

MTA 2017 Preliminary Budget

July Financial Plan 2017-2020



Volume 2
July 2016



Metropolitan Transportation Authority

OVERVIEW

MTA 2017 Preliminary Budget July Financial Plan 2017-2020 Volume 2

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

Volume 1 consists of financial schedules supporting the complete MTA-Consolidated Financial Plan, including an Executive Summary, 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 Preliminary 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.

TABLE OF CONTENTS

VOLUME 2

I. MTA Consolidated Financial Plan

Where the Dollars Come From and Where the Dollars Go.....	I-1
Financial Plan: Statement of Operations by Category.....	I-2
Financial Plan: Cash Statements.....	I-4
Reconciliation to February Plan.....	I-6
Farebox Recovery and Operating Ratios.....	I-7

II. Major Assumptions

Agency Baseline Assumptions.....	II-1
Subsidies.....	II-35
Debt Service.....	II-71
Debt Service Affordability Statement.....	II-75
Positions (Headcount).....	II-79

III. Other MTA Consolidated Materials

Consolidated Statements of Operations by Category:	
Accrued, Cash, and Cash Conversion Detail.....	III-1
Year-to-Year Changes by Category.....	III-6
Non-Recurring Revenues and Savings, and MTA Reserves.....	III-7

IV. MTA Capital Program Information

Commitment Goals by Agency.....	IV-1
Completions by Agency.....	IV-18
Operating Impacts Exceeding \$1 Million.....	IV-31

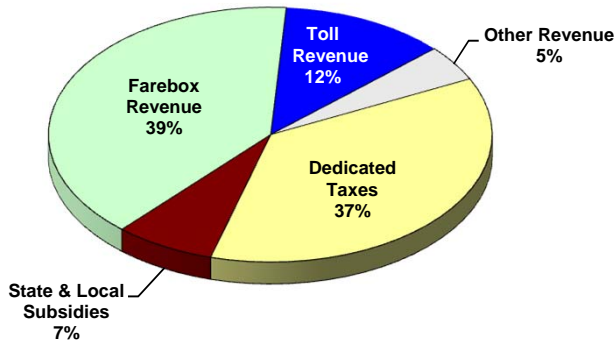
V. Agency Financial Plans

Bridges and Tunnels.....	V-1
Capital Construction Company.....	V-35
Long Island Rail Road.....	V-51
Metro-North Railroad.....	V-91
MTA Headquarters and Inspector General.....	V-141
First Mutual Transportation Assurance Co. (FMTAC).....	V-199
New York City Transit.....	V-211
MTA Bus Company.....	V-265
Staten Island Railway.....	V-303

I. MTA Consolidated Financial Plan

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

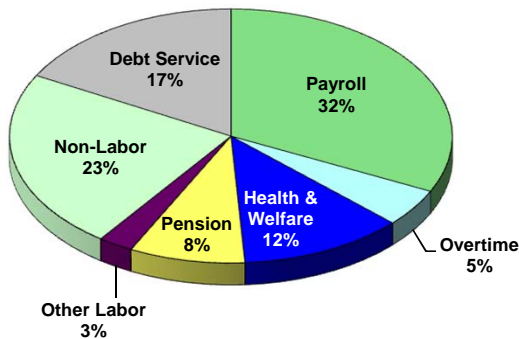
Where the Dollars Come From ...



By Revenue Source (\$ in millions)	
Farebox Revenue	\$6,071
Toll Revenue	1,862
Other Revenue	702
Dedicated Taxes	5,627
State & Local Subsidies	1,125
Total ¹	\$15,387

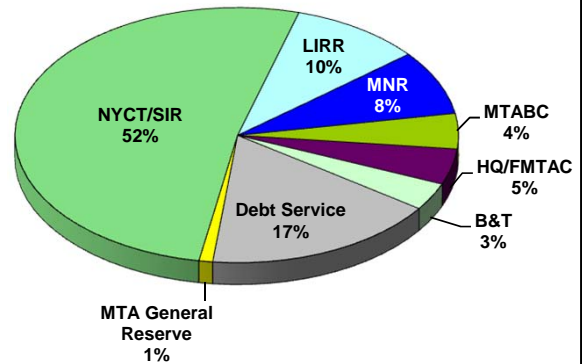
Where the Dollars Go ...

By Expense Category



By Expense Category ² (\$ in millions)	
Payroll	\$5,017
Overtime	754
Health & Welfare	1,872
Pension	1,317
Other Labor	398
Non-Labor	3,575
Debt Service	2,666
Total ¹	\$15,600

By MTA Agency



By MTA Agency ² (\$ in millions)	
NYCT/SIR	\$8,060
LIRR	1,499
MNR	1,278
MTABC	696
HQ/FMTAC	704
B&T	542
Debt Service	2,666
MTA General Reserve	155
Total ¹	\$15,600

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

Line No.	Non-Reimbursable	Actual 2015	Mid-Year Forecast 2016	Preliminary Budget 2017	2018	2019	2020
10	<u>Operating Revenue</u>						
11	Farebox Revenue	\$5,961	\$6,028	\$6,071	\$6,114	\$6,139	\$6,175
12	Toll Revenue	1,809	1,865	1,862	1,863	1,877	1,885
13	Other Revenue	689	682	702	718	741	768
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$8,459	\$8,574	\$8,635	\$8,696	\$8,757	\$8,828
17	<u>Operating Expense</u>						
18	Labor Expenses:						
19	Payroll	\$4,696	\$4,873	\$5,017	\$5,143	\$5,255	\$5,383
20	Overtime	755	749	754	764	776	793
21	Health & Welfare	1,050	1,155	1,264	1,348	1,443	1,544
22	OPEB Current Payment	502	556	608	653	708	767
23	Pensions	1,249	1,012	1,317	1,325	1,323	1,310
24	Other-Fringe Benefits	861	762	790	820	840	865
25	Reimbursable Overhead	(380)	(408)	(392)	(384)	(387)	(387)
26	Sub-total Labor Expenses	\$8,732	\$8,698	\$9,359	\$9,670	\$9,960	\$10,275
28	Non-Labor Expenses:						
29	Electric Power	\$474	\$423	\$524	\$555	\$588	\$628
30	Fuel	162	126	152	160	178	200
31	Insurance	57	44	51	60	66	76
32	Claims	331	272	281	287	295	301
33	Paratransit Service Contracts	379	391	411	435	472	511
34	Maintenance and Other Operating Contracts	579	715	712	690	697	724
35	Professional Service Contracts	380	511	441	437	423	438
36	Materials & Supplies	543	628	627	632	632	660
37	Other Business Expenses	196	179	174	183	184	189
38	Sub-total Non-Labor Expenses	\$3,101	\$3,287	\$3,374	\$3,440	\$3,535	\$3,727
40	Other Expense Adjustments:						
41	Other	\$37	\$53	\$46	\$47	\$50	\$51
42	General Reserve	0	145	155	160	165	170
43	Sub-total Other Expense Adjustments	\$37	\$198	\$201	\$207	\$215	\$221
45	Total Operating Expense before Non-Cash Liability Adj.	\$11,871	\$12,184	\$12,934	\$13,317	\$13,709	\$14,223
47	Depreciation	\$2,443	\$2,503	\$2,581	\$2,653	\$2,722	\$2,788
48	OPEB Liability Adjustment	1,490	1,848	1,939	2,008	2,081	2,158
49	GASB 68 Pension Expense Adjustment	(410)	172	(89)	(101)	(98)	(127)
50	Environmental Remediation	21	6	7	7	7	7
52	Total Operating Expense after Non-Cash Liability Adj.	\$15,414	\$16,712	\$17,373	\$17,884	\$18,422	\$19,049
54	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,543	\$4,529	\$4,439	\$4,567	\$4,713	\$4,826
56	Debt Service (excludes Service Contract Bonds)	(2,373)	(2,501)	(2,666)	(2,815)	(2,984)	(3,144)
58	Total Operating Expense with Debt Service	\$14,244	\$14,685	\$15,600	\$16,132	\$16,693	\$17,367
60	Dedicated Taxes and State/Local Subsidies	\$6,609	\$6,734	\$6,793	\$6,944	\$7,107	\$7,322
62	Net Surplus/(Deficit) After Subsidies and Debt Service	\$824	\$623	(\$172)	(\$493)	(\$829)	(\$1,217)
64	Conversion to Cash Basis: GASB Account	(0)	0	0	(8)	(19)	(30)
65	Conversion to Cash Basis: All Other	(674)	(630)	(275)	162	(61)	39
67	CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	\$150	(\$7)	(\$447)	(\$339)	(\$908)	(\$1,208)

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

Line No	Non-Reimbursable	Actual 2015	Mid-Year Forecast 2016	Preliminary Budget 2017	2018	2019	2020
9	<u>Total Operating Revenue</u>						
10	New York City Transit	\$4,827	\$4,838	\$4,879	\$4,923	\$4,961	\$5,012
11	Bridges and Tunnels	1,845	1,891	1,888	1,889	1,902	1,910
12	Long Island Rail Road	751	765	771	772	774	777
13	Metro-North Railroad	740	764	785	795	800	806
14	MTA Bus Company	233	231	232	233	234	235
15	MTA Headquarters	50	54	50	53	54	56
16	Staten Island Railway	9	9	9	9	9	9
17	First Mutual Transportation Assurance Company	4	21	22	22	23	23
18	Total	\$8,459	\$8,574	\$8,635	\$8,696	\$8,757	\$8,828
20	<u>Total Operating Expenses before Non-Cash Liability Adjs. ¹</u>						
21	New York City Transit	\$7,475	\$7,371	\$7,997	\$8,213	\$8,491	\$8,816
22	Bridges and Tunnels	453	514	542	563	580	593
23	Long Island Rail Road	1,355	1,471	1,499	1,583	1,633	1,746
24	Metro-North Railroad	1,195	1,219	1,278	1,328	1,356	1,386
25	MTA Bus Company	674	672	696	718	730	736
26	MTA Headquarters	603	691	677	677	677	701
27	Staten Island Railway	50	66	63	52	53	55
28	First Mutual Transportation Assurance Company	28	4	5	1	(2)	(6)
29	Other	37	175	177	183	189	195
30	Total	\$11,871	\$12,184	\$12,934	\$13,317	\$13,709	\$14,223
32	<u>Depreciation</u>						
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	333	337	340	344	347
36	Metro-North Railroad	231	237	237	237	237	237
37	MTA Bus Company	50	42	43	44	44	44
38	MTA Headquarters	27	34	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	\$2,503	\$2,581	\$2,653	\$2,722	\$2,788
43	<u>OPEB Liability Adjustment</u>						
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	78	106	108	113	118
50	Staten Island Railway	7	8	8	8	8	8
51	Total	\$1,490	\$1,848	\$1,939	\$2,008	\$2,081	\$2,158
53	<u>GASB 68 Pension Expense Adjustment</u>						
54	New York City Transit	(\$315)	(\$9)	(\$291)	(\$302)	(\$294)	(\$301)
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)	(8)	(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)	\$172	(\$89)	(\$101)	(\$98)	(\$127)
63	<u>Environmental Remediation</u>						
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	5	5	5	5
68	MTA Bus Company	0	0	0	0	0	0
69	Staten Island Railway	1	0	0	0	0	0
70	Total	\$21	\$6	\$7	\$7	\$7	\$7
72	<u>Net Surplus/(Deficit) ¹</u>						
73	New York City Transit	(\$5,169)	(\$5,695)	(\$6,107)	(\$6,377)	(\$6,738)	(\$7,120)
74	Bridges and Tunnels	1,220	1,201	1,156	1,123	1,105	1,083
75	Long Island Rail Road	(986)	(1,294)	(1,327)	(1,414)	(1,470)	(1,575)
76	Metro-North Railroad	(721)	(757)	(800)	(842)	(859)	(877)
77	MTA Bus Company	(540)	(623)	(650)	(671)	(682)	(683)
78	MTA Headquarters	(642)	(739)	(779)	(787)	(796)	(824)
79	Staten Island Railway	(56)	(73)	(69)	(58)	(59)	(61)
80	First Mutual Transportation Assurance Company	(24)	17	17	21	24	30
81	Long Island Bus	0	0	0	0	0	0
81	Other	(37)	(175)	(177)	(183)	(189)	(195)
	Total	(\$6,955)	(\$8,138)	(\$8,738)	(\$9,188)	(\$9,665)	(\$10,221)

Notes: ¹ Excludes Debt Service

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

Line No	Cash Receipts and Expenditures	Actual 2015	Mid-Year Forecast 2016	Preliminary Budget 2017	2018	2019	2020
7	Cash Receipts and Expenditures						
8		Actual	Forecast	Budget			
9		<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
10	Receipts						
11	Farebox Revenue	\$6,001	\$6,053	\$6,096	\$6,139	\$6,164	\$6,201
12	Other Operating Revenue	718	742	711	840	768	809
13	Capital and Other Reimbursements	1,863	1,955	1,866	1,848	1,857	1,848
14	Total Receipts	\$8,583	\$8,750	\$8,673	\$8,828	\$8,789	\$8,858
15							
16	Expenditures						
17	Labor:						
18	Payroll	\$5,245	\$5,386	\$5,503	\$5,613	\$5,729	\$5,856
19	Overtime	955	880	870	877	890	910
20	Health and Welfare	1,109	1,176	1,301	1,379	1,475	1,574
21	OPEB Current Payment	496	543	599	644	698	757
22	Pensions	1,285	1,382	1,365	1,371	1,369	1,356
23	Other Fringe Benefits	795	823	837	859	875	897
24	Contribution to GASB Fund	0	0	0	8	19	30
25	Reimbursable Overhead	0	0	(0)	(0)	(0)	(0)
26	Total Labor Expenditures	\$9,886	\$10,190	\$10,475	\$10,751	\$11,055	\$11,379
27							
28	Non-Labor:						
29	Electric Power	\$485	\$419	\$518	\$548	\$581	\$620
30	Fuel	165	123	149	157	173	194
31	Insurance	58	40	48	58	65	73
32	Claims	269	248	269	239	248	255
33	Paratransit Service Contracts	381	389	409	433	470	509
34	Maintenance and Other Operating Contracts	522	681	646	590	594	618
35	Professional Service Contracts	314	575	443	432	411	416
36	Materials & Supplies	727	744	753	770	769	800
37	Other Business Expenditures	213	194	208	221	205	205
38	Total Non-Labor Expenditures	\$3,133	\$3,412	\$3,442	\$3,449	\$3,515	\$3,691
39							
40	Other Expenditure Adjustments:						
41	Other	\$33	\$138	\$125	\$158	\$113	\$120
42	General Reserve	0	145	155	160	165	170
43	Total Other Expenditure Adjustments	\$33	\$283	\$280	\$318	\$278	\$290
44							
45	Total Expenditures	\$13,052	\$13,885	\$14,197	\$14,518	\$14,848	\$15,360
46							
47	Net Cash Deficit Before Subsidies and Debt Service	(\$4,469)	(\$5,135)	(\$5,524)	(\$5,691)	(\$6,059)	(6,502)
48							
49	Dedicated Taxes and State/Local Subsidies	\$6,357	\$6,956	\$7,046	\$7,456	\$7,386	\$7,658
50	Debt Service (excludes Service Contract Bonds)	(\$1,738)	(\$1,828)	(\$1,969)	(\$2,105)	(\$2,236)	(2,364)
51							
52	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$150	(\$7)	(\$447)	(\$339)	(\$908)	(\$1,208)

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

Line Number		Actual	Mid-Year Forecast	Preliminary Budget			
		<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
9	<u>Total Receipts</u>						
10	New York City Transit	\$5,945	\$5,983	\$5,870	\$5,930	\$5,967	\$6,003
11	Long Island Rail Road	1,113	1,069	1,074	1,068	1,064	1,069
12	Metro-North Railroad	948	1,030	1,089	1,081	1,101	1,113
13	MTA Bus Company	236	241	243	244	248	249
14	MTA Headquarters	297	351	326	433	337	353
15	Staten Island Railway	11	16	12	11	11	10
16	Capital Construction Company	29	38	37	38	39	37
17	First Mutual Transportation Assurance Company	4	21	22	22	23	23
18	Total	\$8,583	\$8,750	\$8,673	\$8,828	\$8,789	\$8,858
19							
20	<u>Total Expenditures</u>						
21	New York City Transit	\$8,403	\$8,658	\$8,912	\$9,113	\$9,410	\$9,724
22	Long Island Rail Road	1,699	1,785	1,809	1,889	1,940	2,059
23	Metro-North Railroad	1,528	1,538	1,663	1,664	1,681	1,733
24	MTA Bus Company	632	704	695	717	730	736
25	MTA Headquarters	702	932	856	879	822	835
26	Staten Island Railway	51	79	66	54	55	56
27	Capital Construction Company	29	38	37	38	39	37
28	First Mutual Transportation Assurance Company	4	21	22	22	23	23
29	Other	3	129	137	143	149	157
30	Total	\$13,052	\$13,885	\$14,197	\$14,518	\$14,848	\$15,360
31							
32	<u>Net Cash Surplus/(Deficit)</u>						
33	New York City Transit	(\$2,458)	(\$2,675)	(\$3,042)	(\$3,183)	(3,443)	(3,721)
34	Long Island Rail Road	(586)	(716)	(735)	(821)	(876)	(989)
35	Metro-North Railroad	(580)	(508)	(574)	(583)	(580)	(621)
36	MTA Bus Company	(396)	(463)	(452)	(472)	(482)	(487)
37	MTA Headquarters	(405)	(581)	(530)	(446)	(485)	(482)
38	Staten Island Railway	(40)	(63)	(54)	(42)	(44)	(46)
39	Capital Construction Company	-	-	-	-	-	-
40	First Mutual Transportation Assurance Company	-	-	-	-	-	-
41	Other	(3)	(129)	(137)	(143)	(149)	(157)
42	Total	(\$4,469)	(\$5,135)	(\$5,524)	(\$5,691)	(\$6,059)	(\$6,502)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2017-2020
MTA Consolidated July Financial Plan Compared with February Financial Plan
Cash Reconciliation
(\$ in millions)

	Favorable/(Unfavorable)			
	2016	2017	2018	2019
FEBRUARY FINANCIAL PLAN 2016-2019				
NET CASH SURPLUS/(DEFICIT)	(\$246)	(\$485)	(\$466)	(\$1,010)
Agency Baseline Adjustments	\$99	(\$231)	(\$55)	(\$86)
<i>Farebox/Toll Revenue</i>	11	(3)	(12)	(12)
<i>Rates:</i>				
<i>Pension (Cash)</i>	(71)	(87)	(102)	(86)
<i>Health & Welfare (includes retirees) ¹</i>	29	(24)	(23)	(28)
<i>Energy</i>	135	41	59	69
<i>Insurance</i>	11	9	7	10
<i>MTA Relocation Adjustments ²</i>	(18)	(100)	96	(15)
<i>Other Baseline Re-estimates (includes timing) ³</i>	1	(67)	(80)	(23)
New Needs/Investments	(\$112)	(\$100)	(\$139)	(\$108)
<i>Customer Amenities/Priority Initiatives</i>	(50)	(47)	(34)	(26)
<i>Maintenance/Operations</i>	(13)	0	(46)	(38)
<i>Information Technology</i>	(34)	(16)	(19)	(5)
<i>Service Adjustments/Service Support</i>	(8)	(14)	(17)	(18)
<i>Safety & Security</i>	0	(10)	(13)	(11)
<i>All Other New Needs</i>	(8)	(13)	(11)	(11)
Savings Programs	\$101	\$63	\$77	\$80
<i>2016 BRP (New Savings Programs)</i>	101	63	77	80
MTA Adjustments	\$5	\$0	\$0	\$0
<i>General Reserve</i>	5	0	0	0
Subsidies	\$5	\$97	\$9	\$2
<i>Metropolitan Mass Transportation Operating Assistance</i>	(0)	(28)	(30)	(45)
<i>Petroleum Business Tax</i>	11	11	9	5
<i>Real Estate Taxes</i>	47	18	(11)	(43)
<i>Payroll Mobility Tax</i>	6	(14)	(9)	(9)
<i>Other Subsidy Adjustments:</i>				
<i>Forward Energy Contracts</i>	(29)	(1)	0	0
<i>Committed to Capital: 2010-2014 Capital Program</i>	0	0	0	8
<i>Committed to Capital: 2015-2019 Capital Program</i>	0	0	0	(8)
<i>Other Funding Agreements</i>	(100)	83	29	57
<i>B&T Operating Surplus Transfer</i>	70	32	28	37
<i>Other Subsidies</i>	1	(5)	(6)	(1)
Debt Service	\$142	\$208	\$235	\$214
<i>Savings from lower unhedged variable rate</i>	48	0	0	0
<i>Refunding savings</i>	10	28	26	21
<i>Savings from lower interest rates on new money bonds</i>	4	15	30	48
<i>Savings from Hudson Yards lease securitization</i>	12	37	51	51
<i>Delayed issuance of new money bonds</i>	69	127	127	93
JULY FINANCIAL PLAN 2017-2020				
NET CASH SURPLUS/(DEFICIT)	(\$7)	(\$447)	(\$339)	(\$908)

* Totals may not add due to rounding

¹ Health & Welfare was adjusted to eliminate duplicated savings within the line "2016 BRP (New Savings Program)."

² Changes in recoveries from the disposition of the Madison Avenue buildings.

³ Changes capture timing differences, including changes in reimbursable assumptions, revised inflation forecasts and adjustments for operating capital and cash.

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

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2017-2020
Baseline Farebox Recovery and Farebox Operating Ratios

FAREBOX RECOVERY RATIOS						
	Actual 2015	Mid-Year Forecast 2016	Plan 2017	Plan 2018	Plan 2019	Plan 2020
New York City Transit	40.2%	38.2%	36.8%	36.0%	34.7%	33.5%
Staten Island Railway	10.7%	9.2%	9.5%	11.0%	10.8%	10.6%
Long Island Rail Road	33.9%	29.6%	29.0%	27.9%	27.1%	25.7%
Metro-North Railroad	42.6%	42.6%	41.8%	41.0%	40.4%	39.9%
Bus Company	<u>27.9%</u>	<u>25.3%</u>	<u>24.6%</u>	<u>24.1%</u>	<u>23.9%</u>	<u>24.0%</u>
MTA Total Agency Average	38.9%	36.6%	35.4%	34.6%	33.5%	32.4%

FAREBOX OPERATING RATIOS						
	Actual 2015	Mid-Year Forecast 2016	Plan 2017	Plan 2018	Plan 2019	Plan 2020
New York City Transit	59.6%	60.8%	56.4%	55.3%	53.7%	52.0%
Staten Island Railway	16.3%	12.8%	13.5%	16.6%	16.2%	15.8%
Long Island Rail Road	51.0%	47.4%	47.4%	45.0%	43.7%	41.0%
Metro-North Railroad	60.5%	61.3%	59.1%	58.5%	59.1%	58.4%
Bus Company	<u>33.1%</u>	<u>33.4%</u>	<u>32.4%</u>	<u>31.5%</u>	<u>31.1%</u>	<u>31.0%</u>
MTA Total Agency Average	56.7%	57.0%	53.8%	52.6%	51.4%	49.8%

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.

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II. Major Assumptions

Agency Baseline Assumptions

Agency Baseline Assumptions

The July Financial Plan (the “Plan”) consists of the 2016 Mid-Year Forecast, the 2017 Preliminary Budget, and 2018 to 2020 projections. Plan-to-plan changes compare the July Plan with the February Plan (2016 through 2019), capturing programmatic changes and re-estimates of revenues and expenses. Volume II of the July Plan captures only the Baseline forecast, which excludes certain Policy and other “below-the-line” adjustments that are highlighted and captured in Volume I of this two-volume Plan submission. This Baseline analysis, therefore, excludes fare and toll increases proposed for 2017 and 2019, and savings targets that have not yet been approved and implemented. This section focuses on Agency forecasts; subsidies and debt service are covered in other sections of this Volume.

In developing the Plan, Agencies were instructed to adhere to the spending envelope contained in the February Plan. In addition, each Agency was apportioned a share of \$40 million¹ recurring savings target that had been unidentified and captured “below-the-line” in February. Agencies met this target and identified additional efficiency savings. While the July Plan captures overall unfavorable farebox revenue and re-estimates in expenses (principally pensions), favorable trends in toll revenue are expected to continue.

The July Plan funds key initiatives critical to improving the overall travel experience for MTA customers. Customer-oriented investments (funded either by the capital program or the operating budget) include providing customers with Wi-Fi access in all underground stations and buses, USB charging stations and onboard audio-visual technology on buses and 600 existing subway cars, “On-the-Go” kiosks, digital real-time information screens, station enhancements, zero-emission electric buses (pilot), and countdown clocks. Those capital projects, once completed, require operating funding for operations, maintenance and cleaning.

The Plan provides for funding new investments in maintenance, service, and safety. Investments include costs to perform overhauls on select fleet, e.g., buses, on four-year cycles at NYCT and MTA Bus, and the diesel locomotive fleet at MNR. Investments in service include the launching of new Select Bus Service routes in MTA Bus and NYCT territories. Investments also include increasing the frequency of service to the Mets-Willets Point Station and augmenting service to the east end of Long Island for LIRR customers; and reducing overcrowding and complying with loading and headway guidelines at NYCT, MTA Bus and the LIRR. The Plan also captures operating expenses associated with “mega” projects including the Fulton Street Transit Center, 7 Line Extension, Second Avenue Subway, and East Side Access. Additional investments are made to augment existing safety and security measures designed to keep pedestrians and customers, and MTA employees and assets, safe, including the “Don’t

¹ The February Plan carried a \$73 million unidentified deficit reduction target (MTA Efficiencies Not Yet Implemented). The Agencies were apportioned \$40 million directly, leaving \$33 million to be solved with MTA-wide initiatives developed at MTAHQ.

Block the Box” grade crossing initiative, onboard vehicle cameras, “Help Point” intercoms, and security operations at MNR, MTAHQ and MTA Bus.

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

Baseline Changes from February Plan

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

<u>AGENCY BASELINE</u>				
<u>JULY CHANGES FROM FEBRUARY PLAN</u>				
Favorable/(Unfavorable)				
(\$ in millions)				
	2016	2017	2018	2019
Agency Baseline Adjustments	\$99	(\$231)	(\$55)	(\$86)
Farebox/Toll Revenue	11	(3)	(12)	(12)
Rates:				
Pensions (Cash)	(71)	(87)	(102)	(86)
Health & Welfare (including retirees) ¹	29	(24)	(23)	(28)
Energy	135	41	59	69
Insurance	11	9	7	10
MTA Relocation Adjustments ²	(18)	(100)	96	(15)
Other Baseline Re-estimates (includes timing) ³	1	(67)	(80)	(23)
New Needs/Investments	(\$112)	(\$100)	(\$139)	(\$108)
Customer Experience Improvements	(50)	(47)	(34)	(26)
Maintenance/Operations	(13)	0	(46)	(38)
Information Technology	(34)	(16)	(19)	(5)
Service Adjustments/Service Support	(8)	(14)	(17)	(18)
Safety & Security	0	(10)	(13)	(11)
All Other New Needs	(8)	(13)	(11)	(11)
Savings Programs	\$101	\$63	\$77	\$80
2016 BRP (New Savings Programs)	101	63	77	80
MTA Adjustments	\$5	\$0	\$0	\$0
General Reserve	5	0	0	0
Net Cash Baseline Changes	\$92	(\$268)	(\$117)	(\$114)
¹ Health & Welfare was adjusted to eliminate duplicated savings within the line "2016 BRP (New Savings Program)." ² Changes in recoveries from the disposition of the Madison Avenue buildings. ³ Changes capture timing differences including changes in reimbursable assumptions, revised inflation forecasts, and adjustments for operating capital and cash. NOTE: B&T Operating Surplus Transfer is captured as a subsidy. While B&T's impacts are also captured in individual reconciliation categories in the Agency Baseline Adjustments above, the duplication is eliminated within the line "Other Baseline Re-estimates."				

Agency Baseline Adjustments:

The July Plan captures revenue and expense re-estimates that are overall unfavorable. Farebox revenue is projected to decline, however, favorable toll and other operating revenue mostly offset this. On the expense side, pensions, worker's compensation reserve requirements, procured services, public liability claims, health & welfare, and materials & supplies costs are all increasing.

New Needs/Investments:

The Plan funds initiatives that improve the customer experience, which either augment or accelerate scheduled projects. The MTA also continues to take steps to improve the reliability, efficiency and performance of its fleet, facilities and infrastructure. The Baseline captures new mandated annual compliance training and policy certifications for all employees, and numerous MTA-wide information technology-related investments.

Below lists major Plan investments by subject:

Customer Experience Improvements (Priority Projects):

NYCT:

- Accelerate the installation of a wireless network, providing Wi-Fi to all underground stations by the end of 2016.
- Develop underlying station aesthetics through design innovation at 31 stations located throughout the five boroughs.
- Install digital real-time information display signs and USB stations for charging smart devices on 600 existing subway cars and on buses.
- Launch an intensive two-week cleaning blitz program for all station tracks throughout the system.
- Augment fleet by placing into revenue service ten leased all electric buses (AEBs) as part of a Zero Emission Initiative pilot.

LIRR:

- Provide ushers to support customers during construction of the Farley-Moynihan Station.

B&T:

- Increase use of alternative project delivery methods, i.e. design-build for capital work.

MTA Bus:

- Install and manage new amenities on fleet, including USB charging ports, onboard audio-video monitors and customer Wi-Fi access.

MTA PD and MNR:

- Expand homeless outreach programs, covering all outlying MNR stations and establishing a unit within the MTA PD.

Maintenance/Operations:

NYCT:

- Improve road operations and develop a Service Management Plan, creating improved route workflow information, performing terminal checks, creating a lead dispatcher program, increasing training, and ensuring effective use of available technologies to enhance service reliability and performance.
- Enhance monitoring and testing of underground storage tanks to ensure compliance with new federal regulatory requirements.
- Accelerate and augment efforts in mitigating third rail and track defects.

LIRR:

- Improve cleaning and maintenance of elevator, escalator and HVAC systems at the expanded West End concourse of Penn Station.
- Maintain fiber optic network equipment along the right-of-way.
- Expedite repairs and replacement of M7 and C3 fleet seat covers.

MNR:

- Implement a Reliability Cycle Maintenance (RCM) program on diesel locomotives and perform related shop repairs. Increase wheel supply and other components of M3 and M2 fleet in order to ensure revenue-service operability.
- Provide for a more efficient process for scheduling mandatory train engineer and conductor training, enabling MNR to provide better service coverage utilizing straight-time rather than overtime.

B&T:

- Expand the toll systems maintenance group to accommodate the growth in its All Electronic Tolling (AET) and Open Road Tolling (ORT) initiatives.

MTA Bus:

- Support for an account-based New Fare Payment System.
- Replace and establish an appropriate supply of diesel bus engine particulate filters (Continuously Re-generating Technology (CRT) filters) with emissions reduction capability.
- Revise the Shop Program, including production and staff re-alignment to better manage four-year cycle overhaul maintenance work, provide material needs for the new CNG fleet, and restructure the hybrid bus repowering plan.
- Support increased production levels and maintenance work of the Central Maintenance Facility (CMF) and Central Maintenance Office (CMO).
- Enhance monitoring and testing of underground storage tanks to ensure compliance with new federal regulatory requirements.

Service Adjustments/Service Support:

NYCT:

- Enhance the evaluation and expand management of its current platform controller program in 2016 and expand the program in 2017 to provide project management coverage on the Lexington Avenue line.
- Implement increased “platform” service adjustments required to improve subway and bus reliability, frequency of service in response to guidelines, street congestion, ridership trends and maintenance requirements.

LIRR:

- Increase frequency of service to the Mets-Willets Point Station.
- On the North Fork, extend Greenport weekend service to year-round (currently it is available only between May and November) and add passenger coaches to existing trains on weekends during the summer season.
- On the South Fork, add trains during the peak summer season that are timed to connect with Fire Island ferries along the Montauk Branch.
- Reduce overcrowding and comply with loading and headway guidelines.

MTA Bus

- Expand Select Bus Service (SBS) to four routes as part of a strategy to improve service and ease street congestion.

Safety & Security:

MTAHQ

- Support the “Don’t Block the Box” safety initiative, increasing the markings around grade crossings, and provide new signage and technologies that will visually and audibly warn drivers when they are stopped on tracks, and improve its public education and awareness campaign.

NYCT

- Increase lifecycle maintenance on GPS technology and wireless communications for bus real-time information and on-bus cameras as components come off vendor warranty.
- Increase resources for the Electronic Maintenance and Corporate Communications Divisions responsible for maintaining, monitoring, and responding to calls from the 2,700 Help Point Intercoms that are located throughout the subway system.

LIRR:

- Expand and enhance security operations and video management capabilities.

MTA Bus:

- Expand and enhance electronic security system functions, including CCTV systems, and programming, inspection, and analysis of card readers used to monitor and control access to depots.

All Other New Needs:

MTAHQ:

- Invest in various IT equipment, hardware, software and services, including migration to the new Avaya VOIP system, network cable maintenance and upgrades, diagnostic software maintenance, agency dedicated support, e.g., MTA Bus New Fare System, IT security, infrastructure and application upgrades and replacement, data center maintenance and support, and customer service.
- Upgrade the MTA Police software, Tiburon Public Safety suite, which is used primarily to perform computer aided dispatching, records management, crime analysis, and fleet and summons management. Also, the Plan funds upgrades in Peoplesoft and pension systems at the Business Service Center.

Overtime:

Overtime re-estimates in 2016 mainly capture the impact of overages sustained during the first quarter of the year due to winter storms, which are now captured within the baseline and increases the five-year rolling average used to project weather-related coverage. Funding also supports intensified track defect remediation and cleaning efforts, service investments, and training requirements. These adjustments increase overtime expense on average by less than one-half of one percent, over the course of the Plan, and the baseline maintains the funding requirements that were deemed necessary to right-size this critical and necessary component of MTA operations. Through May, overtime is \$6 million or 2% over budget. In comparison, the overage in overtime at this point last year exceeded the budget by \$46 million or 17%.

MTA management promotes sustainable management programs that reduce overtime levels in controllable types of overtime, e.g. vacancy/absentee coverage, scheduled service and routine maintenance. Improved forecasting and efficiencies in overtime are expected through better scheduling of work, optimizing overtime vs. straight-time, accelerating maintenance work during scheduled track outages, and utilizing new management tools to approve and analyze overtime usage. It is expected that efficiencies will be realized by these efforts and result in savings.

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 continues to identify new opportunities for efficiencies and raising the savings target. In this Plan, the MTA is committing to achieving additional efficiency savings in annual increments of \$50 million beginning in 2017 with savings from these new targets growing to \$200 million in 2020. The total annual savings of these programs initiated since 2010 are expected to approach \$2 billion by 2020 (see Volume I).

The 2016 MTA Budget Reduction Program identifies approximately \$402 million in greater savings over the course of the July Plan. These savings programs will eliminate 177 positions by end of the Plan period and reduce the deficit by \$101 million in 2016, \$63 million in 2017, \$77 million in 2018, \$80 million in 2019 and \$82 million in 2020. All BRPs have been incorporated into Agency baselines within the category construct of the MTA's traditional financial statements.

METROPOLITAN TRANSPORTATION AUTHORITY
July 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	46.7	95	29.9	95	43.3	109	46.5	109	47.6
Long Island Rail Road	-	4.8	-	5.6	-	5.6	-	5.6	-	5.6
Metro-North Railroad	-	13.1	-	3.6	-	3.6	-	3.6	-	3.6
Bridges & Tunnels	-	9.8	-	0.0	-	0.0	-	0.0	-	0.0
MTA Headquarters	67	22.0	67	23.3	67	23.8	67	24.1	67	24.5
Total (Excluding MTA Bus)	93	\$96.3	162	\$62.4	162	\$76.2	176	\$79.8	176	\$81.2
MTA Bus	4	4.5	(6)	0.3	-	0.5	-	0.3	1	0.5
Total	97	\$100.9	156	\$62.7	162	\$76.7	176	\$80.1	177	\$81.7
Category:										
Administration	74	43.5	120	42.8	120	44.9	120	45.2	120	45.5
Customer Convenience/Amenities	-	1.1	-	0.7	-	0.7	14	2.2	14	2.2
Maintenance/Inventory	16	18.8	40	9.9	40	9.9	40	9.9	40	9.9
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	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Other	-	10.0	-	0.0	-	0.0	-	0.0	-	0.0
Total (Excluding MTA Bus)	93	\$96.3	162	\$62.4	162	\$76.2	176	\$79.8	176	\$81.2
MTA Bus - Other	4	4.5	(6)	0.3	-	0.5	-	0.3	1	0.5
Total	97	\$100.9	156	\$62.7	162	\$76.7	176	\$80.1	177	\$81.7

Major budget reduction initiatives, comprising the total 2016 BRPs—Programmatic 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.

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:

- Revise assumptions for operating capital projects.

B&T BRP Savings:

- Realize “one-shot” vacancy savings in 2016.

MTAHQ BRP Savings:

- Reduce IT non-payroll expenses and positions by 7% (67 positions) – efficiency savings resulting from centralized Information Technology (IT) services (IT achieved a 6% reduction in 2015).
- Establish an additional annual IT savings target of \$8 million, beginning in 2017.
- Reduce MTA PD expenses for facilities maintenance and repairs, professional services, vehicle purchases and repair, and energy.

MTA Bus BRP Savings:

- Realize efficiencies in the shop program.
- Realize fuel economies from new bus fleet.

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
July Financial Plan 2017-2020
Operating Budget Impacts of Capital "Mega" Projects
(\$ in millions)

	2016 Mid-Year Forecast		2017 Preliminary 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	2.363	203	27.112	335	50.759	494	96.582
MTAHQ	-	-	-	-	-	-	30	0.894	75	6.274
Subtotal	0	\$ -	19	\$ 2.363	203	\$ 27.112	365	\$ 51.654	569	\$ 102.856
2nd Avenue Subway										
<i>Revenue Service Date: December 2016</i>										
NYCT	392	11.262	392	45.379	387	46.483	384	47.941	384	49.905
Subtotal	392	\$ 11.262	392	\$ 45.379	387	\$ 46.483	384	\$ 47.941	384	\$ 49.905
7-Line Extension										
<i>Revenue Service Date: September 2015</i>										
NYCT	182	18.494	184	18.863	184	19.550	184	20.280	184	21.057
Subtotal	182	\$ 18.494	184	\$ 18.863	184	\$ 19.550	184	\$ 20.280	184	\$ 21.057
Fulton St Transit Center										
<i>Revenue Service Date: Nov 2014</i>										
NYCT	35	9.333	35	9.333	35	9.704	35	10.098	35	10.515
Subtotal	35	\$ 9.333	35	\$ 9.333	35	\$ 9.704	35	\$ 10.098	35	\$ 10.515
TOTAL	609	\$ 39.089	630	\$ 75.938	809	\$ 102.849	968	\$ 129.973	1,172	\$ 184.333

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 850 thousand crossings at MTA Bridges & Tunnels facilities.

The use of MTA services varies with a number of factors, and perhaps most important among these is the health of the regional economy. Since hitting recessionary lows in 2010, and as the regional economy has gradually recovered, employment levels have steadily improved. Utilization, as measured by 12-month average ridership levels, also improved through most of this period, but leveled off at the start of 2015 and, by the last quarter of 2015, began to slightly decline. The July Financial Plan incorporates updated forecasts of regional employment and is reflected in these revised utilization estimates. Employment projections are now higher than those used in the February Plan for each year, with the latest 2019 employment forecast surpassing the February Plan employment projection by 21.6 thousand; by 2020, the number of jobs in New York City is expected to reach 4.35 million. Changes in utilization levels for B&T and the Commuter Railroads reflect this improvement, while utilization levels for NYCT and MTA Bus have seemed to plateau – at least in the short-term – and are significantly lower in this Plan than projected in the February Plan. The relationship between employment levels and subway and bus ridership appears to have reverted to a dynamic more consistent with the long-term relationship between employment and ridership, rather than that of the past few years when ridership 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.

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.

Utilization figures presented in this section include fare media liability and farebox revenue for paratransit operations at NYCT; this is a change from prior financial plans, when fare media liability and paratransit farebox revenue were omitted from this section of the report, and their inclusion results in consistency with the figures reported in the consolidated financial tables. MNR's West-of-Hudson operations are not included in this section; in the Agency and MTA consolidated financial tables, West-of-Hudson utilization is netted against expenses and is not included in farebox revenue.

The 2016 Mid-Year Forecast for MTA consolidated ridership is projected to total 2,725 million passengers, while crossings are expected to reach 305 million at B&T facilities. Consolidated ridership is projected to increase by 1 million trips (0.03%) over 2015 ridership, while B&T traffic is forecast to grow by 7 million crossings (3%). NYCT ridership (combined subway, bus and paratransit) is projected to total 2,421 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 86 million for MNR's East-of-Hudson operations. Ridership for MTA Bus is projected to be 124 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 and SIR is expected to increase – along with B&T traffic – while ridership for NYCT and MTA Bus 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 2016 is more of a reflection of overall ridership trends. As noted earlier, NYC employment has continued to increase, but Subway and Bus ridership has plateaued during 2016 while utilization at the other MTA Agencies has continued to increase. Consolidated ridership is expected to fall short of the Adopted Budget forecast by 54 million trips (2%), while B&T traffic is expected to surpass the Adopted Budget forecast by 9 million trips, a 3% improvement. The plan-to-plan ridership shortfall is predominately at NYCT, where ridership is projected to be lower by 52 million trips, or 2%, and at MTA Bus, which is expecting ridership to fall short by 3 million trips, or 3%. Ridership projections have been increased over the Adopted Budget levels for LIRR, up 1 million trips or 1%, and MNR, up 0.4 million trips or 0.4%; the SIR ridership forecast is essentially unchanged. For NYCT, the ridership growth expected in the Adopted Budget has not materialized to date, and the Mid-Year Forecast reflects ridership levels essentially unchanged from 2015; the NYCT forecast revision also includes a reduction of 4 million trips due to the weather issues experienced in January and February.

MTA consolidated farebox revenue for the 2016 Mid-Year Forecast is expected to be \$6,028 million, and toll revenue is expected to be \$1,865 million. Consolidated farebox revenue is projected to increase by \$66 million (1%), while B&T toll revenue is expected to grow by \$56 million (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 \$4,400 million, accounting for 73% of MTA consolidated farebox revenue. LIRR and MNR's East-of-Hudson operations each account for 12% of consolidated farebox revenue, with LIRR projected at \$710 million and MNR projected at \$700 million. MTA Bus farebox revenue is forecast to be \$210 million, comprising 3% 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 MTA Bus. 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 lower than the Adopted Budget by \$45 million (1%), while B&T toll revenue is projected to exceed the Adopted Budget by \$56 million (3%). Plan-to-plan shortfalls in farebox revenue is concentrated at NYCT, where farebox revenue is projected to be lower by \$55 million trips, or 1%, and at MTA Bus, which is expecting farebox revenue to fall short by \$4 million trips, or 2%. Farebox revenue projections have been increased over the Adopted Budget levels for LIRR, up \$8 million or 1%, and MNR, up \$6 million or 1%; the SIR farebox revenue forecast, while down 1%, is projected to fall short of the Adopted Budget by just \$0.1 million. For NYCT, as noted above, the ridership growth and associated increase in farebox revenue that had been expected in the Adopted Budget has not materialized, and the Mid-Year Forecast reflects the annualized fare increase impact on ridership levels essentially unchanged from 2015; the NYCT forecast revision also includes the impact of reduced ridership from the weather issues experienced in January and February.

The 2017 Preliminary Budget anticipates growth over 2016 in ridership and farebox revenues, as the regional economy and the associated employment picture continue to modestly grow; 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 11 million trips (0.4%) compared to 2016, and B&T vehicular crossings are expected to be unchanged. Farebox revenue is projected to increase \$43 million (0.7%) over 2015, while toll revenue is forecast to decline by \$2 million (0.1%). MTA consolidated ridership for the 2017 Preliminary Budget is expected to be lower than the February Plan projection by 54 million trips (2%), reflecting the impact of reduced 2016 ridership growth for NYCT and MTA Bus. Revisions to 2016 ridership, which form the basis for 2017 projections, impact the plan-to-plan changes for the other Agencies. At B&T facilities, traffic is projected to surpass the February Plan forecast by 7 million crossings. Consistent with the change in ridership, MTA consolidated farebox revenue for 2017 is expected to fall short of the projections in the February Plan by \$48 million (0.8%), with NYCT, MTA Bus and SIR showing unfavorable variances. B&T toll revenue for 2016 is expected to be \$45 million (2%) above the July Plan forecast.

MTA consolidated ridership and farebox revenue are both expected to increase annually from 2018 to 2020. By 2020, consolidated ridership is projected to reach 2,781 million passengers, and farebox revenue is expected to reach \$6,175 million. B&T crossings are also projected to increase each year, reaching 311 million crossings in 2020, with toll revenue forecast to reach \$1,885 million. Compared with the February Plan, MTA consolidated ridership is unfavorable by 2% for both 2018 and 2019, and this decline primarily reflects the reduced 2016 ridership projections for NYCT and MTA Bus that form the basis for the projections throughout the Plan period. Traffic forecasts for B&T facilities are higher than in the February Plan, by 1.7% for both 2018 and 2019. MTA consolidated farebox revenue is expected to be 0.7% lower in both 2018 and 2019 relative to the February Plan, while B&T toll revenue is projected to be higher by 1.8% each year.

