15.908	\$9.376	\$15.300	\$15.295	\$15.281	\$15.267

MTA STATEN ISLAND RAILWAY
2017 Final Proposed Budget
November Financial Plan 2017 - 2020
Year-to-Year Changes by Category-Baseline

TOTAL REVENUES/RECEIPTS

Farebox Revenue

- Farebox revenue is projected to increase by \$0.044 million or 0.7% in 2017, \$0.047 million or 0.7% in 2018, \$0.022 or 0.3% in 2019 and \$0.045 million or 0.7% in 2020, due mostly due to projected increases in employment. 2016 includes an unfavorable cash timing adjustment of \$0.376 million, due to the timing of farebox receipt settlements with NYCT from 2015.

Other Operating Revenue

- Relatively small increases year-over-year represent mainly higher advertising revenue projections. The major unfavorable cash change in 2017 over 2016 of \$1.631 million was due to the favorable timing in 2016 from 2015 of student fare reimbursements not recurring in 2016.

Capital and Other Reimbursements

- Capital reimbursements are projected to decrease by \$2.486 million in 2017, by \$0.500 million in 2018 and by \$1.110 million in 2020, due to projected lower reimbursable project work requirements.

TOTAL EXPENSES/EXPENDITURES

Payroll

- Represented employee wage increases are based on existing contracts effective July, 2010 through June, 2016, followed by 2.00% annual growth.
- Wage increases for non-represented employees are projected at 2.0% for each plan year, now effective July 1 of each year.
- 2016 includes \$5.502 million of unfavorable retro-wage payment timing from 2015.

Overtime

- Includes projected wage inflation increases as noted above for represented employees and the timing of project requirements.
- 2016 includes \$0.501 million of unfavorable retro-wage payment timing from 2015.

Health & Welfare/OPEB Current Payment

- Inflation assumptions for 2017 - 2020 for non-represented employees reflect MTA-forecasted rates; for represented employees the inflation assumption reflects projected claims activity for the 2017 – 2020 period.

Pension

- Projections are based on current actuarial information.

Other Fringe Benefits

- 2017-2020 includes inflation increases.
- 2016 includes \$0.413 million of unfavorable payment timing from 2015, involving FICA payments related to the retro-wage payments made in 2016.

Electric Power (Traction/Non-Traction)

- 2017-2020 cost assumptions are based on projected New York Power Authority (NYPA)/Con Edison rate increases.

Fuel (Heating/Diesel)

- 2017-2020 reflects cost assumptions.
- 2016 includes \$0.391 million of unfavorable payment timing from 2015.

Insurance

- 2017-2020 reflects cost assumptions.

Claims

- 2017-2020 reflects inflationary assumptions of 2.36%, 2.39%, 2.45% and 2.56%, respectively.

Maintenance and Other Operating Contracts

- 2017-2020 reflects inflationary increases of 2.36%, 2.39%, 2.45% and 2.56%, respectively. The increase in 2017 from 2016 of \$1.477 million is due to additional R44 fleet maintenance project work planned in 2017 and increased labor and material cost requirements. The decrease of \$18.990 million in 2018 from 2017 is due to the R44 fleet maintenance project work ending in 2017 and not recurring in 2018.
- 2016 includes \$1.483 million of unfavorable cash timing from 2015 pertaining to the R44 fleet maintenance project.

Professional Service Contracts

- 2017-2020 reflects inflationary increases of 2.36%, 2.39%, 2.45% and 2.56%, respectively.

Materials and Supplies

- 2017-2020 reflects inflationary increases of 0.35%, 0.79%, 1.20% and 1.18%, respectively.