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

	July Financial Plan				
	Mid-Year Forecast	Preliminary Budget			
	2016	2017	2018	2019	2020
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	2,420.9	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
	2,724.6	2,736.0	2,754.1	2,764.3	2,780.7

	February Financial Plan				
	Adopted Budget				
	2016	2017	2018	2019	2020
Traffic					
Bridges & Tunnels	296.4	298.3	300.9	303.5	
Ridership					
Long Island Rail Road	88.1	88.2	88.6	88.8	
Metro-North Railroad ¹	85.6	87.1	88.2	89.2	
MTA Bus Company	127.4	127.4	127.8	128.0	
New York City Transit ²	2,472.4	2,482.4	2,496.2	2,503.9	
Staten Island Railway	4.7	4.7	4.7	4.7	
	2,778.2	2,789.8	2,805.5	2,814.7	

	Plan-to-Plan Changes: Favorable / (Unfavorable)				
	2016	2017	2018	2019	2020
Traffic					
Bridges & Tunnels	9.1	7.2	5.3	5.3	
Ridership					
Long Island Rail Road	0.9	0.9	1.0	1.0	
Metro-North Railroad ¹	0.4	0.6	0.3	(0.0)	
MTA Bus Company	(3.2)	(3.0)	(3.0)	(2.9)	
New York City Transit ²	(51.6)	(52.4)	(49.7)	(48.3)	
Staten Island Railway	(0.0)	(0.0)	(0.0)	(0.0)	
	(53.5)	(53.9)	(51.4)	(50.3)	

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)**

	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
	\$6,027.6	\$6,071.0	\$6,114.1	\$6,138.8	\$6,175.1

	February Financial Plan				
	Adopted Budget				
	2016	2017	2018	2019	2020
Toll Revenue					
Bridges & Tunnels	\$1,808.6	\$1,817.8	\$1,830.7	\$1,844.4	
Fare Revenue					
Long Island Rail Road	702.6	705.6	707.2	708.7	
Metro-North Railroad ¹	693.3	707.3	718.7	726.7	
MTA Bus Company	214.5	214.5	215.3	215.6	
New York City Transit ²	4,455.3	4,484.4	4,510.6	4,525.5	
Staten Island Railway	6.7	6.8	6.8	6.8	
	\$6,072.4	\$6,118.5	\$6,158.6	\$6,183.4	

	Plan-to-Plan Changes: Favorable / (Unfavorable)				
	2016	2017	2018	2019	2020
Toll Revenue					
Bridges & Tunnels	\$56.3	\$44.7	\$32.7	\$32.8	
Fare Revenue					
Long Island Rail Road	7.6	7.5	8.1	8.1	
Metro-North Railroad ¹	6.4	8.8	5.8	3.0	
MTA Bus Company	(4.0)	(3.7)	(3.6)	(3.6)	
New York City Transit ²	(54.8)	(60.1)	(54.8)	(52.1)	
Staten Island Railway	(0.1)	(0.1)	(0.1)	(0.1)	
	(\$44.8)	(\$47.5)	(\$44.6)	(\$44.6)	

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					
July Financial Plan 2017-2020					
(\$ in millions)					
	2016	2017			
	Mid-Year	Preliminary			
	Forecast	Budget	2018	2019	2020
<i>Rental Income</i>	\$119	\$118	\$120	\$123	\$125
<i>Advertising</i>	154	159	164	169	174
<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>	31	25	29	25	29
<i>MetroCard "Green" Fee</i>	22	22	22	22	22
<i>FMTAC Operating and Investment Income</i>	21	22	22	23	23
<i>Parking</i>	18	18	19	19	19
<i>Concessions</i>	9	9	9	9	9
<i>All Other</i>	24	33	29	33	28
Total Other Operating Revenue	\$682	\$702	\$718	\$741	\$768

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

Over the course of the Plan, year-to-year changes reflect increases of \$20 million in 2017, \$16 million in 2018, \$23 million in 2019, and \$27 million in 2020. The 2017 increase primarily reflects higher NYC reimbursements for paratransit services based on projected ridership growth. By Agency, revenue is forecasted to increase by \$17 million at NYCT; \$5 million at MNR, as a result of higher Grand Central Terminal (GCT) rental income; and \$3 million at the LIRR due to freight revenue. These favorable projections are partially offset by \$4 million in lower rental and recovery revenue at MTAHQ.

Year-to-year revenue growth from 2018 through 2020 continues to be driven mainly by the factors noted above for NYCT, and grows by \$13 million, \$20 million, and \$23 million, respectively. At MTAHQ, rental and advertising revenue increase annually on average by \$2 million.

Compared with the February Plan, Other Operating Revenues increase by \$31 million in 2016, \$35 million in 2017, \$30 million in 2018, and \$27 million in 2019. The bulk of the increase is driven by higher investment income at FMTAC due to higher unrealized gains. These revenues are used to mitigate increases in insurance. Other contributing factors include higher: GCT rental revenue at MNR; advertising revenue at NYCT; and E-ZPass and other administrative fees at B&T. These favorable projections are partly offset by re-estimates in rental revenue at MTAHQ.

PAYROLL

MTA Consolidated Payroll expenses are influenced by a number of factors including position levels, inflation assumptions, labor agreements, programs and initiatives, and capital project activity. 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 January 1, 2016.

July Plan payroll expenses are projected at \$4,873 million in 2016, \$5,017 million in 2017, \$5,413 million in 2018, \$5,255 million in 2019, and \$5,383 million in 2020. On a year-over-year basis, expenses increase by \$145 million in 2017, \$126 million in 2018, \$112 million in 2019, and \$128 million in 2020.

The 2017 increase mainly reflects the contractual and non-represented wage increases referenced above and additional resources required to support initiatives designed to sustain operations and improve the customer experience. Major new programs include: the expansion of the Toll Systems Maintenance Group, project planning activities, and the electronic security systems initiative at B&T; additional maintenance support for the Second Avenue Subway at NYCT; full year staffing and greater support required for IT projects at MTAHQ; and additional staffing for newly expanded security operations and video management capabilities at MNR.

Aside from 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 accelerated track repairs, cyclical fleet and shop overhauls, 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 February Plan, Payroll expenses are projected to decrease by \$6 million in 2016, and then increase by \$5 million in 2017, \$16 million in 2018, and \$23 million in 2019. 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 the Shop Program and Select Bus Service at MTA Bus; staffing requirements needed for the newly expanded security operations and video management initiatives at MNR, and additional funding for service platform changes at MTA Bus and NYCT. Also, the forecast provides for the operating and maintenance requirements necessary to manage a greater number of "Help Point" intercoms in subway stations. The Plan also funds initiatives aimed to improve the customer experience, e.g., "On-the-Go" kiosks and homeless outreach efforts.

Plan-to-plan increases in 2017 and beyond reflect ongoing support for most all of the initiatives noted above.

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.

MTA management promotes sustainable management programs that reduce overtime levels in controllable types of overtime, e.g. vacancy/absentee coverage, scheduled service and routine maintenance. Improved forecasting and efficiencies in overtime are expected through better scheduling of work, optimizing overtime vs. straight-time, accelerating maintenance work during scheduled track outages, and utilizing new management tools to approve and analyze overtime usage. It is expected that efficiencies will be realized by these efforts and result in savings.

July Plan expenses are projected at \$749 million in 2016, \$754 million in 2017, \$764 million in 2018, \$776 million in 2019, and \$793 million in 2020, reflecting year-to-year increases of \$5 million in 2017, \$10 million in 2018, \$12 million in 2019, and \$17 million in 2020.

The 2017 increase is mainly the result of additional coverage required to meet intensified track repair work at NYCT and training of 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 February Plan, overtime expenses increase by \$14 million in 2016, \$9 million in 2017, \$4 million in 2018, and \$1 million in 2019. Plan-to-plan growth in 2016, by and large, reflects overages, incurred during the first quarter of the year, caused by severe winter weather conditions that are now captured within the baseline, and increases the five-year rolling averages used to project weather-related overtime in the Plan. Plan-to-plan increases from 2017 through 2019 reflect funding for intensified track defect remediation efforts at NYCT as well as service coverage and engineering-related maintenance work at the LIRR. Other expense growth factors include the impact of service investments, shop program requirements, and the on-board audio and visual public announcements initiative at MTA Bus. These increases are partially offset by reductions in overtime at MNR due largely to its use of straight time instead of overtime to cover New York State mandated training and certification requirements. Changes at all other Agencies remain essentially flat.

HEALTH & WELFARE

Empire Plan premium rates provided in March 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 \$1,155 million in the 2016 Mid-Year Forecast. Health & Welfare expenses for the 2017 Preliminary Budget are projected to be \$1,264 million, \$109 million (9.4%) greater than 2016 expenses, primarily due to higher costs for premiums and anticipated increases in positions. MTA Consolidated Health & Welfare expenses are forecast to increase annually by 6.6%, 7.0% and 7.0%, respectively, for 2018 through 2020, when expenses are projected to reach \$1,544 million.

In comparison with the February Plan, the July Plan is favorable by \$22 million in 2016; but unfavorable by \$23 million, \$26 million and \$30 million, respectively, in 2017 through 2019. The unfavorable changes beginning in 2017 are primarily due to premium increases that more closely reflect the projected increase in claim cost trends and the high price-inflation of pharmaceuticals. In addition, costs reflect the increased utilization of high cost specialty drugs, which are a newer class of drugs to treat complex and chronic conditions that require special handling, administration and monitoring.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) and GASB FUND

OPEB

The July 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 February Plan, OPEB Current Payment expenses are favorable by \$25 million in 2016, \$11 million in 2017, \$14 million in 2018 and \$13 million in 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.

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 this GASB fund are captured in the Cash Receipts and Expenditures Statement. In June 2008, the MTA Board approved the establishment of the "MTA Retiree Welfare Benefits Trust" ("OPEB Trust") to govern the administration and investment of 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 \$255M from the GASB Reserve and suspended contributions to the 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 Fund Reserve, 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, \$19 million in 2019 and \$30 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. Pension expenses

reflect the impact of the Tier 6 pension tier, which applies to new NYCERS, NYSLRS, and MaBSTOA participants, as well as MTA Police members of the MTA Defined Benefit Plan, hired after April 1, 2012.

Projected pension expenses total \$1,012 million in 2016 and are expected to increase to \$1,317 million in 2017. Pension expenses are based on actuarial projections, actuarial assumptions, and anticipated position increases. Where actuarial projections are unavailable, the forward three-year average CPI plus one percent—which is a proxy intended to capture anticipated impacts from demographic changes of employees and retirees—is applied to projections.

In last year's July Plan (2016-2019), pension projections captured favorable actuarial adjustments of more than \$60 million per year. The projections considered higher than assumed investment returns, labor contracts settling more favorably than actuarially assumed, and increasing membership in the lower cost Tier 6. Those projections were the basis for the 2016 February Plan.

The latest projections, captured in this Plan, are significantly higher than February, more than erasing any of the assumed savings from last year. In comparison with the February Plan, expenses in the July Plan are favorable by \$251 million in 2016, but only because of a \$248 million non-cash adjustment at NYCT to reflect the adoption of GASB 68 pension accounting rules. The projections are unfavorable in every year, thereafter by \$93 million, \$109 million, and \$82 million for 2017 through 2019, respectively. The biggest component of the increase was from actuarial assumptions at NYCERS 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.

July Plan benefit expenses are projected at \$762 million in 2016, \$790 million in 2017, \$820 million in 2018, \$840 million in 2019, and \$865 million in 2020, reflecting a year-over-year increase of \$28 million in 2017, followed by an average annual increase of \$25 million from 2018 through 2020.

By Agency, the 2017 increase reflects higher expenses totaling \$17 million at NYCT, \$6 million at MTA HQ, and \$2 million each at MNR, the LIRR, and B&T. These changes are reflective of variations in staffing levels and programmatic initiatives, and inflationary payroll rate assumptions across all Agencies. In addition, the increase is further driven by Workers' Compensation assumptions at NYCT; and the latest railroad retirement tax rates, railroad unemployment charges and FELA adjustments pertinent to the

Commuter Railroads. 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 \$12 million at NYCT, \$7 million at the LIRR, \$3 million at MNR, and by approximately \$1 million each at B&T and MTA HQ. These changes reflect a continuation of the assumptions noted above.

Compared with the February Plan, expenses are projected to increase by \$104 million in 2016, and from 2017 through 2019 on average by \$111 million per year. The lion's share of the Plan increases is attributable to NYCT (\$112 million in 2016 and approximately \$115 million annually from 2017 through 2019) due to the accrual of higher reserve requirements in Worker's Compensation. Plan-to-plan changes at the remaining agencies are modest and consistent with payroll assumptions.

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.

Expenses associated with the NYPA LTA are based on NYPA's final 2016 cost of service estimate, amended to reflect actuals through February and NYPA's April revision for the remainder of the year. Projections for 2017 through the end of the financial plan period for NYPA cost of service are based on changes in the national consumer price index as well as projected commodity price changes for natural gas and diesel fuel. Delivery of NYPA-supplied electricity is handled by Consolidated Edison (Con Ed), and delivery cost projections through 2017 are based on rates approved by the State Public Service Commission (PSC); for subsequent years, annual delivery rate increases of 10% are assumed. Price projections for electricity supplied by PSEGLI and Eversource are based on forecasts of the Producer Price Index for Electric Power along with other energy market trends. The following table provides an overview of assumed changes in rates over the current and prior Plan period:

FINANCIAL PLAN ASSUMPTIONS FOR ELECTRIC POWER					
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<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 \$423 million for the 2016 Mid-Year Forecast are \$51 million (10.8%) 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 \$81 million (16.1%) favorable compared with the Adopted Budget, reflecting the impact of lower fuel prices on electric generation expense.

Expenses for the 2017 Preliminary Budget are expected to be \$524 million, an increase of \$101 million (24.1%) from the 2016 Mid-Year 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. Compared with the February Plan, 2017 is \$3 million (0.6%) favorable.

MTA Consolidated Electric Power expenses, projected to increase by 5.8% in 2018, 6.0% in 2019 and 6.7% in 2020, are forecast to total \$628 million in 2020. Compared with the February Plan, forecasts are \$4 million (0.7%) favorable in 2018 and \$5 million (0.9%) favorable in 2019.

FUEL

Diesel and natural gas prices for the 2016 July Financial Plan include actual prices through April 18, 2016 and reflect commodity futures prices as of April 26, 2016. Where commodity futures prices are unavailable, price changes are projected using IHS, Inc. forecasts (March 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 favorably from the projections in the February Plan. On a year-to-year basis, Ultra Low Sulfur Diesel (ULSD) prices are projected to decrease by 21.8% from 2015 to 2016. They are expected to increase by 15.6%, 8.0%, 15.7% and 14.4% from 2017 through 2020, respectively. For Compressed Natural Gas (CNG), year-to-year prices are forecast to decrease by 34.2% in 2016, increase by 51.4% in 2017, remain flat in 2018, decrease by 0.5% in 2019, and then increase by 2.0% 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.² 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 \$126 million for the 2016 Mid-Year Forecast are \$54 million favorable in comparison with the 2016 Adopted Budget. The 2016 Mid-Year Forecast price for ULSD is estimated to be \$0.49 per gallon lower, while CNG prices are estimated to be \$1.46 per MMBTU lower from the price assumptions in the 2016 Adopted Budget.

Fuel expenses for the 2017 Preliminary Budget are estimated to be \$152 million, \$37 million less than projected in the February Plan. The price for ULSD is estimated to be \$0.41 per gallon lower and CNG prices are projected to be \$0.10 per MMBTU lower than assumed in the February Plan.

For 2018, July Plan Fuel expenses are estimated to be \$160 million, \$55 million less than projected in the February Plan. The price for ULSD is estimated to be \$0.56 per gallon lower and CNG prices are estimated to be \$0.12 per MMBTU lower than in the February Plan.

For 2019, July Plan Fuel expenses are estimated to be \$178 million, \$63 million less than projected in the February Plan. The price for ULSD is estimated to be \$0.55 per gallon lower and CNG prices are estimated to be \$0.21 per MMBTU lower than projected in the February Plan.

For 2020, July Plan Fuel expenses are estimated to be \$200 million where the price for ULSD is estimated to be \$2.04 per gallon and the price of CNG is estimated to be \$3.73 per MMBTU.

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:

² Financial impacts from fuel hedge settlements are reflected in cash subsidies, not in the fuel expense category.

- All-Agency Excess Liability (Primary)
- All-Agency Excess Liability (Excess)³
- All-Agency Protective Liability (Primary)
- All-Agency Protective Liability (Excess)
- All-Agency Protective Liability (LORAM)
- All-Agency Property Policy⁴
- All-Agency Sabotage & Terrorism⁴
- Comprehensive Automobile Liability⁵
- Paratransit (Access-A-Ride)⁵
- 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			
<u>Insurance Expenses</u>	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
NYCT	\$72	\$73	\$81	\$91	\$103	\$116
LIRR	22	23	24	27	29	31
MNR	18	19	21	22	24	27
SIR	2	1	1	2	2	2
MTA Bus	3	6	6	7	8	9
B&T	15	15	16	16	17	18
MTAHQ	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>3</u>	<u>3</u>
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	\$44	\$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.

As a result of MTA Risk Management's ability to obtain coverage to MTA's property program via traditional placement, Insurance expenses reflect the one-time impact of

³ A portion is insured through FMTAC and the remainder is insured in the global market.

⁴ These policies are insured through FMTAC and then reinsured in the global market.

⁵ Only the deductible portion of these policies is captured within FMTAC.

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).

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 July Financial Plan are projected to be \$272 million in 2016, \$281 million in 2017, \$287 million in 2018, \$295 million in 2019 and \$301 million in 2020. Compared with the February Financial Plan, Claims expenses are unfavorable by \$28 million, \$33 million, \$36 million and \$39 million in 2016 through 2019, respectively, which reflect the latest actuarial valuation of projected claims.

PARATRANSIT SERVICE CONTRACTS

Paratransit Service Contracts are third-party contracts for federally mandated transportation services for the benefit of people covered under the Americans with Disabilities Act, as well as 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. Maintenance expenses for vehicle rehabilitations, the scheduling system, the Automated Vehicle Locator and the Interactive Voice Response system are also included.

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.

July Plan expenses are projected to be \$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 \$21 million in 2017, \$24 million in 2018, \$37 million in 2019, and \$39 million in 2020. These increases mainly reflect projected annual trip growth of 6.5% and inflationary adjustments on paratransit carrier contracts.

Compared with the February Financial Plan, Paratransit Service Contract expenses are projected to decrease by \$16 million in 2016, \$15 million in 2017, \$28 million in 2018, and \$30 million in 2019. The savings are chiefly the result of additional savings from the actions noted above. The Plan also captures the impact of revised assumptions to the Paratransit Reduced Fare Program.

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).

July Plan expenses are projected at \$715 million in 2016, \$712 million in 2017, \$690 million in 2018, \$697 million in 2019 and \$724 million in 2020, reflecting year-over-year decreases of \$3 million in 2017 and \$22 million in 2018, followed by increases of \$6 million in 2019 and \$27 million in 2020.

The 2017 decrease is attributable to: the LIRR (\$11 million) due to the completion of various operating projects, including the Lefferts Boulevard overpass rehabilitation project, various security initiatives, right-of-way vegetation work, and lower lease costs; and NYCT (\$5 million) reflecting the completion of electronic maintenance facility renovations in 2016. At MTA Bus, expenses decrease (\$2 million) mostly due to revisions to the Shop Program; and SIR (\$1 million) reflecting lower than planned R44 fleet maintenance program work. These favorable projections are partially offset by an increase at MTA HQ (\$10 million) mainly due to investments in Enterprise Asset Management; and at MNR (\$6 million) for locomotive overhauls, the new Component Change-Out Shop in New Haven, temporary training facilities, the Homeless Outreach initiative and the AC Bus Duct replacement project.

The 2018 decrease is mainly driven by: NYCT (\$26 million) reflecting the completion of retro-fitting R160 subway cars in 2017 and the timing of bus shop requirements; and SIR (\$12 million) mostly due to the completion of the R44 fleet maintenance work in

2017. These unfavorable projections are partially offset by increases at B&T (\$12 million) mainly due to Customer Service Center re-estimates, higher E-ZPass replacement tag expenses, and the Enterprise Asset Management (EAM) program; and at the LIRR and MTAHQ (\$2 million each) reflecting usual contractual and inflationary increases.

The 2019 increase is mainly attributable to: the LIRR (\$8 million), reflecting East Side Access (ESA) readiness efforts and contractual and normal inflationary increases; B&T (\$3 million) mostly due to normal inflationary increases; and NYCT (\$2 million) mostly due to the timing of bus shop requirements. These results are partially offset by a decrease at MTA Bus (\$7 million) due to changes in the Shop Program.

The 2020 increase reflects, for the most part, the continuation of efforts noted above as well as inflationary assumptions, the impact of which increases expenses as follows: the LIRR (\$14 million), NYCT (\$6 million), B&T (\$5 million), MNR (\$3 million), and MTAHQ (\$2 million). These results are partially offset by reductions also noted above that are due to revised Shop Plan assumptions at MTA Bus (\$3 million).

Compared with the February Plan, Maintenance and Other Operating Contracts increase by \$4 million in 2016, decrease by \$12 million in 2017, and increase by \$24 million in 2018 and \$16 million in 2019. The 2016 increase is driven by R160 subway car retro-fitting requirements at NYCT; Tropical Storm Sandy-related restoration work, and other projects at B&T; IT new needs at MTAHQ; and start-up costs for the introduction of SBS routes, customer-focused investments and a CNG contract reclassification to Maintenance and Other Operating Contracts at MTA Bus. These projections are partially offset by lower expenses at MNR due mostly to the reclassification of service-related system upgrades costs to operating capital, the timing of locomotive overhauls, and the opening of the New Haven Component Change-Out Shop; lower Amtrak joint facilities expenses and maintenance schedule changes for elevators/escalators at the LIRR; and the deferral of the R44 fleet scheduled maintenance from 2016 to 2017 at SIR.

In 2017, decreases are driven by the reallocation of funds from the Hybrid Bus Repower Conversion Program at MTA Bus; tighter controls and prioritization of non-payroll funds to core mission initiatives, lower Amtrak joint facilities expenses and the reallocation of Platform investment funding to electric power, fuel, and overtime at the LIRR; and the completion of the Transportation Technology Center Infrastructure Improvement Program (TTCI) and aforementioned reasons at MNR. These favorable projections are partially offset by higher expenses at NYCT, reflecting an increase in paratransit vehicle purchases, additional bus shop requirements, and previously mentioned reasons; R44 fleet maintenance costs at SIR; and E-ZPass expenses at B&T. In 2018 and 2019, plan-to-plan increases are driven by the aforementioned reasons at NYCT and MTA Bus, as well as support for the New Fare Payment System, TRAK System upgrade and non-revenue vehicle replacement at MTA Bus, as well as IT new needs at MTA HQ. These unfavorable projections are partially offset by lower expenses driven by the M7

Centralized Diagnostic System (CDS) replacement and above noted reasons at MNR; and lower readiness costs for ESA as well as assumptions noted above at the LIRR.

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.

July Plan annual expenses are projected to be \$511 million in 2016, \$441 million in 2017, \$437 million in 2018, \$423 million 2019, and \$438 million in 2020, reflecting decreases of \$70 million in 2017, \$4 million in 2018, \$13 million in 2019, and an increase of \$15 million in 2020.

The 2017 decrease mostly reflects the impact of non-recurring expenses. The bulk of the reduction, \$64 million, is at MTAHQ, reflecting a myriad of IT projects that are in various stages of completion and revised timing assumptions; \$5 million at NYCT due to a one-time charge in 2016 for expediting the installation of a Wi-Fi network; and \$4 million at the LIRR for completing fire alarm upgrades, contracts for right-of-way maintenance, and impact studies which concluded in the previous year.

Changes from 2018 through 2020 reflect mainly the impact of inflationary adjustments, Enterprise Asset Management (EAM) program development costs and other procured services consistent with anticipated project activity. Over this same period, MTAHQ expenses are forecast to decrease by \$12 million in 2018, and \$10 million in 2019, and then increase by \$6 million in 2020, these fluctuations mainly reflect the nature and timing of IT projects.

Compared with the February Plan, expenses increase by \$66 million in 2016, \$61 million in 2017, \$52 million in 2018, and \$30 million 2019. The major contributors are:

- MTAHQ: higher expenses of \$40 million in 2016, \$31 million in 2017, \$20 million in 2018, and \$5 million in 2019 primarily reflect higher IT spending in support of security initiatives, systems maintenance and upgrades, and changes in the timing of project activity.
- NYCT: higher expenses, averaging \$22 million per year, are associated with initiatives that will improve the customer experience, e.g., station enhancement initiative (31 subway stations), electric bus fleet (pilot), USB ports, WiFi service, and on-board technology upgrades for buses.

- MTA Bus: expenses remain relatively flat in 2016 and 2017, then increase by \$3 million in 2018, and \$6 million in 2019 reflecting a variety of services procured to support operations, including Select Bus Service (SBS).
- LIRR: expenses increase by \$3 million in 2016, \$4 million in 2017, and \$1 million in 2018 and 2019, reflecting a variety of services needed to assist with maintaining and improving operations, including welding, fiber optic network, propulsion, and Enterprise Asset Management (EAM).
- MNR: lower expenses of \$1 million in 2016 mainly reflect revised timing assumptions for EAM consulting and training services, and reduced outside medical expenses. For 2017 through 2019, average annual increases of \$2 million are due to procured ad-hoc and locomotive engineering work, a bi-annual market share study, and EAM.

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 are inflated primarily by regional inflation.

July Plan expenses are projected at \$628 million in 2016, \$627 million in 2017, \$632 million in 2018 and 2019, and \$660 million in 2020, reflecting a year-over-year decrease of \$1 million in 2017, an increase of \$5 million in 2018 and no growth in 2019, expenses then grow by \$28 million in 2020.

The slight decrease in 2017 is mostly attributable to revised timing assumptions, particularly at the LIRR (\$10 million) for the Reliability Centered Maintenance (RCM) program, production plan materials, Communication Control Unit (CCU), fire alarm upgrades, non-revenue vehicle replacement, and East Side Access (ESA) requirements; and the timing of bus shop and subways fleet maintenance requirements at NYCT (\$4 million). These favorable projections are partly offset by higher expenses at MNR (\$12 million), mainly due to increased requirements for Positive Train Control (PTC), the GCT Platform Rehabilitation Project, and M7 component replacements; as well as shop program changes and the engine filter cleaning and purchase of Continuously Regenerating Technology (CRT) filters for the MTA Bus diesel fleet (\$3 million).

The 2018 increase is mainly attributable to performing Genesis Locomotive overhauls “in-house” along with third rail work, M7 seat replacement, PTC, and purchasing a variety of components to sustain operations, including PTC at MNR (\$7 million); and the start of the truck Reliability Centered Maintenance Program (RCM) at the LIRR (\$5 million). These changes are partially offset by the timing of subway and bus fleet maintenance requirements at NYCT (\$8 million). The slight decrease in 2019 reflects the cyclical nature of scheduled maintenance work, the result of which causes a

decrease in requirements at the LIRR (\$9 million) and MTA Bus (\$4 million), partly offset by higher requirements at NYCT (\$14 million) also due to the timing of the above noted initiatives. The 2020 increase is driven by ESA readiness efforts at the LIRR (\$22 million) and fleet overhaul initiatives at NYCT (\$9 million).

Compared with the February Plan, expenses increase by \$8 million in 2016, \$16 million in 2017, \$29 million in 2018, and \$11 million in 2019. The expense increase in 2016 is mostly due to the Park Avenue Viaduct Repair project, higher diesel shop repair rates, higher costs for M2 parts, and increased M3 wheel production at MNR (\$4 million); and the purchase of CRT filters, shop program requirements, and parts needed to support on-board audio, video and WiFi amenities at MTA Bus (\$4 million). For 2017 through 2019, expense increases continue to reflect the impact of performing Genesis Locomotive overhauls “in-house” at MNR; the installation of on-board cameras, purchase of non-revenue maintenance vehicles, and the replacement of C3 and M7 seat cushions at the LIRR; and for the above noted reasons for MTA Bus. These unfavorable projections are partly offset by lower expenses at NYCT mainly due to the timing of subways scheduled maintenance requirements.

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.

July Plan expenses are projected at \$179 million in 2016, \$174 million in 2017, \$183 million in 2018, \$184 million in 2019 and \$189 million in 2020, reflecting a year-to-year decrease of \$4 million in 2017, and increases of \$8 million in 2018, \$1 million in 2019, and \$5 million in 2020.

The decrease in 2017 is mostly attributable to lower expenses at NYCT (\$3 million), primarily due to the suspension of the TWU Apprentice Program and B&T (\$3 million) due to an anticipated write-off of outstanding E-ZPass account balances at year end. These variances are partly offset by higher expenses at MNR (\$2 million), reflecting largely platform changes to West-of-Hudson service and purchase of winter weather gear.

The 2018 increase is mostly attributable to the LIRR (\$5 million) for M3 fleet decommissioning work and NYCT (\$2 million) due to higher MetroCard Vending Machine (MVM) debit/credit card fees.

The 2019 increase is slight and reflects a myriad of relatively minor increases forecasted across Agencies coupled with decommissioning work ending in 2018.

The 2020 increase is mostly driven by normal inflationary growth at B&T (\$1 million); winter weather gear purchases and higher Mobile Ticketing and Ticket Issuing Machine

debit/credit card fees at MNR (\$1 million); and MVM debit/credit card fees at NYCT (\$1 million).

Compared with the February Plan, expenses increase by \$2 million in 2016, and decrease by \$3 million in 2017 and in 2018, and \$1 million in 2019. The decreases from 2017 through 2019 are mainly driven by higher recoveries expected from Amtrak based on the Passenger Rail Investment and Improvement Act (PRIIA) at MNR, and lower expenses forecasted for 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 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, accrued 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 year-over-year PBT estimates for the duration of the plan due to revised estimates by the State, and declining Urban Tax revenues reflecting unsustainably high levels of large transactions. Urban Tax revenues decline by 7% from the prior year in both 2016 and 2017, reflecting an overall slowdown in large real estate transactions in New York City. Urban Tax collections are expected to remain unchanged in 2019 and resume increasing 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 16% lower than actual receipts in 2007.

Compared with the forecast in the February Plan, accrual subsidy projections are mostly favorable in 2016, but are lower in 2017 through 2019; in aggregate, they are lower over the plan period (2016-2019) by \$103 million. Projections for MMTOA, MRT and PMT are lower than the February Plan projections. Urban Tax projections are higher than February in 2017 and 2018 but lower in 2019 and 2020. Higher overall projections for City Subsidies for both MTA Bus Company and Staten Island Railway, and the PBT, are offsetting some of that decline. MTA Aid transactions are unchanged from February.

On an *accrual basis*, the July Plan Forecast of Total Dedicated Taxes and State & Local Subsidies is projected to be \$6,734 million in 2016, growing to \$7,322 million in 2020. The growth through 2020 primarily reflects higher forecasts of MMTOA and PMT revenues due to favorable regional economic activity. The 2016 Mid-Year Forecast is \$89 million higher than the Adopted Budget Forecast due primarily to higher Urban Tax receipts of \$43 million which reflects strong commercial real estate activity in New York City, higher City Subsidies for MTA Bus Company of \$39 million due to re-estimate of revenues and expenses and timing adjustments, and higher PBT of \$11 million and PMT transactions of \$6 million. These improvements are partially offset by lower CDOT Subsidy for Metro-North Railroad of \$16 million due to higher revenues and lower expenses. The July forecasts, compared with the February Plan, are unfavorable by \$26 million in 2017, favorable by \$8 million in 2018, and

unfavorable by \$32 million in 2019, reflecting unfavorable variances for MMTOA, MRT and PMT revenues, offset by higher City Subsidy for MTA Bus.

On a *cash basis*, total 2016 MTA Dedicated Taxes and State & Local Subsidies is \$6,253 million. With the exception of 2019, the total increases each year, growing to \$7,128 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 Mid-Year Forecast is \$65 million below the Adopted Budget forecast, reflecting an unfavorable variance of \$100 million for combined City Subsidies for MTA Bus Company and Staten Island Railway and CDOT Subsidy for Metro-North Railroad; these subsidy changes reflect cash timing adjustments and re-estimates of revenues and expenses. These are partially offset by favorable Urban Tax receipts of \$44 million and PBT receipts of \$11 million. The July Plan forecasts are higher than the February Plan estimates by \$65 million in 2017 due primarily to favorable Urban Tax receipts and City Subsidies for MTA Bus Company and Staten Island Railway, partially offset by unfavorable MMTOA, MRT and PMT receipts. These forecasts are lower than the February estimates by \$19 million in 2018 and \$36 million in 2019, due primarily to unfavorable MMTOA, lower MRT receipts and PMT receipts, offset by favorable City Subsidies for MTA Bus Company and Staten Island Railway.

Details of changes for specific taxes and subsidies are described in the sections that follow.

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

	Actual 2015	Mid-Year Forecast 2016	Preliminary 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	615.9	608.3	598.4	592.9	590.1	587.8
Mortgage Recording Tax (MRT)	447.1	450.1	448.0	459.1	474.4	487.1
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	872.3	817.4	796.8	799.7	833.9
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>
	\$3,594.9	\$3,591.9	\$3,600.4	\$3,663.6	\$3,739.7	\$3,862.4
PMT and MTA Aid						
Payroll Mobility Tax	\$1,316.9	\$1,363.0	\$1,424.0	\$1,490.0	\$1,557.8	\$1,627.0
Payroll Mobility Tax Replacement Funds	309.3	311.3	311.3	311.3	311.3	311.3
MTA Aid	<u>284.8</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>
	\$1,910.9	\$1,965.4	\$2,026.4	\$2,092.4	\$2,160.2	\$2,229.4
State and Local Subsidies						
State Operating Assistance	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	187.9	187.9	187.9	187.9	187.9	187.9
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	\$6,045.0	\$6,100.4	\$6,174.2	\$6,307.7	\$6,455.2	\$6,651.0
Other Funding Agreements						
City Subsidy for MTA Bus Company	398.5	468.4	456.0	475.9	485.0	491.1
City Subsidy for Staten Island Railway	36.1	59.0	50.6	40.2	43.6	48.3
CDOT Subsidy for Metro-North Railroad	<u>129.0</u>	<u>106.0</u>	<u>112.1</u>	<u>119.8</u>	<u>123.1</u>	<u>131.3</u>
	\$563.6	\$633.4	\$618.7	\$635.9	\$651.8	\$670.6
Total Dedicated Taxes & State and Local Subsidies	\$6,608.6	\$6,733.8	\$6,792.8	\$6,943.5	\$7,106.9	\$7,321.6
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$750.7</u>	<u>\$677.0</u>	<u>\$630.2</u>	<u>\$598.1</u>	<u>\$559.5</u>	<u>\$525.7</u>
	\$750.7	\$677.0	\$630.2	\$598.1	\$559.5	\$525.7
GROSS SUBSIDIES	\$7,359.3	\$7,410.8	\$7,423.0	\$7,541.6	\$7,666.5	\$7,847.4

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

Subsidies	2016	2017	2018	2019
Dedicated Taxes				
Metropolitan Mass Transportation Operating Assist (MMTOA)	(\$0.0)	(\$28.0)	(\$30.0)	(\$45.3)
Petroleum Business Tax (PBT) Receipts	10.9	5.1	2.5	3.3
Mortgage Recording Tax (MRT)	1.6	(17.2)	(24.1)	(25.9)
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0
Urban Tax	43.2	33.1	10.0	(18.1)
Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$55.7	(\$7.0)	(\$41.5)	(\$85.9)
PMT and MTA Aid				
Payroll Mobility Tax	\$5.7	(\$13.7)	(\$8.8)	(\$8.6)
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0
MTA Aid	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$5.7	(\$13.7)	(\$8.8)	(\$8.6)
State and Local Subsidies				
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0
Station Maintenance	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>
	\$0.2	\$0.2	\$0.2	\$0.2
Subtotal Dedicated Taxes & State and Local Subsidies	\$61.6	(\$20.4)	(\$50.1)	(\$94.3)
Other Funding Agreements				
City Subsidy for MTA Bus Company	\$39.1	(\$10.3)	\$57.7	\$63.1
City Subsidy for Staten Island Railway	3.8	8.1	3.9	5.9
CDOT Subsidy for Metro-North Railroad	<u>(16.0)</u>	<u>(3.8)</u>	<u>(3.2)</u>	<u>(6.8)</u>
	\$26.9	(\$6.0)	\$58.3	\$62.2
Total Dedicated Taxes & State and Local Subsidies	\$88.5	(\$26.4)	\$8.2	(\$32.1)
Inter-agency Subsidy Transactions				
B&T Operating Surplus Transfer	<u>\$49.8</u>	<u>\$30.0</u>	<u>\$27.9</u>	<u>\$38.4</u>
	\$49.8	\$30.0	\$27.9	\$38.4
GROSS SUBSIDIES	\$138.4	\$3.5	\$36.1	\$6.3

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

	<u>Actual</u> <u>2015</u>	<u>Mid-Year</u> <u>Forecast</u> <u>2016</u>	<u>Preliminary</u> <u>Budget</u> <u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
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	609.2	598.9	593.1	590.3	587.9
Mortgage Recording Tax (MRT)	430.6	450.3	447.1	457.8	473.4	486.0
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	877.1	819.3	796.8	796.8	831.2
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	\$3,573.0	\$3,577.0	\$3,638.9	\$3,712.5	\$3,835.2
PMT and MTA Aid						
Payroll Mobility Tax	\$1,316.9	\$1,363.0	\$1,424.0	\$1,490.0	\$1,557.8	\$1,627.0
Payroll Mobility Tax Replacement Funds	309.3	311.3	311.3	311.3	311.3	311.3
MTA Aid	<u>284.8</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>
	\$1,910.9	\$1,965.4	\$2,026.4	\$2,092.4	\$2,160.2	\$2,229.4
State and Local Subsidies						
State Operating Assistance	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	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)	(52.2)	(2.0)	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	(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)	(\$386.2)	(\$439.1)	(\$61.0)	(\$246.4)	(\$155.3)
Subtotal Dedicated Taxes & State and Local Subsidies	\$5,016.5	\$5,692.2	\$5,708.4	\$6,218.7	\$6,179.1	\$6,465.5
Other Funding Agreements						
City Subsidy for MTA Bus Company	\$438.3	\$418.9	\$531.2	\$465.9	\$480.5	\$488.1
City Subsidy for Staten Island Railway	33.4	36.1	59.0	50.6	40.2	43.6
CDOT Subsidy for Metro-North Railroad	<u>129.0</u>	<u>106.0</u>	<u>112.1</u>	<u>119.8</u>	<u>123.1</u>	<u>131.3</u>
	\$600.6	\$561.0	\$702.3	\$636.3	\$643.8	\$663.0
Total Dedicated Taxes & State and Local Subsidies	\$5,617.1	\$6,253.2	\$6,410.7	\$6,855.0	\$6,822.9	\$7,128.4
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$740.1</u>	<u>\$702.7</u>	<u>\$634.9</u>	<u>\$601.3</u>	<u>\$563.4</u>	<u>\$529.1</u>
	\$740.1	\$702.7	\$634.9	\$601.3	\$563.4	\$529.1
GROSS SUBSIDIES	\$6,357.2	\$6,955.8	\$7,045.6	\$7,456.3	\$7,386.3	\$7,657.5

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

Subsidiaries	2016	2017	2018	2019
Dedicated Taxes				
Metropolitan Mass Transportation Operating Assist (MMTOA)	(\$0.0)	(\$28.0)	(\$30.0)	(\$45.3)
Petroleum Business Tax (PBT) Receipts	11.4	5.4	2.4	3.5
Mortgage Recording Tax (MRT)	3.3	(16.6)	(23.9)	(25.6)
MRT Transfer to Suburban Counties	0.1	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0
MTA Bus Debt Service	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0
Urban Tax	44.0	35.0	12.5	(17.2)
Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$58.7	(\$4.2)	(\$39.0)	(\$84.7)
PMT and MTA Aid				
Payroll Mobility Tax	\$5.7	(\$13.7)	(\$8.8)	(\$8.6)
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0
MTA Aid	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$5.7	(\$13.7)	(\$8.8)	(\$8.6)
State and Local Subsidies				
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance (18-b)	0.0	0.0	0.0	0.0
Station Maintenance	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>	<u>0.2</u>
	\$0.2	\$0.2	\$0.2	\$0.2
Other Subsidy Adjustments				
Resource to Reduce Pension Liability	\$0.0	\$0.0	\$0.0	\$0.0
Reserve for Retroactive Payments	0.0	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	0.0	0.0	0.0	0.0
Forward Energy Contracts Program - Gain/(Loss)	(29.2)	(0.5)	0.2	0.0
MNR Repayment for 525 North Broadway	0.0	0.0	0.0	0.0
Repayment of Loan to Capital Financing Fund	0.0	0.0	0.0	0.0
Committed to Capital: 2010-2014 Capital Program	0.0	0.0	0.0	7.5
Committed to Capital: 2015-2019 Capital Program	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>(7.5)</u>
	(\$29.2)	(\$0.5)	\$0.2	\$0.0
Subtotal Dedicated Taxes & State and Local Subsidies	\$35.4	(\$18.2)	(\$47.4)	(\$93.0)
Other Funding Agreements				
City Subsidy for MTA Bus Company	(\$78.5)	\$83.4	\$23.7	\$60.4
City Subsidy for Staten Island Railway	(5.5)	3.8	8.1	3.9
CDOT Subsidy for Metro-North Railroad	<u>(16.0)</u>	<u>(3.8)</u>	<u>(3.2)</u>	<u>(6.8)</u>
	(\$100.0)	\$83.4	\$28.5	\$57.5
Total Dedicated Taxes & State and Local Subsidies	(\$64.6)	\$65.2	(\$18.9)	(\$35.6)
Inter-agency Subsidy Transactions				
B&T Operating Surplus Transfer	<u>\$70.1</u>	<u>\$32.0</u>	<u>\$28.1</u>	<u>\$37.4</u>
	\$70.1	\$32.0	\$28.1	\$37.4
GROSS SUBSIDIES	\$5.5	\$97.2	\$9.2	\$1.8

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, the State 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 the 2016 tax year, the MTA Surcharge is increased from 25.6% to 28.0%.

2016 Mid-Year 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 non-18b 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 were also allotted to MTA Bus and other downstate transportation properties.

The combined MTA receipts are \$104 million above the 2015 receipts and it is unchanged from the Adopted Budget level. 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 NYS from the MTA operating budget to the MTA Capital Program. At that time, it was the MTA's understanding that a similar redirection would continue in future

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).

years. 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 the Adopted Budget.

2017 Preliminary Budget

The 2017 Preliminary Budget estimates MTA MMTOA revenue at \$1,743 million, which is \$75 million (4.5%) more than the 2016 Mid-Year Forecast but \$28 million below the February Plan estimate. Of the total, \$1,176 million is earmarked for NYCT and SIR and \$567 million is earmarked for the Commuter Railroads. The variance from the February plan is due to revised revenue forecasts provided by NYS. Year-over-year growth in the MMTOA forecast assumes that revenues from the Sales Tax and Corporate Surcharge components will grow from the 2016 level 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 preliminary budget further assumes that the State's funding of its 18-b obligation for NYCT and the Commuter Railroads will remain at the 2016 level of \$175 million, which is consistent with the 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 3.0% and 4.0% annually. Compared with the February Plan, the forecasts are lower by \$30 million in 2018 and \$45 million in 2019 based on revised revenue forecasts provided by NYS. 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 2019 and 2020; and corporate tax receipts decreasing 0.7% in 2018 and 0.4% in 2019 and 2020.

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

	ACTUAL	FORECAST				
	2015	2016	2017	2018	2019	2020
<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)
Plus: NYS GF Transfer - Hold Harmless	0.0	0.0	1.2	1.2	1.2	1.2
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
From Carryover	0.0	0.0	0.0	0.0	0.0	0.0
Total NYCT/SIR Share of Net Downstate Share	\$1,035.8	\$1,124.3	\$1,176.3	\$1,230.7	\$1,273.1	\$1,327.5
SIR Share (Accrued)	3.690	4.006	4.191	4.385	4.536	4.730
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
From Carryover	0.0	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 prices, they are subject to a maximum change of plus or minus 5% of the existing rate in any one year.

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

Amounts transferred from the MTTF Account to the MTA's Dedicated Tax Fund constitute MTTF receipts, which 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 New York City Transit and the remaining 15 percent is allocated to the Commuter Railroads in accordance with the formula provided by statute.

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

2016 Mid-Year Forecast

PBT receipts are projected to be \$609 million for 2016, a \$7 million decline from 2015 due to lower estimates for petroleum and motor fuel tax receipts. Compared with the Adopted Budget, PBT receipts are expected to be favorable by \$11 million, reflecting both actual receipts through June and recently revised revenue forecasts from the New York State Division of the Budget. Of the total PBT allocation, \$518 million is earmarked for New York City Transit and \$91 million for the commuter railroads.

2017 Preliminary Budget

The 2017 Preliminary Budget for PBT is \$599 million, a \$10 million (1.7%) decline from the 2016 forecast due to lower petroleum and motor fuel tax estimates. The forecast is \$5 million above the February Plan forecast and reflects both a higher 2016 base and recently revised PBT projections provided by the New York State Division of the Budget.

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. Compared to the February Plan, these estimates are higher by \$2 million in 2018 and \$4 million in 2019, reflecting changes in the State's recently revised annual growth rate projections.

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

	ACTUAL	FORECAST				
	2015	2016	2017	2018	2019	2020
Total Net PBT Collections Available for Distribution	\$1,813.3	\$1,791.7	\$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	\$609.2	\$598.9	\$593.1	\$590.3	\$587.9
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Accrued

NYCT/SIR Share of MTA Total	\$523.5	\$517.1	\$508.6	\$503.9	\$501.6	\$499.7
Commuter Railroad Share of MTA Total	<u>92.4</u>	<u>91.2</u>	<u>89.8</u>	<u>88.9</u>	<u>88.5</u>	<u>88.2</u>
MTA Total of Net Collections	\$615.9	\$608.3	\$598.4	\$592.9	\$590.1	\$587.8

Cash

NYCT/SIR Share of MTA Total	\$524.0	\$517.8	\$509.0	\$504.1	\$501.7	\$499.7
Commuter Railroad Share of MTA Total	<u>92.5</u>	<u>91.4</u>	<u>89.8</u>	<u>89.0</u>	<u>88.5</u>	<u>88.2</u>
MTA Total of Net Collections	\$616.5	\$609.2	\$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 June 2016; forecasts for the remainder of the year, for 2017 and for subsequent years 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 Mid-Year Forecast

MRT receipts are forecast to be \$450 million in 2016, an \$18 million (4.1%) increase over 2015 receipts. This is 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 41 percent lower than when MRT receipts peaked in 2006. Compared with 2015, MRT-1, which is collected on all mortgages, is projected to increase \$7 million (2.0%) while MRT-2,

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

which is only paid on residential properties with fewer than seven units in the structure, is forecast to increase \$11 million (9.9%). The 2016 Mid-Year Forecast is \$3 million (0.7%) more than the Adopted Budget. MRT-1 is estimated to be \$6 million (1.8%) more than the Adopted Budget, while MRT-2 is projected to be \$3 million (2.0%) less than the Adopted Budget, indicating stronger commercial mortgage activity and weaker residential mortgage activity compared with the expectations in the Adopted Budget.