Other Business Expenses

- 2017-2020 reflects inflationary increases of 2.36%, 2.39%, 2.45% and 2.56%, respectively.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 2019
Revenue									
Farebox Revenue	\$6.574	\$6.618	\$0.044	\$6.665	\$0.047	\$6.687	\$0.022	\$6.732	\$0.045
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.428	2.450	0.022	2.473	0.023	2.496	0.023	2.520	0.024
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$9.002	\$9.068	\$0.066	\$9.138	\$0.070	\$9.183	\$0.045	\$9.252	\$0.069
Expenses									
Labor:									
Payroll	\$23.406	\$22.726	\$0.680	\$23.091	(\$0.365)	\$23.465	(\$0.374)	\$23.924	(\$0.459)
Overtime	2.895	3.062	(0.167)	1.641	1.421	1.655	(0.014)	1.669	(0.014)
Health and Welfare	4.293	4.649	(0.356)	4.730	(0.081)	4.913	(0.183)	5.103	(0.190)
OPEB Current Payment	1.404	1.497	(0.093)	1.524	(0.027)	1.585	(0.061)	1.650	(0.065)
Pensions	6.074	6.128	(0.054)	6.128	0.000	6.229	(0.101)	6.130	0.099
Other Fringe Benefits	4.036	4.093	(0.057)	4.082	0.011	4.165	(0.083)	4.261	(0.096)
Reimbursable Overhead	(1.208)	(0.489)	(0.719)	(0.489)	0.000	(0.489)	0.000	0.000	(0.489)
Total Labor Expenses	\$40.900	\$41.666	(\$0.766)	\$40.707	\$0.959	\$41.523	(\$0.816)	\$42.737	(\$1.214)
Non-Labor:									
Electric Power	\$3.324	\$4.025	(\$0.701)	\$4.191	(\$0.166)	\$4.364	(\$0.173)	\$4.678	(\$0.314)
Fuel	0.235	0.275	(0.040)	0.288	(0.013)	0.293	(0.005)	0.316	(0.023)
Insurance	1.117	1.462	(0.345)	1.660	(0.198)	1.680	(0.020)	1.870	(0.190)
Claims	0.084	0.088	(0.004)	0.088	0.000	0.091	(0.003)	0.093	(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	14.933	21.507	(6.574)	2.517	18.990	2.081	0.436	1.950	0.131
Professional Service Contracts	0.762	1.112	(0.350)	1.046	0.066	1.064	(0.018)	1.083	(0.019)
Materials & Supplies	2.631	1.815	0.816	1.331	0.484	1.340	(0.009)	1.350	(0.010)
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	\$23.116	\$30.314	(\$7.198)	\$11.151	\$19.163	\$10.943	\$0.208	\$11.370	(\$0.427)
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.	\$64.016	\$71.980	(\$7.964)	\$51.858	\$20.122	\$52.466	(\$0.608)	\$54.107	(\$1.641)
Depreciation	\$8.300	\$8.300	\$0.000	\$8.300	\$0.000	\$8.300	\$0.000	\$8.300	\$0.000
OPEB Liability Adjustment	7.500	7.500	0.000	7.500	0.000	7.500	0.000	7.500	0.000
GASB 68 Pension Expense Adjustment	(0.500)	(0.500)	0.000	(0.500)	0.000	(0.500)	0.000	(0.500)	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$79.316	\$87.280	(\$7.964)	\$67.158	\$20.122	\$67.766	(\$0.608)	\$69.407	(\$1.641)
Net Surplus/(Deficit)	(\$70.314)	(\$78.212)	(\$7.898)	(\$58.020)	\$20.192	(\$58.583)	(\$0.563)	(\$60.155)	(\$1.572)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 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	4.996	2.510	(2.486)	2.010	(0.500)	2.010	0.000	0.900	(1.110)
Total Revenue	\$4.996	\$2.510	(\$2.486)	\$2.010	(\$0.500)	\$2.010	\$0.000	\$0.900	(\$1.110)
Expenses									
Labor:									
Payroll	\$1.288	\$0.521	\$0.767	\$0.521	\$0.000	\$0.521	\$0.000	\$0.000	\$0.521
Overtime	1.500	1.500	0.000	1.000	0.500	1.000	0.000	0.900	0.100
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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	1.208	0.489	0.719	0.489	0.000	0.489	0.000	0.000	0.489
Total Labor Expenses	\$3.996	\$2.510	\$1.486	\$2.010	\$0.500	\$2.010	\$0.000	\$0.900	\$1.110
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	1.000	0.000	1.000	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	0.000	0.000	0.000
Total Non-Labor Expenses	\$1.000	\$0.000	\$1.000	\$0.000	\$0.000	\$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	\$4.996	\$2.510	\$2.486	\$2.010	\$0.500	\$2.010	\$0.000	\$0.900	\$1.110
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$4.996	\$2.510	\$2.486	\$2.010	\$0.500	\$2.010	\$0.000	\$0.900	\$1.110
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 2017-2020
Year-to-Year Changes by Category - Cash Receipts and Expenditures
(\$ in millions)

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 2019
Receipts									
Farebox Revenue	\$6.198	\$6.618	\$0.420	\$6.665	\$0.047	\$6.688	\$0.023	\$6.732	\$0.044
Other Operating Revenue	4.081	2.450	(1.631)	2.473	0.023	2.496	0.023	2.519	0.023
Capital and Other Reimbursements	5.779	2.510	(3.269)	2.010	(0.500)	2.010	0.000	0.900	(1.110)
Total Receipts	\$16.058	\$11.578	(\$4.480)	\$11.148	(\$0.430)	\$11.194	\$0.046	\$10.151	(\$1.043)
Expenditures									
Labor:									
Payroll	\$30.196	\$23.247	\$6.949	\$23.612	(\$0.365)	\$23.986	(\$0.374)	\$23.922	\$0.064
Overtime	4.896	4.562	0.334	2.641	1.921	2.655	(0.014)	2.569	0.086
Health and Welfare	4.293	4.649	(0.356)	4.730	(0.081)	4.913	(0.183)	5.101	(0.188)
OPEB Current Payment	1.404	1.497	(0.093)	1.524	(0.027)	1.585	(0.061)	1.650	(0.065)
Pensions	6.074	6.128	(0.054)	6.128	0.000	6.229	(0.101)	6.131	0.098
Other Fringe Benefits	4.449	4.093	0.356	4.082	0.011	4.167	(0.085)	4.265	(0.098)
GASB Account	0.000	0.000	0.000	0.005	(0.005)	0.018	(0.013)	0.031	(0.013)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$51.312	\$44.176	\$7.136	\$42.722	\$1.454	\$43.553	(\$0.831)	\$43.669	(\$0.116)
Non-Labor:									
Electric Power	\$3.324	\$4.025	(\$0.701)	\$4.191	(\$0.166)	\$4.364	(\$0.173)	\$4.678	(\$0.314)
Fuel	0.320	0.275	0.045	0.288	(0.013)	0.293	(0.005)	0.316	(0.023)
Insurance	1.117	1.462	(0.345)	1.660	(0.198)	1.680	(0.020)	1.870	(0.190)
Claims	0.084	0.088	(0.004)	0.088	0.000	0.091	(0.003)	0.093	(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	16.416	21.507	(5.091)	2.517	18.990	2.081	0.436	1.950	0.131
Professional Service Contracts	0.762	1.112	(0.350)	1.046	0.066	1.064	(0.018)	1.083	(0.019)
Materials & Supplies	3.631	1.815	1.816	1.331	0.484	1.340	(0.009)	1.350	(0.010)
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	\$25.684	\$30.314	(\$4.630)	\$11.151	\$19.163	\$10.943	\$0.208	\$11.370	(\$0.427)
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	\$76.996	\$74.490	\$2.506	\$53.873	\$20.617	\$54.496	(\$0.623)	\$55.039	(\$0.543)
Net Cash Surplus/(Deficit)	(60.938)	(62.912)	(1.974)	(42.725)	20.187	(43.302)	(0.577)	(44.888)	(1.586)

MTA STATEN ISLAND RAILWAY
2017 Final Proposed Budget
November Financial Plan 2017-2020
Summary of Plan to Plan Changes-Baseline

2016: November Financial Plan vs. July Financial Plan

Major Revenue Re-estimates

- A decrease in farebox revenue of \$0.100 million, due mostly to lower ridership.
- A decrease in other operating revenue of \$0.011 million, due mostly to a projected reduction in student fare reimbursements.

Major Expense Re-estimates

- Project timing delays to 2017 of \$1.925 million, including the following: Station Arrival Clock installations-\$1.000 million; 293 Bay Street Fuel Tank Repairs-\$0.500 million; 293 Bay Street Non-Revenue Vehicle Shop Roof, AC Repairs-\$0.175 million; Phase II Station House Platform Access-\$0.150 million and Signal Switch Replacement-\$0.100 million.
- The timing of non-revenue vehicle purchases of \$1.123 million to 2017.
- Additional R44 Car Fleet Maintenance Project costs of \$0.904 million.