2017 Preliminary Budget

MRT receipts are projected to be \$447 million in 2017, \$3 million (0.7%) less than estimated for the 2016 Mid-Year Forecast; MRT-1 receipts are projected to decrease \$7 million (2.1%), while MRT-2 receipts are forecast to increase \$11 million (3.0%). The forecast assumes that the \$4 million in MRT receipts from unusually large transactions in 2016, all falling in MRT-1, will not recur and that New York City commercial mortgage activity will decline from its 2016 level while year-over-year residential mortgage activity will modestly improve. The 2017 Preliminary Budget is \$17 million (3.6%) less than the February Plan forecast, reflecting weaker activity in both the commercial and residential mortgage markets. MRT-1 is estimated to be \$11 million (3.4%) less, while MRT-2 is projected to be \$5 million (3.9%) less than the February Plan forecast.

2018 - 2020

MRT receipts are expected to grow annually, increasing \$11 million in 2018, \$16 million in 2019, and \$13 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 \$486 million, will still be 36 percent below receipts from fourteen years earlier, when MRT receipts peaked in 2006. Compared with the February Plan, MRT receipts are \$24 million (5.0%) lower in 2018 and \$26 million (5.1%) lower in 2019. These forecasts reflect a lower 2017 base and modestly weaker year-to-year growth compared with the growth projected in the February Plan.

Other MRT-2 Adjustments

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

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

MORTGAGE RECORDING TAX PROJECTIONS
July 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	\$327.4	\$320.5	\$326.2	\$335.5	\$344.1
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)	(671.1)	(677.1)	(683.1)	(688.4)	(713.0)
Receipts Available for Transfer	(\$258.3)	(\$343.7)	(\$356.6)	(\$356.9)	(\$352.8)	(\$368.9)
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	258.3	343.7	356.6	356.9	352.8	368.9
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	\$122.9	\$126.6	\$131.6	\$137.8	\$141.9
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	(145.0)	(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	(\$51.9)	(\$58.0)	(\$56.9)	(\$55.7)	(\$56.6)

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)	(343.7)	(356.6)	(356.9)	(352.8)	(368.9)
Net Receipts Available	(\$180.3)	(\$398.5)	(\$417.6)	(\$416.9)	(\$411.8)	(\$429.2)

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 June 2016; projections for the remainder of the year, for 2017 and for subsequent years are consistent with estimates in the City of New York's May 2016 Executive Budget. Receipts from unusually large transactions¹ are excluded from the base that is used to project Urban Tax receipts over the forecast period.

2016 Mid-Year Forecast

Urban Tax receipts are forecast to be \$877 million in 2016, \$63 million (6.7%) less than 2015 receipts. Sixty-four percent of this decline is the result of lower RPTT receipts, which are projected to decrease \$41 million (6.4%), while MRT receipts are forecast to decrease \$23 million (7.5%). The year-to-year variance is attributable to a projected overall slowdown in transactions relative to recent activity, and is partially offset by receipts from unusually large transactions already recorded or expected later this year. The 2016 forecast is \$727 million (486%) 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, drops the 2016 forecast below the 2007 high mark by \$6 million (0.7%). Compared with the Adopted Budget, the Mid-Year Forecast is favorable by \$44 million, a 5.3% improvement, with RPTT receipts favorable by \$24 million (4.2%) and MRT receipts favorable by \$20 million (7.7%). The favorable improvement in RPTT is due to several large transactions announced and expected to be recorded later this year, along with a modest improvement in transaction activity relative to the first half of 2016. The favorable improvement in MRT reflects actual results through June, with the expectation the remainder of 2016 will be consistent with the Adopted Budget projection.

2017 Preliminary Budget

Urban Tax receipts are forecast to be \$819 million in 2017, a \$58 million (6.6%) decline from the 2016 Mid-Year Forecast. RPTT receipts are forecast to decline by \$32 million (5.4%) while MRT receipts are expected to decrease by \$26 million (9.1%). The RPTT and MRT declines are both impacted by the large transactions in 2016 that are not assumed to recur in 2017. When the receipts from these large transactions are factored out, the remaining RPTT is projected to increase by 17.5% and MRT is projected to decline by 6.5%. The 2017 Preliminary Budget

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

surpasses the February Plan forecast by \$35 million (4.5%), with RPTT favorable by \$40 million (7.6%) while MRT is unfavorable by \$5 million (1.9%).

2018 - 2020

Urban Tax receipts are expected to decline \$22 million (2.7%) in 2018, remain unchanged in 2019 and then increase \$34 million (4.3%) in 2020. Receipts in 2020 are projected to be \$831 million, 5.9 percent below the 2007 pre-recession peak. Urban Tax projections for 2018 are projected to exceed the February Plan by \$12 million (1.6%), but fall short in 2019 by \$17 million (2.1%).

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, 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 Mid-Year Forecast

PMT revenues for the 2016 Mid-Year Forecast are projected to be \$1,363 million, a \$46 million (3.5%) increase over 2015 receipts. The Mid-Year Forecast is favorable to the Adopted Budget forecast by \$6 million, and reflects year-to-date actual collections through June, and assumes that trend for the remaining months of the year. PMT replacement funds are projected to total \$311 million, an increase of \$2 million over 2015 to replace the loss revenues due to the elimination of the PMT levy on public libraries; it is unchanged from the Adopted Budget. PMT revenues, including the replacement funds, total \$1,674 million for 2016.

2017 Preliminary Budget

The 2017 Preliminary Budget forecast for PMT, excluding replacement funds, is \$1,424 million, \$61 million (4.5%) higher than the 2016 Mid-Year forecast. Compared with the February Plan, this forecast is lower by \$14 million and reflects the impact of revised regional wage and salary disbursement forecasts. The forecast for PMT replacement funds of \$311 million is unchanged

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 costs, including operating costs of MTA and its subsidiaries, and NYCTA and its subsidiaries.

from both the 2016 level and the February Plan projection. Including the replacement funds, PMT revenues are projected to total \$1,735 million in 2017.

2018 - 2020

Excluding replacement funds, PMT is forecast to be \$1,490 million in 2018, \$1,558 million in 2019 and \$1,627 in 2020, reflecting revised wage and salary disbursement forecasts. Compared with the February Plan, these forecasts are unfavorable by \$9 million, or less than 1%, in both 2018 and 2019. PMT Replacement of \$311 million annually is unchanged from the February Plan projections. Including the replacement funds, PMT revenues are projected to total \$1,801 million in 2018, \$1,869 million in 2019 and \$1,938 million in 2020.

MTA AID TRUST REVENUES

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

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

MTA Aid revenues declined 9.1% in 2015 due primarily to fewer Yellow and Green taxicab pickups that impacted Taxicab Tax receipts; this change was the direct result of market share increases by smartphone app-driven providers such as Uber, which are not subject to the Taxicab Tax. Reduced revenue from the Taxicab Tax was addressed in the 2016 February Plan; through the first half of 2016, MTA Aid revenues are on target with the forecast, and the July Plan forecast is unchanged from February.

FINANCIAL PLAN ASSUMPTIONS FOR MTA AID TRUST REVENUES					
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>2016 July Financial Plan</u>					
License / Motor Vehicle Registration Fees	\$172.4	\$172.4	\$172.4	\$172.4	\$172.4
Taxicab Tax	73.1	73.1	73.1	73.1	73.1
Auto Rental Tax	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>
Total	\$291.1	\$291.1	\$291.1	\$291.1	\$291.1

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 funded most of its 18-b payments with MMTOA.
- *Local Operating Assistance* – payments made by the City and each of the seven suburban counties in the MCTD, which are required by the transportation law to match the amounts of State 18-b Operating Assistance. The matching payments are made quarterly to the MTA. Additional assistance from NYC and other localities not elsewhere captured are included in Local Operating Assistance.
- *Station Maintenance* – a subsidy paid by the City and each of the seven suburban counties in the MCTD for the operation, maintenance and use of commuter railroad passenger stations within their jurisdictions. Station Maintenance base amounts were established in 1999 and are subject to an annual adjustment tied to the consumer price index.

2016 Mid-Year Forecast

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

2017 Preliminary Budget

The 2017 Preliminary Budget for State and Local Direct Subsidy, on a cash basis, is \$544 million or \$4 million (0.8%) above the 2016 Mid-Year Forecast, and is \$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 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% 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 \$375 million in this Plan. The source of these investments has been from unused general reserve funds and non-recurring real estate transaction tax receipts. These investments, reflected in previous plans, increased the estimated funded ratio to 47%. In the November Plan, the MTA released the unexpended 2015 General Reserve balance of \$140 million and held it in reserve. In the February Plan, it was determined that \$70 million of that General Reserve balance was needed to address budget pressure from reductions in overhead recovery from the Capital Program and lower projections of MMTOA subsidies; the remaining \$70 million has been invested in the LIRR Additional Plan, increasing the estimated funded ratio to 53%.

Reserve for Retroactive Payment – A reserve of \$109 million was set aside for anticipated retroactive payments for the unions that had not settled in 2014. This reserve was used to fund payments that were made in 2015.

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

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

Compared with the February Plan, it is projected that hedges are unfavorable by \$29 million in 2016 and \$1 million in 2017. These impacts, however, are offset by favorable changes in fuel expenditures of \$54 million in 2016 and \$37 million in 2017.

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

Repayment of Loan to Capital Financing Fund – In 2015, the final \$100 million annual installment was made of a Board-authorized \$500 million interagency loan to the operating budget from the “Capital Financing Fund” (non-bond related funds dedicated to capital programs).

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

2010-2014 Capital Program: The July 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 July 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.

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

2016 Mid-Year Forecast

The 2016 Mid-Year cash forecast for total Other Funding Agreements is \$561 million; this is \$40 million (6.6%) lower than 2015, and \$100 million below the Adopted Budget. Both the unfavorable year-over-year and plan-to-plan variances are primarily due to lower projected CDOT Subsidy to MNR and lower City Subsidy to MTA Bus. A contribution of higher revenues and lower expenses reduced the projected MNR cash deficit, lowering the subsidy requirement of both CDOT and the MTA. 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 \$106 million is \$23 million (17.8%) below 2015 and \$16 million below the Adopted Budget estimate, while the City Subsidy to MTA Bus of \$419 million is \$19 million (4.4%) below 2015 and \$78 million below the Adopted Budget estimate. The 2016 cash forecast for City Subsidy to Staten Island Railroad of \$36 million is slightly favorable to the 2015 forecast and \$6 million lower than the Adopted Budget.

2017 Preliminary Budget

The 2017 Preliminary Budget cash forecast for total Other Funding Agreements is \$702 million, or \$141 million (25.2%) above the 2016 Mid-Year Forecast, and \$83 million above the February Plan estimate. Both the year-over-year and plan-to-plan 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 revised estimate of SIR cash deficit. The 2017 cash forecast for CDOT Subsidy for Metro-North Railroad is favorable compared with the 2016 Mid-Year Forecast by \$6 million (5.7%), but is unfavorable by \$4 million (3.4%) compared with the February Plan.

2018 – 2020

Total Other Funding Agreements, on a cash basis, is \$636 million for 2018, \$644 million for 2019 and \$663 million for 2020. Of these totals, City Subsidy to MTA Bus is forecast to be \$466 million for 2018, \$480 for 2019 and \$488 for 2020, reflecting a year-over-year decline of \$65 million in 2018, and increases of \$15 million in 2019 and \$8 million 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 February Plan by \$24 million in 2018 and \$60 million in 2019 due to revised expense assumptions to meet service and administrative requirements. The cash forecasts for CDOT Subsidy for Metro-North Railroad are \$120 million in 2018, \$123 million for 2019, and \$131 million in 2020, reflecting year-over-year increases of \$8 million in 2018, \$3 million in 2019 and \$8 million in 2020. These estimates are below the February Plan by \$3 million in 2018 and \$7 million in 2019. Both year-over-year changes and changes from prior plan are due to re-estimates of revenues and expenses. The cash forecasts for City Subsidy to Staten Island Railroad are \$51 million in 2018, \$40 million in 2019 and \$44 million in 2020, reflecting year-over-year declines of \$8 million in 2018 and \$10 million in 2019 and an increase of \$4 million in 2020; these estimates are higher than the February Plan by \$8 million in 2018 and \$4 million in 2019. These changes are due to unfavorable re-estimates of revenues and expenses.

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

Cash Basis
(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>Mid-Year</u> <u>Forecast</u> <u>2016</u>	<u>Preliminary</u> <u>Budget</u> <u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
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	517.8	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>877.1</u>	<u>819.3</u>	<u>796.8</u>	<u>796.8</u>	<u>831.2</u>
	\$2,496.7	\$2,515.2	\$2,500.5	\$2,527.3	\$2,567.1	\$2,653.7
New State Taxes and Fees						
Payroll Mobility Tax	\$977.5	\$744.1	\$864.9	\$881.1	\$920.0	\$927.7
Payroll Mobility Tax Replacement Funds	266.0	240.1	267.5	255.5	249.9	241.1
MTA Aid	<u>244.9</u>	<u>224.6</u>	<u>250.2</u>	<u>239.0</u>	<u>233.7</u>	<u>225.5</u>
	\$1,488.4	\$1,208.8	\$1,382.6	\$1,375.6	\$1,403.6	\$1,394.3
State and Local Subsidies						
State Operating Assistance	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1
Local Operating Assistance	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>
	\$316.2	\$316.2	\$316.2	\$316.2	\$316.2	\$316.2
Other Subsidy Adjustments						
Resource to Reduce Pension Liability	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
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)	(36.6)	(1.4)	0.1	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)	(\$442.1)	(\$437.5)	(\$162.1)	(\$303.0)	(\$235.7)
Total Dedicated Taxes & State and Local Subsidies	\$3,523.2	\$3,598.1	\$3,761.8	\$4,057.0	\$3,983.9	\$4,128.5
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$313.9</u>	<u>\$292.8</u>	<u>\$261.9</u>	<u>\$245.3</u>	<u>\$225.9</u>	<u>\$209.3</u>
	\$313.9	\$292.8	\$261.9	\$245.3	\$225.9	\$209.3
GROSS SUBSIDIES	\$3,837.1	\$3,891.0	\$4,023.7	\$4,302.3	\$4,209.8	\$4,337.9

MTA COMMUTER RAILROAD SUBSIDY ALLOCATION
July Financial Plan 2017-2020

Cash Basis
(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>Mid-Year</u> <u>Forecast</u> <u>2016</u>	<u>Preliminary</u> <u>Budget</u> <u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Subsidies						
Dedicated Taxes						
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	91.4	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	\$636.3	\$657.8	\$680.9	\$699.3	\$723.0
New State Taxes and Fees						
Payroll Mobility Tax	\$159.1	\$220.4	\$141.5	\$192.1	\$226.0	\$270.1
Payroll Mobility Tax Replacement Funds	43.3	71.1	43.8	55.7	61.4	70.2
MTA Aid	<u>39.9</u>	<u>66.5</u>	<u>40.9</u>	<u>52.1</u>	<u>57.4</u>	<u>65.6</u>
	\$242.3	\$358.0	\$226.2	\$299.9	\$344.8	\$406.0
State and Local Subsidies						
State Operating Assistance	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3
Local Operating Assistance	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
Other Subsidy Adjustments						
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)	(15.7)	(0.6)	0.1	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)	\$55.9	(\$1.6)	\$101.1	\$56.7	\$80.4
Total Dedicated Taxes & State and Local Subsidies	\$909.3	\$1,272.8	\$1,109.2	\$1,313.1	\$1,336.2	\$1,448.1
Other Funding Agreements						
CDOT Subsidy for Metro-North Railroad	<u>129.0</u>	<u>106.0</u>	<u>112.1</u>	<u>119.8</u>	<u>123.1</u>	<u>131.3</u>
	\$129.0	\$106.0	\$112.1	\$119.8	\$123.1	\$131.3
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$426.2</u>	<u>\$409.8</u>	<u>\$373.0</u>	<u>\$356.0</u>	<u>\$337.5</u>	<u>\$319.8</u>
	\$426.2	\$409.8	\$373.0	\$356.0	\$337.5	\$319.8
GROSS SUBSIDIES	\$1,464.5	\$1,788.6	\$1,594.3	\$1,788.9	\$1,796.8	\$1,899.1

MTA STATEN ISLAND RAILWAY SUBSIDY ALLOCATION
July Financial Plan 2017-2020

Cash Basis
(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>Mid-Year</u> <u>Forecast</u> <u>2016</u>	<u>Preliminary</u> <u>Budget</u> <u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<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	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Local Operating Assistance	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>
	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1
Total Dedicated Taxes & State and Local Subsidies	\$4.8	\$5.1	\$5.3	\$5.5	\$5.7	\$5.9
City Subsidy to Staten Island Railway	\$33.4	\$36.1	\$59.0	\$50.6	\$40.2	\$43.6
GROSS SUBSIDIES	\$38.2	\$41.3	\$64.3	\$56.1	\$45.9	\$49.5

MTA HEADQUARTERS SUBSIDY ALLOCATION

July Financial Plan 2017-2020

Cash Basis

(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>Mid-Year</u> <u>Forecast</u> <u>2016</u>	<u>Preliminary</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)	(\$671.1)	(\$677.1)	(\$683.1)	(\$688.4)	(\$713.0)
<u>Dedicated Taxes</u>						
<u>Mortgage Recording Tax-1</u>						
Net Receipts After Agency Transfers	\$320.9	\$327.4	\$320.5	\$326.2	\$335.5	\$344.1
<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>343.7</u>	<u>356.6</u>	<u>356.9</u>	<u>352.8</u>	<u>368.9</u>
	\$258.3	\$343.7	\$356.6	\$356.9	\$352.8	\$368.9
Net Available MRT-1 Funds for MTA HQ	\$579.2	\$671.1	\$677.1	\$683.1	\$688.4	\$713.0
Unallocated MRT-1 Receipts	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<u>Mortgage Recording Tax - 2</u>						
Net Receipts	\$109.7	\$122.9	\$126.6	\$131.6	\$137.8	\$141.9
<u>Adjustments to MRT-2</u>						
Funding of General Reserve	\$0.0	(\$145.0)	(\$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>(343.7)</u>	<u>(356.6)</u>	<u>(356.9)</u>	<u>(352.8)</u>	<u>(368.9)</u>
	(\$290.1)	(\$521.4)	(\$544.2)	(\$548.4)	(\$549.6)	(\$571.1)
Unallocated MRT-2 Receipts	(\$180.3)	(\$398.5)	(\$417.6)	(\$416.9)	(\$411.8)	(\$429.2)
Payroll Mobility Tax to Fund Unallocated MRT-2 Receipts	\$180.3	\$398.5	\$417.6	\$416.9	\$411.8	\$429.2

MTA BUS COMPANY SUBSIDY ALLOCATION
July Financial Plan 2017-2020
Cash Basis
(\$ in millions)

	<u>Actual</u> <u>2015</u>	<u>Mid-Year</u> <u>Forecast</u> <u>2016</u>	<u>Preliminary</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	\$418.9	\$531.2	\$465.9	\$480.5	\$488.1

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

	ACTUAL	FORECAST				
	2015	2016	2017	2018	2019	2020
Net Surplus/(Deficit)	\$1,392.497	\$1,377.804	\$1,346.796	\$1,326.512	\$1,323.374	\$1,317.598

Deductions from Net Operating Income:

Total Debt Service	\$604.591	\$647.107	\$669.722	\$680.102	\$713.019	\$739.643
Capitalized Assets	7.724	26.345	18.348	18.767	20.335	20.796
Reserves	29.283	26.881	27.507	28.242	28.993	29.755
GASB Reserves	0.000	0.000	0.000	0.084	0.260	0.444
Total Deductions from Net Operating Income	\$641.598	\$700.333	\$715.577	\$727.195	\$762.607	\$790.638

Net Income Available for Transfer to MTA and NYCT	\$750.899	\$677.471	\$631.219	\$599.318	\$560.767	\$526.960
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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	392.812	370.843	354.378	335.629	317.992
Accrued Amount Distributed to MTA	\$432.465	\$393.238	\$371.830	\$355.618	\$336.869	\$319.232

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	260.233	235.389	219.699	199.898	183.728
Accrued Amount Distributed to NYCT	\$318.434	\$284.233	\$259.389	\$243.699	\$223.898	\$207.728

Total Distributable Income:	\$750.899	\$677.471	\$631.219	\$599.318	\$560.767	\$526.960
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Cash Transfers:

Actual Cash Transfer to MTA and NYCT:

From Current Year Surplus	\$426.246	\$409.842	\$373.040	\$356.024	\$337.504	\$319.756
Investment Income in Prior Year	0.137	0.183	0.427	0.987	1.240	1.240
Cash Amount Distributed to MTA	\$426.383	\$410.025	\$373.467	\$357.011	\$338.744	\$320.996

Cash Amount Distributed to NYCT	\$313.857	\$292.833	\$261.873	\$245.268	\$225.878	\$209.345
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Total Cash Transfer:	\$740.240	\$702.858	\$635.340	\$602.280	\$564.622	\$530.341
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MTA BRIDGES AND TUNNELS
July Financial Plan 2017-2020
Surplus Transfer
(\$ in millions)

	ACTUAL		FORECAST			
	2015	2016	2017	2018	2019	2020
<u>Debt Service Detail by Agency:</u>						
B&T Own Purpose Debt Service	\$230.545	\$287.665	\$302.619	\$315.090	\$345.073	\$375.736
NYCT Transportation Debt Service	255.947	246.011	251.279	249.845	251.838	249.085
MTA Transportation Debt Service	118.100	113.432	115.825	115.167	116.107	114.821
Total Debt Service by Agency	\$604.591	\$647.107	\$669.722	\$680.102	\$713.019	\$739.643

Total Accrued Amount for Transfer to MTA and NYCT:

Total Adjusted Net Income Available for Transfer	\$1,355.308	\$1,324.152	\$1,299.954	\$1,278.179	\$1,272.546	\$1,265.362
Less: B&T Total Debt Service	(230.545)	(287.665)	(302.619)	(315.090)	(345.073)	(375.736)
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	\$1,012.487	\$973.336	\$939.089	\$903.472	\$865.627

Calculation of Actual Cash Transfer to MTA:

<u>Distribution of Remainder to MTA</u>						
Fifty Percent of Total Accrued Amount for Transfer	\$550.381	\$506.243	\$486.668	\$469.544	\$451.736	\$432.813
Less: MTA Total Debt Service	(118.100)	(113.432)	(115.825)	(115.167)	(116.107)	(114.821)
MTA's Accrued Current Year Allocation	\$432.282	\$392.812	\$370.843	\$354.378	\$335.629	\$317.992
<u>Cash Conversion of MTA's Accrued Amount</u>						
Current Year Amount	\$375.971	\$353.530	\$333.759	\$318.940	\$302.066	\$286.193
Balance of Prior Year	50.276	56.311	39.281	37.084	35.438	33.563
Cash Transfer to MTA	\$426.246	\$409.842	\$373.040	\$356.024	\$337.504	\$319.756

Calculation of Actual Cash Transfer to NYCT:

<u>Distribution of Remainder to NYCT</u>						
Fifty Percent of Total Accrued Amount for Transfer	\$550.381	\$506.243	\$486.668	\$469.544	\$451.736	\$432.813
Less: NYCT Total Debt Service	(255.947)	(246.011)	(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	\$284.233	\$259.389	\$243.699	\$223.898	\$207.728
<u>Cash Conversion of NYCT's Accrued Amount</u>						
Current Year Amount	\$281.411	\$255.810	\$233.450	\$219.330	\$201.508	\$186.955
Balance of Prior Year	32.446	37.023	28.423	25.939	24.370	22.390
Cash Transfer to NYCT	\$313.857	\$292.833	\$261.873	\$245.268	\$225.878	\$209.345

SUMMARY
MTA STATEN ISLAND RAILWAY
2016 JULY 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	\$6.7	\$6.7	\$6.8	\$6.8	\$6.8
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	\$14.2	\$14.5	\$14.8	\$15.0	\$15.2
17	<u>Non-Reimbursable Expense Summary:</u>						
20	Labor Expenses	\$39.3	\$42.2	\$40.5	\$41.0	\$42.1	\$43.3
21	Non-Labor Expenses	10.8	24.2	22.7	10.7	11.0	11.7
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	\$81.7	\$78.5	\$67.0	\$68.4	\$70.3
30	Total Net Revenue/(Deficit)	(\$51.3)	(\$67.4)	(\$64.0)	(\$52.2)	(\$53.4)	(\$55.1)
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)	(\$58.1)	(\$48.7)	(\$36.9)	(\$38.2)	(\$39.9)
41	<u>Other Adjustments:</u>						
42	Debt Service	(0.7)	(1.0)	(1.9)	(3.3)	(5.5)	(8.4)
44	Total Billable Adjusted Cash Balance after Debt Service	(\$36.1)	(\$59.0)	(\$50.6)	(\$40.2)	(\$43.6)	(\$48.3)
46	<u>City Subsidy Cash Adjustments:</u>						
47	Cash Balance Due from the City of New York	36.1	59.0	50.6	40.2	43.6	48.3
48	Cash Subsidy Received from City of New York for SIRTOA	33.4	36.1	59.0	50.6	40.2	43.6
49	Subsidy Cash Timing	(\$2.8)	(\$22.9)	\$8.4	\$10.4	(\$3.4)	(\$4.6)
51	Net Cash Balance from Previous Year	(33.4)	(36.1)	(59.0)	(50.6)	(40.2)	(43.6)
53	Baseline Net Cash Surplus/(Deficit)	(\$36.1)	(\$59.0)	(\$50.6)	(\$40.2)	(\$43.6)	(\$48.3)

SUMMARY
MTA BUS COMPANY
2016 JULY 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	\$210.5	\$210.7	\$211.6	\$212.0	\$212.9
13	Other Revenue	23.1	20.7	21.1	21.5	21.7	21.8
14							
15	Total Revenues	\$233.4	\$231.2	\$231.8	\$233.1	\$233.7	\$234.7
16							
17	Non-Reimbursable Expense Summary:						
18							
19	Labor Expenses	\$516.2	\$497.1	\$514.6	\$530.3	\$545.1	\$552.8
20	Non-Labor Expenses	158.1	174.8	181.4	187.4	184.9	183.3
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	\$854.5	\$882.3	\$904.4	\$915.4	\$917.2
27							
28							
29	Total Net Revenue/(Deficit)	(\$539.9)	(\$623.3)	(\$650.5)	(\$671.3)	(\$681.8)	(\$682.5)
30							
31	Cash Adjustment Summary:						
32	Operating Cash Adjustments	\$143.4	\$160.3	\$198.4	\$199.0	\$200.1	\$195.7
33	GASB Cash Adjustments	0.0	0.0	0.0	0.0	(0.1)	(0.2)
34							
35	Total Cash Adjustments	\$143.4	\$160.3	\$198.4	\$199.0	\$200.0	\$195.5
36							
37	Gross Cash Balance	(\$396.5)	(\$463.0)	(\$452.1)	(\$472.3)	(\$481.8)	(\$487.0)
38							
39	Other Adjustments:						
40	Non-Billable GASB Reserve Cash Adjustments	0.0	0.0	0.0	0.0	0.1	0.2
41	Debt Service	(29.8)	(25.5)	(25.5)	(27.3)	(29.4)	(32.0)
42	Non-Billable Debt Service (2005-2009 Capital Program)	27.7	20.1	21.6	23.8	26.0	27.7
43							
44	Total Billable Adjusted Cash Balance after Debt Service	(\$398.5)	(\$468.4)	(\$456.0)	(\$475.9)	(\$485.0)	(\$491.1)
45							
46	City Subsidy Cash Adjustments:						
47	Cash Balance Due from NYC (adjusted for Non-Billable GASB)	\$398.5	\$468.4	\$456.0	\$475.9	\$485.0	\$491.1
48	Cash Subsidy Received from City of New York for MTA Bus	<u>438.3</u>	<u>418.9</u>	<u>531.2</u>	<u>465.9</u>	<u>480.5</u>	<u>488.1</u>
49	Subsidy Cash Timing	\$39.8	(\$49.5)	\$75.2	(\$10.0)	(\$4.6)	(\$3.0)
50							
51	Net Cash Balance from Previous Year	(\$113.5)	(\$73.7)	(\$123.2)	(\$48.0)	(\$57.9)	(\$62.5)
52							
53							
54	Baseline Net Cash Surplus/(Deficit)	(\$73.7)	(\$123.2)	(\$48.0)	(\$57.9)	(\$62.5)	(\$65.5)
55							

MTA NEW YORK CITY TRANSIT
July 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	58,153	54,493	53,122	53,313	55,594
<i>Sub-total</i>	\$ 76,500	\$ 74,126	\$ 74,045	\$ 75,609	\$ 79,352
City Reimbursements	126,655	140,937	149,637	165,496	182,092
Total Revenue	\$ 203,155	\$ 215,063	\$ 223,682	\$ 241,105	\$ 261,444

Expenses:					
<i>Operating Expenses:</i>					
Salaries & Benefits	\$ 24,398	\$ 24,398	\$ 24,398	\$ 24,398	\$ 24,398
Rental & Miscellaneous	451,139	492,055	518,337	567,958	621,993
Total Expenses	\$ 475,537	\$ 516,453	\$ 542,735	\$ 592,356	\$ 646,391

Net Paratransit Surplus/(Deficit)	\$ (272,382)	\$ (301,389)	\$ (319,053)	\$ (351,251)	\$ (384,947)
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Paratransit Details					
Total Paratransit Reimbursement:	\$ 184,808	\$ 195,430	\$ 202,759	\$ 218,809	\$ 237,686
Urban Tax	\$ 58,153	\$ 54,493	\$ 53,122	\$ 53,313	\$ 55,594
City Reimbursements	126,655	140,937	149,637	165,496	182,092

Rental & Miscellaneous Expense:

Paratransit Service Contracts

Carrier Services	\$ 356,405	\$ 374,464	\$ 395,389	\$ 429,743	\$ 465,295
Command Center	25,860	28,345	30,917	33,731	36,983
Eligibility Certification	3,387	3,499	3,729	3,808	3,964
Other	5,030	5,030	5,030	5,030	5,030
Subtotal	\$ 390,682	\$ 411,339	\$ 435,065	\$ 472,312	\$ 511,272

Other Than Personnel Service:

Insurance	39,103	44,233	50,259	58,618	68,656
Fuel	11,380	12,822	13,546	15,644	18,871
Other	8,611	22,299	18,105	20,023	21,832
Subtotal	\$ 59,093	\$ 79,354	\$ 81,910	\$ 94,284	\$ 109,359

<i>Non-City Reimbursable OTPS:</i>	\$ 1,363	\$ 1,362	\$ 1,362	\$ 1,361	\$ 1,362
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Total Rental & Miscellaneous Expense	\$ 451,139	\$ 492,055	\$ 518,337	\$ 567,958	\$ 621,993
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<i>Annual Growth in Total Expenses</i>	3.0%	8.6%	5.1%	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 February Financial Plan is reflective of:

- Lower debt service costs through June 2016;
- Lower interest rate assumptions for the plan period;
- The issuance of Bond Anticipation Notes (BANs) to provide interim new money funding on a programmatic basis;
- Delayed approval of the 2015-2019 Capital Programs by the MTA Capital Program Review Board;
- Savings from the securitization of the Hudson Rail Yards leases; and
- Refunding savings from the refunding bonds issued during December 2015 through May 2016.

Debt Service Forecast (in millions)*			
Year	February Plan Debt Service	July Plan Debt Service	Difference Favorable/ (Unfavorable)
2016	\$2,642	\$2,501	\$141
2017	2,870	2,666	204
2018	3,053	2,815	237
2019	3,204	2,984	220
2020	N/A	3,144	N/A
Total 2016-2020	\$11,768	\$14,110	\$801

*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	\$1,185	\$1,293	\$2,367	\$2,676	\$2,484
DTF New Money Bonds	413	714	0	0	0
TBTA New Money Bonds	<u>300</u>	<u>112</u>	<u>395</u>	<u>599</u>	<u>681</u>
Total New Money Bonds	\$1,899	\$2,119	\$2,763	\$3,275	\$3,165

¹ 2016 New Money Bonds include \$445 million of Transportation Revenue Bonds, \$413 million DTF Bonds and \$300 million of TBTA Bonds issued prior to May 31, 2016.

Forecasted Interest Rates	2016 ¹	2017	2018	2019	2020
Assumed Fixed-Rates					
Transportation Revenue Bonds	3.44%	3.45%	3.63%	3.70%	3.76%
Dedicated Tax Fund Bonds	3.42%	3.43%	3.61%	3.68%	3.73%
Triborough Bridge & Tunnel Authority	3.42%	3.43%	3.61%	3.68%	3.73%
Assumed Variable Rates					
	4.00%	4.00%	4.00%	4.00%	4.00%
Weighted Average Interest Rates ²					
Transportation Revenue Bonds	3.50%	3.50%	3.66%	3.73%	3.78%
Dedicated Tax Fund Bonds	3.48%	3.49%	3.65%	3.71%	3.76%
Triborough Bridge & Tunnel Authority	3.48%	3.49%	3.65%	3.71%	3.76%

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.
- 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 June 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.
- Assumes securitization of Hudson Rail Yards lease obligations for \$1 billion of proceeds for capital program projects.
- 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

July 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	\$904.686	\$936.817	\$950.145	\$950.962	\$948.155
11	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	10.097	37.118	81.816	137.262	190.659
12	2 Broadway Certificates of Participation - NYCT Share	19.796	17.195	18.605	19.395	13.625	6.087
13	2 Broadway Certificates of Participation - Additional NYCT Share of MTA Lease Portion	0.000	1.319	2.575	2.685	1.886	0.843
13	Bond Anticipation Notes	0.189	5.608	2.080	0.187	0.000	0.000
14	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	297.871	317.780	330.655	327.247	325.832	327.253
15	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	<u>0.000</u>	<u>0.000</u>	<u>16.475</u>	<u>32.951</u>	<u>32.951</u>	<u>32.951</u>
16	<i>Sub-Total MTA Paid Debt Service</i>	\$1,202.521	\$1,256.684	\$1,344.325	\$1,414.425	\$1,462.517	\$1,505.947
17							
18	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$172.522	\$174.211	\$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>71.799</u>	<u>74.520</u>	<u>74.003</u>	<u>73.881</u>	<u>73.619</u>
20	<i>Sub-Total B&T Paid Debt Service</i>	\$241.149	\$246.011	\$251.279	\$249.845	\$251.838	\$249.085
21							
22	Total NYCT Debt Service	\$1,443.670	\$1,502.695	\$1,595.604	\$1,664.270	\$1,714.355	\$1,755.033
23							
24	<u>Commuter Railroads (CRR):</u>						
25	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$545.609	\$567.415	\$594.426	\$602.882	\$603.401	\$601.620
26	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	8.461	34.543	91.234	174.851	260.542
27	Bond Anticipation Notes	0.123	5.892	2.185	0.197	0.000	0.000
28	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	67.472	67.364	68.238	67.535	67.243	67.536
29	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	<u>0.000</u>	<u>0.000</u>	<u>2.907</u>	<u>5.815</u>	<u>5.815</u>	<u>5.815</u>
30	<i>Sub-Total MTA Paid Debt Service</i>	\$613.204	\$649.133	\$702.299	\$767.662	\$851.309	\$935.512
31							
32	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$81.093	\$81.886	\$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>31.546</u>	<u>32.741</u>	<u>32.514</u>	<u>32.460</u>	<u>32.345</u>
34	<i>Sub-Total B&T Paid Debt Service</i>	\$111.244	\$113.432	\$115.825	\$115.167	\$116.107	\$114.821
35							
36	Total CRR Debt Service	\$724.448	\$762.565	\$818.124	\$882.829	\$967.416	\$1,050.333
37							
38	<u>Bridges and Tunnels (B&T):</u>						
39	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$231.114	\$265.114	\$275.557	\$274.127	\$277.425	\$273.542
40	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	27.109	28.362	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	3.041	17.018	44.681	80.544
42	2 Broadway Certificates of Participation - TBTA Share	2.799	2.513	2.789	2.908	2.043	0.913
43	2 Broadway Certificates of Participation - Additional TBTA Share of MTA Lease Portion	0.000	0.105	0.206	0.215	0.151	0.067
44							
45	Total B&T Debt Service	\$261.022	\$296.094	\$311.029	\$323.501	\$353.484	\$384.147
46							
47	<u>MTA Bus:</u>						
48	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$29.829	\$23.931	\$21.519	\$21.825	\$21.844	\$21.779
49	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	1.615	4.034	5.592	7.593	10.293
50	Bond Anticipation Notes	0.003	0.000	0.000	0.000	0.000	0.000
51							
52	Total MTA Bus Debt Service	\$29.832	\$25.546	\$25.553	\$27.417	\$29.437	\$32.072
53							
54	<u>Staten Island Railway (SIRTOA):</u>						
55	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$0.707	\$0.489	\$0.354	\$0.360	\$0.360	\$0.359
56	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.404	1.494	2.956	5.097	8.054
57	Bond Anticipation Notes	0.000	0.058	0.022	0.002	0.000	0.000
58							
59	Total SIRTOA Debt Service	\$0.707	\$0.951	\$1.871	\$3.318	\$5.457	\$8.413
60	Total MTA HQ Debt Service for 2 Broadway Certificates of Participation	\$2.716	\$2.540	\$2.906	\$3.029	\$2.128	\$0.951

METROPOLITAN TRANSPORTATION AUTHORITY

July Financial Plan 2017-2020

Summary of Total Budgeted Debt Service

(\$ in millions)

Line Number		FORECAST					
		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	\$1,496.520	\$1,553.116	\$1,575.212	\$1,576.567	\$1,571.913
64	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	365.342	385.144	398.893	394.781	393.075	394.789
65	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	484.729	521.211	535.398	532.622	539.029	531.484
66	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	125.886	131.707	136.698	135.750	135.526	135.045
67	2 Broadway Certificates of Participation	25.311	23.672	27.081	28.232	19.832	8.860
68	Bond Anticipation Notes	0.315	11.558	4.286	0.386	0.000	0.000
69	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	20.577	77.189	181.598	324.803	469.548
70	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	0.000	19.383	38.765	38.765	38.765
71	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	3.041	17.018	44.681	80.544
72							
73	Total Debt Service	\$2,462.394	\$2,590.391	\$2,755.086	\$2,904.364	\$3,072.278	\$3,230.949
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	\$1,517.098	\$1,630.306	\$1,756.810	\$1,901.369	\$2,041.461
88	Bond Anticipation Notes	0.315	11.558	4.286	0.386	0.000	0.000
89	Net Dedicated Tax Fund Bonds Debt Service	365.342	385.144	418.276	433.546	431.840	433.554
90	Net TBTA (B&T) General Revenue Bonds Debt Service	484.729	521.211	538.439	549.640	583.710	612.028
91	Net TBTA (B&T) Subordinate Revenue Bonds Debt Service	125.886	131.707	136.698	135.750	135.526	135.045
92	Net 2 Broadway Certificates of Participation Debt Service	25.311	23.672	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	\$2,501.033	\$2,666.020	\$2,815.460	\$2,984.111	\$3,143.607

Debt Service Affordability Statement

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METROPOLITAN TRANSPORTATION AUTHORITY
July 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	\$2,477.4	\$2,638.9	\$2,787.2	\$2,964.3	\$3,134.7
Forecasted New Money Bonds Issued	4	2,895.3	1,898.9	2,119.2	2,762.5	3,275.1	3,165.0
Forecasted Debt Service by Credit ⁹	Notes	2015 ACTL	2016	2017	2018	2019	2020
Transportation Revenue Bonds							
Pledged Revenues	5	\$13,114.0	\$13,192.3	\$13,296.6	\$13,377.2	\$13,535.2	\$13,757.3
Debt Service	9	1,406.5	1,474.1	1,580.3	1,703.0	1,847.8	1,988.5
Debt Service as a % of Pledged Revenues		11%	11%	12%	13%	14%	14%
Dedicated Tax Fund Bonds							
Pledged Revenues	6	\$616.5	\$609.2	\$598.9	\$593.1	\$590.3	\$587.9
Debt Service	9	339.3	358.8	391.9	407.2	405.7	407.5
Debt Service as a % of Pledged Revenues		55%	59%	65%	69%	69%	69%
Triborough Bridge and Tunnel Authority General Revenue Bonds							
Pledged Revenues	7	\$1,355.3	\$1,324.2	\$1,300.0	\$1,278.2	\$1,272.5	\$1,265.4
Debt Service	9	476.3	512.8	530.0	541.2	575.3	603.6
Debt Service as a % of Total Pledged Revenues		35%	39%	41%	42%	45%	48%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds							
Pledged Revenues	8	\$879.0	\$811.4	\$769.9	\$736.9	\$697.2	\$661.7
Debt Service	9	125.9	131.7	136.7	135.7	135.5	135.0
Debt Service as a % of Total Pledged Revenues		14%	16%	18%	18%	19%	20%
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	\$2,477.4	\$2,638.9	\$2,787.2	\$2,964.3	\$3,134.7
Fare and Toll Revenues		\$7,770.0	\$7,892.4	\$7,933.5	\$7,977.5	\$8,015.9	\$8,059.8
Total Debt Service as a % of Fare and Toll Revenue		30%	31%	33%	35%	37%	39%
<i>Fare and Toll Revenues after Below the Line Adjustments (Volume 1)</i>		<i>\$7,770.0</i>	<i>\$7,892.4</i>	<i>\$8,196.7</i>	<i>\$8,287.6</i>	<i>\$8,604.7</i>	<i>\$8,699.7</i>
<i>Total Debt Service as a % of Fare and Toll Revenue after BTL Adj.</i>		<i>30%</i>	<i>31%</i>	<i>32%</i>	<i>34%</i>	<i>34%</i>	<i>36%</i>
Operating Revenues (including Fare and Toll Revenues) and Subsidies		\$15,067.9	\$15,308.1	\$15,428.2	\$15,639.2	\$15,863.9	\$16,149.4
Total Debt Service as a % of Operating Revenues and Subsidies		16%	16%	17%	18%	19%	19%
<i>Operating Revenues and Subsidies after BTL Adjustments (Volume 1)</i>		<i>\$15,067.9</i>	<i>\$15,023.9</i>	<i>\$15,588.7</i>	<i>\$15,820.6</i>	<i>\$16,450.5</i>	<i>\$16,684.4</i>
<i>Total Debt Service as a % of Operating Rev/Subsidies after BTL Adj.</i>		<i>16%</i>	<i>16%</i>	<i>17%</i>	<i>18%</i>	<i>18%</i>	<i>19%</i>
Non-Reimbursable Expenses with Non-Cash Liabilities		\$15,413.8	\$16,712.5	\$17,373.0	\$17,883.9	\$18,421.6	\$19,049.0
Total Debt Service as % of Non-reimbursable Expenses		15%	15%	15%	16%	16%	16%
<i>Non-reimbursable Expenses after BTL Adjustments (Volume 1)</i>		<i>\$15,413.8</i>	<i>\$16,701.7</i>	<i>\$17,258.2</i>	<i>\$17,686.1</i>	<i>\$18,161.2</i>	<i>\$18,753.8</i>
<i>Total Debt Service as a % of Non-Reimbursable Exp after BTL Adj.</i>		<i>15%</i>	<i>15%</i>	<i>15%</i>	<i>16%</i>	<i>16%</i>	<i>17%</i>

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 May 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 June 28, 2016 is included with the forecast and is reflective of new money bonds and notes.*
- 5 *Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies, including the new State taxes and fees; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.*
- 6 *Dedicated Tax Fund pledged revenues as shown above consist generally of the following: petroleum business tax, motor fuel tax and motor vehicle fees deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; in addition, while not reflected in the DTF pledged revenue figures above, the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Transportation Operating Assistance Account for the benefit of the MTA are also pledged. After the payment of debt service on the MTA Dedicated Tax Fund Bonds, these subsidies are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and 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 to June 28, 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	1,453.5	20.6	1,474.1	358.8	-	358.8	512.8	-	512.8	131.7	-	131.7	2,456.8	20.6	2,477.4
2017	1,503.1	77.2	1,580.3	372.6	19.4	391.9	527.0	3.0	530.0	136.7	-	136.7	2,539.3	99.6	2,638.9
2018	1,521.4	181.6	1,703.0	368.5	38.8	407.2	524.2	17.0	541.2	135.7	-	135.7	2,549.8	237.4	2,787.2
2019	1,523.0	324.8	1,847.8	366.9	38.8	405.7	530.6	44.7	575.3	135.5	-	135.5	2,556.0	408.2	2,964.3
2020	1,519.0	469.5	1,988.5	368.8	38.8	407.5	523.1	80.5	603.6	135.0	-	135.0	2,545.9	588.9	3,134.7
2021	1,518.8	575.2	2,094.1	368.3	38.8	407.0	520.4	118.4	638.8	135.7	-	135.7	2,543.2	732.4	3,275.6
2022	1,508.1	618.5	2,126.6	365.5	38.8	404.3	493.7	153.3	647.0	135.2	-	135.2	2,502.6	810.6	3,313.2
2023	1,521.4	627.0	2,148.5	367.3	38.8	406.1	548.6	177.4	726.0	135.8	-	135.8	2,573.1	843.2	3,416.3
2024	1,512.3	628.4	2,140.6	366.8	38.8	405.5	512.2	185.2	697.4	135.9	-	135.9	2,527.1	852.4	3,379.4
2025	1,494.3	628.9	2,123.1	367.2	38.8	406.0	512.2	185.2	697.5	135.8	-	135.8	2,509.5	852.9	3,362.4
2026	1,525.3	629.1	2,154.3	364.4	38.8	403.1	511.5	185.2	696.7	136.0	-	136.0	2,537.2	853.0	3,390.2
2027	1,521.5	629.1	2,150.6	357.2	38.8	396.0	513.3	185.2	698.6	136.1	-	136.1	2,528.2	853.1	3,381.2
2028	1,520.5	629.1	2,149.6	365.6	38.8	404.4	527.1	185.2	712.3	136.4	-	136.4	2,549.5	853.1	3,402.6
2029	1,520.0	629.1	2,155.1	364.3	38.8	403.1	526.2	185.2	711.4	136.3	-	136.3	2,552.8	853.1	3,405.9
2030	1,528.5	629.1	2,157.6	365.9	38.8	404.7	528.4	185.2	713.6	136.5	-	136.5	2,559.3	853.1	3,412.4
2031	1,542.1	629.1	2,171.2	364.2	38.8	403.0	541.1	185.2	726.4	129.6	-	129.6	2,577.1	853.1	3,430.2
2032	1,462.7	629.1	2,091.8	365.7	38.8	404.4	435.4	185.2	620.6	76.5	-	76.5	2,340.3	853.1	3,193.4
2033	1,187.9	629.1	1,817.0	343.0	38.8	381.7	270.4	185.2	455.7	-	-	-	1,801.4	853.1	2,654.4
2034	1,189.0	629.1	1,818.1	199.9	38.8	238.7	279.5	185.2	464.7	-	-	-	1,668.4	853.1	2,521.5
2035	1,163.7	629.1	1,792.8	177.5	38.8	216.3	310.6	185.2	495.8	-	-	-	1,651.9	853.1	2,505.0
2036	994.8	626.0	1,620.8	322.4	38.8	361.2	305.2	185.2	490.4	-	-	-	1,622.4	850.0	2,472.4
2037	966.5	616.8	1,583.3	339.5	38.8	378.2	305.5	185.2	490.8	-	-	-	1,611.5	840.8	2,452.3
2038	908.5	589.2	1,497.7	328.1	38.8	366.9	283.5	185.2	468.7	-	-	-	1,520.1	813.2	2,333.3
2039	840.5	567.8	1,408.2	276.2	38.8	315.0	132.4	185.2	317.6	-	-	-	1,249.1	791.7	2,040.9
2040	736.2	567.8	1,304.0	37.8	38.8	76.6	89.6	185.2	274.8	-	-	-	863.6	791.7	1,655.4
2041	585.5	567.8	1,153.3	8.0	38.8	46.8	69.8	185.2	255.0	-	-	-	663.3	791.7	1,455.1
2042	522.1	567.8	1,089.9	8.0	38.8	46.8	68.0	185.2	253.2	-	-	-	598.2	791.7	1,389.9
2043	379.4	567.8	947.1	8.0	38.8	46.8	55.6	185.2	240.9	-	-	-	443.0	791.7	1,234.8
2044	236.8	567.8	804.6	8.0	38.8	46.8	50.7	185.2	236.0	-	-	-	295.6	791.7	1,087.3
2045	140.9	567.8	708.7	8.0	38.8	46.8	36.7	185.2	222.0	-	-	-	185.7	791.7	977.4
2046	89.7	550.2	640.0	8.0	38.8	46.8	30.6	185.2	215.8	-	-	-	128.3	774.2	902.5
2047	76.0	502.8	578.8	8.0	19.4	27.4	13.7	182.2	195.9	-	-	-	97.7	704.4	802.1
2048	68.1	426.0	494.1	8.0	-	8.0	13.7	168.2	181.9	-	-	-	89.9	594.2	684.1
2049	68.1	304.3	372.4	8.0	-	8.0	13.7	140.5	154.3	-	-	-	89.9	444.8	534.7
2050	64.4	159.5	223.9	8.0	-	8.0	12.0	104.7	116.7	-	-	-	84.4	264.2	348.6
2051	38.6	53.9	92.5	8.0	-	8.0	-	66.8	66.8	-	-	-	46.7	120.7	167.4
2052	38.6	10.6	49.2	8.0	-	8.0	-	31.9	31.9	-	-	-	46.7	42.5	89.2
2053	38.7	2.1	40.7	8.0	-	8.0	-	7.9	7.9	-	-	-	46.7	9.9	56.6
2054	38.6	0.7	39.4	8.0	-	8.0	-	-	-	-	-	-	46.7	0.7	47.4
2055	36.6	0.2	36.8	8.0	-	8.0	-	-	-	-	-	-	44.7	0.2	44.9
2056	20.0	0.0	20.0	6.8	-	6.8	-	-	-	-	-	-	26.8	0.0	26.8

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 July 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. Positions also capture resources required to support capital projects, as well as the operation, maintenance and cleaning requirements of those projects once they are completed. 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				
July Financial Plan 2017-2020				
Favorable/(Unfavorable)				
Total Position Changes at a Glance				
	2016	2017	2018	2019
2016 February Plan - Total Baseline Positions¹	71,505	71,212	71,149	71,277
Total Plan-to-Plan Changes	(257)	(419)	(401)	(317)
2016 July Plan - Total Baseline Positions¹	71,762	71,631	71,550	71,594
Total Year-to-Year Changes, July Plan		131	81	(44)
Total Plan-to-Plan Changes by Reporting Category:				
<i>Non-Reimbursable</i>	(126)	(209)	(207)	(91)
<i>Reimbursable</i>	(131)	(210)	(194)	(226)
Total	(257)	(419)	(401)	(317)
<i>Full-Time</i>	(249)	(411)	(393)	(309)
<i>Full-Time Equivalents</i>	(8)	(8)	(8)	(8)
Total	(257)	(419)	(401)	(317)
By Function Category				
- Administration	(139)	(154)	(152)	(145)
- Operations	(75)	(101)	(92)	(86)
- Maintenance	(44)	(138)	(131)	(58)
- Engineering/Capital	6	4	4	(8)
- Public Safety	(5)	(30)	(30)	(20)
Total	(257)	(419)	(401)	(317)
By Occupational Group				
- Managers/Supervisors	38	31	42	59
- Professional, Technical, Clerical	(268)	(271)	(265)	(259)
- Operational Hourlies	(27)	(179)	(178)	(117)
Total	(257)	(419)	(401)	(317)
Total Plan-to-Plan Changes by Major Category:				
<i>2016 BRPs</i>	97	156	162	176
<i>New Needs</i>	(212)	(237)	(270)	(223)
<i>Change in Reimbursable Positions</i>	(131)	(210)	(194)	(226)
<i>Re-estimates & All Other²</i>	(11)	(128)	(99)	(44)
Total	(257)	(419)	(401)	(317)

¹ Reflects positions at year end (December 31).

² Includes Full-time Equivalents

Year-to-Year Position Changes

2017 vs. 2016

Consolidated 2017 baseline includes 71,631 positions, an overall net decrease of 131 positions from the 2016 level. This is primarily due to:

- **NYCT** – a net decrease of 237 positions (241 in reimbursable, slightly offset by four non-reimbursable positions), mainly due to Department of Subways support for Capital Program project completion, Bus Shop Plan adjustments and training float requirements.
- **LIRR** – a net increase of six positions associated with engineering resources to support capital and maintenance activities, Audio Video Recording Monitoring System (AVRM) installation and East Side Access (ESA) readiness efforts. The change in year-end non-reimbursable and reimbursable headcount switches are due to the timing of capital and maintenance activities.
- **MNR** – a net increase of 33 positions, comprised of 73 reimbursable positions, partially offset by a reduction of 40 non-reimbursable positions, mainly reflecting position increases for the following initiatives: Maintenance of Way in the Communications & Signals Department for the inspection and the maintenance of new interlocking in support of the Walk Bridge replacement project; Positive Train Control (PTC); Enterprise Asset Management (EAM); and the increase in security positions for the expansion of operational and video management capabilities.
- **B&T** – an increase of four non-reimbursable positions, including three positions for the administration of design-build capital projects and one position in security systems management.
- **MTAHQ** – an increase of 41 non-reimbursable positions, mainly related to the addition of non-reimbursable IT and MTA PD positions.
- **MTA Bus** – a net increase of 22 non-reimbursable positions mainly to support the Shop Overhaul Program and EAM.

2018 – 2020

Total positions are projected at 71,550 in 2018, representing a decrease of 81 positions from 2017. This change in total positions reflects a decrease of 188 reimbursable positions, partially offset by 107 non-reimbursable positions. At NYCT, total decreases in positions are expected to be 248, comprised of 181 reimbursable and 67 non-reimbursable positions, mainly due to lower Department of Subways support for Capital Program project completion, Bus Shop adjustments, and changes in the Department of Subways SMS program. Staffing levels will increase by a net of 179 positions at LIRR primarily resulting from ESA readiness efforts and the AVRM initiative, which is scheduled for completion at the end of 2018. Reimbursable decreases are due to the changes in project activity and the completion of Maintenance of Equipment's PTC initiative in 2018. At MNR, a net increase of two positions is expected, reflecting 43 reimbursable positions, partially offset by 41 non-reimbursable positions, associated with EAM. MTAHQ non-reimbursable positions will increase by four for IT positions. Non-reimbursable positions at MTA Bus will decrease by 19, due to changes in the Shop Overhaul Program, partially offset by two position increases associated with EAM. SIR non-reimbursable positions increase by one, mainly to support implementation of EAM.

Total forecasted positions in 2019 are projected at 71,594, reflecting an increase of 44 positions from 2018. Net positions are expected to decrease at NYCT by 29, comprised of 51 reimbursable positions, partially offset by 22 non-reimbursable positions, mainly due to changes in capital

project completion. Increases of 36 positions at LIRR are comprised of 71 non-reimbursable positions in support of ESA readiness efforts, partially offset by a reduction of 35 reimbursable positions due to changes in project activity. MNR net position is expected to increase by two for EAM, comprised of 43 reimbursable positions, partially offset by 41 non-reimbursable positions. Net position increases of 23 at MTA Bus, consist of 24 non-reimbursable positions for the Shop Overhaul Program and two positions for EAM, slightly offset by one position decrease under Bus Technology. Net position increases are expected at 24 for MTAHQ, mainly related to the MTA PD hiring plan for ESA which is anticipated to open in 2022, and to the projected increase in IT positions. AT B&T, net positions will increase by two due to EAM. Reimbursable positions will decrease by 14 at SIR due to a reduction in project activity.

Total forecasted positions are projected at 71,508 in 2020, a net decrease of 86 positions from 2019. This decrease in total positions reflects 262 reimbursable positions, partially offset by 176 non-reimbursable positions. At NYCT, net positions will decline by 296, reflecting 254 reimbursable positions and 42 non-reimbursable positions, mainly due to changes in capital project completion. Net positions increases at the LIRR are expected to be 160, comprised of 168 non-reimbursable positions to support ESA readiness efforts, partially offset by eight reimbursable positions due to changes in project activity. B&T positions are projected to increase by six non-reimbursable positions related to EAM. Increases at MTAHQ include 54 non-reimbursable positions, mainly due to an increase in MTA Police positions in connection with ESA readiness efforts, as well as the expected increase in IT positions. MTA Bus net positions are expected to decrease by 10 positions, mostly due to the Shop Overhaul Program.

July Plan vs. February Plan Position Changes

2016

Total positions of 71,762 reflect an increase of 257 positions from the February Plan, primarily due to:

- **NYCT** – increases by 106 positions, comprised of 53 non-reimbursable and 53 reimbursable positions to support the following initiatives: “On-the-Go” kiosks; and “Help Point” Intercoms; Station Platform Control; Capital Track Program; Subways Capital Support; and Capital Signal Program.
- **LIRR** – increases by 31 net positions, including 75 reimbursable positions, partially offset by 44 non-reimbursable positions. Increases in reimbursable positions are related to engineering resources to support capital and maintenance activities, PTC and other capital activities. The decrease in non-reimbursable positions is related to the timing of AVRМ installation and lower headcount based on an updated Maintenance of Equipment hiring plan.
- **MNR** – net decreases of two positions reflect the transfer of six Procurement positions to MTAHQ, partially offset by the addition of two CDOT-funded positions for project management support on the Walk Bridge and Signal Replacement project, one position to support increased employee and customer communications, and one position in the Human Resources Department to handle the promotion process of represented staff.
- **B&T** – increases by three total positions to meet the additional requirements of the Toll System Maintenance Group necessary with the expansion of electronic toll collection operations.
- **MTAHQ** – increases by 91 positions, comprised of 89 non-reimbursable and two reimbursable positions, primarily 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 a net of 10 positions, comprised of 12 reimbursable positions related to reduced work levels, and partially offset by one non-reimbursable position required to support maintenance requirements for a new substation expected to operate in early 2017 and one Infrastructure Supervisor to provide oversight to the Infrastructure Department.
- **MTA Bus** – increases by 38 non-reimbursable positions in support of the following initiatives: Bus Service Adjustment, CMF staffing, SBS routes, EEO initiatives, Electronic Support Systems, the Shop Program, CMO Staffing, Route Extension and Bus Diagnostics Licenses.

2017

Total positions of 71,631 reflect an increase of 419 positions from the February Plan, mainly attributable to:

- **NYCT** – increases by 132 positions, including 74 non-reimbursable and 58 reimbursable positions, which continue the initiatives from 2016. In addition, 2017 includes position

increases to support Select Bus Service, the Platform Controllers Program, and an unfavorable re-estimate for Subways Timekeeping Consolidation.

- **LIRR** – increases by 116 positions, including 63 reimbursable and 53 non-reimbursable positions. Non-reimbursable positions increases are primarily related to the timing of AVRМ installation as well as headcount additions for West End maintenance, seat cushion replacement and RCM sustainability. Reimbursable increases primarily reflect support for Positive Train Control and other capital project activities.
- **MNR** – increases by 19 positions, due to the addition of eight security positions for expanded operational and video management capabilities, the retention of 13 Maintenance and Equipment positions for the continuation of the PTC project in Maintenance of Equipment, partially offset by the net decrease of two positions carried forward from 2016.
- **B&T** – increases by seven positions reflecting three positions for the Toll Systems Maintenance Group, three positions for the administration of design-build capital projects, and one position for electronic security systems management.
- **MTAHQ** – increases by 116 total positions, comprised of 114 non-reimbursable and two reimbursable positions, and reflect the continuation of initiatives that carry forward from 2016.
- **SIR** – decreases by 10 positions, continuing initiatives from 2016.
- **MTA Bus** – increases by 39 non-reimbursable positions that carry forward initiatives from 2016 and includes two additional positions in support of Service Management Road Operation.

2018

Total positions of 71,550 in 2018 reflect an increase of 401 positions from the February Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 126 positions, including 84 non-reimbursable and 42 reimbursable positions resulting from the continuation of initiatives from 2017.
- **LIRR** – increases by 79 positions, comprised of 59 non-reimbursable positions and 20 reimbursable positions, reflecting the continued impact of certain 2017 programmatic initiatives as well as changes in capital project activity.
- **MNR** – increases by 19 positions to continue initiatives from 2017.
- **B&T** – increases by seven positions to continue initiatives from 2017.
- **MTAHQ** – increases by 114 to continue initiatives from 2017.
- **SIR** – decreases by 10 positions to continue initiatives from 2017.
- **MTA Bus** – increases by 66 non-reimbursable positions to continue initiatives from 2017, as well as additional support for Shop Program requirements.

2019

Total positions of 71,594 in 2019 reflect increases of 317 positions from the February Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 135 positions, consisting of 105 non-reimbursable and 30 reimbursable positions which carry forward initiatives from 2018.
- **LIRR** – increases by 31 net positions, comprised of 22 non-reimbursable and nine reimbursable positions, and reflect the impact of certain programmatic initiatives included in 2018. Reimbursable positions increases are related to capital project activities.
- **MNR** – increases by 19 positions which carry forward initiatives from 2018.
- **B&T** – increases by seven positions which continue initiatives from 2018.

- **MTAHQ** – increases by 101 positions, comprised of 99 non-reimbursable and two reimbursable positions which carry forward initiatives from 2018.
- **SIR** – increases by a two positions, which carry forward initiatives from 2018, but excludes the impact of position reductions of 12 reimbursable positions from previous years.
- **MTA Bus** – increases by 22 non-reimbursable positions that carry forward initiatives from 2018, including a reduction of three positions related to Shop Program requirements.

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				
July Financial Plan 2017-2020				
Favorable/(Unfavorable)				
Position Impacts of New Needs				
	2016	2017	2018	2019
NYCT				
Subway Car Tech & Mtce R-160/R-179	(3)	(7)	(9)	(9)
Help Point	(12)	(12)	(12)	(12)
"On The Go"	(24)	(11)	(11)	(11)
Platform Controllers	(3)	(35)	(35)	(35)
Buses Underground Storage Tanks	(1)	(1)	(1)	(1)
Road Operations Service Management	(5)	(5)	(5)	(5)
Total	(48)	(71)	(73)	(73)
LIRR				
Manager-Minimum Training Standards New FRA Mandate	0	(1)	(1)	(1)
Total	0	(1)	(1)	(1)
MNR				
Expanded Security Operations	0	(6)	(6)	(6)
Expanded Video Management Capabilities	0	(2)	(2)	(2)
Total	0	(8)	(8)	(8)
B&T				
Toll Systems Maintenance Group	(3)	(3)	(3)	(3)
Design-Build Project Planning Strategy	0	(3)	(3)	(3)
Electronic Security Systems	0	(1)	(1)	(1)
Total	(3)	(7)	(7)	(7)
MTAHQ				
Executive Positions	(4)	(4)	(4)	(4)
Compliance Positions	(3)	(3)	(3)	(3)
Occupational Health Services	(12)	(12)	(12)	(12)
General Counsel	(1)	(1)	(1)	(1)
Human Resources	(8)	(8)	(8)	(8)
Real Estate	(1)	0	0	0
Office Services	(1)	(1)	(1)	(1)
Strategic Initiatives	(1)	(1)	(1)	(1)
Comptroller	(1)	(1)	(1)	(1)
BSC Governance	(1)	(1)	(1)	(1)
5 Year Capital work - All Other	(8)	(8)	(8)	(8)
IT - Governance	(7)	(8)	(6)	(6)
IT - Agency Dedicated	(23)	(27)	(27)	(24)
IT - Mandate	(2)	(2)	(2)	(2)
IT - Customer Service	(31)	(25)	(25)	(25)
MTA PD Homeless Outreach	(13)	(13)	(13)	(13)
Total	(117)	(115)	(113)	(110)
SIR				
Power Maintainer Helper	(1)	(1)	(1)	(1)
Infrastructure Supervisor	(1)	(1)	(1)	(1)
Total	(2)	(2)	(2)	(2)
MTACC				
None	0	0	0	0
Total	0	0	0	0
MTA Bus Co				
Equal Employment Opportunity (EEO)	(4)	(4)	(4)	(4)
Service Management - Road Operations	0	(2)	(2)	(2)
Select Bus Service Routes	(5)	(5)	(5)	(5)
Bus Service Adjustment	(12)	0	0	0
Route Extension - Q52	(3)	0	0	0
Shop Program	(4)	(8)	(41)	3
CMF - Staffing	(6)	(6)	(6)	(6)
CMO - Staffing	(3)	(3)	(3)	(3)
Bus Diagnostic Software	(1)	(1)	(1)	(1)
Electronic Security System (ESS)	(4)	(4)	(4)	(4)
Total	(42)	(33)	(66)	(22)
Total New Needs	(212)	(237)	(270)	(223)

Changes in Reimbursable Positions

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

METROPOLITAN TRANSPORTATION AUTHORITY				
July Financial Plan 2017-2020				
Favorable/(Unfavorable)				
Position Impact of Reimbursable				
	2016	2017	2018	2019
NYCT				
<i>Car Equipment Engineering Headcount</i>	(9)	(9)	(9)	(9)
<i>Second Avenue Subway</i>	(5)	(5)	0	0
<i>Reimbursable Station Agents</i>	(7)	(7)	0	0
<i>Critical Signal Program</i>	(13)	(5)	(2)	(2)
<i>Capital Track Program</i>	(25)	(25)	(25)	(25)
<i>Subways Capital Support</i>	(12)	(12)	(12)	0
<i>"On The Go"</i>	18	5	5	5
<i>Miscellaneous Other</i>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
Total	(53)	(58)	(42)	(30)
LIRR				
<i>New Fleet Procurement Support</i>	(2)	(2)	(2)	(2)
<i>PTC Project Support and Construction</i>	(9)	(46)	(9)	0
<i>LIRR Capital Project Support and Construction</i>	(64)	(10)	(9)	(7)
<i>Third Party Reimbursable Project Support</i>	<u>0</u>	<u>(5)</u>	<u>0</u>	<u>0</u>
Total	(75)	(63)	(20)	(9)
MNR				
<i>Increased Capital Project Workforce</i>	(11)	(84)	(127)	(170)
<i>CDOT Capital Funded Project Management Positions</i>	(2)	(2)	(2)	(2)
<i>Continued Capital Support for Positive Train Control Installations</i>	<u>0</u>	<u>(13)</u>	<u>(13)</u>	<u>(13)</u>
Total	(13)	(99)	(142)	(185)
B&T				
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
MTAHQ				
<i>Reimbursable Headcount Adjustments</i>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Total	(2)	(2)	(2)	(2)
SIR				
<i>Reimbursable Headcount Adjustments</i>	<u>12</u>	<u>12</u>	<u>12</u>	<u>0</u>
Total	12	12	12	0
MTA CC				
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
MTA Bus Co				
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
Total Reimbursable	(131)	(210)	(194)	(226)

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				
July Financial Plan 2017-2020				
Favorable/(Unfavorable)				
Position Impact of Re-Estimates				
	2016	2017	2018	2019
NYCT				
<i>Platform Budget - Normal Business</i>	(10)	(20)	(20)	(20)
<i>Select Bus Service</i>	3	(25)	(25)	(25)
<i>BSC - Transfer Benefits Billing</i>	1	1	1	1
<i>Subways Timekeeping Consolidation</i>	0	(40)	(40)	(40)
<i>Hearing Referees for Law</i>	(8)	(8)	(8)	(8)
<i>Bus Shop Maintenance/Overhaul Program</i>	0	0	(9)	(45)
<i>Miscellaneous Other</i>	<u>(17)</u>	<u>(6)</u>	<u>(5)</u>	<u>(4)</u>
Total	(31)	(98)	(106)	(141)
LIRR				
<i>Train Service Adjustments and Staffing</i>	(30)	(3)	(2)	(2)
<i>Procurement - Contract Administrators</i>	(1)	(1)	(1)	(1)
<i>Customer Support during Capital Construction Projects</i>	(4)	(4)	(4)	0
<i>Operating Budget Impact of Capital Investments</i>	59	(36)	(42)	(10)
<i>Rolling Stock Maintenance</i>	0	(2)	(3)	(2)
<i>Safety Training</i>	0	(1)	(1)	(1)
<i>Security System Management</i>	(2)	(2)	(2)	(2)
<i>Technical Adjustments and Open Positions</i>	<u>22</u>	<u>(3)</u>	<u>(3)</u>	<u>(3)</u>
Total	44	(52)	(58)	(21)
MNR				
<i>Procurement Positions Transferred to MTA</i>	6	6	6	6
<i>Support for Increased Customer and Employee Communications</i>	(1)	(1)	(1)	(1)
<i>HR Support of Agreement Staff Promotional Process</i>	(1)	(1)	(1)	(1)
<i>Reallocation from Non-reimbursable to Reimbursable</i>	<u>11</u>	<u>84</u>	<u>127</u>	<u>170</u>
Total	15	88	131	174
B&T				
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
MTAHQ				
<i>IT and Police Department</i>	<u>(39)</u>	<u>(66)</u>	<u>(66)</u>	<u>(56)</u>
Total	(39)	(66)	(66)	(56)
SIR				
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
MTACC				
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
MTA Bus Co				
<i>None</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
Total Re-Estimates	(11)	(128)	(99)	(44)

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

Category	2015 Actual¹	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Baseline Total Positions	68,824	71,762	71,631	71,550	71,594	71,508
NYC Transit	47,572	48,707	48,470	48,222	48,193	47,897
Long Island Rail Road	6,967	7,237	7,243	7,422	7,458	7,618
Metro-North Railroad	6,211	6,829	6,862	6,864	6,866	6,866
Bridges & Tunnels	1,434	1,750	1,754	1,754	1,756	1,762
Headquarters	2,474	2,936	2,977	2,981	3,005	3,059
Staten Island Railway	308	318	318	319	305	305
Capital Construction Company	126	140	140	140	140	140
Bus Company	3,732	3,845	3,867	3,848	3,871	3,861
Non-Reimbursable	63,141	64,506	64,714	64,822	64,923	65,099
NYC Transit	43,449	43,586	43,590	43,523	43,545	43,503
Long Island Rail Road	6,131	6,118	6,296	6,525	6,596	6,764
Metro-North Railroad	5,888	6,230	6,189	6,149	6,108	6,108
Bridges & Tunnels	1,358	1,663	1,667	1,667	1,669	1,675
Headquarters	2,340	2,800	2,841	2,845	2,869	2,923
Staten Island Railway	282	304	304	305	305	305
Capital Construction Company	-	-	-	-	-	-
Bus Company	3,693	3,805	3,827	3,808	3,831	3,821
Reimbursable	5,683	7,256	6,917	6,728	6,671	6,409
NYC Transit	4,123	5,121	4,880	4,699	4,648	4,394
Long Island Rail Road	836	1,119	947	897	862	854
Metro-North Railroad	323	599	673	715	758	758
Bridges & Tunnels	76	87	87	87	87	87
Headquarters	134	136	136	136	136	136
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	71,534	71,403	71,322	71,366	71,280
NYC Transit	47,315	48,495	48,258	48,010	47,981	47,685
Long Island Rail Road	6,967	7,237	7,243	7,422	7,458	7,618
Metro-North Railroad	6,210	6,828	6,861	6,863	6,865	6,865
Bridges & Tunnels	1,434	1,750	1,754	1,754	1,756	1,762
Headquarters	2,474	2,936	2,977	2,981	3,005	3,059
Staten Island Railway	308	318	318	319	305	305
Capital Construction Company	126	140	140	140	140	140
Bus Company	3,718	3,830	3,852	3,833	3,856	3,846
Total Full-Time-Equivalents	272	228	228	228	228	228
NYC Transit	257	212	212	212	212	212
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
July 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 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Administration	4,287	4,941	4,976	4,984	5,009	4,982
NYC Transit	1,441	1,486	1,482	1,479	1,477	1,444
Long Island Rail Road	465	512	514	522	527	532
Metro-North Railroad	466	572	582	582	582	582
Bridges & Tunnels	76	85	85	85	85	86
Headquarters	1,697	2,088	2,106	2,110	2,114	2,114
Staten Island Railway	25	29	29	29	29	29
Capital Construction Company	14	15	15	15	15	15
Bus Company	103	154	163	162	180	180
Operations	30,394	31,134	31,040	31,189	31,250	31,310
NYC Transit	23,019	23,396	23,364	23,355	23,354	23,253
Long Island Rail Road	2,354	2,455	2,398	2,556	2,618	2,779
Metro-North Railroad	1,867	1,933	1,933	1,933	1,933	1,933
Bridges & Tunnels	549	759	759	759	759	759
Headquarters	-	-	-	-	-	-
Staten Island Railway	106	107	107	107	107	107
Capital Construction Company	-	-	-	-	-	-
Bus Company	2,499	2,484	2,479	2,479	2,479	2,479
Maintenance	30,470	31,767	31,668	31,430	31,381	31,278
NYC Transit	21,121	21,805	21,603	21,367	21,341	21,254
Long Island Rail Road	3,992	4,067	4,128	4,141	4,111	4,105
Metro-North Railroad	3,771	4,201	4,224	4,226	4,228	4,228
Bridges & Tunnels	350	378	379	379	379	379
Headquarters	-	-	-	-	-	-
Staten Island Railway	151	168	168	169	169	169
Capital Construction Company	-	-	-	-	-	-
Bus Company	1,085	1,148	1,166	1,148	1,153	1,143
Engineering/Capital	1,990	2,113	2,115	2,115	2,101	2,031
NYC Transit	1,369	1,358	1,358	1,358	1,358	1,283
Long Island Rail Road	156	203	203	203	202	202
Metro-North Railroad	106	123	123	123	123	123
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	1,807	1,832	1,832	1,853	1,907
NYC Transit	622	662	663	663	663	663
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-	-
Bridges & Tunnels	267	275	276	276	277	277
Headquarters	777	848	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
July 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 Actual ¹	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Administration						
Managers/Supervisors	1,325	1,535	1,536	1,534	1,528	1,506
Professional, Technical, Clerica	2,832	3,255	3,281	3,292	3,308	3,303
Operational Hourlies	130	151	159	158	173	173
Total Administration	4,287	4,941	4,976	4,984	5,009	4,982
Operations						
Managers/Supervisors	3,657	3,764	3,755	3,749	3,745	3,748
Professional, Technical, Clerica	854	985	985	984	983	981
Operational Hourlies	25,883	26,385	26,300	26,456	26,522	26,581
Total Operations	30,394	31,134	31,040	31,189	31,250	31,310
Maintenance						
Managers/Supervisors	5,305	5,473	5,439	5,387	5,366	5,350
Professional, Technical, Clerica	1,803	1,998	2,017	2,006	2,009	1,995
Operational Hourlies	23,362	24,296	24,212	24,037	24,006	23,933
Total Maintenance	30,470	31,767	31,668	31,430	31,381	31,278
Engineering/Capital						
Managers/Supervisors	559	617	619	619	616	560
Professional, Technical, Clerica	1,408	1,485	1,485	1,485	1,483	1,469
Operational Hourlies	23	11	11	11	2	2
Total Engineering/Capital	1,990	2,113	2,115	2,115	2,101	2,031
Public Safety						
Managers/Supervisors	480	508	508	508	508	522
Professional, Technical, Clerica	126	155	156	156	157	158
Operational Hourlies	1,076	1,144	1,168	1,168	1,188	1,227
Total Public Safety	1,682	1,807	1,832	1,832	1,853	1,907
Baseline Total Positions						
Managers/Supervisors	11,327	11,897	11,857	11,797	11,763	11,686
Professional, Technical, Clerica	7,024	7,878	7,924	7,923	7,940	7,906
Operational Hourlies	50,474	51,987	51,850	51,830	51,891	51,916
Baseline Total Positions	68,824	71,762	71,631	71,550	71,594	71,508

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
July 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)

Function	Change 2016-2017	Change 2017-2018	Change 2018-2019	Change 2019-2020
Baseline Total Positions	131	81	(44)	86
NYC Transit	237	248	29	296
Long Island Rail Road	(6)	(179)	(36)	(160)
Metro-North Railroad	(33)	(2)	(2)	-
Bridges & Tunnels	(4)	-	(2)	(6)
Headquarters	(41)	(4)	(24)	(54)
Staten Island Railway	-	(1)	14	-
Capital Construction Company	-	-	-	-
Bus Company	(22)	19	(23)	10
Non-Reimbursable	(209)	(107)	(101)	(176)
NYC Transit	(4)	67	(22)	42
Long Island Rail Road	(178)	(229)	(71)	(168)
Metro-North Railroad	40	41	41	-
Bridges & Tunnels	(4)	-	(2)	(6)
Headquarters	(41)	(4)	(24)	(54)
Staten Island Railway	-	(1)	-	-
Capital Construction Company	-	-	-	-
Bus Company	(22)	19	(23)	10
Reimbursable	340	188	57	262
NYC Transit	241	181	51	254
Long Island Rail Road	172	50	35	8
Metro-North Railroad	(73)	(43)	(43)	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Staten Island Railway	-	-	14	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-
Total Full-Time	131	81	(44)	86
NYC Transit	237	248	29	296
Long Island Rail Road	(6)	(179)	(36)	(160)
Metro-North Railroad	(33)	(2)	(2)	-
Bridges & Tunnels	(4)	-	(2)	(6)
Headquarters	(41)	(4)	(24)	(54)
Staten Island Railway	-	(1)	14	-
Capital Construction Company	-	-	-	-
Bus Company	(22)	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
July 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	(35)	(8)	(25)	27
NYC Transit	4	3	2	33
Long Island Rail Road	(2)	(8)	(5)	(5)
Metro-North Railroad	(10)	-	-	-
Bridges & Tunnels	-	-	-	(1)
Headquarters	(18)	(4)	(4)	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(9)	1	(18)	-
Operations	94	(149)	(61)	(60)
NYC Transit	32	9	1	101
Long Island Rail Road	57	(158)	(62)	(161)
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	5	-	-	-
Maintenance	99	238	49	103
NYC Transit	202	236	26	87
Long Island Rail Road	(61)	(13)	30	6
Metro-North Railroad	(23)	(2)	(2)	-
Bridges & Tunnels	(1)	-	-	-
Headquarters	-	-	-	-
Long Island Bus	-	-	-	-
Staten Island Railway	-	(1)	-	-
Capital Construction Company	-	-	-	-
Bus Company	(18)	18	(5)	10
Engineering/Capital	(2)	-	14	70
NYC Transit	-	-	-	75
Long Island Rail Road	-	-	1	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	(2)	-	(1)	(5)
Headquarters	-	-	-	-
Staten Island Railway	-	-	14	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-
Public Safety	(25)	-	(21)	(54)
NYC Transit	(1)	-	-	-
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	(1)	-	(1)	-
Headquarters	(23)	-	(20)	(54)
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-
Baseline Total Positions	131	81	(44)	86

Metropolitan Transportation Authority
July 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	(1)	2	6	22
Professional, Technical, Clerical	(26)	(11)	(16)	5
Operational Hourlies	(8)	1	(15)	-
Total Administration	(35)	(8)	(25)	27
Operations				
Managers/Supervisors	9	6	4	(3)
Professional, Technical, Clerical	-	1	1	2
Operational Hourlies	85	(156)	(66)	(59)
Total Operations	94	(149)	(61)	(60)
Maintenance				
Managers/Supervisors	34	52	21	16
Professional, Technical, Clerical	(19)	11	(3)	14
Operational Hourlies	84	175	31	73
Total Maintenance	99	238	49	103
Engineering/Capital				
Managers/Supervisors	(2)	-	3	56
Professional, Technical, Clerical	-	-	2	14
Operational Hourlies	-	-	9	-
Total Engineering/Capital	(2)	-	14	70
Public Safety				
Managers/Supervisors	-	-	-	(14)
Professional, Technical, Clerical	(1)	-	(1)	(1)
Operational Hourlies	(24)	-	(20)	(39)
Total Public Safety	(25)	-	(21)	(54)
Baseline Total Positions				
Managers/Supervisors	40	60	34	77
Professional, Technical, Clerical	(46)	1	(17)	34
Operational Hourlies	137	20	(61)	(25)
Baseline Total Positions	131	81	(44)	86

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

Category	2016	2017	2018	2019
Baseline Total Positions	(257)	(419)	(401)	(317)
NYC Transit	(106)	(132)	(126)	(135)
Long Island Rail Road	(31)	(116)	(79)	(31)
Metro-North Railroad	2	(19)	(19)	(19)
Bridges & Tunnels	(3)	(7)	(7)	(7)
Headquarters	(91)	(116)	(114)	(101)
Staten Island Railway	10	10	10	(2)
Capital Construction Company	-	-	-	-
Bus Company	(38)	(39)	(66)	(22)
Non-Reimbursable	(126)	(209)	(207)	(91)
NYC Transit	(53)	(74)	(84)	(105)
Long Island Rail Road	44	(53)	(59)	(22)
Metro-North Railroad	15	80	123	166
Bridges & Tunnels	(3)	(7)	(7)	(7)
Headquarters	(89)	(114)	(112)	(99)
Staten Island Railway	(2)	(2)	(2)	(2)
Capital Construction Company	-	-	-	-
Bus Company	(38)	(39)	(66)	(22)
Reimbursable	(131)	(210)	(194)	(226)
NYC Transit	(53)	(58)	(42)	(30)
Long Island Rail Road	(75)	(63)	(20)	(9)
Metro-North Railroad	(13)	(99)	(142)	(185)
Bridges & Tunnels	-	-	-	-
Headquarters	(2)	(2)	(2)	(2)
Long Island Bus	-	-	-	-
Staten Island Railway	12	12	12	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-
Total Full-Time	(249)	(411)	(393)	(309)
NYC Transit	(98)	(124)	(118)	(127)
Long Island Rail Road	(31)	(116)	(79)	(31)
Metro-North Railroad	2	(19)	(19)	(19)
Bridges & Tunnels	(3)	(7)	(7)	(7)
Headquarters	(91)	(116)	(114)	(101)
Staten Island Railway	10	10	10	(2)
Capital Construction Company	-	-	-	-
Bus Company	(38)	(39)	(66)	(22)
Total Full-Time-Equivalents	(8)	(8)	(8)	(8)
NYC Transit	(8)	(8)	(8)	(8)
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2017-2020
Baseline Change Between 2016 July Financial Plan vs. 2016 February 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
Administration	(139)	(154)	(152)	(145)
NYC Transit	(19)	(20)	(20)	(18)
Long Island Rail Road	(14)	(16)	(16)	(14)
Metro-North Railroad	(4)	(12)	(12)	(12)
Bridges & Tunnels	2	2	2	2
Headquarters	(101)	(103)	(101)	(98)
Staten Island Railway	-	-	-	-
Capital Construction Company	2	2	2	2
Bus Company	(5)	(7)	(7)	(7)
Operations	(75)	(101)	(92)	(86)
NYC Transit	(20)	(85)	(77)	(76)
Long Island Rail Road	(32)	(7)	(6)	(1)
Metro-North Railroad	(2)	(2)	(2)	(2)
Bridges & Tunnels	(5)	(5)	(5)	(5)
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(16)	(2)	(2)	(2)
Maintenance	(44)	(138)	(131)	(58)
NYC Transit	(56)	(15)	(17)	(29)
Long Island Rail Road	18	(90)	(54)	(13)
Metro-North Railroad	9	(4)	(4)	(4)
Bridges & Tunnels	-	(1)	(1)	(1)
Headquarters	-	-	-	-
Staten Island Railway	(2)	(2)	(2)	(2)
Capital Construction Company	-	-	-	-
Bus Company	(13)	(26)	(53)	(9)
Engineering/Capital	6	4	4	(8)
NYC Transit	-	-	-	-
Long Island Rail Road	(3)	(3)	(3)	(3)
Metro-North Railroad	(1)	(1)	(1)	(1)
Bridges & Tunnels	-	(2)	(2)	(2)
Headquarters	-	-	-	-
Staten Island Railway	12	12	12	-
Capital Construction Company	(2)	(2)	(2)	(2)
Bus Company	-	-	-	-
Public Safety	(5)	(30)	(30)	(20)
NYC Transit	(11)	(12)	(12)	(12)
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	-	(1)	(1)	(1)
Headquarters	10	(13)	(13)	(3)
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(4)	(4)	(4)	(4)
Baseline Total Positions	(257)	(419)	(401)	(317)

Metropolitan Transportation Authority
July Financial Plan 2017-2020
Baseline Change Between 2016 July Financial Plan vs. 2016 February 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
Administration				
Managers/Supervisors	(41)	(29)	(29)	(27)
Professional, Technical, Clerical	(96)	(121)	(119)	(116)
Operational Hourlies	(2)	(4)	(4)	(2)
Total Administration	(139)	(154)	(152)	(145)
Operations				
Managers/Supervisors	22	9	10	11
Professional, Technical, Clerical	(100)	(52)	(51)	(50)
Operational Hourlies	3	(57)	(50)	(46)
Total Operations	(75)	(101)	(92)	(86)
Maintenance				
Managers/Supervisors	77	64	74	89
Professional, Technical, Clerical	(71)	(86)	(83)	(81)
Operational Hourlies	(50)	(116)	(122)	(66)
Total Maintenance	(44)	(138)	(131)	(58)
Engineering/Capital				
Managers/Supervisors	(3)	4	4	3
Professional, Technical, Clerical	(2)	(11)	(11)	(11)
Operational Hourlies	11	11	11	-
Total Engineering/Capital	6	4	4	(8)
Public Safety				
Managers/Supervisors	(17)	(17)	(17)	(17)
Professional, Technical, Clerical	1	-	-	-
Operational Hourlies	11	(13)	(13)	(3)
Total Public Safety	(5)	(30)	(30)	(20)
Baseline Total Positions				
Managers/Supervisors	38	31	42	59
Professional, Technical, Clerical	(268)	(271)	(265)	(259)
Operational Hourlies	(27)	(179)	(178)	(117)
Baseline Total Positions	(257)	(419)	(401)	(317)

III. Other MTA Consolidated Materials

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

Line No.	Non-Reimbursable	Actual 2015	Mid-Year Forecast 2016	Preliminary Budget 2017	2018	2019	2020
10	<u>Operating Revenue</u>						
11	Farebox Revenue	\$5,961	\$6,028	\$6,071	\$6,114	\$6,139	\$6,175
12	Toll Revenue	1,809	1,865	1,862	1,863	1,877	1,885
13	Other Revenue	689	682	702	718	741	768
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$8,459	\$8,574	\$8,635	\$8,696	\$8,757	\$8,828
17	<u>Operating Expense</u>						
18	Labor Expenses:						
19	Payroll	\$4,696	\$4,873	\$5,017	\$5,143	\$5,255	\$5,383
20	Overtime	755	749	754	764	776	793
21	Health & Welfare	1,050	1,155	1,264	1,348	1,443	1,544
22	OPEB Current Payment	502	556	608	653	708	767
23	Pensions	1,249	1,012	1,317	1,325	1,323	1,310
24	Other-Fringe Benefits	861	762	790	820	840	865
25	Reimbursable Overhead	(380)	(408)	(392)	(384)	(387)	(387)
26	Sub-total Labor Expenses	\$8,732	\$8,698	\$9,359	\$9,670	\$9,960	\$10,275
28	Non-Labor Expenses:						
29	Electric Power	\$474	\$423	\$524	\$555	\$588	\$628
30	Fuel	162	126	152	160	178	200
31	Insurance	57	44	51	60	66	76
32	Claims	331	272	281	287	295	301
33	Paratransit Service Contracts	379	391	411	435	472	511
34	Maintenance and Other Operating Contracts	579	715	712	690	697	724
35	Professional Service Contracts	380	511	441	437	423	438
36	Materials & Supplies	543	628	627	632	632	660
37	Other Business Expenses	196	179	174	183	184	189
38	Sub-total Non-Labor Expenses	\$3,101	\$3,287	\$3,374	\$3,440	\$3,535	\$3,727
40	Other Expense Adjustments:						
41	Other	\$37	\$53	\$46	\$47	\$50	\$51
42	General Reserve	0	145	155	160	165	170
43	Sub-total Other Expense Adjustments	\$37	\$198	\$201	\$207	\$215	\$221
45	Total Operating Expense before Non-Cash Liability Adj.	\$11,871	\$12,184	\$12,934	\$13,317	\$13,709	\$14,223
47	Depreciation	\$2,443	\$2,503	\$2,581	\$2,653	\$2,722	\$2,788
48	OPEB Liability Adjustment	1,490	1,848	1,939	2,008	2,081	2,158
49	GASB 68 Pension Expense Adjustment	(410)	172	(89)	(101)	(98)	(127)
50	Environmental Remediation	21	6	7	7	7	7
52	Total Operating Expense after Non-Cash Liability Adj.	\$15,414	\$16,712	\$17,373	\$17,884	\$18,422	\$19,049
54	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,543	\$4,529	\$4,439	\$4,567	\$4,713	\$4,826
56	Debt Service (excludes Service Contract Bonds)	(2,373)	(2,501)	(2,666)	(2,815)	(2,984)	(3,144)
58	Total Operating Expense with Debt Service	\$14,244	\$14,685	\$15,600	\$16,132	\$16,693	\$17,367
60	Dedicated Taxes and State/Local Subsidies	\$6,609	\$6,734	\$6,793	\$6,944	\$7,107	\$7,322
62	Net Surplus/(Deficit) After Subsidies and Debt Service	\$824	\$623	(\$172)	(\$493)	(\$829)	(\$1,217)
64	Conversion to Cash Basis: GASB Account	(0)	0	0	(8)	(19)	(30)
65	Conversion to Cash Basis: All Other	(674)	(630)	(275)	162	(61)	39
67	CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	\$150	(\$7)	(\$447)	(\$339)	(\$908)	(\$1,208)

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

No	Reimbursable	Actual	Mid-Year	Preliminary			
		2015	Forecast	Budget	2018	2019	2020
			2016	2017			
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	1,936	1,900	1,879	1,892	1,876
15	Total Operating Revenue	\$1,910	\$1,936	\$1,900	\$1,879	\$1,892	\$1,876
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$629	\$681	\$686	\$679	\$686	\$676
20	Overtime	205	154	144	142	144	144
21	Health & Welfare	70	66	73	75	77	77
22	OPEB Current Payment	8	9	10	10	11	11
23	Pensions	89	77	93	92	92	91
24	Other-Fringe Benefits	216	223	224	219	221	218
25	Reimbursable Overhead	380	407	390	384	387	387
26	Subtotal Labor Expenses	\$1,597	\$1,616	\$1,619	\$1,601	\$1,617	\$1,606
28	Non-Labor Expenses:						
29	Electric Power	\$2	\$1	\$0	\$0	\$0	\$0
30	Fuel	0	0	(0)	0	0	0
31	Insurance	10	13	13	14	14	15
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	73	60	60	60	61
35	Professional Service Contracts	88	83	60	60	54	46
36	Materials & Supplies	140	150	146	143	145	147
37	Other Business Expenses	(2)	1	1	1	1	1
38	Subtotal Non-Labor Expenses	\$313	\$320	\$281	\$278	\$275	\$271
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
47							
48	Total Operating Expense	\$1,910	\$1,936	\$1,900	\$1,879	\$1,892	\$1,876
49							
50	Baseline Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2017-2020
MTA Consolidated Statement Of Operations By Category