Cash Adjustments

- None

2017-2020: November Financial Plan vs. July Financial Plan

Major Revenue Re-estimates

- Decreases in farebox revenue of \$0.081 million in 2017, \$0.092 million in 2018, \$0.098 million in 2019 and \$0.105 million in 2020, which are due to projected lower ridership levels.
- Other operating revenues are projected to decrease by \$0.011 million for each year 2017 through 2020, due to lower student fare reimbursement projections.

Major Expense Re-estimates

- Additional R44 Car Fleet Maintenance Project costs of \$5.296 million in 2017.
- Project timing delays from 2016 to 2017 of \$1.925 million, including the following: Station Arrival Clock installations-\$1.000 million; 293 Bay Street Fuel Tank

Repairs-\$0.500 million; 293 Bay Street Non-Revenue Vehicle Shop Roof, AC Repairs-\$0.175 million; Phase II Station House Platform Access-\$0.150 million and Signal Switch Replacement-\$0.100 million.

- The unfavorable timing of non-revenue vehicle purchases of \$1.123 million from 2016.
- An update of Enterprise Asset Management expenses, resulting in increases in expenses of \$0.617 million in 2017 and \$0.201 million in 2018.
- Net inflation savings of \$0.489 million in 2017, \$0.753 million in 2018, \$0.956 million in 2019 and \$1.058 million 2020, mostly from Electric Power and Pension savings.
- Increased R44 fleet maintenance costs of \$0.100 million in 2017, \$0.700 million in 2018 and \$0.200 million 2019, in support of an 18 month car inspection cycle after completion of the Car Fleet Maintenance Project.

Cash Adjustments

- None.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$63.203)	(\$54.038)	(\$42.419)	(\$43.826)	(\$45.712)
Baseline Changes					
Revenue					
Farebox Revenue	(\$0.100)	(\$0.081)	(\$0.092)	(\$0.098)	(\$0.105)
Other Operating Revenue	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	(\$0.111)	(\$0.092)	(\$0.103)	(\$0.109)	(\$0.116)
Expenses					
Labor:					
Payroll	\$0.230	\$0.096	\$0.155	\$0.278	\$0.282
Overtime	0.983	(1.174)	(0.046)	(0.046)	(0.046)
Health and Welfare	(0.009)	(0.028)	(0.034)	(0.028)	(0.021)
OPEB Current Payment	0.001	0.013	0.011	0.013	0.014
Pensions	(0.007)	0.077	0.216	0.300	0.340
Other Fringe Benefits	0.076	(0.106)	(0.008)	0.010	0.014
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$1.274	(\$1.122)	\$0.294	\$0.527	\$0.583
Non-Labor:					
Electric Power	\$0.047	\$0.355	\$0.464	\$0.557	\$0.591
Fuel	0.015	(0.001)	(0.004)	(0.005)	0.005
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	0.839	(7.212)	(0.709)	(0.204)	(0.002)
Professional Service Contracts	(0.003)	(0.335)	(0.251)	(0.249)	(0.247)
Materials & Supplies	0.204	(0.467)	0.003	0.007	0.010
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$1.102	(\$7.660)	(\$0.497)	\$0.106	\$0.357
Total Expense Changes before Depreciation & GASB Adjs.	\$2.376	(\$8.782)	(\$0.203)	\$0.633	\$0.940
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	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
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	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	\$2.265	(\$8.874)	(\$0.306)	\$0.524	\$0.824
November Financial Plan - Cash Surplus/(Deficit)	(\$60.938)	(\$62.912)	(\$42.725)	(\$43.302)	(\$44.888)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2016	2017	2018	2019	2020
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
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	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
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
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	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 Expense Changes	\$0.000	\$0.000	\$0.000	\$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 - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Staten Island Railway
November Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019	2020
July Financial Plan - Cash Surplus/(Deficit)	(\$63.203)	(\$54.038)	(\$42.419)	(\$43.826)	(\$45.712)
Non-Reimbursable Major Changes					
Revenue					
Farebox Revenue	(\$0.100)	(\$0.081)	(\$0.092)	(\$0.098)	(\$0.105)
Othwer Operating Revenue	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Sub-Total Non-Reimbursable Revenue Changes	(\$0.111)	(\$0.092)	(\$0.103)	(\$0.109)	(\$0.116)
Expenses					
R44 Fleet Maintenance-Additional Labor/Material Costs	(\$0.904)	(\$5.296)	\$0.000	\$0.000	\$0.000
R44 Fleet Maintenance-18 Month Inspection Cycle	0.000	(0.100)	(0.700)	(0.200)	0.000
Station Arrival Clock Project Installation-Timing	1.000	(1.000)	0.000	0.000	0.000
Non-Revenue Vehicle Timing of Purchases	1.123	(1.123)	0.000	0.000	0.000
293 Bay Street Fuel Tank Repairs Timing	0.500	(0.500)	0.000	0.000	0.000
293 Bay Street Non-Revenue Vehicle Shop Roof/AC Repair Timing	0.175	(0.175)	0.000	0.000	0.000
Phase II Station House Platform Access Timing	0.150	(0.150)	0.000	0.000	0.000
Signal Switch Replacement Project Timing	0.100	(0.100)	0.000	0.000	0.000
Enterprise Asset Management Re-estimate	0.193	(0.617)	(0.201)	(0.068)	(0.063)
Revised Inflation Assumptions-Mostly Electric Power/Pension Savings	0.029	0.489	0.753	0.956	1.058
All Other Changes	0.010	(0.210)	(0.055)	(0.055)	(0.055)
Sub-Total Non-Reimbursable Expense Changes	\$2.376	(\$8.782)	(\$0.203)	\$0.633	\$0.940
Total Non-Reimbursable Major Changes	\$2.265	(\$8.874)	(\$0.306)	\$0.524	\$0.824
Reimbursable Major Changes					
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Expense Changes	0.000	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	\$2.265	(\$8.874)	(\$0.306)	\$0.524	\$0.824
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	\$2.265	(\$8.874)	(\$0.306)	\$0.524	\$0.824
November Financial Plan - Cash Surplus/(Deficit)	(\$60.938)	(\$62.912)	(\$42.725)	(\$43.302)	(\$44.888)