(\$ in millions)
Line

Number	Non-Reimbursable / Reimbursable	Actual 2015	Mid-Year Forecast 2016	Preliminary Budget 2017	2018	2019	2020
7							
8							
9							
10	Operating Revenue						
11	Farebox Revenue	\$5,961	\$6,028	\$6,071	\$6,114	\$6,139	\$6,175
12	Toll Revenue	1,809	1,865	1,862	1,863	1,877	1,885
13	Other Revenue	689	682	702	718	741	768
14	Capital and Other Reimbursements	1,910	1,936	1,900	1,879	1,892	1,876
15	Total Operating Revenue	\$10,369	\$10,511	\$10,536	\$10,575	\$10,649	\$10,704
16							
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$5,325	\$5,553	\$5,703	\$5,821	\$5,941	\$6,060
20	Overtime	960	903	898	906	920	938
21	Health & Welfare	1,120	1,221	1,338	1,423	1,520	1,621
22	OPEB Current Payment	509	565	618	663	719	778
23	Pensions	1,338	1,089	1,410	1,418	1,415	1,401
24	Other-Fringe Benefits	1,077	985	1,014	1,039	1,061	1,083
25	Reimbursable Overhead	0	(2)	(1)	(0)	(0)	(0)
26	Sub-total Labor Expenses	\$10,329	\$10,314	\$10,978	\$11,271	\$11,576	\$11,881
27							
28	Non-Labor Expenses:						
29	Electric Power	\$476	\$423	\$525	\$555	\$588	\$628
30	Fuel	162	126	152	160	178	200
31	Insurance	67	56	64	74	80	91
32	Claims	331	272	281	287	295	301
33	Paratransit Service Contracts	379	391	411	435	472	511
34	Maintenance and Other Operating Contracts	654	788	772	750	757	785
35	Professional Service Contracts	468	594	501	497	478	484
36	Materials & Supplies	683	778	773	776	777	807
37	Other Business Expenses	194	180	175	184	185	190
38	Sub-total Non-Labor Expenses	\$3,415	\$3,607	\$3,655	\$3,718	\$3,810	\$3,997
39							
40	Other Expense Adjustments:						
41	Other	\$37	\$53	\$46	\$47	\$50	\$51
42	General Reserve	0	145	155	160	165	170
43	Sub-total Other Expense Adjustments	\$37	\$198	\$201	\$207	\$215	\$221
44							
45	Total Operating Expense before Non-Cash Liability Adjs.	\$13,781	\$14,120	\$14,834	\$15,196	\$15,601	\$16,100
46							
47	Depreciation	\$2,443	\$2,503	\$2,581	\$2,653	\$2,722	\$2,788
48	OPEB Obligation	1,490	1,848	1,939	2,008	2,081	2,158
49	Environmental Remediation	21	6	7	7	7	7
50							
51	Total Operating Expense	\$17,734	\$18,477	\$19,362	\$19,864	\$20,411	\$21,053
52							
53	Net Operating Deficit Before Subsidies and Debt Service	(\$7,365)	(\$7,967)	(\$8,826)	(\$9,289)	(\$9,762)	(\$10,348)
54							
55	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,953	\$4,357	\$4,528	\$4,668	\$4,810	\$4,953
56							
57	Debt Service (excludes Service Contract Bonds)	(2,373)	(2,501)	(2,666)	(2,815)	(2,984)	(3,144)
58							
59	Total Operating Expense with Debt Service	\$16,154	\$16,621	\$17,500	\$18,011	\$18,585	\$19,243
60							
61	Dedicated Taxes and State/Local Subsidies	\$6,609	\$6,734	\$6,793	\$6,944	\$7,107	\$7,322
62							
63	Net Deficit After Subsidies and Debt Service	\$824	\$623	(\$172)	(\$493)	(\$829)	(\$1,217)
64							
65	Conversion to Cash Basis: GASB Account	(0)	0	0	(8)	(19)	(30)
66	Conversion to Cash Basis: All Other	(674)	(630)	(275)	162	(61)	39
67							
68	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$150	(\$7)	(\$447)	(\$339)	(\$908)	(\$1,208)

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

Line No	Cash Receipts and Expenditures	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
		2015	2016	2017			
7	Cash Receipts and Expenditures						
8							
9							
10	Receipts						
11	Farebox Revenue	\$6,001	\$6,053	\$6,096	\$6,139	\$6,164	\$6,201
12	Other Operating Revenue	718	742	711	840	768	809
13	Capital and Other Reimbursements	1,863	1,955	1,866	1,848	1,857	1,848
14	Total Receipts	\$8,583	\$8,750	\$8,673	\$8,828	\$8,789	\$8,858
15							
16	Expenditures						
17	Labor:						
18	Payroll	\$5,245	\$5,386	\$5,503	\$5,613	\$5,729	\$5,856
19	Overtime	955	880	870	877	890	910
20	Health and Welfare	1,109	1,176	1,301	1,379	1,475	1,574
21	OPEB Current Payment	496	543	599	644	698	757
22	Pensions	1,285	1,382	1,365	1,371	1,369	1,356
23	Other Fringe Benefits	795	823	837	859	875	897
24	Contribution to GASB Fund	0	0	0	8	19	30
25	Reimbursable Overhead	0	0	(0)	(0)	(0)	(0)
26	Total Labor Expenditures	\$9,886	\$10,190	\$10,475	\$10,751	\$11,055	\$11,379
27							
28	Non-Labor:						
29	Electric Power	\$485	\$419	\$518	\$548	\$581	\$620
30	Fuel	165	123	149	157	173	194
31	Insurance	58	40	48	58	65	73
32	Claims	269	248	269	239	248	255
33	Paratransit Service Contracts	381	389	409	433	470	509
34	Maintenance and Other Operating Contracts	522	681	646	590	594	618
35	Professional Service Contracts	314	575	443	432	411	416
36	Materials & Supplies	727	744	753	770	769	800
37	Other Business Expenditures	213	194	208	221	205	205
38	Total Non-Labor Expenditures	\$3,133	\$3,412	\$3,442	\$3,449	\$3,515	\$3,691
39							
40	Other Expenditure Adjustments:						
41	Other	\$33	\$138	\$125	\$158	\$113	\$120
42	General Reserve	0	145	155	160	165	170
43	Total Other Expenditure Adjustments	\$33	\$283	\$280	\$318	\$278	\$290
44							
45	Total Expenditures	\$13,052	\$13,885	\$14,197	\$14,518	\$14,848	\$15,360
46							
47	Net Cash Deficit Before Subsidies and Debt Service	(\$4,469)	(\$5,135)	(\$5,524)	(\$5,691)	(\$6,059)	(6,502)
48							
49	Dedicated Taxes and State/Local Subsidies	\$6,357	\$6,956	\$7,046	\$7,456	\$7,386	\$7,658
50	Debt Service (excludes Service Contract Bonds)	(\$1,738)	(\$1,828)	(\$1,969)	(\$2,105)	(\$2,236)	(2,364)
51							
52	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$150	(\$7)	(\$447)	(\$339)	(\$908)	(\$1,208)

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

	Actual 2015	Mid-Year Forecast 2016	Preliminary 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	333	337	340	344	347
Metro-North Railroad	231	237	237	237	237	237
MTA Headquarters	27	34	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	\$2,503	\$2,581	\$2,653	\$2,722	\$2,788
<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	78	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	\$1,848	\$1,939	\$2,008	\$2,081	\$2,158
<u>GASB 68 Pension Expense Adjustment</u>						
New York City Transit	(\$315)	(\$9)	(\$291)	(\$302)	(\$294)	(\$301)
Long Island Rail Road	(31)	169	174	173	174	162
Metro-North Railroad	(26)	(8)	(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)	\$172	(\$89)	(\$101)	(\$98)	(\$127)
<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	5	5	5	5
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	\$7	\$7	\$7	\$7
<u>Net Operating Surplus/(Deficit)</u>						
New York City Transit	\$190	(\$142)	\$77	\$107	\$87	\$83
Long Island Rail Road	18	(10)	(7)	(10)	(17)	(20)
Metro-North Railroad	(125)	(53)	(82)	(50)	(24)	(40)
MTA Headquarters	148	56	96	178	138	163
MTA Bus Company	44	(22)	12	12	15	14
Staten Island Railway	1	(6)	0	(0)	(0)	(0)
First Mutual Transportation Assurance Company	24	(17)	(17)	(21)	(24)	(30)
Other	28	20	22	24	26	28
<i>Sub-Total</i>	\$328	(\$175)	\$102	\$239	\$201	\$199
<u>Subsidies</u>						
New York City Transit	(\$816)	(\$428)	(\$433)	(\$160)	(\$304)	(\$237)
Commuter Railroads	(182)	70	(3)	100	56	79
MTA Headquarters	(40)	(25)	(26)	(25)	(25)	(25)
MTA Bus Company	40	(49)	75	(10)	(5)	(3)
Staten Island Railway	(3)	(23)	8	10	(3)	(5)
<i>Sub-Total</i>	(\$1,002)	(\$455)	(\$377)	(\$85)	(\$280)	(\$190)
Total Cash Conversion	\$2,869	\$3,899	\$4,164	\$4,721	\$4,633	\$4,835

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2017-2020
Changes Year-to-Year By Category

Favorable/(Unfavorable)
(\$ in millions)

Line Number	Non-Reimbursable	Mid-Year Forecast		Change	2018	Change	2019	Change	2020	Change
		2016	2017	2016 - 2017		2017 - 2018		2018 - 2019		2019-2020
12	Operating Revenue									
13	Farebox Revenue	\$6,028	\$6,071	\$43	\$6,114	\$43	\$6,139	\$25	\$6,175	\$36
14	Toll Revenue	1,865	1,862	(2)	1,863	1	1,877	14	1,885	8
15	Other Revenue	682	702	20	718	16	741	23	768	27
16	Capital and Other Reimbursements	0	0	0	0	0	0	0	0	0
17	Total Operating Revenue	\$8,574	\$8,635	\$61	\$8,696	\$60	\$8,757	\$61	\$8,828	\$71
19	Operating Expense									
20	Labor Expenses:									
21	Payroll ¹	\$4,873	\$5,017	(\$145)	\$5,143	(\$126)	\$5,255	(\$112)	\$5,383	(\$128)
22	Overtime	749	754	(5)	764	(10)	776	(12)	793	(17)
23	Health & Welfare	1,155	1,264	(109)	1,348	(84)	1,443	(95)	1,544	(101)
24	OPEB Current Payment	556	608	(52)	653	(45)	708	(55)	767	(59)
25	Pensions	1,012	1,317	(306)	1,325	(8)	1,323	2	1,310	13
26	Other-Fringe Benefits	762	790	(28)	820	(30)	840	(20)	865	(25)
27	Reimbursable Overhead	(408)	(392)	(17)	(384)	(8)	(387)	3	(387)	0
28	Sub-total Labor Expenses	\$8,698	\$9,359	(\$661)	\$9,670	(\$311)	\$9,960	(\$290)	\$10,275	(\$316)
30	Non-Labor Expenses:									
31	Traction and Propulsion Power	\$423	\$524	(\$102)	\$555	(\$31)	\$588	(\$33)	\$628	(\$40)
32	Fuel for Buses and Trains	126	152	(26)	160	(8)	178	(18)	200	(22)
33	Insurance	44	51	(7)	60	(9)	66	(6)	76	(11)
34	Claims	272	281	(9)	287	(6)	295	(7)	301	(6)
35	Paratransit Service Contracts	391	411	(21)	435	(24)	472	(37)	511	(39)
36	Maintenance and Other Operating Contracts	715	712	3	690	22	697	(6)	724	(27)
37	Professional Service Contracts	511	441	70	437	4	423	13	438	(15)
38	Materials & Supplies	628	627	1	632	(5)	632	0	660	(28)
39	Other Business Expenses	179	174	4	183	(8)	184	(1)	189	(5)
40	Sub-total Non-Labor Expenses	\$3,287	\$3,374	(\$87)	\$3,440	(\$66)	\$3,535	(\$95)	\$3,727	(\$192)
42	Other Expense Adjustments:									
43	Other	\$53	\$46	7	\$47	(1)	\$50	(2)	\$51	(1)
44	General Reserve	145	155	(10)	160	(5)	165	(5)	170	(5)
45	Sub-total Other Expense Adjustments	\$198	\$201	(\$3)	\$207	(\$6)	\$215	(\$7)	\$221	(\$6)
47	Depreciation	2,503	2,581	(79)	2,653	(72)	2,722	(69)	2,788	(66)
48	OPEB Obligation	1,848	1,939	(91)	2,008	(68)	2,081	(74)	2,158	(77)
49	Environmental Remediation	6	7	(1)	7	0	7	0	7	0
51	Total Operating Expense after Non-Cash Liability Adj.	\$16,541	\$17,462	(\$921)	\$17,985	(\$523)	\$18,519	(\$534)	\$19,176	(\$657)
53	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$4,529	\$4,439	(\$90)	\$4,567	\$128	\$4,713	\$145	\$4,826	\$113
55	Debt Service (excludes Service Contract Bonds)	(2,501)	(2,666)	(165)	(2,815)	(149)	(2,984)	(169)	(3,144)	(159)
57	Total Operating Expense with Debt Service	\$14,513	\$15,689	\$1,175	\$16,233	\$544	\$16,791	\$558	\$17,494	\$703
59	Dedicated Taxes and State/Local Subsidies	\$6,734	\$6,793	\$59	\$6,944	\$151	\$7,107	\$163	\$7,322	\$215
61	Net Surplus/(Deficit) After Subsidies and Debt Service	\$795	(\$261)	(\$1,055)	(\$594)	(\$333)	(\$927)	(\$333)	(\$1,345)	(\$418)
63	Conversion to Cash Basis: GASB Account	0	0	0	(8)	8	(19)	10	(30)	11
64	Conversion to Cash Basis: All Other	(630)	(275)	(355)	162	(438)	(61)	223	39	(100)
65										
66	CASH BALANCE BEFORE PRIOR YEAR CARRYOVER	\$165	(\$536)	(701)	(\$440)	96	(\$1,006)	(566)	(\$1,335)	(329)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2017-2020
Non-Recurring Revenue and Savings
(\$ in millions)

		2016 Mid-Year Forecast	2017 Preliminary Budget	2018 Plan	2019 Plan	2020 Plan
		Explanation	Explanation	Explanation	Explanation	Explanation
Bridges & Tunnels	Vacancies	\$ 9.8 Vacancy savings				
LIRR	Vacancies	\$ 7.1 Vacancy savings				
LIRR	Refunds of overpayments made to various utility providers.	\$ 2.5 Refunds from utility providers				
MNR	Other	\$ 7.3 Graybar recognition of a "no-action condo status" for a period prior to a new lease, which provides an exemption from NYC property taxes.				
MTA HQ	Lower expenditures than previously estimated	\$ 1.8 Revised Other Post-Employment Benefits				
MTA HQ	Timing of hiring plan	\$ 0.9 Delay in the MTAPD hiring of 46 Police Officers in 2016.				
MTA Bus	Budget shop reduction	\$ 4.2 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 will be done on a fix as fail basis.				
NYCT	Previous medical plan credit	\$ 7.6 One-time prior year credit from previous medical plans.				
NYCT	Operating Budget impact	\$ 1.8 Higher Second Avenue				
Debt Service		\$ 47.9 Lower unhedged variable rate				
Total Non-Recurring Resources (> or = \$1 million)		\$ 90.9	\$ -	\$ -	\$ -	\$ -

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

	<u>Actual 2015</u>	<u>Mid-Year Forecast 2016</u>	<u>Preliminary Budget 2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
MTA General Reserve (annual)	\$0.0	\$145.0	\$155.0	\$160.0	\$165.0	\$170.0
GASB Fund Reserve ^{1,2}	\$147.6	\$147.8	\$148.0	\$156.7	\$175.7	\$205.8
MTA Retiree Welfare Benefits Trust ²	\$302.4	\$303.2	\$303.9	\$304.6	\$305.4	\$306.1

¹ Cumulative balances

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

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	\$ 0.19
	Element Total	\$ 0.2
EL0502ZC	LONG BEACH BRANCH - SYS.	\$ 1.28
	Element Total	\$ 1.3
EL0602ZD	WESTERN RAIL YARDS - (WSY & LIC):	\$ 1.72
	Element Total	\$ 1.7
EL0603ZK	LONG ISLAND CITY YARD	\$ 0.68
	Element Total	\$ 0.7
EL0702ZM	1ST AVENUE SUBSTATION	\$ 0.73
	Element Total	\$ 0.7
L40905FV	LYNBROOK STATION IMPROVEMENT	\$ 2.57
L40905FW	STEWART MANOR STATION	\$ 1.15
	Element Total	\$ 3.7
L502042E	NEW ELEVATORS-FLUSHING MAIN	\$ 16.72
	Element Total	\$ 16.7
L50206VD	PS CUSTOMER SERVICE OFFICE	\$ 0.82
L50206VJ	STATION MASTERS OFFICE DESIGN	\$ 3.10
	Element Total	\$ 3.9
L50304T7	MLC - THIRD TRACK EIS	\$ 2.50
L500304	MLC - Hicksville North Station and Siding Construction (2015)	\$ 67.90
L50304TR	MLC-HICKSVILLE STATION	\$ 3.54
	Element Total	\$ 73.9
L50401BN	BRIDGE PROGRAM-FLUSHING REAL ESTATE	\$ 1.39
	Element Total	\$ 1.4
L50601YF	SHEA YARD IMPROVEMENTS	\$ 2.50
	Element Total	\$ 2.5
L60204UC	WANTAGH STATION PLATFORM	\$ 18.49
	Element Total	\$ 18.5
L60206VL	PENN STATION HVAC	\$ 7.44
	Element Total	\$ 7.4
L60301TF	CONSTRUCTION EQUIPMENT	\$ 0.28
	Element Total	\$ 0.3
L60304TU	JAMAICA CAPACITY IMPROVEMENTS	\$ 109.35
L60304TX	2ND MAIN LINE TRACK FARM TO KO	\$ 15.03
	Element Total	\$ 124.4
L60501L6	PENN STATION RADIO RETROFIT/ERT	\$ 6.48
	Element Total	\$ 6.5
L60502LA	POSITIVE TRAIN CONTROL	\$ 0.38
	Element Total	\$ 0.4
L60604YT	REHAB OF EMPLOYEE FACILITIES	\$ 2.01
	Element Total	\$ 2.0
L60701AQ	REPLACEMENT OF PT. WASH	\$ 9.40
L60701AR	REPLACEMENT OF RICHMOND HILL	\$ 0.03
	Element Total	\$ 9.4
L60904N3	20 SUBSTATIONS CHLORDANE	\$ 0.04
L60904N6	SMITHTOWN VIADUCT REMEDIATION	\$ 0.28
L60904NA	PROGRAM ADMINISTRATION	\$ 0.34
L60904NB	PROGRAM DEVELOPMENT	\$ 0.20
	Element Total	\$ 0.9
L70204UN	Nostrand Ave Station	\$ 21.00

Long Island Rail Road
2016 Commitments

Project ID	Project Description	Commitment Goal (\$ in mil)
	Element Total	\$ 21.0
L70205V1	Parking Rehab	\$ 5.00
	Element Total	\$ 5.0
L70206VR	Penn Station Complex Improvements Design	\$ 7.00
	Element Total	\$ 7.0
L70301WB	2016 TRACK PROGRAM	\$ 17.58
L70301WH	RETAINING WALLS/ROW PROJECTS	\$ 0.88
	Element Total	\$ 18.5
L70304WV	AMTRAK TERRITORY PROJECTS	\$ 17.00
L70304WX	Double Track	\$ 110.00
	Element Total	\$ 127.0
L70401BQ	Post Ave Bridge	\$ 15.00
L70401BT	Removal Montauk Cut Off Viaduct	\$ 5.70
	Element Total	\$ 20.7
L70501SE	COMMUNICATION POLE LINE REPLACE	\$ 1.76
	Element Total	\$ 1.8
L70502LJ	SIGNAL NORMAL REPLACEMENT	\$ 4.40
L70502LK	POSITIVE TRAIN CONTROL	\$ 40.00
	Element Total	\$ 44.4
L70701XA	SUBSTATION REPLACEMENT	\$ 1.76
L70701XB	SUBSTATION COMPONENTS	\$ 1.76
L70701XK	SIGNAL POWER MOTOR GENER REPL	\$ 1.76
L70701XL	DC RELAY CONTROLS REPLACEMENTS	\$ 0.44
L70701XS	SUBSTATION RENEWALS	\$ 0.88
	Element Total	\$ 6.6
L70904NK	INSURANCE	\$ 1.60
L70904NL	INDEPENDENT ENGINEER	\$ 1.40
L70904NQ	PROGRAM ADMINISTRATION	\$ 8.80
	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	\$	0.5
U60302	Bus Radio System	\$	58.5
U6030212	CNG Upgrade at College Point Depot	\$	5.0
	Element Total	\$	64.0
EU030201	Sandy: Depot Rehabilitation at Far Rockaway (2014 Goal)	\$	15.0
	Element Total	\$	15.0
	Grand Total	\$	79.0

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

New York City Transit
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
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

New York City Transit
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
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

New York City Transit
2016-19 Completions

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

New York City Transit
2016-19 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
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 Eqmmt	\$ 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	Cntract 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 Preliminary Budget
July 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 \$2.0 billion in Support to Mass Transit.

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

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

- Utilizing a Special Operations Command unit to provide unified emergency coordination, accident and facility/roadway hazard alerts, safety bulletins, and other vital communications to B&T customers and employees;
- Employing a Safety Task Force to check facilities for hazards and either make immediate improvements or elevate issues to a Safety Action Team when more technical solutions are required;
- Maintaining the effective ACROBAT (Achieve Collision Reduction on Bridges and Tunnels) program which is a joint effort 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 employee lost time injuries per 200,000 worker hours by 5.4% for the 12 months ending this past April compared to last year at this time. In addition, construction injuries per 200,000 worker hours were down 35.6%.

To better enforce weight restrictions and ensure the safety and structural integrity of the facilities, a truck weight enforcement program is in place on B&T's suspension bridges. The program uses a combination of personnel to perform vehicle weight and safety inspections and provide a regular facility presence to conduct credential checks. From the start of the program in 2007 through April 2016, more than 69,000 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 April, over 2,523 potholes were repaired and over 4,461 miles of roadway were swept across all facilities.

Another of B&T's key initiatives—to make E-ZPass (which is the least expensive means of collecting tolls) more available to all B&T customers—continues in the July Plan. From January through April of this year, E-ZPass usage averaged 86.2% of total traffic, which is 0.8% points greater than the same period last year. The following efforts have contributed toward this growth in usage.

- B&T began selling E-ZPass “On the Go” pre-paid tags in the cash toll lanes at each facility in 2012. Over 772,000 tags have been sold in the lanes to date.
- Spanish language versions of the E-ZPass application, interactive website, and the customer service telephone voice response system were introduced in January of 2012.
- B&T introduced the MTA Reload Card in February 2012, an initiative which makes it easier for customers to replenish their E-ZPass account with cash. Customers can go to any Visa ReadyLink retail merchant and use the card to reload their E-ZPass accounts, eliminating the need to travel to one of three walk-in centers in Yonkers, Queens, or Staten Island for that purpose. To date, over 158,000 cards have been issued to customers and approximately 16% of total cash replenishments are currently made using the reload cards.
- In November 2012, B&T introduced E-ZPass “Pay per Trip”, which enables customers to set up an E-ZPass account without a pre-paid balance. Those enrolled in this program pay for their tolls each day through an Automated Clearinghouse (ACH) deduction from their checking account. To date, over 69,000 account holders have signed up for this initiative.

The most potentially far-reaching B&T initiative is the project at the Henry Hudson Bridge (HHB) to test All Electronic Toll (AET) collection operations. In November 2012, B&T implemented a cashless tolling pilot at the HHB. All motorists are now able to use any

lane to drive through the toll plaza without stopping. Under the cashless tolling system, tolls continue to be collected using E-ZPass tags and readers. For drivers without an E-ZPass tag, an image is taken of their license plate, matched with information from the applicable Department of Vehicles and a bill for the toll is mailed to the vehicle's registered owner. Currently, approximately 94 percent of crossings at the HHB are processed through E-ZPass and 6 percent are Tolls by Mail transactions. Based on the results of the initiative, B&T began permanent operation of the HHB as an AET facility on January 1, 2015.

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

B&T will also expand its AET system through a pilot program at the Marine Parkway and Cross Bay Bridges to assess the feasibility of operating AET facilities with commercial and truck traffic. The pilot project will focus on the capture and processing of license plate images for commercial vehicles with plates mounted to trucks with a variety of physical properties, as well as the payment rate for commercial vehicles under the Tolls by Mail program.

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

2016 Mid-Year Forecast

In the 2016 Mid-Year Forecast, a total of \$1,377.8 million is projected in baseline operating income compared to \$1,321.3 million in the 2016 Adopted Budget, an increase of \$56.5 million.

Total revenue is \$1,914.8 million, which is \$59.6 million greater than the Adopted Budget. Toll revenue accounts for 97% of all revenues and is projected at \$1,864.8 million, which is \$56.3 million above the Adopted Budget. The higher revenue forecast is based on actual favorable traffic trends through May and revised upward projections for the rest of the year based on a continuation of relatively low gas prices and modest improvements in the regional economy. Favorable results are also occurring in Other Operating Revenue, mainly from income generated by a variety of E-ZPass and other administrative fees. These and other small revenue sources add a combined \$3.3 million to July Plan operating income.

The 2016 Mid-Year Forecast includes expenses totaling \$537.0 million before depreciation and GASB adjustments. Labor costs are nearly \$284.0 million and non-labor costs are nearly \$253.1 million. Total expenses are \$3.1 million above the Adopted Budget.

Labor expenses have been decreased by \$5.7 million. Payroll and fringe benefits are a combined \$13.0 million below the Adopted Budget primarily due to vacancies, while pension costs are \$7.3 million higher based on current projections provided by the NYC Employees' Retirement System (NYCERS).

Non-labor expenses are higher by \$8.8 million primarily due to additional costs resulting from the timing of Tropical Storm Sandy-related restoration work (\$3.8 million), major maintenance re-scheduling plus additional projects (\$4.8 million) and a higher re-estimate for the required annual write-off of outstanding E-ZPass account balances (\$4.3 million). These additional costs are partially offset by revised E-ZPass tag cost estimates based on lower negotiated unit prices (\$1.5 million), along with favorable re-estimates for energy (\$1.2 million) and insurance (\$0.6 million).

Total Support to Mass Transit is \$1,036.9 million compared to \$995.0 million in the 2016 Adopted Budget, an increase of \$41.9 million resulting from \$56.5 million more in baseline operating income (\$59.6 million in revenue gains offset by \$3.1 million in higher expenses), less \$8.4 million in additional Capitalized Assets due to project re-scheduling and \$6.2 more in B&T debt service.

In 2016, total planned year-end headcount is 1,750, including 87 capital reimbursable full-time equivalents, which is 3 positions higher than the Adopted Budget level. The new positions are scheduled to begin in the fourth quarter and are required to meet the additional needs of B&T's Toll Systems Maintenance Group as electronic toll collection operations continue to expand.

2017 Preliminary Budget - Baseline

In the 2017 Preliminary Budget, a total of \$1,346.8 million is projected in baseline operating income compared to \$1,314.1 million in the February Financial Plan, an increase of \$32.7 million.

Total revenues are \$1,912.5 million, which is \$46.7 million greater than the February Financial Plan. Toll revenues are increased by \$44.7 million, primarily reflecting the higher plan-to-plan traffic trends from 2016. Other Operating Revenue has also been adjusted upward by \$2.0 million to incorporate favorable re-estimates of E-ZPass and other administrative fees.

Expenses before depreciation and GASB adjustments total \$565.7 million and are comprised of \$310.6 million in labor costs and \$255.0 million in non-labor expenses. Overall expenses are \$14.0 million higher than the February Financial Plan.

Labor costs are projected to be greater by \$11.2 million, with 73%, or \$8.2 million of the increase due to upward revisions in NYCERS' current forecast for pension expenses. In addition, Heath and Welfare/OPEB costs have been increased by \$2.2 million, primarily due to revised growth estimates for defined medical programs. Lastly, the 2017 Preliminary Budget calls for seven new positions across Engineering, Maintenance, and Public Safety areas, which adds \$0.8 million in payroll and fringe benefits costs. These positions are needed to meet the increasing demands of carrying out design-build capital

projects, maintaining ever expanding electronic toll collection systems and managing vital electronic security systems.

Non-labor expenses are higher by \$2.8 million primarily due to higher plan-to-plan inflationary assumptions (\$1.5 million), higher re-estimates for E-ZPass Customer Service Center costs (\$2.3 million), partially offset by favorable E-ZPass tag re-estimates based on lower negotiated unit prices (\$0.6 million), and various other smaller re-estimates across several areas.

Total Support to Mass Transit is \$998.3 million compared to \$970.5 million in the February Financial Plan, an increase of \$27.9 million resulting from nearly \$32.7 more in baseline operating income (\$46.7 million in revenue gains partially offset by \$14.0 million in higher expenses) less \$4.6 million in additional B&T debt service.

In 2017, total headcount is budgeted at 1,754, including 87 reimbursable positions, which is seven positions higher than the February Financial Plan due to the previously discussed new staffing needs required across Engineering, Maintenance, and Public Safety areas.

2018-2020 Projections

The 2018 projection for Baseline operating income is \$1,326.5 million compared to \$1,303.1 million in the February Financial Plan. This consists of \$1,913.9 million in revenues less \$587.4 million in expenses. The expenses are comprised of \$317.8 million in labor costs and \$269.6 million in non-labor expenses.

The 2019 projection for Baseline operating income is \$1,323.4 million compared to \$1,294.6 million in the February Financial Plan. This consists of \$1,927.9 million in revenues, offset by \$604.5 million in expenses. The expenses are comprised of \$329.3 million in labor costs and \$275.2 million in non-labor expenses.

In 2020, the projection for Baseline operating income is \$1,317.6 million. This consists of \$1,935.7 million in revenues, offset by \$618.1 million in expenses. The expenses are comprised of nearly \$333.7 million in labor costs and nearly \$284.5 million in non-labor expenses.

Total headcount is planned at 1,754 in 2018, 1,756 in 2019 and 1,762 in 2020, including 87 capitally-reimbursable positions each year.

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

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

NON-REIMBURSABLE

	2015	2016	2017			
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Operating Revenue						
Vehicle Toll Revenue	\$1,808.901	\$1,864.846	\$1,862.488	\$1,863.398	\$1,877.125	\$1,884.721
Other Operating Revenue	36.172	26.419	25.123	25.123	25.123	25.123
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	\$1,891.692	\$1,888.598	\$1,889.761	\$1,903.488	\$1,911.084
Operating Expenses						
<u>Labor:</u>						
Payroll	\$118.804	\$134.073	\$151.307	\$155.260	\$162.103	\$163.167
Overtime	21.914	26.309	26.658	27.190	27.740	28.305
Health and Welfare	25.014	27.548	33.856	34.507	35.911	37.368
OPEB Current Payment	16.799	17.797	19.150	19.571	20.452	21.372
Pensions	39.850	41.812	41.182	41.891	41.448	40.729
Other Fringe Benefits	19.918	18.421	19.970	20.393	22.383	23.220
Reimbursable Overhead	(7.200)	(5.123)	(5.368)	(5.151)	(5.150)	(5.148)
Total Labor Expenses	\$235.099	\$260.838	\$286.755	\$293.660	\$304.888	\$309.014
<u>Non-Labor:</u>						
Electric Power	\$4.991	\$5.034	\$6.437	\$6.817	\$7.243	\$7.772
Fuel	1.977	1.699	2.111	2.344	2.580	3.157
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	150.826	151.926	164.056	166.723	171.724
Professional Service Contracts	27.936	41.976	43.433	43.626	44.267	45.471
Materials & Supplies	3.255	4.049	4.211	4.329	4.445	4.562
Other Business Expenses	35.203	34.611	31.312	32.093	32.889	33.901
Total Non-Labor Expenses	\$217.660	\$253.050	\$255.047	\$269.589	\$275.227	\$284.472
<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	\$513.888	\$541.802	\$563.249	\$580.114	\$593.486
Add: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Add: OPEB Liability Adjustment	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)	(6.700)	(4.601)
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$624.999	\$690.291	\$731.571	\$765.781	\$797.612	\$827.177
Less: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Less: OPEB Liability Adjustment	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)	(6.700)	(4.601)
Total Expenses	\$452.759	\$513.888	\$541.802	\$563.249	\$580.114	\$593.486
Net Surplus/(Deficit)	\$1,392.497	\$1,377.804	\$1,346.796	\$1,326.512	\$1,323.374	\$1,317.598

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

REIMBURSABLE

	2015	2016	2017			
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary 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 Liability Adjustment	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 Liability Adjustment	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
July Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE Page 1 of 2

	2015 <u>Actual</u>	2016 Mid-Year <u>Forecast</u>	2017 Preliminary <u>Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue						
Vehicle Toll Revenue	\$1,808.901	\$1,864.846	\$1,862.488	\$1,863.398	\$1,877.125	\$1,884.721
Other Operating Revenue	36.172	26.419	25.123	25.123	25.123	25.123
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	\$1,914.844	\$1,912.471	\$1,913.918	\$1,927.892	\$1,935.734
Expenses						
<u>Labor:</u>						
Payroll	\$126.813	\$143.896	\$161.211	\$165.246	\$172.174	\$173.323
Overtime	22.741	27.868	28.245	28.806	29.386	29.975
Health and Welfare	26.669	29.975	36.443	37.271	38.746	40.278
OPEB Current Payment	16.799	17.797	19.150	19.571	20.452	21.372
Pensions	41.812	44.659	44.190	45.073	44.650	43.951
Other Fringe Benefits	20.840	19.794	21.389	21.850	23.883	24.763
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$255.674	\$283.990	\$310.628	\$317.817	\$329.291	\$333.663
<u>Non-Labor:</u>						
Electric Power	\$4.991	\$5.034	\$6.437	\$6.817	\$7.243	\$7.772
Fuel	1.977	1.699	2.111	2.344	2.580	3.157
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	150.826	151.926	164.056	166.723	171.724
Professional Service Contracts	27.936	41.976	43.433	43.626	44.267	45.471
Materials & Supplies	3.255	4.049	4.211	4.329	4.445	4.562
Other Business Expenses	35.203	34.611	31.312	32.093	32.889	33.901
Total Non-Labor Expenses	\$217.660	\$253.050	\$255.047	\$269.589	\$275.227	\$284.472
<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	\$537.040	\$565.675	\$587.406	\$604.518	\$618.136
Add: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Add: OPEB Liability Adjustment	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)	(6.700)	(4.601)
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$645.574	\$713.442	\$755.444	\$789.938	\$822.016	\$851.826
Less: Depreciation	\$109.783	\$119.521	\$127.853	\$136.766	\$146.300	\$156.499
Less: OPEB Liability Adjustment	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)	(6.700)	(4.601)
Total Expenses	\$473.334	\$537.040	\$565.675	\$587.406	\$604.518	\$618.136
Net Surplus/(Deficit)	\$1,392.497	\$1,377.804	\$1,346.796	\$1,326.512	\$1,323.374	\$1,317.598

MTA BRIDGES AND TUNNELS
July 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 Mid-Year <u>Forecast</u>	2017 Preliminary <u>Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Net Surplus/(Deficit)	\$1,392.497	\$1,377.804	\$1,346.796	\$1,326.512	\$1,323.374	\$1,317.598
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$7.724	\$26.345	\$18.348	\$18.767	\$20.335	\$20.796
Less: Reserves	29.283	26.881	27.507	28.242	28.993	29.755
Less: GASB 45 Reserves	0.000	0.000	0.000	0.084	0.260	0.444
Adjusted Net Surplus/(Deficit)	\$1,355.490	\$1,324.579	\$1,300.941	\$1,279.419	\$1,273.786	\$1,266.603
Less: Debt Service	\$604.591	\$647.107	\$669.722	\$680.102	\$713.019	\$739.643
Income Available for Distribution	\$750.899	\$677.471	\$631.219	\$599.318	\$560.767	\$526.960
<u>Distributable To:</u>						
MTA - Investment Income	\$0.183	\$0.427	\$0.987	\$1.240	\$1.240	\$1.240
MTA - Distributable Income	432.282	392.812	370.843	354.378	335.629	317.992
NYCT - Distributable Income	318.434	284.233	259.389	243.699	223.898	207.728
Total Distributable Income:	\$750.899	\$677.471	\$631.219	\$599.318	\$560.767	\$526.960
<u>Actual Cash Transfers:</u>						
MTA - Investment Income	\$0.137	\$0.183	\$0.427	\$0.987	\$1.240	\$1.240
MTA - Transfers	426.246	409.842	373.040	356.024	337.504	319.756
NYCT - Transfers	313.857	292.831	261.873	245.268	225.878	209.345
Total Cash Transfers:	\$740.239	\$702.856	\$635.340	\$602.280	\$564.622	\$530.341
<u>SUPPORT TO MASS TRANSIT:</u>						
Total Revenues	\$1,865.831	\$1,914.844	\$1,912.471	\$1,913.918	\$1,927.892	\$1,935.734
Less: Net Operating Expenses	473.334	537.040	565.675	587.406	604.518	618.136
Net Operating Income:	\$1,392.497	\$1,377.804	\$1,346.796	\$1,326.512	\$1,323.374	\$1,317.598
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$230.545	\$287.665	\$302.619	\$315.090	\$345.073	\$375.736
Capitalized Assets	7.724	26.345	18.348	18.767	20.335	20.796
Reserves	29.283	26.881	27.507	28.242	28.993	29.755
GASB Reserves	0.000	0.000	0.000	0.084	0.260	0.444
Total Deductions from Operating Income:	\$267.552	\$340.891	\$348.474	\$362.183	\$394.661	\$426.731
Total Support to Mass Transit:	\$1,124.945	\$1,036.914	\$998.322	\$964.329	\$928.713	\$890.867

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

	Total		
	Hours	\$	%
NON-REIMBURSABLE OVERTIME			
OPERATIONS & MAINTENANCE			
<u>Scheduled Service</u>	78,443	\$5.660	21.5%
<u>Unscheduled Service</u>	7,982	0.712	2.7%
<u>Programmatic/Routine Maintenance</u>	19,462	1.811	6.9%
<u>Unscheduled Maintenance</u>	9,085	0.845	3.2%
<u>Vacancy/Absentee Coverage</u>	168,237	12.717	48.3%
<u>Weather Emergencies</u>	13,917	1.104	4.2%
<u>Safety/Security/Law Enforcement</u>	28,883	2.154	8.2%
<u>Other</u>	1,498	0.141	0.5%
<u>All Other Departments and Accruals¹</u>	0	1.166	4.4%
Subtotal	327,506	\$26.309	100%
REIMBURSABLE OVERTIME	23,915	\$1.558	
TOTAL OVERTIME	351,421	\$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 Preliminary Budget
July Financial Plan 2017–2020
Year-to-Year Changes by Category - Baseline

Toll Revenue

- Toll revenue is forecast at \$1,864.8 million in 2016 and \$1,862.5 million in 2017. Traffic volume in 2016 is forecast at 305.5 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, a return to more normal weather conditions and rising gas prices are expected, and therefore traffic volume is estimated to remain around 305.5 million crossings. Although traffic growth is flat, toll revenue is forecast to decline by \$2.4 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 transactions. This results in a slightly lower average toll in 2017 compared to 2016 and fully accounts for the \$2.4 million decline in revenue.
- Toll revenue increases to \$1,863.4 million in 2018, \$1,877.1 million in 2019, and \$1,884.7 million in 2020, reflecting traffic volume increases from projected regional employment growth ranging between 0.4% and 0.5% each year, and average annual regional inflation of approximately 2.4%. Traffic levels are forecast at 306.1 million crossings in 2018, 308.8 million in 2019, and 310.7 million in 2020.

Other Operating Revenue

- Other Operating Revenue is estimated at \$26.4 million in 2016 and \$25.1 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 \$25.1 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 \$143.9 million in 2016 to \$161.2 million in 2017 primarily due to the filling of 2016 vacancies, a full year of the seven additional positions discussed in the Financial Overview, contractual step-up increases and inflationary adjustments.
- Payroll expenses range from \$165.2 million in 2018 to \$173.3 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 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 \$7.8 million from 2016 primarily due to forecast inflation of 7.6% for defined medical programs and the filling of 2016 vacancies.
- Expenses increase by \$1.2 million in 2018 and by approximately \$2.4 million in each subsequent year, primarily reflecting forecast medical program inflation of 2.2% 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 \$19.8 million in 2016 to \$24.8 million in 2020.

Electric Power

- Electricity costs are based on the most recent rate projections. Expenses grow by \$1.4 million in 2017 and then increase between \$0.4 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 are \$1.7 million in 2016, \$2.1 million in 2017, and \$2.3 million in 2018. Expenses grow by \$0.2 million in 2019 and \$0.6 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

- Inflationary adjustments account for a considerable amount of the year-to-year changes in Maintenance and Other Operating Contracts and the other expense categories discussed below. Inflation is based on a national CPI-U forecast of 2.33% in 2017, and approximately 2.65% on average each year thereafter.
- Year-to-year expenses for Maintenance and Other Operating Contracts are projected to be \$1.1 million higher in 2017 primarily due to inflation.
- Expenses grow by \$12.1 million in 2018 largely due to E-ZPass Customer Service Center re-estimates (\$6.0 million), higher E-ZPass tag expenses (\$2.3 million) that are driven by the cyclical nature of the Tag Replacement Program, additional costs associated with the EAM program (\$1.0 million) and inflation.
- Expenses grow \$2.7 million in 2019 and \$5.0 million in 2020 primarily due to inflation.

Professional Service Contracts

- In 2017, expenses increase by \$1.5 million primarily due to inflation (\$1.1 million) and consulting costs for EAM program development (\$2.5 million), partially offset by non-recurring 2016 consulting expenses across a variety of areas totaling approximately \$2.1 million.
- Expenses grow by \$0.2 million in 2018 and \$0.6 million in 2019. Growth in both these years is well below inflation (approximately \$1.2 million per year) primarily due to the development plan for EAM, which calls for lower incremental consulting costs compared to 2017.
- Costs grow by \$1.2 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 \$0.8 million and \$1.0 million each year thereafter based on inflationary adjustments.