MTA STATEN ISLAND RAILWAY
2017 Final Proposed Budget
November Financial Plan 2017-2020
Ridership/(Utilization)

- Based on preliminary ridership through August, 2016 ridership is projected to be 0.069 million (1.5 percent) lower than the July Financial Plan.
- 2017-2020 ridership growth is based on the July 2016 employment forecast, which is similar to the March 2016 forecast used in the July Financial Plan, with an 80 percent factor. As a result of the 80 percent employment factor, which was not used in the July Plan, ridership growth is 0.1 to 0.2 percent lower than the July Plan in each year from 2017 to 2020. As a result, ridership decreases from the July Plan throughout the plan period.
- Annual ridership is projected to be lower than the July Financial Plan by 0.059 million in 2017, 0.066 million in 2018, 0.069 million in 2019 and 0.074 million in 2020.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Ridership/(Utilization)
(in millions)

	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
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RIDERSHIP

Fixed Route	4.502	4.570	4.595	4.622	4.636	4.662
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Total Ridership	4.502	4.570	4.595	4.622	4.636	4.662
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FAREBOX REVENUE

Fixed Route	\$6.401	\$6.574	\$6.618	\$6.665	\$6.687	\$6.732
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Total Revenue	\$6.401	\$6.574	\$6.618	\$6.665	\$6.687	\$6.732
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MTA Staten Island Railway
November Financial Plan 2017 - 2020
2016 Budget Reduction Proposals - Accrual Basis
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
<u>Administration</u>										
Non-Represented Wage Increase Deferral	-	0.030	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Administration</i>	-	0.030	-	0.000	-	0.000	-	0.000	-	0.000
<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>										
<i>Subtotal Maintenance</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Security</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
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>										
Non-Revenue Vehicle One-time Savings	-	0.252	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	0.252	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$0.282	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000

**MTA Staten Island Railway
November Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Non-Represented Wage Increase Deferral