MTA BRIDGES AND TUNNELS
July 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	\$ 1,864.846	\$ 1,862.488	\$ (2.358)	\$ 1,863.398	\$ 0.910	\$ 1,877.125	\$ 13.727	\$ 1,884.721	\$ 7.596
Other Operating Revenue	26.419	25.123	(1.296)	25.123	-	25.123	-	25.123	-
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Investment Income	0.427	0.987	0.560	1.240	0.253	1.240	-	1.240	-
Total Revenue	\$ 1,891.692	\$ 1,888.598	\$ (3.095)	\$ 1,889.761	\$ 1.163	\$ 1,903.488	\$ 13.727	\$ 1,911.084	\$ 7.596
Expenses									
Labor:									
Payroll	\$ 134.073	\$ 151.307	\$ (17.234)	\$ 155.260	\$ (3.953)	\$ 162.103	\$ (6.843)	\$ 163.167	\$ (1.064)
Overtime	26.309	26.658	(0.348)	27.190	(0.532)	27.740	(0.550)	28.305	(0.565)
Health and Welfare	27.548	33.856	(6.308)	34.507	(0.650)	35.911	(1.405)	37.368	(1.457)
OPEB Current Payment	17.797	19.150	(1.353)	19.571	(0.421)	20.452	(0.881)	21.372	(0.920)
Pensions	41.812	41.182	0.630	41.891	(0.709)	41.448	0.443	40.729	0.719
Other Fringe Benefits	18.421	19.970	(1.550)	20.393	(0.422)	22.383	(1.991)	23.220	(0.837)
Reimbursable Overhead	(5.123)	(5.368)	0.245	(5.151)	(0.217)	(5.150)	(0.001)	(5.148)	(0.002)
Total Labor Expenses	\$ 260.838	\$ 286.755	\$ (25.917)	\$ 293.660	\$ (6.906)	\$ 304.888	\$ (11.227)	\$ 309.014	\$ (4.126)
Non-Labor:									
Electric Power	\$ 5.034	\$ 6.437	\$ (1.403)	\$ 6.817	\$ (0.380)	\$ 7.243	\$ (0.425)	\$ 7.772	\$ (0.530)
Fuel	1.699	2.111	(0.412)	2.344	(0.233)	2.580	(0.236)	3.157	(0.577)
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	150.826	151.926	(1.101)	164.056	(12.130)	166.723	(2.667)	171.724	(5.002)
Professional Service Contracts	41.976	43.433	(1.456)	43.626	(0.193)	44.267	(0.641)	45.471	(1.204)
Materials & Supplies	4.049	4.211	(0.162)	4.329	(0.118)	4.445	(0.115)	4.562	(0.117)
Other Business Expenses	34.611	31.312	3.300	32.093	(0.781)	32.889	(0.796)	33.901	(1.012)
Total Non-Labor Expenses	\$ 253.050	\$ 255.047	\$ (1.997)	\$ 269.589	\$ (14.542)	\$ 275.227	\$ (5.638)	\$ 284.472	\$ (9.246)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjs.	\$ 513.888	\$ 541.802	\$ (27.913)	\$ 563.249	\$ (21.447)	\$ 580.114	\$ (16.865)	\$ 593.486	\$ (13.372)
Add: Depreciation	\$ 119.521	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	\$ 156.499	\$ (10.199)
Add: OPEB Liability Adjustment	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)	(6.700)	(1.723)	(4.601)	(2.099)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	\$ 690.291	\$ 731.571	\$ (41.280)	\$ 765.781	\$ (34.210)	\$ 797.612	\$ (31.831)	\$ 827.177	\$ (29.565)
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	(10.409)	(8.740)	(1.669)	(8.423)	(0.317)	(6.700)	(1.723)	(4.601)	(2.099)
Total Expenses	\$ 513.888	\$ 541.802	\$ (27.913)	\$ 563.249	\$ (21.447)	\$ 580.114	\$ (16.865)	\$ 593.486	\$ (13.372)
Net Surplus/(Deficit)	\$ 1,377.804	\$ 1,346.796	\$ (31.008)	\$ 1,326.512	\$ (20.284)	\$ 1,323.374	\$ (3.138)	\$ 1,317.598	\$ (5.776)

MTA BRIDGES AND TUNNELS
July 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 Adjs.	\$ 23.151	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	\$ 24.649	\$ (0.246)	
Add: Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Add: OPEB Liability Adjustment	-	-	-	-	-	-	-	-	-	
Add: GASB 68 Pension Adjustment	-	-	-	-	-	-	-	-	-	
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-	
Total Expenses after Depreciation and GASB Adjs.	\$ 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
July 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	\$ 1,864.846	\$ 1,862.488	\$ (2.358)	\$ 1,863.398	\$ 0.910	\$ 1,877.125	\$ 13.727	\$ 1,884.721	\$ 7.596
Other Operating Revenue	26.419	25.123	(1.296)	25.123	-	25.123	-	25.123	-
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	\$ 1,914.844	\$ 1,912.471	\$ (2.373)	\$ 1,913.918	\$ 1.447	\$ 1,927.892	\$ 13.974	\$ 1,935.734	\$ 7.842
Expenses									
Labor:									
Payroll	\$ 143.896	\$ 161.211	\$ (17.315)	\$ 165.246	\$ (4.035)	\$ 172.174	\$ (6.928)	\$ 173.323	\$ (1.149)
Overtime	27.868	28.245	(0.377)	28.806	(0.562)	29.386	(0.580)	29.975	(0.589)
Health and Welfare	29.975	36.443	(6.468)	37.271	(0.827)	38.746	(1.476)	40.278	(1.532)
OPEB Current Payment	17.797	19.150	(1.353)	19.571	(0.421)	20.452	(0.881)	21.372	(0.920)
Pensions	44.659	44.190	0.469	45.073	(0.883)	44.650	0.423	43.951	0.699
Other Fringe Benefits	19.794	21.389	(1.595)	21.850	(0.461)	23.883	(2.032)	24.763	(0.881)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$ 283.990	\$ 310.628	\$ (26.638)	\$ 317.817	\$ (7.190)	\$ 329.291	\$ (11.474)	\$ 333.663	\$ (4.372)
Non-Labor:									
Electric Power	\$ 5.034	\$ 6.437	\$ (1.403)	\$ 6.817	\$ (0.380)	\$ 7.243	\$ (0.425)	\$ 7.772	\$ (0.530)
Fuel	1.699	2.111	(0.412)	2.344	(0.233)	2.580	(0.236)	3.157	(0.577)
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	150.826	151.926	(1.101)	164.056	(12.130)	166.723	(2.667)	171.724	(5.002)
Professional Service Contracts	41.976	43.433	(1.456)	43.626	(0.193)	44.267	(0.641)	45.471	(1.204)
Materials & Supplies	4.049	4.211	(0.162)	4.329	(0.118)	4.445	(0.115)	4.562	(0.117)
Other Business Expenses	34.611	31.312	3.300	32.093	(0.781)	32.889	(0.796)	33.901	(1.012)
Total Non-Labor Expenses	\$ 253.050	\$ 255.047	\$ (1.997)	\$ 269.589	\$ (14.542)	\$ 275.227	\$ (5.638)	\$ 284.472	\$ (9.246)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adj.	\$ 537.040	\$ 565.675	\$ (28.635)	\$ 587.406	\$ (21.731)	\$ 604.518	\$ (17.112)	\$ 618.136	\$ (13.618)
Add: Depreciation	\$ 119.521	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	\$ 156.499	\$ (10.199)
Add: OPEB Liability Adjustment	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)	(6.700)	(1.723)	(4.601)	(2.099)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adj.	\$ 713.442	\$ 755.444	\$ (42.001)	\$ 789.938	\$ (34.494)	\$ 822.016	\$ (32.078)	\$ 851.826	\$ (29.811)
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	(10.409)	(8.740)	(1.669)	(8.423)	(0.317)	(6.700)	(1.723)	(4.601)	(2.099)
Total Expenses	\$ 537.040	\$ 565.675	\$ (28.635)	\$ 587.406	\$ (21.731)	\$ 604.518	\$ (17.112)	\$ 618.136	\$ (13.618)
Net Surplus/(Deficit)	\$ 1,377.804	\$ 1,346.796	\$ (31.008)	\$ 1,326.512	\$ (20.284)	\$ 1,323.374	\$ (3.138)	\$ 1,317.598	\$ (5.776)

MTA BRIDGES AND TUNNELS
July 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)	\$ 1,377.804	\$ 1,346.796	\$ (31.008)	\$ 1,326.512	\$ (20.284)	\$ 1,323.374	\$ (3.138)	\$ 1,317.598	\$ (5.776)
<u>Deductions from Income:</u>									
Less: Capitalized Assets	\$ 26.345	\$ 18.348	\$ 7.997	\$ 18.767	\$ (0.419)	\$ 20.335	\$ (1.568)	\$ 20.796	\$ (0.461)
Less: Reserves	26.881	27.507	(0.626)	28.242	(0.734)	28.993	(0.751)	29.755	(0.763)
Less: GASB 45 Reserves	-	-	-	0.084	(0.084)	0.260	(0.176)	0.444	(0.184)
Adjusted Net Surplus/(Deficit)	\$ 1,324.579	\$ 1,300.941	\$ (38.378)	\$ 1,279.419	\$ (21.522)	\$ 1,273.786	\$ (0.643)	\$ 1,266.603	\$ (4.369)
Less: Debt Service	\$ 647.107	\$ 669.722	\$ (22.615)	\$ 680.102	\$ (10.380)	\$ 713.019	\$ (32.917)	\$ 739.643	\$ (26.624)
Income Available for Distribution	\$ 677.471	\$ 631.219	\$ (60.993)	\$ 599.318	\$ (31.901)	\$ 560.767	\$ (33.560)	\$ 526.960	\$ (30.993)
Distributable To:									
MTA - Investment Income	\$ 0.427	\$ 0.987	\$ 0.560	\$ 1.240	\$ 0.253	\$ 1.240	\$ -	\$ 1.240	\$ -
MTA - Distributable Income	392.812	370.843	(21.968)	354.378	(16.465)	335.629	(18.749)	317.992	(17.637)
NYCT - Distributable Income	284.233	259.389	(24.844)	243.699	(15.689)	223.898	(19.802)	207.728	(16.170)
Total Distributable Income:	\$ 677.471	\$ 631.219	\$ (46.252)	\$ 599.318	\$ (31.901)	\$ 560.767	\$ (38.550)	\$ 526.960	\$ (33.807)
Actual Cash Transfers:									
MTA - Investment Income	\$ 0.183	\$ 0.427	\$ 0.244	\$ 0.987	\$ 0.560	\$ 1.240	\$ 0.253	\$ 1.240	\$ -
MTA - Transfers	409.842	373.040	(36.802)	356.024	(17.016)	337.504	(18.521)	319.756	(17.748)
NYCT - Transfers	292.831	261.873	(30.957)	245.268	(16.605)	225.878	(19.390)	209.345	(16.533)
Total Cash Transfers:	\$ 702.856	\$ 635.340	\$ (67.516)	\$ 602.280	\$ (33.060)	\$ 564.622	\$ (37.658)	\$ 530.341	\$ (34.281)
SUPPORT TO MASS TRANSIT:									
Total Revenues	\$ 1,914.844	\$ 1,912.471	\$ (2.373)	\$ 1,913.918	\$ 1.447	\$ 1,927.892	\$ 13.974	\$ 1,935.734	\$ 7.842
Less: Net Operating Expenses	537.040	565.675	(28.635)	587.406	(21.731)	604.518	(17.112)	618.136	(13.618)
Net Operating Income:	\$ 1,377.804	\$ 1,346.796	\$ (31.008)	\$ 1,326.512	\$ (20.284)	\$ 1,323.374	\$ (3.138)	\$ 1,317.598	\$ (5.776)
Deductions from Operating Income:									
B&T Debt Service	\$ 287.665	\$ 302.619	\$ (14.954)	\$ 315.090	\$ (12.472)	\$ 345.073	\$ (29.983)	\$ 375.736	\$ (30.663)
Capitalized Assets	26.345	18.348	7.997	18.767	(0.419)	20.335	(1.568)	20.796	(0.461)
Reserves	26.881	27.507	(0.626)	28.242	(0.734)	28.993	(0.751)	29.755	(0.763)
GASB 45 Reserves	-	-	-	0.084	(0.084)	0.260	(0.176)	0.444	(0.184)
Total Deductions from Operating Inc:	\$ 340.891	\$ 348.474	\$ (7.583)	\$ 362.183	\$ (13.709)	\$ 394.661	\$ (32.478)	\$ 426.731	\$ (32.070)
Total Support to Mass Transit:	\$ 1,036.914	\$ 998.322	\$ (38.591)	\$ 964.329	\$ (33.993)	\$ 928.713	\$ (35.616)	\$ 890.867	\$ (37.846)

MTA BRIDGES AND TUNNELS
2017 Preliminary Budget
July Financial Plan 2017–2020
Summary of Major Plan-to-Plan Changes

Non-Reimbursable

2016: July Financial Plan vs. February Financial Plan

Revenues

Revenue adjustments from the February Plan generate an additional \$59.6 million. The major changes include:

- Additional toll revenues of \$56.3 million stemming from recent favorable traffic trends compared to the Adopted Budget.
- Increased Other Operating Revenue of \$3.3 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 \$3.1 million greater than the February Plan. Labor costs are \$5.7 million lower and non-labor expenses are \$8.8 million higher. The major variances include:

Labor

- Lower Payroll and associated employer taxes (budgeted in Other Fringe Benefits) totaling \$9.6 million due to vacancies.
- A total decrease of \$3.4 million in Health and Welfare/OPEB Current Payment expenses primarily due to vacancies and slightly lower rate projections.
- An increase of \$7.3 million in Pension costs based on NYCERS' current projections.

Non-Labor

- Lower energy costs totaling \$1.2 million based on revised rate forecasts for electricity (\$0.6 million) and fuel (\$0.6 million).
- Lower insurance costs of \$0.6 million based on revised policy assumptions.
- Higher expenses in Maintenance and Other Operating Contracts (\$6.5 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 (\$4.3 million) due to a higher re-estimate for a year-end write-off of debt associated with outstanding E-ZPass account balances.

Deductions from Operating Income

- Capitalized Assets are \$8.4 million higher primarily due to the re-scheduling of projects from 2015.
- B&T Debt Service is \$6.2 million greater than the Adopted Budget.

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

Revenues

Total revenues are being increased by \$46.7 million in 2017, \$34.7 million in 2018 and \$34.8 million in 2019.

- The toll revenue forecast has been increased by \$44.7 million in 2017, \$32.7 million in 2018 and \$32.8 million in 2019 to reflect the higher baseline traffic from 2016 and current projections for regional employment and inflation (See Traffic/Utilization).
- Other Operating Revenue is \$2.0 million greater each year due to revised estimates for E-ZPass and other administrative fees.

Expenses

Non-reimbursable expenses increase by \$14.0 million in 2017, \$11.3 million in 2018, and \$6.1 million in 2019.

Labor

Expenses increase by \$11.2 million in 2017, \$9.7 million in 2018, and \$7.8 million in 2019 based on the following major changes:

- Higher Payroll and associated fringe benefit costs totaling between \$0.9 million and \$1.1 million each year for the seven new positions discussed in the Financial Overview.
- Higher pension costs of \$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.
- Revised inflationary assumptions for defined medical plans result in unfavorable Health and Welfare/OPEB variances of \$2.2 million in 2017, \$0.9 million in 2018 and \$0.7 million in 2019.

Non-Labor

Non-Labor expenses increase by \$2.8 million in 2017 and \$1.6 million in 2018, and decline by \$1.8 million in 2019 based on the following major variances:

- Plan-to-plan changes in inflationary assumptions result in additional expenses of \$1.5 million in 2017, \$1.9 million in 2018 and \$2.5 million in 2019.
- An additional \$2.3 million is required in 2017 to fund E-ZPass Customer Service Center re-estimates. This is partially offset by \$0.6 million in favorable E-ZPass tag re-estimates resulting from lower negotiated unit costs, and an additional \$0.4 million in net favorable re-estimates across several other areas.
- Inflationary adjustments in 2018 are partially offset by numerous up and down re-estimates that net a favorable \$0.3 million.

- In 2019, the favorable change in unit costs for E-ZPass tags results in savings of \$4.2 million, which more than offsets the unfavorable \$2.5 million change due to inflation.

Deductions from Operating Income

- Annual increases of between \$0.2 million and \$0.7 million to Capital Reserves from 2017 through 2019 reflect changes in inflationary assumptions.
- B&T Debt Service is \$4.6 million higher in 2017, and then lower by \$3.1 million in 2018 and \$8.3 million in 2019.

Reimbursable

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

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

NON-REIMBURSABLE

	2016	2017	2018	2019
2016 February Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,276.490	\$1,268.431	\$1,256.341	\$1,245.649
Baseline Changes				
Revenue				
Vehicle Toll Revenue	\$56.263	\$44.669	\$32.668	\$32.770
Other Operating Revenue	3.326	2.030	2.030	2.030
Investment Income	0.000	0.000	0.000	0.000
Total Revenue Changes	\$59.589	\$46.699	\$34.698	\$34.800
Expenses				
<i>Labor:</i>				
Payroll	\$8.948	(\$0.685)	(\$0.700)	(\$0.715)
Overtime	0.000	0.000	0.000	0.000
Health and Welfare	3.182	(1.386)	(0.462)	(0.267)
OPEB Current Payment	0.216	(0.849)	(0.446)	(0.466)
Pensions	(7.279)	(8.182)	(7.970)	(7.177)
Other Fringe Benefits	0.675	(0.094)	(0.097)	0.783
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$5.742	(\$11.195)	(\$9.675)	(\$7.842)
<i>Non-Labor:</i>				
Electric Power	\$0.570	(\$0.580)	(\$0.559)	(\$0.527)
Fuel	0.606	0.330	0.221	0.190
Insurance	0.568	0.531	0.605	0.677
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(6.468)	(2.790)	(1.830)	1.510
Professional Service Contracts	0.195	(0.149)	0.137	0.149
Materials & Supplies	(0.038)	(0.002)	(0.007)	(0.018)
Other Business Expenses	(4.258)	(0.165)	(0.176)	(0.190)
Total Non-Labor Expense Changes	(\$8.825)	(\$2.824)	(\$1.608)	\$1.790
Total Expenses before Depreciation and GASB Adjs.	(\$3.083)	(\$14.019)	(\$11.283)	(\$6.053)
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Liability Adjustment	6.515	6.840	7.182	7.541
Add: GASB 68 Pension Adjustment	10.409	8.740	8.423	6.700
Add: Environmental Remediation	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	\$13.841	\$1.561	\$4.322	\$8.189
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Liability Adjustment	6.515	6.840	7.182	7.541
Less: GASB 68 Pension Adjustment	10.409	8.740	8.423	6.700
Total Expense Changes	(\$3.083)	(\$14.019)	(\$11.283)	(\$6.053)
Total Net Surplus/(Deficit) Changes	\$56.506	\$32.680	\$23.415	\$28.747
Deductions from Income				
Capitalized Assets	(\$8.418)	\$0.000	\$0.000	\$0.000
Capital Reserves	0.000	(0.169)	(0.417)	(0.687)
GSB 45 Reserves	0.000	0.000	0.081	0.077
Total Deductions from Income	(\$8.418)	(\$0.169)	(\$0.337)	(\$0.610)
Total Adjusted Net Surplus/(Deficit) Changes	\$48.089	\$32.510	\$23.078	\$28.137
2016 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,324.579	\$1,300.941	\$1,279.419	\$1,273.786

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

REIMBURSABLE	2016	2017	2018	2019
2016 February Financial Plan - Adjusted Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Expenses				
<i>Labor:</i>				
Payroll	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Net Surplus/(Deficit) Changes	\$0.000	\$0.000	\$0.000	\$0.000
2016 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000

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

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
2016 February Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,276.490	\$1,268.431	\$1,256.341	\$1,245.649
Baseline Changes				
Revenue				
Vehicle Toll Revenue	\$56.263	\$44.669	\$32.668	\$32.770
Other Operating Revenue	3.326	2.030	2.030	2.030
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000
Total Revenue Changes	\$59.589	\$46.699	\$34.698	\$34.800
Expenses				
<i>Labor:</i>				
Payroll	\$8.948	(\$0.685)	(\$0.700)	(\$0.715)
Overtime	0.000	0.000	0.000	0.000
Health and Welfare	3.182	(1.386)	(0.462)	(0.267)
OPEB Current Payment	0.216	(0.849)	(0.446)	(0.466)
Pensions	(7.279)	(8.182)	(7.970)	(7.177)
Other Fringe Benefits	0.675	(0.094)	(0.097)	0.783
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$5.742	(\$11.195)	(\$9.675)	(\$7.842)
<i>Non-Labor:</i>				
Electric Power	\$0.570	(\$0.580)	(\$0.559)	(\$0.527)
Fuel	0.606	0.330	0.221	0.190
Insurance	0.568	0.531	0.605	0.677
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(6.468)	(2.790)	(1.830)	1.510
Professional Service Contracts	0.195	(0.149)	0.137	0.149
Materials & Supplies	(0.038)	(0.002)	(0.007)	(0.018)
Other Business Expenses	(4.258)	(0.165)	(0.176)	(0.190)
Total Non-Labor Expense Changes	(\$8.825)	(\$2.824)	(\$1.608)	\$1.790
Total Expenses before Depreciation and GASB Adjs.	(\$3.083)	(\$14.019)	(\$11.283)	(\$6.053)
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Liability Adjustment	6.515	6.840	7.182	7.541
Add: GASB 68 Pension Adjustment	10.409	8.740	8.423	6.700
Add: Environmental Remediation	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	\$13.841	\$1.561	\$4.322	\$8.189
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Liability Adjustment	6.515	6.840	7.182	7.541
Less: GASB 68 Pension Adjustment	10.409	8.740	8.423	6.700
Total Expense Changes	(\$3.083)	(\$14.019)	(\$11.283)	(\$6.053)
Total Baseline Changes	\$56.506	\$32.680	\$23.415	\$28.747
Deductions from Income				
Capitalized Assets	(\$8.418)	\$0.000	\$0.000	\$0.000
Capital Reserves	0.000	(0.169)	(0.417)	(0.687)
GASB 45 Reserves	0.000	0.000	0.081	0.077
Total Deductions from Income	(\$8.418)	(\$0.169)	(\$0.337)	(\$0.610)
Total Adjusted Baseline Changes	\$48.089	\$32.510	\$23.078	\$28.137
2016 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,324.579	\$1,300.941	\$1,279.419	\$1,273.786

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

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,276.490	\$1,268.431	\$1,256.341	\$1,245.649
Non-Reimbursable Major Changes				
Revenue				
Increased toll revenue primarily due to higher traffic trends	\$56.263	\$44.669	\$32.668	\$32.770
Revised forecast for E-ZPass and other administrative fees	3.326	2.030	2.030	2.030
Sub-Total Non-Reimbursable Revenue Changes	\$59.589	\$46.699	\$34.698	\$34.800
Expenses				
Vacant Positions	\$9.780	\$0.000	\$0.000	\$0.000
Additional staff for increased Design-Build Contract efforts	0.000	(0.446)	(0.456)	(0.554)
Additional staff for Toll Systems expansion	(0.187)	(0.378)	(0.460)	(0.471)
Additional position for Electronic Security System needs	0.000	(0.107)	(0.110)	(0.123)
Reduction in E-ZPass tag unit costs and revised inventory estimates	1.460	0.556	1.508	4.176
Revised E-ZPass Customer Service Center estimates	(0.923)	(2.290)	(1.726)	(0.695)
Additional major maintenance projects	(2.955)	0.000	0.000	0.000
Higher anticipated write-off of outstanding E-ZPass account balances	(4.100)	0.000	0.000	0.000
Timing Adjustments:				
Scheduling of major maintenance and other engineering projects	(1.823)	0.000	0.000	0.000
Superstorm Sandy Restoration Projects	(3.815)	0.000	0.000	0.000
EAM consulting services	1.589	0.000	0.000	0.000
Scheduling of projects funded through Capitalized Assets	(8.418)	0.000	0.000	0.000
Technical correction to Other Fringe Benefits	0.000	0.000	0.000	0.881
Inflationary and Rate Adjustments:				
Pension	(7.279)	(8.182)	(7.970)	(7.177)
Health and Welfare/OPEB	3.428	(2.083)	(0.752)	(0.570)
Insurance	0.568	0.531	0.606	0.679
Electricity	0.570	(0.580)	(0.559)	(0.527)
Fuel	0.606	0.330	0.221	0.190
Changes in Inflation for other non-labor expenses	\$0.000	(1.541)	(1.922)	(2.471)
Sub-Total Non-Reimbursable Expense Changes	(\$11.500)	(\$14.189)	(\$11.620)	(\$6.663)
Total Non-Reimbursable Major Changes	\$48.089	\$32.510	\$23.078	\$28.137
Reimbursable Major Changes				
Revenue				
None	0.000	0.000	0.000	0.000
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Expenses				
None	0.000	0.000	0.000	0.000
Sub-Total Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$48.089	\$32.510	\$23.078	\$28.137
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Net Changes	\$48.089	\$32.510	\$23.078	\$28.137
July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,324.579	\$1,300.941	\$1,279.419	\$1,273.786

MTA BRIDGES AND TUNNELS
2017 Preliminary Budget
July Financial Plan 2017–2020
Traffic/Utilization

Year-to-Year

Traffic volume in 2016 is forecast at 305.5 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, a return to more normal weather conditions and rising gas prices are expected, and therefore traffic volume is estimated to remain around 305.5 million crossings. The traffic forecast developed for 2018 through 2020 incorporates the most recent economic projections, which include regional employment growth ranging between 0.4% and 0.5% each year, and average annual regional inflation of approximately 2.4%. An additional day for the leap year in 2020 is also included in the traffic projection for that year. Paid traffic is forecast at 306.1 million crossings in 2018, 308.8 million in 2019, and 310.7 million in 2020.

Plan-to-Plan

Paid traffic volume is expected to reach a record 305.5 million crossings in 2016, which is 9.1 million crossings, or 3.1% above the Adopted Budget level. Actual volume through May was higher than the Adopted Budget forecast by 4.8 million crossings, or 4.1%, primarily due to the continuation of relatively low gas prices, modest improvements in the economy, and generally favorable weather. Growth is expected to continue through the end of the year, though at lower rates since gas prices tend to rise during spring and summer months. The 2016 forecast calls for an additional 4.3 million crossings from June through December, which is 2.4% above the Adopted Budget level for this period.

In addition to the positive 2016 traffic trend, the July Plan assumptions for regional employment and inflation have a net favorable plan-to-plan impact on volumes. All of these factors combined result in plan-to-plan traffic growth of 7.3 million crossings in 2017, 5.3 million in 2018, and 5.4 million in 2019.

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

	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
<u>Traffic Volume</u>	297.980	305.462	305.504	306.145	308.823	310.665
<u>Toll Revenue</u>	\$ 1,808.901	\$ 1,864.846	\$ 1,862.488	\$ 1,863.398	\$ 1,877.125	\$ 1,884.721

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

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
Administration										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Administration</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Customer Convenience/Amenities										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Maintenance</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Revenue Enhancement										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety/Security										
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
Service										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service Support										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
Vacancies - Toll Collection and Management	-	9.780	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	9.780	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$9.780	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000

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

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 Preliminary Budget
July Financial Plan 2017–2020
Positions

Position Assumptions

Year-to-Year

Total 2016 year-end headcount is budgeted at 1,750. Year-end headcount grows to 1,754 in 2017 and stays at that level through 2018. The additional four headcount includes three positions for the administration of design-build capital projects and one position in security systems management. The development plan for the Enterprise Asset Management program requires an additional two positions in 2019 and six more in 2020, bringing headcount to 1,756 and 1,762 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 Mid-Year Forecast is 1,750, including 87 capital reimbursable positions, which is three positions above the Adopted Budget. These positions are scheduled to begin in the fourth quarter and are required to meet the additional needs of B&T's Toll Systems Maintenance Group as electronic toll collection operations continue to expand. From 2017 on, headcount has been increased by another four positions, including three positions for the administration of design-build capital projects and one position for electronic security systems management. July Plan headcount is set at 1,754 in 2017 and 2018, 1,756 in 2019, and 1,762 in 2020.

MTA BRIDGES AND TUNNELS				
July Financial Plan 2017-2020				
Favorable/(Unfavorable)				
Total Position Changes at a Glance				
	2016	2017	2018	2019
2016 February Plan - Total Positions	1,747	1,747	1,747	1,749
Total Plan-to-Plan Changes	(3)	(7)	(7)	(7)
2016 July Plan - Total Positions	1,750	1,754	1,754	1,756
Total Year-to-Year Changes, July Plan		(4)	0	(2)

Total Plan-to-Plan Changes by Reporting Category:				
<i>Non-Reimbursable</i>	(3)	(7)	(7)	(7)
<i>Reimbursable</i>	0	0	0	0
Total	(3)	(7)	(7)	(7)
<i>Full-Time</i>	(3)	(7)	(7)	(7)
<i>Full-Time Equivalents</i>	0	0	0	0
Total	(3)	(7)	(7)	(7)
<i>By Function Category</i>				
- Administration	2	2	2	2
- Operations	(5)	(5)	(5)	(5)
- Maintenance	0	(1)	(1)	(1)
- Engineering/Capital	0	(2)	(2)	(2)
- Public Safety	0	(1)	(1)	(1)
Total	(3)	(7)	(7)	(7)
<i>By Occupational Group</i>				
- Managers/Supervisors	3	1	1	1
- Professional, Technical, Clerical	(8)	(10)	(10)	(10)
- Operational Hourlies	2	2	2	2
Total	(3)	(7)	(7)	(7)

Total Plan-to-Plan Changes by Major Category:				
2016 BRPs	0	0	0	0
New Needs	(3)	(7)	(7)	(7)
Change in Reimbursable Positions	0	0	0	0
Re-estimates & All Other ¹	0	0	0	0
Total	(3)	(7)	(7)	(7)

¹ Includes Full-time Equivalents

MTA BRIDGES AND TUNNELS
July 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	Mid-Year Forecast	Preliminary Budget			
Administration						
Executive	7	8	8	8	8	8
Law ⁽¹⁾	14	13	13	13	13	13
CFO ⁽²⁾	17	25	25	25	25	26
Administration	37	37	37	37	37	37
EEO	1	2	2	2	2	2
Total Administration	76	85	85	85	85	86
Operations						
Revenue Management	39	43	43	43	43	43
Operations (Non-Security)	510	716	716	716	716	716
Total Operations	549	759	759	759	759	759
Maintenance						
Maintenance	190	197	198	198	198	198
Operations - Maintainers	160	181	181	181	181	181
Total Maintenance	350	378	379	379	379	379
Engineering/Capital						
Engineering & Construction	148	190	192	192	192	192
Safety & Health	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	44	44	45	45
Total Public Safety	267	275	276	276	277	277
Total Positions	1,434	1,750	1,754	1,754	1,756	1,762
<i>Non-Reimbursable</i>	1,358	1,663	1,667	1,667	1,669	1,675
<i>Reimbursable</i>	76	87	87	87	87	87
<i>Total Full-Time</i>	1,434	1,750	1,754	1,754	1,756	1,762
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

(1) Includes Legal and Procurement staff.

(2) Includes Controller and Operating Budget staff.

(3) Includes Human Resources, Labor Relations, and Administration staff.

MTA BRIDGES AND TUNNELS
July Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015	2016	2017	2018	2019	2020
	Actual	Mid-Year Forecast	Preliminary Budget			
Administration						
Managers/Supervisors	28	31	31	31	31	32
Professional, Technical, Clerical	48	54	54	54	54	54
Operational Hourlies	-	-	-	-	-	-
Total Administration	76	85	85	85	85	86
Operations						
Managers/Supervisors	157	215	215	215	215	215
Professional, Technical, Clerical	33	35	35	35	35	35
Operational Hourlies ⁽¹⁾	359	509	509	509	509	509
Total Operations	549	759	759	759	759	759
Maintenance						
Managers/Supervisors	17	18	18	18	18	18
Professional, Technical, Clerical	15	19	20	20	20	20
Operational Hourlies ⁽²⁾	318	341	341	341	341	341
Total Maintenance	350	378	379	379	379	379
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	34	34	35	35
Operational Hourlies ⁽³⁾	196	196	196	196	196	196
Total Public Safety	267	275	276	276	277	277
Total Positions						
Managers/Supervisors	289	370	372	372	372	373
Professional, Technical, Clerical	272	334	336	336	338	343
Operational Hourlies	873	1,046	1,046	1,046	1,046	1,046
Total Positions	1,434	1,750	1,754	1,754	1,756	1,762

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

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

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

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Capital Construction Company

MTA CAPITAL CONSTRUCTION COMPANY
2017 Preliminary Budget
July 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 Mid-Year Forecast

MTACC's 2016 Mid-Year Forecast is projected to be \$37.7 million, reflecting a \$0.1 million increase from the 2016 Adopted Budget. Labor costs are expected to come in at \$25.1 million, a decrease of \$2.7 million, or 9.7%, 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 \$12.6 million, an increase of \$2.8 million, or 28.9%, from the Adopted Budget. Revised projections for the Small Business Mentoring Program, MTACC's office space rental, renovations and maintenance charges at 2 Broadway, All Agency Protective Liability insurance and budget system maintenance contributed to the change in the Non-Labor costs.

2017 Preliminary Budget – Baseline

MTACC projects 2017 expenses to be \$37.3 million, a decrease of \$1.3 million, or 3.3%, from the February 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 \$27.4 million, a decrease of \$1.0 million, or 3.5%, from the February Plan, mainly due to lower fringe and escalation rates in the July Plan. Non-labor expenses are projected at \$9.9 million, which is \$0.3 million, or 2.8%, below the February Plan. This decrease is attributable to reductions in office space rental and maintenance charges at 2 Broadway, which are partly offset by higher costs for engineering, temporary expert services (such as indefinite quantity consultants and firms to support project controls and change orders), and upgrades to communications and office equipment.

2018 - 2020 Projections

2018 MTACC expenses are projected at \$37.9 million, a decrease of \$2.3 million, or 5.8%, from the February Plan. Expenses will continue to decrease by \$1.0 and \$2.3 million, respectively, in 2019 and 2020, when compared to the February Plan. Revised payroll projections, 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 are discussed later.

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

REIMBURSABLE						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary 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	37.736	37.275	37.855	38.782	37.104
Total Revenue	\$29.037	\$37.736	\$37.275	\$37.855	\$38.782	\$37.104
Expenses						
<u>Labor:</u>						
Payroll	\$14.012	\$17.448	\$18.724	\$19.034	\$19.350	\$19.674
Overtime	0.009	0.009	-	-	-	-
Health and Welfare	2.220	2.389	2.694	2.750	2.865	2.985
OPEB Current Payment	-	-	-	-	-	-
Pensions	2.722	2.280	2.885	2.973	3.128	3.256
Other Fringe Benefits	4.501	2.990	3.076	2.962	2.985	3.013
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$23.464	\$25.115	\$27.379	\$27.719	\$28.328	\$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	3.784	3.407	3.508	3.678	3.856
Professional Service Contracts	2.317	8.137	5.753	5.835	5.921	3.449
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.185	0.223	0.212	0.216	0.221	0.173
Total Non-Labor Expenses	\$5.573	\$12.621	\$9.896	\$10.137	\$10.454	\$8.176
<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	\$37.736	\$37.275	\$37.855	\$38.782	\$37.104
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$29.037	\$37.736	\$37.275	\$37.855	\$38.782	\$37.104
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary 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	37.736	37.275	37.855	38.782	37.104
Total Receipts	\$29.037	\$37.736	\$37.275	\$37.855	\$38.782	\$37.104
Expenditures						
<u>Labor:</u>						
Payroll	\$14.012	\$17.448	\$18.724	\$19.034	\$19.350	\$19.674
Overtime	0.009	0.009	-	-	-	-
Health and Welfare	2.220	2.389	2.694	2.750	2.865	2.985
OPEB Current Payment	-	-	-	-	-	-
Pensions	2.722	2.280	2.885	2.973	3.128	3.256
Other Fringe Benefits	4.501	2.990	3.076	2.962	2.985	3.013
Reimbursable Overhead						
Total Labor Expenditures	\$23.464	\$25.115	\$27.379	\$27.719	\$28.328	\$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	3.784	3.407	3.508	3.678	3.856
Professional Service Contracts	2.317	8.137	5.753	5.835	5.921	3.449
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.185	0.223	0.212	0.216	0.221	0.173
Total Non-Labor Expenditures	\$5.573	\$12.621	\$9.896	\$10.137	\$10.454	\$8.176
<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	\$37.736	\$37.275	\$37.855	\$38.782	\$37.104
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary 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 I	\$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 Preliminary Budget
July 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 12.8%, 26.6% and 2.9% respectively, due to different agency billing rates for MTACC employees residing on various payrolls.
- Overall Fringe Benefit expenditures will increase by 0.3%, 3.4% and 3.1% 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 constant.

Insurance

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

Maintenance and Other Operating Contracts

- Overall expenditures will decrease by \$0.4 million due to fewer costs related to office space rental and maintenance at 2 Broadway in 2017.
- Costs will remain relatively constant from 2018 through 2020.

Professional Service Contracts

- Costs are projected to decrease in 2017 by \$2.4 million, or 29.3%, as a result of fewer Small Businesses Mentoring Program and budget system costs.
- Professional Services will remain relatively constant and increase by 1.4% annually between 2018 and 2019. By 2020, expenditures will rapidly decline by \$2.5 million, 41.7%, 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
July 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	37.736	37.275	(0.461)	37.855	0.581	38.782	0.927	37.104	(1.679)
Total Revenue	\$37.736	\$37.275	(\$0.461)	\$37.855	\$0.581	\$38.782	\$0.927	\$37.104	(\$1.679)
Expenses									
Labor:									
Payroll	\$17.448	\$18.724	(\$1.276)	\$19.034	(\$0.310)	\$19.350	(\$0.317)	\$19.674	(\$0.323)
Overtime	0.009	0.000	0.009	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.389	2.694	(0.306)	2.750	(0.055)	2.865	(0.115)	2.985	(0.121)
OPEB Current Payment									
Pensions	2.280	2.885	(0.606)	2.973	(0.088)	3.128	(0.155)	3.256	(0.128)
Other Fringe Benefits	2.990	3.076	(0.086)	2.962	0.113	2.985	(0.023)	3.013	(0.028)
Reimbursable Overhead									
Total Labor Expenses	\$25.115	\$27.379	(\$2.264)	\$27.719	(\$0.340)	\$28.328	(\$0.610)	\$28.928	(\$0.600)
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	3.784	3.407	0.377	3.508	(0.102)	3.678	(0.170)	3.856	(0.178)
Professional Service Contracts	8.137	5.753	2.384	5.835	(0.082)	5.921	(0.085)	3.449	2.472
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.223	0.212	0.012	0.216	(0.005)	0.221	(0.005)	0.173	0.048
Total Non-Labor Expenses	\$12.621	\$9.896	\$2.725	\$10.137	(\$0.241)	\$10.454	(\$0.317)	\$8.176	\$2.278
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	\$37.736	\$37.275	\$0.461	\$37.855	(\$0.581)	\$38.782	(\$0.927)	\$37.104	\$1.679
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$37.736	\$37.275	\$0.461	\$37.855	(\$0.581)	\$38.782	(\$0.927)	\$37.104	\$1.679
Net Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
July Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual 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	37.736	37.275	(0.461)	37.855	0.581	38.782	0.927	37.104	(1.679)
Total Receipts	\$37.736	\$37.275	(\$0.461)	\$37.855	\$0.581	\$38.782	\$0.927	\$37.104	(\$1.679)
Expenditures									
Labor:									
Payroll	\$17.448	\$18.724	(\$1.276)	\$19.034	(\$0.310)	\$19.350	(\$0.317)	\$19.674	(\$0.323)
Overtime	0.009	0.000	0.009	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.389	2.694	(0.306)	2.750	(0.055)	2.865	(0.115)	2.985	(0.121)
OPEB Current Payment									
Pensions	2.280	2.885	(0.606)	2.973	(0.088)	3.128	(0.155)	3.256	(0.128)
Other Fringe Benefits	2.990	3.076	(0.086)	2.962	0.113	2.985	(0.023)	3.013	(0.028)
Reimbursable Overhead									
Total Labor Expenditures	\$25.115	\$27.379	(\$2.264)	\$27.719	(\$0.340)	\$28.328	(\$0.610)	\$28.928	(\$0.600)
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	3.784	3.407	0.377	3.508	(0.102)	3.678	(0.170)	3.856	(0.178)
Professional Service Contracts	8.137	5.753	2.384	5.835	(0.082)	5.921	(0.085)	3.449	2.472
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.223	0.212	0.012	0.216	(0.005)	0.221	(0.005)	0.173	0.048
Total Non-Labor Expenditures	\$12.621	\$9.896	\$2.725	\$10.137	(\$0.241)	\$10.454	(\$0.317)	\$8.176	\$2.278
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	\$37.736	\$37.275	\$0.461	\$37.855	(\$0.581)	\$38.782	(\$0.927)	\$37.104	\$1.679
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 Preliminary Budget
July Financial Plan 2017-2020
Plan-to-Plan Changes by Generic Category

2016: Mid-Year 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 \$37.7 million, an increase of \$0.1 million, or 0.3%, from the Adopted Budget.

Major changes include:

- **Payroll costs** will come in \$0.4 million below the Adopted Budget due to revised projections and actual agency staff size in the beginning of the year.
- Overall **Fringe Benefit** costs will decrease by \$2.4 million as a result of lower billing rates for MTACC employees residing on various MTA agency payrolls.
- **Maintenance & Other Operating Contracts** will increase by \$0.4 million as a result of renovations and re-estimates associated with office space rental and maintenance charges at 2 Broadway.
- **Professional Services** will increase by \$2.5 million primarily due to the anticipated payment of 2015 Small Business Mentoring Program and budget system implementation costs in 2016.

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

Revenue

Capital and Other Reimbursements – (explained previously)

Expenses

Total expenses are projected to decrease in each year from the February Financial Plan by: \$1.3 million in 2017, \$2.3 million in 2018, and \$1.0 million in 2019.

Major changes include:

- Lower overall 2017 **Labor** costs of \$1.0 million attributable to lower billing rates for MTACC employees residing on various MTA agency payrolls. Labor costs will rapidly decline by \$1.5 million in 2018, and \$1.8 million in 2019, mainly due to lower Pension billing rates.
- Lower **Maintenance & Other Operating Contracts** expenses of \$0.5 million in 2017, \$1.0 million in 2018, and \$1.5 million in 2019, due to fewer office space rental and maintenance charges at 2 Broadway as a result of lower escalation rates.
- **Professional Services** will be \$0.3 and \$0.2 million higher in 2017 and 2018, respectively, due to revised projections for engineering, program management consulting support and upgrades to communications, office and IT equipment. In 2019 expenses increase by \$2.3 million as a result of re-estimates of MTA Audit chargebacks, engineering and temporary expert services (such as indefinite consultants and firms to support project controls and change orders).

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

REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue				
Capital and Other Reimbursement	0.119	(1.268)	(2.315)	(0.991)
Total Revenue Changes	\$0.119	(\$1.268)	(\$2.315)	(\$0.991)
Expenses				
<i>Labor:</i>				
Payroll	\$0.361	(\$0.593)	(\$0.553)	(\$0.408)
Overtime	(0.009)	0.000	0.000	0.000
Health and Welfare	0.499	0.268	0.352	0.407
OPEB Current Payment				
Pensions	1.366	0.983	1.051	1.094
Other Fringe Benefits	0.490	0.320	0.639	0.688
Reimbursable Overhead				
Total Labor Expense Changes	\$2.707	\$0.978	\$1.489	\$1.781
<i>Non-Labor:</i>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.005	0.005	0.005	0.005
Insurance	0.047	0.052	0.057	0.063
Claims				
Paratransit Service Contracts				
Maintenance and Other Operating Contracts	(0.374)	0.519	0.982	1.459
Professional Service Contracts	(2.462)	(0.257)	(0.193)	(2.287)
Materials & Supplies	0.000	0.000	0.000	0.000
Other Business Expenses	(0.042)	(0.030)	(0.026)	(0.031)
Total Non-Labor Expense Changes	(\$2.826)	\$0.289	\$0.826	(\$0.789)
Total Expense Changes	(\$0.119)	\$1.268	\$2.315	\$0.991
<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
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000
July Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION COMPANY
2017 Preliminary Budget
July 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 Adopted Budget. 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
July Financial Plan 2017-2020
 Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019
2016 February Plan - Total Baseline Positio	140	140	140	140
Total Plan-to-Plan Changes	0	0	0	0
2016 July Plan - Total Baseline Positions	140	140	140	140
Total Year-to-Year Changes, July Plan		0	0	0

Total Plan-to-Plan Changes by Reporting Category:

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

Total Plan-to-Plan Changes by Major Category:

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

¹ Includes Full-time Equivalent

MTA CAPITAL CONSTRUCTION
July Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
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	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	0	0	0
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
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	126	140	140	140	140	140
<i>Total Full-Time</i>	126	140	140	140	140	140
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA CAPITAL CONSTRUCTION
July Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
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

Long Island Rail Road

MTA LONG ISLAND RAIL ROAD

2017 Preliminary Budget

July Financial Plan 2017 - 2020

FINANCIAL OVERVIEW

The July 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 July 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.

To be ready 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 financial resources. To this end, for those projects that are approaching beneficial use, 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/Empire Station Complex, 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 in anticipation of the pending 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 FOCUS¹ Days with employees, partnering with Amtrak, NJ Transit, and NYC Transit on customer safety awareness events at Penn Station, creating a confidential close call reporting system, establishing an accident investigation unit and a dedicated roadway worker protection field compliance unit, and participating in the MTA's sleep apnea initiative.

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 May 2016, the MDBF is 202,443, or 1.2% above the

¹ Fatigue, Outside Influences, Communication, Uncertainty, Situational Awareness

increased target. The strong performance is led by the M7 and Combined Diesel fleets having MDBF of 398,254 and 68,540 miles through May 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. Most importantly, RCM requires that maintenance decisions are based on sound technical and economic justification. The RCM philosophy employs a combination of maintenance techniques in an integrated manner to increase the probability that the equipment will function in the manner required over the cars life cycle with cost effective maintenance. An effective RCM program requires management of a dynamic plan with constant feedback by incorporating maintenance effectiveness reviews, failure reviews, root cause analysis, and condition based monitoring. The financial plan includes funding to support RCM focused maintenance, including revised plans for 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 July Financial Plan includes several initiatives designed to reduce cost or increase non-farebox revenue as part of the MTA's financial efficiency initiatives. The LIRR initiatives include: tighter controls on material procurement and inventory planning and lower projected costs for materials and supplies; increased oversight on contract budgeting; and increased revenue from freight activities and insurance reimbursement. The LIRR continues to subject all areas of the budget to intensive review, specifically payroll-related operational costs, overtime, inventory and administration.

Overtime Management

The LIRR considers overtime management to be one of its highest priorities. Under certain conditions, overtime can be an efficient way to ensure sufficient levels of staff are deployed to complete required work, such as to staff activities that are temporary in nature

(unscheduled maintenance and emergency response) or to backfill open jobs on an interim basis while new hires are brought in to the workforce. Nevertheless, it is critical for the LIRR to maintain tight control of overtime usage in order to ensure that it is used only when needed and that it is the most cost-effective approach.

Compared with the Adopted Budget, total actual overtime expenses through April 2016 were \$7.1 million higher than budget. Of the four operating departments, three (Transportation, 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 right-of-way maintenance, Capital Program activity (reimbursable), and weather.

Engineering maintenance was \$3.1 million above budget through April 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 \$4.3 million above budget through April 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 three of the four operating departments (Transportation, Maintenance of Equipment and Stations) are running favorable to the prior year levels. 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 July Financial Plan increases total annual overtime funding in 2016 by \$6.0 million, from \$142.1 million to \$148.1 million as compared to the funding level established in the February Financial Plan. The increase is largely attributable to continued right-of-way maintenance requirements and projected Capital project activity and track work being performed by the Engineering Department.

As for 2017, the July Financial Plan increases total annual overtime by \$0.7 million, from \$141.1 million to \$141.8 million as compared to the funding level established in the February Financial Plan. The increase is largely attributable to establishing a higher steady-state funding overtime level for right-of-way maintenance.

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 review of internal controls at the department/field level. Internal controls are designed to ensure sufficient procedures are in place to govern the overtime approval and verification processes. The review identified some areas of the existing internal controls that need to be improved and strengthened. The LIRR will be implementing these controls in 2016.

Ridership and Revenue

Through April 2016 ridership is 3.3% greater than the same period in 2015 and 1.0% greater than the 2016 Adopted Budget. In fact, ridership has exceeded prior year levels in 26 out of the last 28 months. The July Financial Plan forecasts 2016 ridership to be 89.0 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 AirTrain) 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 July 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 (currently it is 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. 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 Mid-Year Forecast

The LIRR's 2016 Mid-Year Forecast is comprised of Non-Reimbursable revenue totaling \$765.3 million and Non-Reimbursable expenses including GASB 68, Depreciation, other post-employment benefits and environmental remediation of \$2,059.0 million that generate an operating deficit of (\$1,293.7) million. The 2016 Mid-Year Forecast Reimbursable revenue and expenses each total \$333.8 million.

Total Non-Reimbursable revenue is \$8.3 million higher than the Adopted Budget. Farebox Revenue is \$7.6 million higher due to higher overall ridership than was projected. Other Operating Revenue is \$0.7 million higher due to a one time gain on dormant mail and ride revenue.

Total Non-Reimbursable expenses (excluding Depreciation and Other Post-Employment Benefits (OPEB)) are lower by \$15.7 million primarily as a result of lower rates for Fuel, Electric, Health and Welfare including OPEB Current Payments, vacant positions and associated fringe costs, fewer retirees/beneficiaries for OPEB Current, lower consumption for Traction Power, lower Railroad Retirement Tier levels and timing of Elevator/Escalator Maintenance and M7 Propulsion Consultant.

The major cash adjustments from the Adopted Budget include non-cash accounting adjustments related to Insurance, GASB 68, Depreciation/OPEB/Environmental remediation, dormant mail and ride revenue and material.

Full-time positions total 7,237 in the 2016 Mid-Year Forecast, with 6,118 Non-Reimbursable positions and 1,119 Reimbursable positions.

2017 Preliminary Budget - Baseline

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

The 2017 Preliminary Budget includes revenue totaling \$1,080.1 million, of which \$770.7 million is Non-Reimbursable revenue and \$309.4 million is Reimbursable revenue. The total expense budget is \$2,407.3 million, of which \$1,808.1 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 \$1,498.7 million in the 2017 Preliminary Budget, while reimbursable expenses are \$309.4 million.

The cash budget for the 2017 Preliminary Budget incorporates \$1,074.4 million in cash receipts and \$1,809.0 million in cash disbursements. The baseline cash requirement of

\$734.6 million is driven by operating expenses and revenues anticipated in the 2017 Preliminary Budget and other adjustments to cash flow.

On an accrued basis, revenues are lower and expenses are higher in the 2017 Preliminary Budget than the 2016 Mid-Year Forecast. Total revenues for 2017 are \$1,080.1 million, \$19.0 million lower than 2016 with Non-Reimbursable revenues increasing by \$5.5 million and Reimbursable revenues decreasing by \$24.5 million. Ridership in the 2017 Preliminary Budget increases over the 2016 Mid-Year Forecast by 0.2 million rides, or 0.2%. Total operating expenses before GASB 68 Adjustment, Depreciation and OPEB of \$1,808.1 million reflects an increase of \$3.2 million over 2016. Non-Reimbursable expenses increase by \$27.7 million and Reimbursable expenses decrease by \$24.5 million. The Reimbursable expense decrease is primarily associated with various operating funded capital initiatives being completed in 2016. The resulting total operating baseline deficit including non-cash items such as GASB 68, Depreciation, OPEB, and environmental remediation increases by \$33.5 million to \$1,327.2 million in the 2017 Preliminary Budget. The projected baseline cash deficit (or subsidy requirement) of \$734.6 million in the 2017 Preliminary Budget is \$18.4 million higher than 2016.

Full-time positions total 7,243 in the 2017 Preliminary Budget, with 6,296 Non-Reimbursable positions and 947 Reimbursable positions. Compared to the 2016 Mid-Year Forecast, this reflects a total increase of 6 positions, an increase of 178 Non-Reimbursable positions and an decrease of 172 Reimbursable positions. The Non-reimbursable headcount increase is related to Engineering's field workforce that supports both capital and maintenance activities, Audio Video Recording Monitoring System (AVRM) 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 decrease is related to Engineering field workforce that supports both capital and maintenance activities, partially offset by higher Maintenance of Equipment PTC activity. Compared with the Adopted Budget, there was a total position increase of 116 positions, an increase of 63 Reimbursable positions and 53 Non-Reimbursable positions. The net increase of 63 Reimbursable positions is driven primarily by PTC related activities. The net increase of 53 Non-Reimbursable positions results primarily from timing of AVRM installation.

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 1.4% in 2018, 1.9% in 2019 and increase 1.5% 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 5.6% from \$1,498.7 million in 2017 to \$1,582.9 million in 2018. They continue to rise by 3.2% in 2019 and 6.9% in 2020, reaching \$1,746.2 million. The higher rate of growth in the out-years is primarily due to ESA readiness efforts. Reimbursable expenses decrease by 1.4% in 2018 and 1.9% in 2019 and increase by 1.5% 2020.

On a year-to-year basis, baseline positions increase by 179 positions in 2018, 36 positions in 2019 and 160 positions in 2020. Non-Reimbursable positions increase by 229 in 2017, 71 in 2018 and 168 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 AVRMI initiative at the end of 2018. Reimbursable positions decreased by 50 in 2018, 35 in 2019, and 8 in 2020 due to changes in project activity and completion of Maintenance of Equipment’s PTC initiative in 2018.

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

NON-REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Operating Revenue						
Farebox Revenue	\$695.447	\$710.233	\$713.088	\$715.297	\$716.879	\$718.383
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	55.298	55.037	57.644	56.669	57.502	58.347
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$750.745	\$765.270	\$770.732	\$771.966	\$774.381	\$776.730
Operating Expenses						
<u>Labor:</u>						
Payroll	\$486.079	\$516.077	\$526.011	\$561.729	\$582.618	\$617.977
Overtime	117.454	119.622	120.856	124.908	126.236	131.514
Health and Welfare	83.473	98.285	106.449	114.326	121.560	131.707
OPEB Current Payment	56.685	62.504	69.500	71.404	74.962	78.726
Pensions	135.453	143.335	143.196	149.083	155.742	156.492
Other Fringe Benefits	126.050	127.181	129.554	138.259	142.878	149.977
Reimbursable Overhead	(46.548)	(23.170)	(19.199)	(18.323)	(17.469)	(17.866)
Total Labor Expenses	\$958.644	\$1,043.834	\$1,076.367	\$1,141.386	\$1,186.527	\$1,248.527
<u>Non-Labor:</u>						
Electric Power	\$92.041	\$79.367	\$96.326	\$100.187	\$105.390	\$111.053
Fuel	17.669	14.228	16.035	17.043	19.210	21.671
Insurance	21.948	22.559	24.334	26.882	29.032	31.370
Claims	6.531	4.403	4.370	4.370	4.419	4.471
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	62.040	81.143	70.435	72.849	80.950	94.672
Professional Service Contracts	62.514	35.133	31.234	30.283	30.580	34.691
Materials & Supplies	119.661	173.722	163.589	168.817	160.122	182.331
Other Business Expenses	14.003	16.647	16.045	21.052	16.941	17.432
Total Non-Labor Expenses	\$396.408	\$427.202	\$422.368	\$441.483	\$446.644	\$497.691
<u>Other Expense Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,355.052	\$1,471.036	\$1,498.735	\$1,582.869	\$1,633.171	\$1,746.218
Depreciation	\$325.025	\$333.481	\$336.800	\$340.153	\$343.539	\$346.959
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	\$2,058.993	\$2,097.916	\$2,186.182	\$2,244.027	\$2,351.530
Net Surplus/(Deficit)	(\$985.807)	(\$1,293.723)	(\$1,327.184)	(\$1,414.216)	(\$1,469.646)	(\$1,574.800)
<u>Cash Conversion Adjustments</u>						
Depreciation	\$325.025	\$333.481	\$336.800	\$340.153	\$343.539	\$346.959
Operating/Capital	(14.197)	(32.103)	(10.202)	(13.247)	(13.168)	(13.999)
Other Cash Adjustment	86.368	276.162	266.007	266.094	263.722	252.454
Total Cash Conversion Adjustments	\$397.196	\$577.540	\$592.605	\$593.000	\$594.093	\$585.414
Net Cash Surplus/(Deficit)	(\$588.611)	(\$716.183)	(\$734.579)	(\$821.216)	(\$875.553)	(\$989.386)

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

REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary 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	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	369.431	333.835	309.365	305.000	299.311	303.651
Total Revenue	\$369.431	\$333.835	\$309.365	\$305.000	\$299.311	\$303.651
Expenses						
<u>Labor:</u>						
Payroll	\$111.908	\$107.230	\$115.144	\$112.698	\$110.482	\$111.454
Overtime	35.868	28.434	20.906	20.360	19.728	20.122
Health and Welfare	27.693	22.383	24.885	24.125	23.473	23.726
OPEB Current Payment	-	-	-	-	-	-
Pensions	43.429	37.565	40.431	39.196	38.137	38.548
Other Fringe Benefits	25.160	23.143	25.447	24.669	24.003	24.261
Reimbursable Overhead	46.548	23.170	19.199	18.323	17.469	17.866
Total Labor Expenses	\$290.606	\$241.925	\$246.012	\$239.371	\$233.292	\$235.977
<u>Non-Labor:</u>						
Electric Power	\$0.848	\$0.555	\$0.047	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	5.739	7.768	7.848	7.580	7.446	7.575
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	16.980	23.827	12.928	12.485	12.513	12.569
Professional Service Contracts	2.626	3.372	0.652	0.652	0.656	0.669
Materials & Supplies	51.290	55.939	41.533	44.578	45.079	46.532
Other Business Expenses	1.342	0.449	0.345	0.334	0.325	0.329
Total Non-Labor Expenses	\$78.825	\$91.910	\$63.353	\$65.629	\$66.019	\$67.674
<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	\$369.431	\$333.835	\$309.365	\$305.000	\$299.311	\$303.651
Total Expenses	\$369.431	\$333.835	\$309.365	\$305.000	\$299.311	\$303.651
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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

NON-REIMBURSABLE / REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>Mid-Year</u> <u>Forecast</u>	<u>Preliminary</u> <u>Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue						
Farebox Revenue	\$695.447	\$710.233	\$713.088	\$715.297	\$716.879	\$718.383
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	55.298	55.037	57.644	56.669	57.502	58.347
Capital and Other Reimbursements	369.431	333.835	309.365	305.000	299.311	303.651
Total Revenue	\$1,120.177	\$1,099.105	\$1,080.097	\$1,076.966	\$1,073.692	\$1,080.381
Expenses						
<u>Labor:</u>						
Payroll	\$597.986	\$623.307	\$641.155	\$674.427	\$693.100	\$729.431
Overtime	153.322	148.056	141.762	145.268	145.964	151.636
Health and Welfare	111.166	120.668	131.334	138.451	145.033	155.433
OPEB Current Payment	56.685	62.504	69.500	71.404	74.962	78.726
Pensions	178.882	180.900	183.627	188.279	193.879	195.040
Other Fringe Benefits	151.210	150.324	155.001	162.928	166.881	174.238
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$1,249.251	\$1,285.759	\$1,322.379	\$1,380.757	\$1,419.819	\$1,484.504
<u>Non-Labor:</u>						
Electric Power	\$92.889	\$79.922	\$96.373	\$100.187	\$105.390	\$111.053
Fuel	17.669	14.228	16.035	17.043	19.210	21.671
Insurance	27.687	30.327	32.182	34.462	36.478	38.945
Claims	6.531	4.403	4.370	4.370	4.419	4.471
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	79.020	104.970	83.363	85.334	93.463	107.241
Professional Service Contracts	65.140	38.505	31.886	30.935	31.236	35.360
Materials & Supplies	170.951	229.661	205.122	213.395	205.201	228.863
Other Business Expenses	15.345	17.096	16.390	21.386	17.266	17.761
Total Non-Labor Expenses	\$475.232	\$519.112	\$485.721	\$507.112	\$512.663	\$565.365
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,724.483	\$1,804.871	\$1,808.100	\$1,887.869	\$1,932.482	\$2,049.869
Depreciation	\$325.025	\$333.481	\$336.800	\$340.153	\$343.539	\$346.959
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	\$2,392.828	\$2,407.281	\$2,491.182	\$2,543.338	\$2,655.181
Net Surplus/(Deficit)	(\$985.807)	(\$1,293.723)	(\$1,327.184)	(\$1,414.216)	(\$1,469.646)	(\$1,574.800)
<u>Cash Conversion Adjustments</u>						
Depreciation	\$325.025	\$333.481	\$336.800	\$340.153	\$343.539	\$346.959
Operating/Capital	(14.197)	(32.103)	(10.202)	(13.247)	(13.168)	(13.999)
Other Cash Adjustment	86.368	276.162	266.007	266.094	263.722	252.454
Total Cash Conversion Adjustments	\$397.196	\$577.540	\$592.605	\$593.000	\$594.093	\$585.414
Net Cash Surplus/(Deficit)	(\$588.611)	(\$716.183)	(\$734.579)	(\$821.216)	(\$875.553)	(\$989.386)

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

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$716.217	\$731.186	\$733.088	\$735.297	\$736.879	\$738.383
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	71.235	41.093	42.688	41.271	41.550	41.914
Capital and Other Reimbursements	325.301	296.530	298.604	291.180	285.560	289.054
Total Receipts	\$1,112.753	\$1,068.809	\$1,074.380	\$1,067.748	\$1,063.989	\$1,069.351
Expenditures						
<u>Labor:</u>						
Payroll	\$608.276	\$620.057	\$634.754	\$667.881	\$686.407	\$722.587
Overtime	155.605	148.710	141.762	145.268	145.964	151.636
Health and Welfare	113.593	109.635	131.334	138.451	145.033	155.433
OPEB Current Payment	58.445	58.259	69.500	71.404	74.962	78.726
Pensions	168.442	179.590	183.627	188.279	193.879	195.040
Other Fringe Benefits	141.594	149.602	154.001	161.928	165.881	173.238
GASB Account	-	-	-	0.381	1.092	1.845
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$1,245.955	\$1,265.853	\$1,314.978	\$1,373.592	\$1,413.218	\$1,478.505
<u>Non-Labor:</u>						
Electric Power	\$93.862	\$80.532	\$96.373	\$100.187	\$105.390	\$111.053
Fuel	18.927	14.328	16.035	17.043	19.210	21.671
Insurance	30.600	26.461	32.111	34.763	36.052	39.268
Claims	1.951	1.733	1.747	1.747	1.748	1.748
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	76.926	112.335	83.363	85.334	93.463	107.241
Professional Service Contracts	20.540	35.696	27.274	26.093	26.152	30.021
Materials & Supplies	174.863	212.075	201.805	209.923	207.731	232.170
Other Business Expenses	15.592	15.979	15.273	20.282	16.578	17.060
Total Non-Labor Expenditures	\$433.259	\$499.139	\$473.981	\$495.372	\$506.324	\$560.232
<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	\$1,784.992	\$1,808.959	\$1,888.964	\$1,939.542	\$2,058.737
Cash Timing and Availability Adjustment	(2.129)	-	-	-	-	-
Net Cash Surplus/(Deficit)	(\$588.611)	(\$716.183)	(\$734.579)	(\$821.216)	(\$875.553)	(\$989.386)

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

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary 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	(13.944)	(14.956)	(15.398)	(15.952)	(16.433)
Capital and Other Reimbursements	(44.130)	(37.305)	(10.761)	(13.820)	(13.751)	(14.597)
Total Receipts	(\$7.423)	(\$30.296)	(\$5.717)	(\$9.218)	(\$9.703)	(\$11.030)
Expenditures						
<u>Labor:</u>						
Payroll	(\$10.290)	\$3.250	\$6.401	\$6.546	\$6.693	\$6.844
Overtime	(2.283)	(0.654)	-	-	-	-
Health and Welfare	(2.427)	11.033	-	-	-	-
OPEB Current Payment	(1.760)	4.245	-	-	-	-
Pensions	10.440	1.310	-	-	-	-
Other Fringe Benefits	9.616	0.722	1.000	1.000	1.000	1.000
GASB Account	-	-	-	(0.381)	(1.092)	(1.845)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$3.296	\$19.906	\$7.401	\$7.165	\$6.601	\$5.999
<u>Non-Labor:</u>						
Electric Power	(\$0.973)	(\$0.610)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(1.258)	(0.100)	-	-	-	-
Insurance	(2.913)	3.866	0.071	(0.301)	0.426	(0.323)
Claims	4.581	2.670	2.623	2.623	2.671	2.723
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.094	(7.365)	-	-	-	-
Professional Service Contracts	44.600	2.809	4.612	4.842	5.084	5.339
Materials & Supplies	(3.912)	17.586	3.317	3.472	(2.530)	(3.307)
Other Business Expenditures	(0.247)	1.117	1.117	1.104	0.688	0.701
Total Non-Labor Expenditures	\$41.973	\$19.973	\$11.740	\$11.740	\$6.339	\$5.133
<u>Other Expenditures Adjustments:</u>						
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	(\$10.417)	(\$6.576)	(\$10.313)	(\$16.763)	(\$19.898)
Depreciation Adjustment	\$325.025	\$333.481	\$336.800	\$340.153	\$343.539	\$346.959
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	\$577.540	\$592.605	\$593.000	\$594.093	\$585.414

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

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	400,011	\$24.181	20.2%
<u>Unscheduled Service</u>	106,695	6.694	5.6%
<u>Programmatic/Routine Maintenance</u>	710,954	39.818	33.3%
<u>Unscheduled Maintenance</u>	5,895	0.345	0.3%
<u>Vacancy/Absentee Coverage</u>	643,216	37.216	31.1%
<u>Weather Emergencies</u>	163,262	9.847	8.2%
<u>Safety/Security/Law Enforcement</u>	0	0.000	0.0%
<u>Other</u>	23,897	1.520	1.3%
Subtotal	2,053,930	\$119.622	100.0%
REIMBURSABLE OVERTIME	491,312	\$28.434	
TOTAL OVERTIME	2,545,242	\$148.056	

**MTA Long Island Rail Road
2017 Preliminary Budget
July 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 0.4% in 2017 over 2016 primarily due to anticipated ridership growth. Revenue increases by 0.3% in 2018 and 0.2% in 2019 and 2020.

Other Operating Revenue

- 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 January 1, 2016 and each January 1st thereafter.
- Salaries for represented employees includes 2% CPI-based increases upon contract expiration, effective December 16th of each year from 2016 through 2020.
- Almost all the headcount increases from 2017 – 2020 are related to ESA readiness efforts. 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 weather-related overtime returning to a 5-year average (excluding Superstorm Sandy), lower vacant position coverage, lower maintenance costs and lower capital project activity on overtime.
- 2018 - 2019 changes primarily reflect normal wage growth.
- 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), 7.2% (2017), 0.8% (2018) and 3.3% (2019 -

2020), for individual coverage, and 7.9% (2016), 7.6% (2017), 2.1% (2018) and 4.5% (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 March 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 March 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 March 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 decrease due to completion of various operating funded capital projects, the Lefferts Blvd overpass rehabilitation, various security initiatives, vegetation

management, lower lease costs as the Procurement Department moves to an LIRR owned facility and various other maintenance and other operating contracts.

- 2017 – 2020 increase due to contractual and normal inflationary increases.
- 2019 – 2020 increase includes ESA readiness efforts.

Professional Service Contracts

- 2017 – 2018 decrease reflect completion of certain operating funded capital initiatives including fire alarm upgrades, third party contracts for Right of Way maintenance, Empire plan study and winter storm response study, partially offset by timing of EAM expenses and M-7 Propulsion Consultant.
- 2017 – 2019 changes reflect investments in EAM and normal inflationary increases.
- 2019 increase includes ESA readiness efforts.

Material and Supplies

- 2016 to 2017 decrease 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, partially offset by 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.

Other Business Expenses

- 2016 - 2017 declines reflects 22 M3 cars being decommissioned in 2016, but no cars in 2017 along with normal inflationary increases.
- 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
July 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	\$710.233	\$713.088	\$2.855	\$715.297	\$2.209	\$716.879	\$1.582	\$718.383	\$1.504
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	55.037	57.644	2.607	56.669	(0.975)	57.502	0.833	58.347	0.845
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$765.270	\$770.732	\$5.462	\$771.966	\$1.234	\$774.381	\$2.415	\$776.730	\$2.349
Expenses									
Labor:									
Payroll	\$516.077	\$526.011	(9.934)	\$561.729	(\$35.718)	\$582.618	(\$20.889)	\$617.977	(\$35.359)
Overtime	119.622	120.856	(1.234)	124.908	(4.052)	126.236	(1.328)	131.514	(5.278)
Health and Welfare	98.285	106.449	(8.164)	114.326	(7.877)	121.560	(7.234)	131.707	(10.147)
OPEB Current Payment	62.504	69.500	(6.996)	71.404	(1.904)	74.962	(3.558)	78.726	(3.764)
Pensions	143.335	143.196	0.139	149.083	(5.887)	155.742	(6.659)	156.492	(0.750)
Other Fringe Benefits	127.181	129.554	(2.373)	138.259	(8.705)	142.878	(4.619)	149.977	(7.099)
Reimbursable Overhead	(23.170)	(19.199)	(3.971)	(18.323)	(0.876)	(17.469)	(0.854)	(17.866)	0.397
Total Labor Expenses	\$1,043.834	\$1,076.367	(\$32.533)	\$1,141.386	(\$65.019)	\$1,186.527	(\$45.141)	\$1,248.527	(\$62.000)
Non-Labor:									
Electric Power	\$79.367	\$96.326	(\$16.959)	\$100.187	(\$3.861)	\$105.390	(\$5.203)	\$111.053	(\$5.663)
Fuel	14.228	16.035	(1.807)	17.043	(1.008)	19.210	(2.167)	21.671	(2.461)
Insurance	22.559	24.334	(1.775)	26.882	(2.548)	29.032	(2.150)	31.370	(2.338)
Claims	4.403	4.370	0.033	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	81.143	70.435	10.708	72.849	(2.414)	80.950	(8.101)	94.672	(13.722)
Professional Service Contracts	35.133	31.234	3.899	30.283	0.951	30.580	(0.297)	34.691	(4.111)
Materials & Supplies	173.722	163.589	10.133	168.817	(5.228)	160.122	8.695	182.331	(22.209)
Other Business Expenses	16.647	16.045	0.602	21.052	(5.007)	16.941	4.111	17.432	(0.491)
Total Non-Labor Expenses	\$427.202	\$422.368	\$4.834	\$441.483	(\$19.115)	\$446.644	(\$5.161)	\$497.691	(\$51.047)
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.	\$1,471.036	\$1,498.735	(\$27.699)	\$1,582.869	(\$84.134)	\$1,633.171	(\$50.302)	\$1,746.218	(\$113.047)
Depreciation	\$333.481	\$336.800	(\$3.319)	\$340.153	(\$3.353)	\$343.539	(\$3.386)	\$346.959	(\$3.420)
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	\$2,058.993	\$2,097.916	(\$38.923)	\$2,186.182	(\$88.266)	\$2,244.027	(\$57.845)	\$2,351.530	(\$116.467)
Net Surplus/(Deficit)	(\$1,293.723)	(\$1,327.184)	(\$33.461)	(\$1,414.216)	(\$87.032)	(\$1,469.646)	(\$55.430)	(\$1,574.800)	(\$114.118)

MTA LONG ISLAND RAIL ROAD
July 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	333.835	309.365	(24.470)	305.000	(4.365)	299.311	(5.689)	303.651	4.340
Total Revenue	\$333.835	\$309.365	(\$24.470)	\$305.000	(\$4.365)	\$299.311	(\$5.689)	\$303.651	\$4.340
Expenses									
Labor:									
Payroll	\$107.230	\$115.144	(\$7.914)	\$112.698	\$2.446	\$110.482	\$2.216	\$111.454	(\$0.972)
Overtime	28.434	20.906	7.528	20.360	0.546	19.728	0.632	20.122	(0.394)
Health and Welfare	22.383	24.885	(2.502)	24.125	0.760	23.473	0.652	23.726	(0.253)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	37.565	40.431	(2.866)	39.196	1.235	38.137	1.059	38.548	(0.411)
Other Fringe Benefits	23.143	25.447	(2.304)	24.669	0.778	24.003	0.666	24.261	(0.258)
Reimbursable Overhead	23.170	19.199	3.971	18.323	0.876	17.469	0.854	17.866	(0.397)
Total Labor Expenses	\$241.925	\$246.012	(\$4.087)	\$239.371	\$6.641	\$233.292	\$6.079	\$235.977	(\$2.685)
Non-Labor:									
Electric Power	\$0.555	\$0.047	\$0.508	\$0.000	\$0.047	\$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	7.768	7.848	(0.080)	7.580	0.268	7.446	0.134	7.575	(0.129)
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	23.827	12.928	10.899	12.485	0.443	12.513	(0.028)	12.569	(0.056)
Professional Service Contracts	3.372	0.652	2.720	0.652	0.000	0.656	(0.004)	0.669	(0.013)
Materials & Supplies	55.939	41.533	14.406	44.578	(3.045)	45.079	(0.501)	46.532	(1.453)
Other Business Expenses	0.449	0.345	0.104	0.334	0.011	0.325	0.009	0.329	(0.004)
Total Non-Labor Expenses	\$91.910	\$63.353	\$28.557	\$65.629	(\$2.276)	\$66.019	(\$0.390)	\$67.674	(\$1.655)
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	\$333.835	\$309.365	\$24.470	\$305.000	\$4.365	\$299.311	\$5.689	\$303.651	(\$4.340)
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$333.835	\$309.365	\$24.470	\$305.000	\$4.365	\$299.311	\$5.689	\$303.651	(\$4.340)
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
July Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 2019
Revenue									
Farebox Revenue	\$710.233	\$713.088	\$2.855	\$715.297	\$2.209	\$716.879	\$1.582	\$718.383	\$1.504
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	55.037	57.644	2.607	56.669	(0.975)	57.502	0.833	58.347	0.845
Capital and Other Reimbursements	333.835	309.365	(24.470)	305.000	(4.365)	299.311	(5.689)	303.651	4.340
Total Revenue	\$1,099.105	\$1,080.097	(\$19.008)	\$1,076.966	(\$3.131)	\$1,073.692	(\$3.274)	\$1,080.381	\$6.689
Expenses									
Labor:									
Payroll	\$623.307	\$641.155	(\$17.848)	\$674.427	(\$33.272)	\$693.100	(\$18.673)	\$729.431	(\$36.331)
Overtime	148.056	141.762	6.294	145.268	(3.506)	145.964	(0.696)	151.636	(5.672)
Health and Welfare	120.668	131.334	(10.666)	138.451	(7.117)	145.033	(6.582)	155.433	(10.400)
OPEB Current Payment	62.504	69.500	(6.996)	71.404	(1.904)	74.962	(3.558)	78.726	(3.764)
Pensions	180.900	183.627	(2.727)	188.279	(4.652)	193.879	(5.600)	195.040	(1.161)
Other Fringe Benefits	150.324	155.001	(4.677)	162.928	(7.927)	166.881	(3.953)	174.238	(7.357)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$1,285.759	\$1,322.379	(\$36.620)	\$1,380.757	(\$58.378)	\$1,419.819	(\$39.062)	\$1,484.504	(\$64.685)
Non-Labor:									
Electric Power	\$79.922	\$96.373	(\$16.451)	\$100.187	(\$3.814)	\$105.390	(\$5.203)	\$111.053	(\$5.663)
Fuel	14.228	16.035	(1.807)	17.043	(1.008)	19.210	(2.167)	21.671	(2.461)
Insurance	30.327	32.182	(1.855)	34.462	(2.280)	36.478	(2.016)	38.945	(2.467)
Claims	4.403	4.370	0.033	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	104.970	83.363	21.607	85.334	(1.971)	93.463	(8.129)	107.241	(13.778)
Professional Service Contracts	38.505	31.886	6.619	30.935	0.951	31.236	(0.301)	35.360	(4.124)
Materials & Supplies	229.661	205.122	24.539	213.395	(8.273)	205.201	8.194	228.863	(23.662)
Other Business Expenses	17.096	16.390	0.706	21.386	(4.996)	17.266	4.120	17.761	(0.495)
Total Non-Labor Expenses	\$519.112	\$485.721	\$33.391	\$507.112	(\$21.391)	\$512.663	(\$5.551)	\$565.365	(\$52.702)
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.	\$1,804.871	\$1,808.100	(\$3.229)	\$1,887.869	(\$79.769)	\$1,932.482	(\$44.613)	\$2,049.869	(\$117.387)
Depreciation									
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	\$2,392.828	\$2,407.281	(\$14.453)	\$2,491.182	(\$83.901)	\$2,543.338	(\$52.156)	\$2,655.181	(\$120.807)
Net Surplus/(Deficit)	(\$1,293.723)	(\$1,327.184)	(\$33.461)	(\$1,414.216)	(\$87.032)	(\$1,469.646)	(\$55.430)	(\$1,574.800)	(\$114.118)

MTA LONG ISLAND RAIL ROAD
July 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	\$731.186	\$733.088	\$1.902	\$735.297	\$2.209	\$736.879	\$1.582	\$738.383	\$1.504
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	41.093	42.688	1.595	41.271	(1.417)	41.550	0.279	41.914	0.364
Capital and Other Reimbursements	296.530	298.604	2.074	291.180	(7.424)	285.560	(5.620)	289.054	3.494
Total Receipts	\$1,068.809	\$1,074.380	\$5.571	\$1,067.748	(\$6.632)	\$1,063.989	(\$3.759)	\$1,069.351	\$5.362
Expenditures									
Labor:									
Payroll	\$620.057	\$634.754	(\$14.697)	\$667.881	(\$33.127)	\$686.407	(\$18.526)	\$722.587	(\$36.180)
Overtime	148.710	141.762	6.948	145.268	(3.506)	145.964	(0.696)	151.636	(5.672)
Health and Welfare	109.635	131.334	(21.699)	138.451	(7.117)	145.033	(6.582)	155.433	(10.400)
OPEB Current Payment	58.259	69.500	(11.241)	71.404	(1.904)	74.962	(3.558)	78.726	(3.764)
Pensions	179.590	183.627	(4.037)	188.279	(4.652)	193.879	(5.600)	195.040	(1.161)
Other Fringe Benefits	149.602	154.001	(4.399)	161.928	(7.927)	165.881	(3.953)	173.238	(7.357)
GASB Account	0.000	0.000	0.000	0.381	(0.381)	1.092	(0.711)	1.845	(0.753)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,265.853	\$1,314.978	(\$49.125)	\$1,373.592	(\$58.614)	\$1,413.218	(\$39.626)	\$1,478.505	(\$65.287)
Non-Labor:									
Electric Power	\$80.532	\$96.373	(\$15.841)	\$100.187	(\$3.814)	\$105.390	(\$5.203)	\$111.053	(\$5.663)
Fuel	14.328	16.035	(1.707)	17.043	(1.008)	19.210	(2.167)	21.671	(2.461)
Insurance	26.461	32.111	(5.650)	34.763	(2.652)	36.052	(1.289)	39.268	(3.216)
Claims	1.733	1.747	(0.014)	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	112.335	83.363	28.972	85.334	(1.971)	93.463	(8.129)	107.241	(13.778)
Professional Service Contracts	35.696	27.274	8.422	26.093	1.181	26.152	(0.059)	30.021	(3.869)
Materials & Supplies	212.075	201.805	10.270	209.923	(8.118)	207.731	2.192	232.170	(24.439)
Other Business Expenses	15.979	15.273	0.706	20.282	(5.009)	16.578	3.704	17.060	(0.482)
Total Non-Labor Expenditures	\$499.139	\$473.981	\$25.158	\$495.372	(\$21.391)	\$506.324	(\$10.952)	\$560.232	(\$53.908)
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	\$1,784.992	\$1,808.959	(\$23.967)	\$1,888.964	(\$80.005)	\$1,939.542	(\$50.578)	\$2,058.737	(\$119.195)
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 Deficit	(\$716.183)	(\$734.579)	(\$18.396)	(\$821.216)	(\$86.637)	(\$875.553)	(\$54.337)	(\$989.386)	(\$113.833)

MTA LONG ISLAND RAIL ROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Plan-To-Plan Changes by Generic Category - Baseline

2016: Mid-Year Forecast vs. Adopted Budget

2016 Mid-Year Forecast is based on actual performance through March with projections for April through December based on current trends and known activities.

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.
- Other Operating Revenue is higher due to a one-time gain of old Mail & Ride customer balances collected but not used, partially offset by lower rental revenue.
- Capital and Other Reimbursements are higher due to interagency reimbursements and timing of capital project activity.

Expense

- Payroll – vacant positions and lower vacation pay accruals, partially offset by management vacation buyback payments.
- Overtime – increased as a result of greater reimbursable activity on overtime, higher Engineering Department maintenance overtime and weather-related overtime, partially offset by lower vacancy/absentee coverage and scheduled service overtime.
- Pension is higher based on latest actuarial estimates.
- Health and Welfare costs including OPEB Current Payment are lower due to the lower than expected average number of vacant positions, lower rates and fewer retirees.
- Other Fringe, decreased due to lower Railroad Retirement Rates and 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 lower inflationary growth assumptions.
- Lower Insurance due to lower All Agency Excess Liability Insurance, Property Insurance and Catastrophic Insurance and Force Account insurance associated with capital activity.
- Lower Maintenance and Other Operating Contracts due to revised elevator/escalator maintenance schedule and lower Amtrak Joint Facilities costs.
- Higher Professional Services primarily due to Flash Butt Weld Services Shoulder Ballast Cleaner, On Call Checker Service, EAM, CISCO Smartnet Maintenance Services contract and winter storm consultant, partially offset by delayed M7 Propulsion Consultant.
- Higher Material due to Sandite de-icing cars, M7 and C3 seat cushion replacement, M7 under carriage replacement and capital project activity, partially offset by timing of installation of AVRМ on trains and lower running repair.

- Other Business Expense is higher due to accelerated M3 decommissioning costs (22 Cars) and miscellaneous other expenses.

2017 – 2019 : July Financial Plan vs. February Financial Plan

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.
- Other Operating Revenue is favorable due to higher advertising, parking garage 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, partially offset by ongoing position vacancies resulting from attrition and time to hire.
- Overtime – Changes in overtime are based on capital project activity. Non-Reimbursable Overtime is close to budget with the exception of additional overtime for service investments. Maintenance overtime is unfavorable, offset by lower vacancy/absentee coverage.
- Health and Welfare costs increase due to higher rates and reimbursable headcount and PTC/AVRM on-board installations.
- Pension is higher based on the latest actuarial estimates.
- Other Fringe is lower in all years due to lower Railroad Retirement Tiers.
- Electric Power decreases reflecting lower consumption.
- Fuel decreases, reflecting lower rates.
- Lower Insurance due to lower All Agency Excess Liability Insurance and Property Insurance.
- Maintenance and Other Operating Contracts are lower due to tighter controls and prioritization of non-payroll funds to core mission initiatives, lower Amtrak joint facilities expenses and reallocation of Platform investment funding from Maintenance and Other Operating Contracts to Electric Power, Fuel and Overtime, partially offset by timing of elevator/escalator maintenance.
- Professional Services increases in 2017 due to timing of M7 Propulsion Consultant and EAM activities and each year due to CISCO Smartnet professional services contract.
- Material & Supplies increase in 2017 due to installation of on-board cameras, Sandite Cars, C3 and M7 seat cushion replacement and replacement of PSE&G Feeder Cables. Changes in 2018 due to installation of on-board cameras, C3 and M7 seat cushion replacement. The outer years reflect changes in C3 and M7 seat cushion replacement.

- Other Business Expense decrease in 2018 due to accelerating the decommissioning of 22 M3 cars to 2016.

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.

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

NON-REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$742.506)	(\$718.799)	(\$805.251)	(\$869.036)
Baseline Changes				
Revenue				
Farebox Revenue	\$7.611	\$7.517	\$8.103	\$8.132
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	0.698	0.377	0.409	0.463
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Total Revenue Changes	\$8.309	\$7.894	\$8.512	\$8.595
Expenses				
<i>Labor:</i>				
Payroll	\$2.306	(\$1.071)	(\$3.534)	(\$1.096)
Overtime	(4.375)	(0.129)	(0.138)	(0.113)
Health and Welfare	1.524	(6.674)	(4.542)	(4.331)
OPEB Current Payment	4.196	(1.356)	0.169	0.193
Pensions	(16.480)	(19.500)	(22.048)	(20.262)
Other Fringe Benefits	3.366	1.941	1.258	1.796
Reimbursable Overhead	4.317	1.108	0.730	(0.025)
Total Labor Expense Changes	(\$5.146)	(\$25.681)	(\$28.105)	(\$23.838)
<i>Non-Labor:</i>				
Electric Power	\$13.928	\$0.998	\$1.454	\$0.653
Fuel	4.255	3.400	4.628	4.554
Insurance	2.155	2.317	1.857	2.009
Claims	(0.100)	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	4.331	5.238	3.521	3.426
Professional Service Contracts	(3.023)	(3.980)	(0.535)	(1.111)
Materials & Supplies	0.144	(2.876)	(5.447)	1.925
Other Business Expenses	(0.886)	(0.065)	0.691	(0.071)
Total Non-Labor Expense Changes	\$20.804	\$5.032	\$6.169	\$11.385
Total Expense Changes before Depreciation and GASB Adjs.	\$15.658	(\$20.649)	(\$21.936)	(\$12.453)
Depreciation	(\$6.428)	(\$6.492)	(\$6.557)	(\$6.623)
OPEB Liability Adjustment	(6.732)	(6.935)	(7.142)	(7.357)
GASB 68 Pension Expense Adjustment	(169.000)	(174.400)	(172.600)	(174.100)
Environmental Remediation	0.000	0.000	0.000	0.000
Total Expense Changes	(\$166.502)	(\$208.476)	(\$208.235)	(\$200.533)
Cash Adjustment Changes				
Timing from 2015	\$4.171	\$0.000	\$0.000	\$0.000
GASB	0.000	0.000	0.305	0.310
Insurance	0.790	(0.301)	(0.004)	(0.002)
Advertising Revenue	(0.075)	(0.124)	(0.173)	(0.223)
Dormant Account Farebox Revenue	(0.933)	0.000	0.000	0.000
Wage Claim Accrual	0.506	0.000	0.000	0.000
Material				
Depreciation/OPEB/Environmental Remediation	182.160	187.827	186.299	188.080
Vacation Reserve, Inventory Adjustments/Other Misc.	(2.412)	(2.599)	(2.670)	(2.742)
Total Cash Adjustment Changes	\$184.207	\$184.803	\$183.757	\$185.423
Total Baseline Changes	\$26.014	(\$15.779)	(\$15.966)	(\$6.515)
July Financial Plan - Cash Surplus/(Deficit)	(\$716.492)	(\$734.578)	(\$821.217)	(\$875.551)

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

REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	3.147	7.528	5.443	(0.522)
Total Revenue Changes	\$3.147	\$7.528	\$5.443	(\$0.522)
Expenses				
<i>Labor:</i>				
Payroll	\$2.378	(\$3.226)	(\$2.126)	\$0.058
Overtime	(1.627)	(0.556)	(0.510)	0.099
Health and Welfare	0.096	(0.778)	(0.546)	0.055
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	(1.043)	(1.264)	(0.887)	0.090
Other Fringe Benefits	(0.157)	(0.796)	(0.558)	0.056
Reimbursable Overhead	(4.317)	(1.108)	(0.730)	0.025
Total Labor Expense Changes	(\$4.670)	(\$7.728)	(\$5.357)	\$0.383
<i>Non-Labor:</i>				
Electric Power	\$0.080	\$0.094	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000
Insurance	0.501	(0.085)	(0.011)	0.131
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	2.183	(0.097)	(0.068)	0.007
Professional Service Contracts	0.396	0.299	0.000	0.000
Materials & Supplies	(1.500)	0.000	0.000	0.000
Other Business Expenses	(0.137)	(0.011)	(0.007)	0.001
Total Non-Labor Expense Changes	\$1.523	\$0.200	(\$0.086)	\$0.139
Total Expense Changes	(\$3.147)	(\$7.528)	(\$5.443)	\$0.522
Cash Adjustment Changes				
Operating Funded Capital	\$0.309	\$0.000	\$0.000	\$0.000
Total Cash Adjustment Changes	\$0.309	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.309	\$0.000	(\$0.000)	(\$0.000)
July Financial Plan - Cash Surplus/(Deficit)	\$0.309	\$0.000	(\$0.000)	(\$0.000)

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

NON-REIMBURSABLE/REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$742.506)	(\$718.799)	(\$805.251)	(\$869.036)
Baseline Changes				
Revenue				
Farebox Revenue	\$7.611	\$7.517	\$8.103	\$8.132
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	0.698	0.377	0.409	0.463
Capital and Other Reimbursement	3.147	7.528	5.443	(0.522)
Total Revenue Changes	\$11.456	\$15.422	\$13.955	\$8.073
Expenses				
<i>Labor:</i>				
Payroll	\$4.684	(\$4.297)	(\$5.660)	(\$1.038)
Overtime	(6.002)	(0.685)	(0.648)	(0.014)
Health and Welfare	1.620	(7.452)	(5.088)	(4.276)
OPEB Current Payment	4.196	(1.356)	0.169	0.193
Pensions	(17.523)	(20.764)	(22.935)	(20.172)
Other Fringe Benefits	3.209	1.145	0.700	1.852
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	(\$9.816)	(\$33.409)	(\$33.462)	(\$23.455)
<i>Non-Labor:</i>				
Electric Power	\$14.008	\$1.092	\$1.454	\$0.653
Fuel	4.255	3.400	4.628	4.554
Insurance	2.656	2.232	1.846	2.140
Claims	(0.100)	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	6.514	5.141	3.453	3.433
Professional Service Contracts	(2.627)	(3.681)	(0.535)	(1.111)
Materials & Supplies	(1.356)	(2.876)	(5.447)	1.925
Other Business Expenses	(1.023)	(0.076)	0.684	(0.070)
Total Non-Labor Expense Changes	\$22.327	\$5.232	\$6.083	\$11.524
Total Expense Changes before Depreciation and GASB Adjs.	\$12.511	(\$28.177)	(\$27.379)	(\$11.931)
Depreciation	(\$6.428)	(\$6.492)	(\$6.557)	(\$6.623)
OPEB Liability Adjustment	(6.732)	(6.935)	(7.142)	(7.357)
GASB 68 Pension Expense Adjustment	(169.000)	(174.400)	(172.600)	(174.100)
Environmental Remediation	0.000	0.000	0.000	0.000
Total Expense Changes	(\$169.649)	(\$216.004)	(\$213.678)	(\$200.011)
Cash Adjustment Changes				
Timing from 2015	\$4.171	\$0.000	\$0.000	\$0.000
GASB	0.000	0.000	0.305	0.310
Operating Funded Capital	0.309	0.000	0.000	0.000
Insurance	0.790	(0.301)	(0.004)	(0.002)
Advertising Revenue	(0.075)	(0.124)	(0.173)	(0.223)
Dormant Account Farebox Revenue	(0.933)	0.000	0.000	0.000
Wage Claim Accrual	0.506	0.000	0.000	0.000
Material	0.000	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	182.160	187.827	186.299	188.080
Vacation Reserve, Inventory Adjustments/Other Misc.	(2.412)	(2.599)	(2.670)	(2.742)
Total Cash Adjustment Changes	\$184.516	\$184.803	\$183.757	\$185.423
Total Baseline Changes	\$26.323	(\$15.779)	(\$15.966)	(\$6.515)
July Financial Plan - Cash Surplus/(Deficit)	(\$716.183)	(\$734.578)	(\$821.217)	(\$875.551)

MTA LONG ISLAND RAIL ROAD
2017 Preliminary Budget
July 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

- 2016 BRP Program including ongoing position vacancies resulting from attrition and time to hire, tighter controls and prioritization of non-payroll funds to core mission initiatives and lower Amtrak Joint Facilities costs as a result of the LIRR conducting an extensive review of the formulas and assumptions being used in the new cost sharing assumptions and determining that the LIRR was being over charged for certain expenses.
- Higher Pension costs as a result of latest actuarial estimate.
- Higher Health and Welfare costs including OPEB Current based on the most recent revisions for Empire Plan cost assumptions transmitted by the NYS Department of Civil Service.
- Rate assumptions changes for Traction Power and Fuel in 2016 - 2019.
- Lower consumption of Traction Power.
- Payroll Rates, and open position savings and associated fringe costs.
- Lower ESA Readiness costs.
- PTC, AVR - On Board Camera Production Delays in installing Cameras in the passenger cars and outward facing cameras as well as installation of PTC equipment. The July Financial Plan assumes full PTC production on the rolling stock to begin in July 2016. On Board Camera installation is projected to begin January 2017. Efforts will be made to accelerate these initiatives where possible.
- GASB 68 Pension Adjustment is higher. Under GASB 68, Pension Expense is no longer equal to the ARC funding but now an actuarial calculation based on a variety of components.

Cash

- GASB 68 Pension Adjustment, OPEB and Environmental Remediation are all accrued but not cash items.
- Dormant Account Mail and Ride Revenue captured in Other Operating Revenue but previously captured as cash in prior years.
- 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.
- Timing of various expenses budgeted in 2015 but incurred in 2016.

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

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$742.506)	(\$718.799)	(\$805.251)	(\$869.036)
Non-Reimbursable Major Changes				
Revenue				
Farebox Revenue	\$7.611	\$7.517	\$8.103	\$8.132
Other Operating Revenue	0.698	0.377	0.409	0.463
Sub-Total Non-Reimbursable Revenue Changes	\$8.309	\$7.894	\$8.512	\$8.595
Expenses				
2016 BRP Program	\$4.800	\$5.550	\$5.550	\$5.550
Pension	(17.523)	(20.750)	(22.878)	(20.908)
H&W (including OPEB Current) Rate Related changes	5.078	(7.891)	(3.623)	(3.771)
Fuel (Rate Related)	4.332	3.488	4.705	4.624
Electric Power (Rate Related)	5.184	(0.799)	(0.817)	(1.536)
Payroll Rates, Open Positions and Vacancy Rate Adjustments	7.100	0.837	0.923	0.964
Train Power - Consumption	6.210	1.837	2.320	2.248
PTC, AVRMS - On Board Camera Production Delays	3.991	(1.097)	(9.861)	0.000
East Side Access Readiness Adjustment	0.000	(0.014)	(0.256)	0.735
GASB 68 Pension Expense Adjustment	(169.000)	(174.400)	(172.600)	(174.100)
Depreciation/OPEB/Environmental Remediation	(13.160)	(13.427)	(13.699)	(13.980)
All Other	(3.515)	(1.810)	2.002	(0.358)
Sub-Total Non-Reimbursable Expense Changes	(\$166.502)	(\$208.476)	(\$208.235)	(\$200.533)
Total Non-Reimbursable Major Changes	(\$158.193)	(\$200.582)	(\$199.723)	(\$191.938)
Reimbursable Major Changes				
Revenue				
Capital Project Activity	\$3.147	\$7.528	\$5.443	(\$0.522)
Sub-Total Reimbursable Revenue Changes	\$3.147	\$7.528	\$5.443	(\$0.522)
Expenses				
Capital Project Activity	(\$3.147)	(\$7.528)	(\$5.443)	\$0.522
Sub-Total Reimbursable Expense Changes	(\$3.147)	(\$7.528)	(\$5.443)	\$0.522
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	(\$0.000)
Total Accrual Changes	(\$158.193)	(\$200.582)	(\$199.723)	(\$191.938)
Cash Adjustment Changes				
Timing from 2015	\$4.171	\$0.000	\$0.000	\$0.000
GASB	0.000	0.000	0.305	0.310
Operating Funded Capital	0.309	0.000	0.000	0.000
Insurance	0.790	(0.301)	(0.004)	(0.002)
Advertising Revenue	(0.075)	(0.124)	(0.173)	(0.223)
Dormant Account Farebox Revenue	(0.933)	0.000	0.000	0.000
Wage Claim Accrual	0.506	0.000	0.000	0.000
Material	0.000	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	182.160	187.827	186.299	188.080
Vacation Reserve, Inventory Adjustments/Other Misc.	(2.412)	(2.599)	(2.670)	(2.742)
Total Cash Adjustment Changes	\$184.516	\$184.803	\$183.757	\$185.423
Total Baseline Changes	\$26.323	(\$15.779)	(\$15.966)	(\$6.515)
July Financial Plan - Cash Surplus/(Deficit)	(\$716.183)	(\$734.578)	(\$821.217)	(\$875.551)

**MTA LONG ISLAND RAIL ROAD
2017 Preliminary Budget
July 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 April was 1.0% greater than the Adopted Budget and above the 2015 levels by 3.3% (adjusted for the same number of work days). The 2016 Mid-Year Forecast projects 2016 ridership to be 89.0 million, which is a 1.0% increase over the Adopted Budget. Ridership projections for the outer years of the July Financial Plan 2017-2020 reveal modest annual growth of 0.2% in 2017, 0.5% in 2018, 0.2% in 2019 and 0.4% in 2020.