Background Details:	Savings resulting from delayed implementation of a 2% general wage increase for non-represented employees. It was budgeted to begin on January 1, 2016, but was instead made effective July 1, 2016.
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Program Description/ Implementation Plan:	This six month delay of the GWI for non-represented employees will recur. Annual implementation date effective July 1st of each plan year.
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Program Implementation Date:	1/1/2016	When will savings begin?:	Jan-16
Other Issues:		Are these savings recurring?:	Y

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.030	\$0.000	\$0.000	\$0.000	\$0.000

Total Positions Required:

**MTA Staten Island Railway
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Other
Program: Non-Revenue Vehicle One-time Savings

Background Details:	Savings resulting from a reduction in planned purchases of non-revenue vehicles.
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Program Description/ Implementation Plan:	Savings resulting from a reduction in planned purchases of non-revenue vehicles.		
Program Implementation Date:	1/1/2016	When will savings begin?:	Jan-16
		Are these savings recurring?:	N
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.252	\$0.000	\$0.000	\$0.000	\$0.000

Total Positions Required:

**MTA STATEN ISLAND RAILWAY
2017 Final Proposed Budget
November Financial Plan 2017-2020
Positions**

2016-2020: November Financial Plan vs. July Financial Plan

Total positions of 318 in both 2016 and 2017, 319 positions in 2018 and 305 positions in both 2019 and 2020 did not change in the November Financial Plan.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
 Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019	2020
2016 July Plan - Total Baseline Positions	318	318	319	305	305
Total Plan-to-Plan Changes	0	0	0	0	0
2016 November Plan - Total Positions	318	318	319	305	305
Total Year-to-Year Changes, November Plan		0	(1)	14	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 Equivalent</i> s	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>2016 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 Other</i> ¹	0	0	0	0	0
Total	0	0	0	0	0

¹ Includes Full-time Equivalent

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Executive	11	13	13	13	13	13
General Office	9	10	10	10	10	10
Purchasing/Stores	5	6	6	6	6	6
Total Administration	25	29	29	29	29	29
Operations						
Transportation	106	107	107	107	107	107
Maintenance						
Mechanical	38	52	52	52	52	52
Electronic/Electrical	14	15	15	15	15	15
Power/Signals	22	27	27	27	27	27
Maintenance of Way	49	48	48	49	49	49
Infrastructure	28	26	26	26	26	26
Total Maintenance	151	168	168	169	169	169
Engineering/Capital						
Capital Project Support	26	14	14	14	-	-
Public Safety						
Total Public Safety	-	-	-	-	-	-
Total Positions	308	318	318	319	305	305
Non-Reimbursable	282	304	304	305	305	305
Reimbursable	26	14	14	14	-	-
Total Full-Time	308	318	318	319	305	305
Total Full-Time Equivalents						

MTA STATEN ISLAND RAILWAY
November Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 November Forecast	2017 Final Proposed Budget	2018	2019	2020
Administration						
Managers/Supervisors	18	17	17	17	17	17
Professional, Technical, Clerical	7	12	12	12	12	12
Operational Hourlies	-	-	-	-	-	-
Total Administration	<u>25</u>	<u>29</u>	<u>29</u>	<u>29</u>	<u>29</u>	<u>29</u>
Operations						
Managers/Supervisors	3	5	5	5	5	5
Professional, Technical, Clerical	4	3	3	3	3	3
Operational Hourlies	99	99	99	99	99	99
Total Operations	<u>106</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>	<u>107</u>
Maintenance						
Managers/Supervisors	12	13	13	13	13	13
Professional, Technical, Clerical	3	6	6	6	6	6
Operational Hourlies	136	149	149	150	150	150
Total Maintenance	<u>151</u>	<u>168</u>	<u>168</u>	<u>169</u>	<u>169</u>	<u>169</u>
Engineering/Capital						
Managers/Supervisors	3	3	3	3	-	-
Professional, Technical, Clerical	2	2	2	2	-	-
Operational Hourlies	21	9	9	9	-	-
Total Engineering/Capital	<u>26</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>-</u>	<u>-</u>
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Positions						
Managers/Supervisors	36	38	38	38	35	35
Professional, Technical, Clerical	16	23	23	23	21	21
Operational Hourlies	256	257	257	258	249	249
Total Positions	<u>308</u>	<u>318</u>	<u>318</u>	<u>319</u>	<u>305</u>	<u>305</u>

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