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

	2015	2016	2017			
	Actual	Mid-Year	Preliminary	2018	2019	2020
		Forecast	Budget			
<u>RIDERSHIP</u>						
Monthly	48.420	49.389	49.422	49.734	49.840	50.143
Weekly	1.966	1.920	1.931	1.937	1.942	1.946
Total Commutation	50.386	51.309	51.353	51.671	51.782	52.089
One-Way Full Fare	8.491	8.571	8.605	8.631	8.650	8.667
One-Way Off Peak	18.105	18.313	18.387	18.443	18.482	18.519
All Other	10.667	10.772	10.818	10.854	10.886	10.916
Total Commutation	37.263	37.656	37.810	37.928	38.018	38.102
Total Ridership	87.649	88.965	89.163	89.599	89.800	90.191
<u>FAREBOX REVENUE</u>						
Total Passenger Revenue	\$695.447	\$710.233	\$713.088	\$715.297	\$716.879	\$718.383

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

	Favorable/(Unfavorable)									
	<u>Pos.</u>	<u>2016</u>	<u>Pos.</u>	<u>2017</u>	<u>Pos.</u>	<u>2018</u>	<u>Pos.</u>	<u>2019</u>	<u>Pos.</u>	<u>2020</u>
<u>Administration</u>										
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>	-	1.500	-	4.050	-	4.050	-	4.050	-	4.050
<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>										
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>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$4.800	-	\$5.550	-	\$5.550	-	\$5.550	-	\$5.550

**MTA LONG ISLAND RAIL ROAD
July 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
July 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
July 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.
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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.
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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)	\$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 Preliminary Budget
July 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 7,237 in the 2016 Mid-Year Forecast represents an increase of 31 positions from the 2016 Adopted Budget. Year-end Reimbursable positions increased by 75 and Non-Reimbursable positions decreased by 44. The Reimbursable increase is related to Engineering's field workforce that supports both capital and maintenance activities, PTC and other capital activity. The non-reimbursable decrease is related to timing of AVRМ, Engineering's field workforce that supports both capital and maintenance activities and lower than expected headcount based on updated Maintenance of Equipment hiring plan. This is partially offset by an additional Assistant Conductor training class in anticipation of additional flagging needs in 2017. 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.

2017 Changes

The 2017 Preliminary Budget totals 7,243 positions, an increase of 116 positions from the Adopted Budget. The net increase of 63 Reimbursable positions is driven primarily by PTC related activities. The net increase of 53 Non-Reimbursable positions results primarily from timing of AVRМ installation.

2018 – 2019 Changes

The July Financial Plan in the years 2018 – 2019 reflects an increase of 79 positions in 2018 and 31 positions in 2019. Non-Reimbursable positions increase 59 in 2018 and 22 in 2019. The 2018 increase is primarily associated with AVRМ installation and other Maintenance of Equipment activity. 2019 increase results primarily from additional PTC Maintenance positions, West End maintenance, seat cushion replacement and RCM sustainability. Reimbursable positions increase by 20 in 2018 and 9 in 2019 due to project activity.

MTA LONG ISLAND RAIL ROAD
2017 Preliminary Budget
July 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 Preliminary Budget totals 7,237 positions, an increase of 6 positions from the 2016 Mid-Year Forecast. This includes an increase of 178 Non-Reimbursable positions and a decrease of 172 Reimbursable positions. The Non-reimbursable headcount increase is related to 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 decrease 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 179 positions in 2018, 36 positions in 2019 and 160 positions in 2020. Non-Reimbursable positions increase by 229 in 2018, 71 in 2019 and 168 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 50 in 2018, 35 in 2019, and 8 in 2020 due to changes in project activity and completion of Maintenance of Equipment's PTC initiative in 2018.

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

Total Position Changes at a Glance

	2016	2017	2018	2019
2016 February Plan - Total Baseline Positions	7,206	7,127	7,343	7,427
Total Plan-to-Plan Changes	(31)	(116)	(79)	(31)
2016 July Plan - Total Baseline Positions	7,237	7,243	7,422	7,458
Total Year-to-Year Changes, July Plan		(6)	(179)	(36)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	44	(53)	(59)	(22)
<i>Reimbursable</i>	(75)	(63)	(20)	(9)
Total	(31)	(116)	(79)	(31)
<i>Full-Time</i>	(31)	(116)	(79)	(31)
<i>Full-Time Equivalents</i>	0	0	0	0
Total	(31)	(116)	(79)	(31)
<i>By Function Category</i>				
- Administration	(14)	(16)	(16)	(14)
- Operations	(32)	(7)	(6)	(1)
- Maintenance	18	(90)	(54)	(13)
- Engineering/Capital	(3)	(3)	(3)	(3)
- Public Safety				
Total	(31)	(116)	(79)	(31)
<i>By Occupational Group</i>				
- Managers/Supervisors	(4)	(38)	(32)	(25)
- Professional, Technical, Clerical	7	(1)	(1)	2
- Operational Hourlies	(34)	(77)	(46)	(8)
Total	(31)	(116)	(79)	(31)

Total Plan-to-Plan Changes by Major Category:

<i>2016 BRPs</i>				
<i>New Needs</i>	0	(1)	(1)	(1)
<i>Change in Reimbursable Positions</i>	(75)	(63)	(20)	(9)
<i>Re-estimates & All Other</i> ¹	44	(52)	(58)	(21)
Total	(31)	(116)	(79)	(31)

¹ Includes Full-time Equivalents

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

FUNCTION/DEPARTMENT	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Administration						
Executive VP	9	2	2	2	2	2
Sr Vice President - Engineering	0	11	11	11	9	5
Labor Relations	17	19	19	19	19	19
Procurement & Logistics (excl. Stores)	81	85	85	85	82	81
Human Resources	32	33	33	39	49	52
Sr VP Administration	1	2	2	2	2	2
Strategic Investments	31	25	25	25	25	25
President	4	4	4	4	4	4
VP & CFO	2	5	5	5	5	5
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	69	69	69	69	69
Gen. Counsel & Secretary	30	32	32	32	32	32
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	23	25	25	25
Sr Vice President - Operations	2	13	13	13	13	13
Total Administration	465	512	514	522	527	532
Operations						
Train Operations	2,057	2,160	2,103	2,261	2,323	2,484
Station Operations	297	295	295	295	295	295
Total Operations	2,354	2,455	2,398	2,556	2,618	2,779
Maintenance						
Engineering	1,821	1,891	1,905	1,937	1,952	1,949
Equipment	2,076	2,082	2,127	2,108	2,065	2,062
Procurement (Stores)	95	94	96	96	94	94
Total Maintenance	3,992	4,067	4,128	4,141	4,111	4,105
Engineering/Capital						
Department of Project Management	122	157	157	157	157	157
Special Projects	34	46	46	46	45	45
Total Engineering/Capital	156	203	203	203	202	202
Total Positions	6,967	7,237	7,243	7,422	7,458	7,618
<i>Non-Reimbursable</i>	6,131	6,118	6,296	6,525	6,596	6,764
<i>Reimbursable</i>	836	1,119	947	897	862	854
<i>Total Full-Time</i>	6,967	7,237	7,243	7,422	7,458	7,618
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

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

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Administration						
Managers/Supervisors	235	256	257	258	254	250
Professional, Technical, Clerical	125	152	151	158	169	178
Operational Hourlies	105	104	106	106	104	104
Total Administration	465	512	514	522	527	532
Operations						
Managers/Supervisors	283	291	291	286	282	300
Professional, Technical, Clerical	96	97	97	97	97	97
Operational Hourlies	1,975	2,067	2,010	2,173	2,239	2,382
Total Operations	2,354	2,455	2,398	2,556	2,618	2,779
Maintenance						
Managers/Supervisors	662	751	748	752	751	748
Professional, Technical, Clerical	254	236	264	269	262	262
Operational Hourlies	3,076	3,080	3,116	3,120	3,098	3,095
Total Maintenance	3,992	4,067	4,128	4,141	4,111	4,105
Engineering/Capital						
Managers/Supervisors	108	141	141	141	141	141
Professional, Technical, Clerical	48	62	62	62	61	61
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	156	203	203	203	202	202
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Positions						
Managers/Supervisors	1,288	1,439	1,437	1,437	1,428	1,439
Professional, Technical, Clerical	523	547	574	586	589	598
Operational Hourlies	5,156	5,251	5,232	5,399	5,441	5,581
Total Positions	6,967	7,237	7,243	7,422	7,458	7,618

Metro-North Railroad

MTA METRO-NORTH RAILROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020

FINANCIAL OVERVIEW

Metro-North's July Financial Plan 2017-2020 includes the resources required to sustain current operations and fund strategic investments that further promote safe, secure and reliable transportation service for our customers, and a safe and secure working environment for our employees. Over the last several years Metro-North has taken important steps to develop policies and initiatives to meet these objectives. In 2016, efforts are focused on the continued implementation of major initiatives that began in 2013 which are ongoing in support of four key goals:

- ***Promoting a Culture of Safety*** in which safety is embedded in all decisions, actions, and initiatives. In this regard, key actions continue to reflect a comprehensive outreach program ensuring that all employees understand that safety is the foundation of the railroad. Toward this end Metro-North has:
 - Continued to progress the reorganization of functions and staffing to support the Training and Development Department and the Office of System Safety. The Departments also continue to partner on the rollout of new and enhanced safety-related training and education initiatives, including the recently implemented New Employee Safety Orientation. Initiatives underway for later in 2016 include a new approach to contractor safety training as well as supporting the action items resulting from Metro-North's new Strategic Plan.
 - Rebranded the company-wide quarterly Safety Stand-Down days to Safety Focus Days to enhance safety awareness and reinforce our safety driven focus.
 - Partnered with the LIRR to procure Medgate, an Enterprise Safety System, which will streamline and automate the collection of safety data allowing the agencies to more effectively fulfill regulatory safety reporting requirements. It is expected to be completed and in production by the Third Quarter of 2017.
 - Finalized and issued the System Safety Program Plan to all employees, which enhances MNR's efforts to ensure a safe operation and promote continuous safety improvement throughout the railroad.
 - Launched Together Railroads and Communities Keeping Safe (TRACKS), a Safety Education/Community Outreach program designed to educate and bring awareness on grade crossing and rail safety to schools and businesses within the communities Metro-North serves.
 - This April, Metro-North expanded the Confidential Close Call Reporting System (C3RS) to include the Maintenance of Equipment and Maintenance of Way Departments. C3RS, which was initially implemented last April with the Transportation Department, enables employees to report safety issues and concerns without fear of reprisal.

- **Concrete Safety Enhancements that promote safe operations and safe work practices included:**

- Hosting a national Department of Homeland Security (DHS) Chemical / Biological release study and piloting new state of the art chemical detection systems with DHS at Grand Central Terminal.
- Developing a new Workplace Violence Prevention policy and implementing a reporting and investigations program in compliance with New York State Department of Labor requirements.
- 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.
- Reorganizing the Fleet Management unit under the Chief Transportation Officer to improve rolling stock management and handoff between Maintenance of Equipment and Transportation.
- Continuing Locomotive Engineer, Conductor, Rail Traffic Controller, and Yardmaster rightsizing initiatives to appropriately balance/limit fatigue risk, shift coverage, and overtime use.

Other key safety and security improvements that will continue in 2016 include:

- Installation of video/audio recording devices in railcars.
 - Use of the state-of-the-art Enhanced Employee Protection System (EEPS), which uses technology to add a layer of protection for employees who work along and near railroad tracks. Metro-North received the American Public Transportation Association's Gold Award for development of EEPS.
 - Following the completion of an Obstructive Sleep Apnea pilot study of its 404 locomotive engineers, expansion of the program to include conductors under the "all-agency" vendor contract currently out for competitive bid.
 - Delivery of a "traveling" Security Basics presentation to make contact with as many Metro-North employees as possible regarding unattended packages, "See Something Say Something", workplace violence and active shooter response.
 - 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) and the diesel portion of the Hudson Line later this year. Office, wayside and onboard system installations continue.
- **Restoring Reliable Service that is safe and of high quality has driven an expanded Infrastructure Improvement Program that will focus 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 the Federal Railroad Administration (FRA) and Mermec.
 - 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 the Georgetown Rail Equipment Company's Aurora System, which makes rail measurements of joint bars that are accurate to within two hundredths of an inch.
 - Track Loading: The railroad uses a track loading vehicle to give rails a stress test, applying forces close to the strength limits of the rails, track ties, rail fasteners, and stone ballast.
 - Acquisition of an Autonomous Track Geometry Inspection Equipment, which is scheduled to be installed in late 2016 with testing to begin in 2017.
 - Acquisition of a Track Geometry Car, which is expected to be in service by 2018 and will replace the need for FRA and Mermec inspections noted above.
- ***Improving Communication of the railroad's goals, operations and policies so customers can make informed choices regarding the use of our service and employees can provide the best customer service possible. In support of this goal, Metro-North will continue efforts to improve its communication to customers through the following actions:***
 - Continued customer outreach forums at locations throughout the territory.
 - Digitized customer publications so they are emailed to customers in a smartphone/tablet friendly format, reducing print production costs.
 - Use of the web site to communicate safety and track improvements.
 - Enhanced communication and partnering efforts with the State of Connecticut, especially on those critical repair projects that impact service such as Walk Bridge and Devon Bridge.

Ongoing efforts to improve the Railroad's operations are continuing and the July Financial Plan incorporates the resources to continue these efforts. The Plan also includes funding for new initiatives that are focused on the implementation of additional Security measures, enhancing the customer experience in Grand Central Station and Metro-North stations, and improving operations efficiencies.

Proposed Additional Investments

Additional proposed safety and security initiatives for the July Financial Plan include:

- **Expanded Security Operations** - Eighteen months ago, at the direction of the MTA Chairman, the Security Department was established as a standalone business unit to enhance the Metro-North focus on security. As a new department, the initial conservative staffing plan allowed the business to work effectively and begin to identify longer term staffing and resource needs. The six additional staff members requested in this initiative will provide the necessary management structure to appropriately support both existing and new security issues as they arise, including the anticipated significant increase in video retrievals as additional cameras get added to the rolling stock fleet and stations, additional East Side Access demands, and the Right of Way Task Force.
- **Expanded Video Management Capabilities** - In order to manage the significant increase in video that is being implemented over the next several years, the Security Department is adding additional contract manpower, two security system administrators to assist the dedicated video manager, and is establishing a fully-equipped professional video management suite. These enhancements will assist in managing the roughly 13,000 additional cameras being added to both the rolling stock fleet and Metro-North stations.
- **Train and Engine (T&E) Block Training Extension from 3 to 5 Days** - Block Training is the period of time during the year when the approximately 1,400 Metro-North Engineer and Conductor (T&E) crew members fulfill their periodic training requirements. It takes a full year to process these employees through their annual block training exercise. This two day extension, which is being instituted to more efficiently train the crews on new state and federally mandated topics as well as PTC, will enable Metro-North to more effectively cover the cost for coverage of service while employees are completing this additional training.
- **Homeless Outreach Services – Outlying Stations** - This initiative is to provide outreach services to the homeless population at outlying stations.
- **Madison Garage Entrance Security Gate, Guard Booth, Garage Egress and Related Security Measures** - This is a group of three projects designed to enhance the safety and security of Grand Central Terminal in anticipation of Metro-North utilizing this space for future planned improvements, such as the Biltmore restroom project, expansion of the Fire Command Center and the relocation of the Station Master's Office. These projects include the establishment of a gate and guard booth at the 43rd Street entrance to the Madison Garage to ensure that access/egress between the Madison Garage street entrance and Grand Central Terminal is secure and to provide a secondary means of egress for the garage space to ensure safety

and code compliance. As part of that process, the Transportation Department Registry will be relocated.

Other Operating and Business Needs

- ***Dining Concourse Pavilions*** - Expansion and privatization of the two existing Dining Concourse Retail pavilions in order to eliminate operating inefficiencies, provide larger food preparation areas, increase and privatize the seating space to expand customer capacity. The expansion of these pavilions will also allow for potential growth of rental income.
- ***Vanderbilt Hall Holiday Fair Vendor Booths*** - The Vanderbilt Hall Holiday Fair is the biggest annual event in Grand Central Terminal running from mid-November to Christmas Eve. This project is to design and build new booths as the current booths have been in use for the past 20 years and they have outlived their useful life.
- ***Grand Central Terminal Retail Storage*** - Design and build new storage space for approximately 13 tenants at Grand Central Terminal. This space is required because the previous storage area is now being used for the new Agern restaurant and kitchen facility.
- ***Graybar Passage Improvements*** - The revitalization of Grand Central Terminal in the late 1990s did not include any HVAC or lighting improvements in the Graybar Passage. Over the past years this has been a challenge, particularly with climate control, due to the excessive cold in the winter and high heat in the summer. This project will address and correct that issue as well as enhance the lighting in this area.
- ***Graybar Post-Construction Additions*** - Perform post-move renovations to accommodate and address several issues associated with the Metro-North move from 347 Madison Avenue to the new Graybar location. These items include providing additional security and fire safety, providing additional space for new hires, addressing noise and vibration issues and providing 24/7 air conditioning for employees who work night shifts.

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

In June, Metro-North launched its new Strategic Plan for 2016-2020 which identifies our 3 Priority Areas: Our People, Our Customers and Our Infrastructure. Future financial forecasts will be aligned to focus on supporting these strategic plan goals through both existing and new programs.

On-going Programs and Assumptions included in the July Financial Plan are as follows:

Equipment 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 July Financial Plan includes funding for the following equipment maintenance programs:

- M8 Cars - In partnership with 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.
- M7 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

- Establish a customer service excellence program later in 2016 for all employees to enhance professionalism and ensure superior customer service. Initial efforts will focus on the development of a customer experience training module applicable to all employees focused on providing excellent customer service while interacting with the public. Future initiatives will be implemented beginning in 2017.
- Continue customer outreach through public forums with a new and improved monthly schedule, which will allow for more regular outreach between senior leadership, customers and local stakeholders at various locations throughout our territory.
- Extend outreach to customers by creating a new Social Media Center to provide 24/7 communication and engagement using this new technology. This group will work alongside the Customer Communications and Customer Information Centers to further improve real time customer communications.
- Restructure the Grand Central Terminal (GCT) Public Address operations under the management of the Customer Communications Center, which further centralizes all customer communications and ensures consistency, accuracy and timeliness of these communications in GCT and throughout the system.
- Together with the Long Island Rail Road, continue the rollout of MTA eTix, the mobile ticketing app that lets customers purchase and use Metro-North tickets directly on their mobile device. Full system rollout will be implemented by August 2016.
- 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.

- 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.
- Continue the installation of bird netting to deter pigeons from roosting in station rafters and improve the station environment. In 2016, bird netting will be installed at Yonkers, Greystone, Glenwood, Hastings-on-Hudson, Dobbs Ferry, Scarborough, Croton-Harmon, Campbell Hall, Wilton, and Rowayton.

Ridership

- The 2016 Mid-Year Forecast estimates 87.8 million East and West of Hudson riders, an increase of 2.0% over 2015.
- Compared to the Adopted Budget, the 2016 estimate is 0.4% higher due to slightly higher projected growth in commutation ridership resulting from a modest growth experienced in the latter part of 2015 and continuing in 2016.
- In 2017-2020, ridership is projected to grow by 2.0% in 2017, 0.9% in 2018, 0.8% in 2019 and by approximately 0.9% in 2020, with growth occurring across all commuter lines.
- Financial plan projections assume no fare increases in New York State and annual 1.0% fare increases in Connecticut through 2018. (Percentage increases scheduled for 2017 and 2019 are captured with the MTA consolidated financial projections below-the-line).
- Efforts to promote ridership growth continue with increases in parking and promotional advertising as well as a projected continuation of regional employment growth.

Overtime

On a steady state basis, Metro-North's financial plan reflects conservative overtime expenditures required to address operating needs including train service coverage, maintenance requirements, weather emergencies, employee availability and other programmatic needs.

Efforts to control overtime expenditures continue with an expense reduction based upon a five year average for weather, a reallocation from overtime to straight time for New York State mandated compliance and certification training, and a 2016 reduction driven by lower anticipated attrition in the Transportation business.

Specific efforts by Metro-North to control overtime include the Maintenance of Way Department's creation of specialized track gangs dedicated to weekend and night work but that are paid at straight time rates. Maintenance of Equipment (ME) has instituted a pilot program to utilize an outside vendor to provide management of the

use of leave under the Family and Medical Leave Act (FMLA). The expected impact of this pilot program is an increase in employee availability.

Human Resources continues its aggressive hiring efforts to fill vacancies, especially for critical, must-fill maintenance positions in all areas and crafts. Human Resources is also working closely with Transportation to right-size the Locomotive Engineer, Conductor, Yardmaster and Rail Traffic Controller ranks.

MTA METRO-NORTH RAILROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020

2016 MID-YEAR FORECAST

The Non-Reimbursable 2016 Mid-Year Forecast reflects revenue projections totaling \$764.0 million and expenses, including non-cash liability adjustments, of \$1,521.3 million resulting in an operating deficit of \$757.3 million. Operating revenue includes passenger revenue of \$699.7 million that is \$6.4 million favorable versus the Adopted Budget due to slightly increased ridership trends. Non-passenger revenues of \$64.3 million are \$3.9 million better than the Adopted Budget driven by higher net GCT rental income. Non-Reimbursable operating expenses are \$40.1 million lower than the Adopted Budget. This is due primarily to lower energy costs, both electric and diesel, and lower maintenance and other operating contract expenses. These decreases are partially offset by higher materials costs for the rolling stock fleet and the full year impact of new hires.

The Reimbursable 2016 Mid-Year Forecast of expenditures (and receipts) is \$217.7 million, which is \$32.2 million lower than the Adopted Budget. This decrease largely reflects lower materials and supplies usage arising from the late adoption of the new five-year capital program as well as an adjustment for direct pay expenses that were included in the 2016 Budget. These decreases were mitigated by increased payroll costs for capital work as recruiting efforts are accelerated to ensure adequate labor capacity to fulfill capital requirements.

2017 PRELIMINARY BUDGET BASELINE

The Non-Reimbursable 2017 Preliminary Budget Baseline reflects revenue projections totaling \$785.4 million and expenses, including non-cash liability adjustments, of \$1,585.6 million that generate an operating deficit of \$800.2 million. Non-Reimbursable East of Hudson Farebox revenue of \$716.2 million is \$16.4 million higher than 2016 reflecting ridership growth of 2.3% as well as the 1.0% Connecticut fare increase effective January 1, 2016. Non-passenger revenue is projected to be \$5.0 million higher than 2016 reflecting higher net GCT net rental income. Operating expenses of \$1,585.6 million reflect contracted wage increases, rising employee benefit costs, cost of living adjustments (COLA) adjusted overtime levels and lower Reimbursable Overhead. Payroll expenses reflect the full year impact of new hires and COLA. Non-payroll costs reflect rate increases in electric power and insurance as well as inflation based increases. Material expenses increase due to the rolling stock Reliability Centered Maintenance (RCM) programs, the New Haven Line Signal Motor Operated Disconnect (MOD) Change-out and GCT Track Rehabilitation projects. Maintenance and Other Operating Contracts include increases driven primarily by increased rolling stock maintenance for the BL20 locomotives and maintenance costs for the new Component Change-out Shop in New Haven.

The Reimbursable 2017 Proposed Budget expenditures (and receipts) total \$251.7 million, a decrease of \$9.5 million from the 2016 February Plan. This is due primarily to the removal of direct pay expenses that were included in the 2016 February Plan partially offset by the implementation of new five-year capital projects and by increased payroll costs as recruiting efforts ramp up to focus on capital labor requirements.

2018-2020 PROJECTIONS

The 2018-2020 expenditure projections allow Metro-North to continue initiatives that maintain train service levels, continue service reliability programs that maintain rolling stock and 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 2018-2020 are furnished later in this document.

The following pages detail year-to-year changes, provide reconciliations of the July Financial Plan to the February Financial Plan, and discusses the assumptions guiding ridership and headcount projections.

MTA Metro-North Railroad
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	Actual	Mid-Year	Preliminary	2018	2019	2020
		Forecast	Budget			
Operating Revenue						
Farebox Revenue	\$677.556	\$699.716	\$716.158	\$724.506	\$729.686	\$735.310
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	62.351	64.277	69.235	70.049	70.150	70.278
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	\$763.993	\$785.393	\$794.555	\$799.836	\$805.588
Operating Expenses						
Labor:						
Payroll	\$476.267	\$480.276	\$490.070	\$510.259	\$523.173	\$531.518
Overtime	87.835	93.870	98.482	100.511	102.755	105.117
Health and Welfare	90.319	104.593	106.886	111.385	113.985	115.413
OPEB Current Payment	27.212	29.000	30.000	31.000	32.000	33.000
Pensions	89.218	93.437	98.247	100.569	101.887	103.644
Other Fringe Benefits	120.591	115.150	117.389	121.404	124.081	125.941
Reimbursable Overhead	(51.755)	(49.030)	(52.567)	(53.697)	(56.206)	(57.223)
Total Labor	\$839.686	\$867.296	\$888.507	\$921.431	\$941.675	\$957.409
Non-Labor:						
Electric Power	\$77.787	\$67.243	\$80.341	\$85.178	\$90.271	\$95.903
Fuel	17.870	14.854	16.333	17.486	19.690	22.456
Insurance	18.383	19.178	20.728	22.398	24.388	26.522
Claims	5.347	0.976	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	114.755	120.800	121.185	121.105	123.829
Professional Service Contracts	30.983	38.598	39.547	41.193	41.215	41.548
Materials & Supplies	82.179	83.036	94.902	101.927	100.487	99.672
Other Business Expenses	24.372	13.442	15.734	15.739	16.274	17.490
Total Non-Labor	\$355.729	\$352.082	\$389.385	\$406.105	\$414.429	\$428.419
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	\$1,219.378	\$1,277.892	\$1,327.536	\$1,356.104	\$1,385.829
Depreciation	\$231.218	\$236.900	\$236.900	\$236.900	\$236.900	\$236.900
OPEB Liability Adjustment	55.554	68.316	68.316	68.316	68.316	68.316
GASB 68 Pension Adjustment	(26.016)	(7.500)	(2.500)	(1.100)	(7.300)	(13.800)
Environmental Remediation	4.424	4.167	5.000	5.000	5.000	5.000
Total Expenses	\$1,460.595	\$1,521.261	\$1,585.608	\$1,636.652	\$1,659.020	\$1,682.245
Net Surplus/(Deficit)	(\$720.689)	(\$757.268)	(\$800.215)	(\$842.098)	(\$859.184)	(\$876.657)
Cash Conversion Adjustments:						
Depreciation	\$231.218	\$236.900	\$236.900	\$236.900	\$236.900	\$236.900
Operating/Capital	(26.458)	(41.464)	(60.720)	(42.042)	(14.101)	(12.557)
Other Cash Adjustments	(64.311)	53.813	49.989	64.157	56.390	31.808
Total Cash Conversion Adjustments	\$140.450	\$249.250	\$226.170	\$259.015	\$279.189	\$256.152
Net Cash Surplus/(Deficit)	(\$580.239)	(\$508.018)	(\$574.046)	(\$583.083)	(\$579.995)	(\$620.505)

MTA Metro-North Railroad
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
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
MNR - MTA	117.808	111.959	147.480	157.324	168.079	171.723
MNR - CDOT	58.821	83.945	83.816	84.773	86.586	88.477
MNR - Other	20.699	21.831	20.414	20.281	20.680	21.154
Capital and Other Reimbursements	197.328	217.735	251.710	262.378	275.345	281.353
Total Revenue	\$197.328	\$217.735	\$251.710	\$262.378	\$275.345	\$281.353
Expenses						
Labor:						
Payroll	\$50.183	\$49.405	\$56.721	\$61.022	\$65.614	\$67.065
Overtime	19.226	16.734	17.620	17.715	18.052	18.416
Health and Welfare	16.515	15.244	17.645	18.874	20.176	20.613
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	9.979	10.053	11.419	12.120	12.905	13.187
Other Fringe Benefits	12.270	11.587	14.593	14.103	15.065	15.392
Reimbursable Overhead	51.529	47.080	51.155	53.551	56.058	57.071
Total Labor	\$159.702	\$150.102	\$169.153	\$177.385	\$187.870	\$191.745
Non-Labor:						
Electric Power	\$0.630	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	4.338	4.343	5.090	5.674	6.259	6.393
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	13.062	11.802	12.084	12.374	12.678
Professional Service Contracts	6.952	19.765	19.686	20.156	20.638	21.146
Materials & Supplies	12.680	30.042	45.558	46.647	47.763	48.939
Other Business Expenses	0.468	0.420	0.420	0.430	0.440	0.451
Total Non-Labor	\$37.626	\$67.633	\$82.556	\$84.992	\$87.475	\$89.608
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	\$217.735	\$251.710	\$262.378	\$275.345	\$281.353
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Metro-North Railroad
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE	2016		2017		2018	2019	2020
	2015	Mid-Year	Preliminary				
	Actual	Forecast	Budget				
Revenue							
Farebox Revenue	\$677.556	\$699.716	\$716.158	\$724.506	\$729.686	\$735.310	
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	
Other Operating Revenue	62.351	64.277	69.235	70.049	70.150	70.278	
MNR - MTA	117.808	111.959	147.480	157.324	168.079	171.723	
MNR - CDOT	58.821	83.945	83.816	84.773	86.586	88.477	
MNR - Other	20.699	21.831	20.414	20.281	20.680	21.154	
Capital and Other Reimbursements	197.328	217.735	251.710	262.378	275.345	281.353	
Total Revenue	\$937.235	\$981.728	\$1,037.103	\$1,056.932	\$1,075.180	\$1,086.942	
Expenses							
Labor:							
Payroll	\$526.450	\$529.681	\$546.791	\$571.281	\$588.786	\$598.584	
Overtime	107.061	110.604	116.102	118.227	120.807	123.533	
Health and Welfare	106.834	119.837	124.531	130.259	134.161	136.026	
OPEB Current Payment	27.212	29.000	30.000	31.000	32.000	33.000	
Pensions	99.197	103.490	109.666	112.689	114.792	116.831	
Other Fringe Benefits	132.861	126.737	131.982	135.508	139.146	141.333	
Reimbursable Overhead	(0.226)	(1.950)	(1.412)	(0.145)	(0.148)	(0.152)	
Total Labor	\$999.388	\$1,017.398	\$1,057.661	\$1,098.817	\$1,129.544	\$1,149.155	
Non-Labor:							
Electric Power	\$78.417	\$67.243	\$80.341	\$85.178	\$90.271	\$95.903	
Fuel	17.870	14.854	16.333	17.486	19.690	22.456	
Insurance	22.721	23.521	25.818	28.072	30.648	32.915	
Claims	5.347	0.976	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	127.817	132.603	133.269	133.479	136.507	
Professional Service Contracts	37.935	58.363	59.232	61.349	61.853	62.694	
Materials & Supplies	94.859	113.078	140.460	148.574	148.250	148.611	
Other Business Expenses	24.841	13.862	16.154	16.170	16.714	17.941	
Total Non-Labor	\$393.355	\$419.715	\$471.941	\$491.097	\$501.904	\$518.028	
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.	\$1,392.743	\$1,437.113	\$1,529.602	\$1,589.914	\$1,631.449	\$1,667.182	
Depreciation	\$231.218	\$236.900	\$236.900	\$236.900	\$236.900	\$236.900	
OPEB Liability Adjustment	55.554	68.316	68.316	68.316	68.316	68.316	
GASB 68 Pension Adjustment	(26.016)	(7.500)	(2.500)	(1.100)	(7.300)	(13.800)	
Environmental Remediation	4.424	4.167	5.000	5.000	5.000	5.000	
Total Expenses	\$1,657.923	\$1,738.996	\$1,837.318	\$1,899.030	\$1,934.365	\$1,963.598	
Net Surplus/(Deficit)	(\$720.688)	(\$757.268)	(\$800.215)	(\$842.098)	(\$859.184)	(\$876.657)	
Cash Conversion Adjustments:							
Depreciation	\$231.218	\$236.900	\$236.900	\$236.900	\$236.900	\$236.900	
Operating/Capital	(26.458)	(41.464)	(60.720)	(42.042)	(14.101)	(12.557)	
Other Cash Adjustments	(64.311)	53.813	49.989	64.157	56.390	31.808	
Total Cash Conversion Adjustments	\$140.450	\$249.250	\$226.170	\$259.015	\$279.189	\$256.152	
Net Cash Surplus/(Deficit)	(\$580.239)	(\$508.018)	(\$574.046)	(\$583.083)	(\$579.995)	(\$620.505)	

**MTA Metro-North Railroad
July Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)**

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$682.626	\$704.528	\$721.174	\$729.699	\$735.103	\$740.952
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	88.897	110.396	124.358	92.091	92.647	91.262
MNR - MTA	90.696	109.741	139.686	154.128	165.649	171.046
MNR - CDOT	67.154	83.945	83.816	84.773	86.586	88.477
MNR - Other	18.761	21.831	20.414	20.281	20.680	21.154
Capital and Other Reimbursements	176.611	215.517	243.915	259.181	272.916	280.677
Total Receipts	\$948.134	\$1,030.442	\$1,089.447	\$1,080.971	\$1,100.665	\$1,112.891
Expenditures						
Labor:						
Payroll	\$594.416	\$531.009	\$553.274	\$574.175	\$592.422	\$612.551
Overtime	123.414	110.564	116.312	117.633	120.182	125.507
Health and Welfare	113.233	123.614	128.224	133.611	137.654	139.600
OPEB Current Payment	27.521	29.000	30.000	31.000	32.000	33.000
Pensions	74.771	104.527	110.309	113.066	115.170	117.377
Other Fringe Benefits	135.027	125.649	132.087	135.296	138.707	144.090
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(0.000)	0.000	(0.000)	(0.000)	(0.000)	(0.000)
Total Labor	\$1,068.382	\$1,024.363	\$1,070.205	\$1,104.780	\$1,136.135	\$1,172.125
Non-Labor:						
Electric Power	\$82.276	\$67.243	\$80.341	\$85.178	\$90.271	\$95.903
Fuel	17.930	13.954	15.415	16.550	18.735	21.482
Insurance	24.684	23.411	26.221	27.616	30.881	32.490
Claims	14.943	26.305	36.804	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	150.965	150.336	129.738	130.773	135.571
Professional Service Contracts	43.055	65.676	66.980	63.832	62.380	62.697
Materials & Supplies	112.724	116.951	143.994	152.676	143.396	143.638
Other Business Expenses	45.954	49.592	73.196	82.539	66.943	68.344
Total Non-Labor	\$459.991	\$514.097	\$593.288	\$559.273	\$544.525	\$561.270
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	\$1,538.460	\$1,663.493	\$1,664.054	\$1,680.660	\$1,733.396
Net Cash Deficit	(\$580.239)	(\$508.018)	(\$574.046)	(\$583.083)	(\$579.995)	(\$620.505)
Subsidies						
MTA	\$450.775	\$402.014	\$461.954	\$463.324	\$456.876	\$489.208
CDOT	128.962	106.004	112.091	119.758	123.120	131.297
Total Subsidies	\$579.737	\$508.019	\$574.045	\$583.082	\$579.996	\$620.505

MTA Metro-North Railroad
July Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$5.070	\$4.813	\$5.016	\$5.193	\$5.417	\$5.641
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	26.546	46.119	55.123	22.042	22.497	20.984
MNR - MTA	(27.112)	(2.218)	(7.795)	(3.197)	(2.429)	(0.676)
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)	(2.218)	(7.795)	(3.197)	(2.429)	(0.676)
Total Receipts	\$10.899	\$48.714	\$52.344	\$24.038	\$25.485	\$25.949
Expenditures						
Labor:						
Payroll	(\$67.966)	(\$1.328)	(\$6.483)	(\$2.894)	(\$3.636)	(\$13.967)
Overtime	(16.353)	0.040	(0.210)	0.594	0.626	(1.974)
Health and Welfare	(6.399)	(3.777)	(3.692)	(3.352)	(3.493)	(3.574)
OPEB Current Payment	(0.309)	0.000	0.000	0.000	0.000	0.000
Pensions	24.426	(1.037)	(0.643)	(0.377)	(0.378)	(0.546)
Other Fringe Benefits	(2.167)	1.088	(0.104)	0.212	0.439	(2.757)
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(0.226)	(1.951)	(1.412)	(0.145)	(0.148)	(0.152)
Total Labor	(\$68.994)	(\$6.965)	(\$12.544)	(\$5.963)	(\$6.591)	(\$22.971)
Non-Labor:						
Electric Power	(\$3.859)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.060)	0.900	0.918	0.936	0.955	0.974
Insurance	(1.964)	0.111	(0.403)	0.456	(0.233)	0.425
Claims	(9.596)	(25.329)	(35.804)	(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)	(23.148)	(17.733)	3.531	2.705	0.936
Professional Service Contracts	(5.120)	(7.313)	(7.747)	(2.483)	(0.527)	(0.003)
Materials & Supplies	(17.865)	(3.873)	(3.534)	(4.102)	4.854	4.973
Other Business Expenditures	(21.113)	(35.730)	(57.043)	(66.369)	(50.229)	(50.403)
Total Non-Labor	(\$66.637)	(\$94.382)	(\$121.346)	(\$68.176)	(\$42.621)	(\$43.243)
Other Adjustments:						
Other						
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)	(\$52.633)	(\$81.547)	(\$50.101)	(\$23.727)	(\$40.265)
Depreciation Adjustment	\$231.218	\$236.900	\$236.900	\$236.900	\$236.900	\$236.900
OPEB Liability Adjustment	55.554	68.317	68.316	68.316	68.316	68.317
GASB 68 Pension Adjustment	(26.016)	(7.500)	(2.500)	(1.100)	(7.300)	(13.800)
Environmental Remediation	4.424	4.167	5.000	5.000	5.000	5.000
Total Cash Conversion Adjustments	\$140.449	\$249.251	\$226.169	\$259.015	\$279.189	\$256.152

MTA METRO-NORTH RAILROAD
2016 Mid-Year Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

<i>NON-REIMBURSABLE OVERTIME</i>	Total		
	Hours	\$	%
<u>Scheduled Service</u>	643,182	\$37.903	40.4%
<u>Unscheduled Service</u>	0	0.000	0.0%
<u>Programmatic/Routine Maintenance</u>	557,525	29.874	31.8%
<u>Unscheduled Maintenance</u>	10,149	0.600	0.6%
<u>Vacancy/Absentee Coverage</u>	316,627	17.810	19.0%
<u>Weather Emergencies</u>	96,188	7.300	7.8%
<u>Safety/Security/Law Enforcement</u>	0	0.000	0.0%
<u>Other</u>	0	0.383	0.4%
Subtotal	1,623,670	\$93.870	100.0%
<i>REIMBURSABLE OVERTIME</i>	301,300	\$16.735	
TOTAL OVERTIME	1,924,970	\$110.605	

MTA METRO-NORTH RAILROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Baseline

REVENUE

FAREBOX REVENUE

Non-Reimbursable

- Farebox revenues are projected to grow by 2.3% in 2017, 1.2% in 2018, 0.7% in 2019 and 0.8% in 2020. These increases reflect:
 - Annual ridership growth of 1.9% in 2017, 0.9% in 2018, 0.8% in 2019 and 0.8% in 2020 resulting from modest growth in the regional economy.
 - State of Connecticut fares increase by 1.0% for 2017 and 2018 effective January 1st of each year.
 - No New York State fare increases are assumed for 2016-2019. (Percentage increases scheduled for 2017 and 2019 are captured with the MTA consolidated financial projections below-the-line).

Cash

- 2016-2020 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 is higher by \$5.0 million due to increased net GCT rental income.
- 2018 is higher by \$0.8 million due to slightly increased net GCT rental income.
- 2019-2020 is flat to prior periods.

Cash

- 2016 and 2017 adjustments primarily reflect reimbursements from FMTAC for the Spuyten Duyvil derailment claims (\$18.0 million and \$31.0 million, respectively) and in 2016, a one-time retroactive real estate tax related to Graybar Building office space.
- 2016-2020 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 advertising revenues of \$13.0 million, \$13.2 million, \$13.5 million and \$13.8 million, respectively, are removed as a cash reimbursement since these payments are retained by MTAHQ.

CAPITAL AND OTHER REIMBURSEMENTS

Reimbursable

Capital project cost reimbursements in each year of the financial plan are based on recovering 100% of accrued project expenditures.

- 2017-2020 accrued reimbursable receipts of \$251.7 million, \$262.4 million, \$275.3 million and \$281.4 million reflect increases of \$34.0 million, \$10.7 million, \$13.0 million and \$6.0 million, respectively. This is due to the impact of the new five-year capital program work, and increased staff and payroll costs to cover the new five-year capital program. These factors are further compounded by inflation.

Cash

- 2016-2020 includes adjustments for receipt timing differences.

EXPENSES

PAYROLL

Non-Reimbursable

Management Labor

- 2017-2020 Non-Agreement salaries include a 2.0% annual cost of living adjustments (COLA) increase effective January 1st of each year.
- 2017-2018 increases include the full year impact of new hires and COLA as well as staffing for the new Expanded Security Operations and Expanded Video Management Capabilities initiatives.
- 2019-2020 increases include the full year impact of new hires and COLA.

Agreement Labor

- Agreement salaries include COLA increases of 2.0% in 2017-2020.
- 2017 decrease reflects delayed hiring in 2016.
- 2018-2020 increases primarily reflect the impact of COLA.

Reimbursable

- 2017-2020 labor increases of \$7.3 million, \$4.3 million, \$4.6 million, and \$1.5 million, respectively, reflect consistent year over year increases as a result of the implementation of new five-year capital program projects: predominately Track and Turnout projects as well as ongoing recruiting efforts to ensure adequate capital workforce capacity. Annual cost of living increases of 2.0%, following the same assumptions as the non-reimbursable forecast, also result in higher costs.

Cash

- 2016-2020 cash adjustments include timing differences, employee contributions to healthcare coverage, an Agreement employee allowance for uniforms, tools and shoes, and retirement and wage settlement payments.

OVERTIME

Non-Reimbursable

- Overtime is inflated by 2.0% in 2017-2020.
- 2017 increases \$4.6 million due to service coverage for Train and Engine (T&E) Block Training, Transportation Department requirements, and COLA.
- 2018-2020 increases are driven by COLA.

Reimbursable

- 2017 Overtime annual increase of \$0.9 million reflects the ramp-up of five-year capital program projects primarily for Cyclical Track and Turnouts.

- 2018-2020 Overtime increases of \$0.1 million in 2018, \$0.3 million in 2019, and \$0.4 million in 2020 reflect increases driven by COLA.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2016-2020 reflects premium increases of 7.6% in 2016 and 2017, 2.0% in 2018, 4.3% in 2019 and 4.4% in 2020.

Cash

- 2016-2020 cash adjustments include current and former management employee contributions toward health insurance costs.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- Other Post Employment Benefit (OPEB) Current Payment reflects Metro-North's estimated annual cost of health care for current retirees.
- 2017-2020 projections reflect the rising cost of health care premiums and an increase in the number of covered retirees.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2016-2020 pension costs represent the inclusion of all non-represented and most represented Metro-North employees in the MTA Defined Benefit Plan (DB Plan). Those employees not in the DB Plan are participants in the MTA 401K Plan. Metro-North's projected share of the incremental funding requirements for the DB Plan is based on interim projections prepared by actuarial consultants.

OTHER FRINGE BENEFITS

Non-Reimbursable

- Railroad Retirement tax rates for Tier I and II remain constant for 2016-2020 at 7.65% and 12.60%, 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.
- 2016-2020 Non-Reimbursable costs include estimates for employee personal injury claims of \$10.7 million annually.

Cash

- 2016-2020 adjustments include differences between expense accruals and cash disbursements.

GASB ACCOUNT

Cash

- Reflects cash expenditures to fund a contribution to a special GASB 45 (Government Accounting Standards Board) reserve for Post-Retirement liabilities for “Other than Pension Employee Benefits” (healthcare costs). 2016-2020 cash contributions have been adjusted to reflect the latest funding assumption criteria.

REIMBURSABLE OVERHEAD

Non-Reimbursable

- Changes in overhead cost recoveries reflect revisions in Reimbursable project cost estimates.

Reimbursable

- Overhead costs are based on a percentage share of direct labor costs charged to reimbursable projects.
- 2017-2020 year over year increases of \$4.1 million, \$2.4 million, \$2.5 million, and \$1.0 million, respectively, reflect the impact of implementation of new five-year capital program projects in 2017 plus adjustments for inflation.
- Material handling and equipment recovery increases are based on CPI based inflation rates.

ELECTRIC POWER

Traction Power - Revenue

Non-Reimbursable

- 2017 reflects a \$12.1 million increase due to increased energy provider rates.
- 2018-2020 reflects energy provider increases of 6.0% in 2018 and 2019, and 6.2% in 2020.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2017 reflects a \$1.0 million increase due to increased energy provider rates.
- 2018-2020 costs reflect energy provider rate increases of 6.0% in 2018 and 2019, and 6.2% in 2020.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2017-2020 reflects increases of \$1.2 million, \$0.9 million, \$2.0 million and \$2.1 million, respectively, due to price increases.

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

- 2017-2020 reflects increases of \$0.3 million, \$0.2 million, \$0.2 million and \$0.7 million, respectively, due to price increases.

INSURANCE

Non-Reimbursable and Reimbursable

- Increases in 2017-2020 reflect revised insurance premium estimates.

Cash

- 2016-2020 includes the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2016-2020 reflects current claims trends for passenger injuries and miscellaneous claims.

Cash

- 2016 and 2017 include \$25.2 million and \$35.7 million, respectively, of forecasted claim settlements for the Spuyten Duyvil and Bridgeport derailments (Note that in 2016 \$18.0 million and 2017 \$31.0 million will be reimbursed from FMTAC for Spuyten Duyvil claims, which is recognized in the Other Reimbursements line).
- 2017-2020 reflects the timing of payments made for passenger injury and miscellaneous claims.

The remaining Non-Reimbursable Cost Categories were inflated by CPI increases in 2017-2020 of 2.81%, 2.39%, 2.39%, and 2.46%, respectively.

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2017 is higher by \$6.0 million due to increased rolling stock maintenance for the BL20 Locomotive Reliability Centered Maintenance (RCM) program, maintenance costs for the new Component Change-Out Shop in New Haven, revised training facilities assumptions, the Homeless Outreach initiative and the AC Bus Duct Replacement project. These are partially offset by the 2016 completion of the vendor performed Genesis Locomotive RCM program.
- 2018 increase of \$0.4 million is primarily due to inflation partially offset by the completion of the M7 Centralized Diagnostic System (CDS) design phase and contracted car repairs for equipment damaged in the Bridgeport derailment.
- 2019 is essentially flat with inflation offset by expected occupancy of the Grand Central Terminal Training facilities and the completion of the AC Bus Duct Replacement program.
- 2020 increase of \$2.7 million reflects inflation.

Reimbursable

- 2017 increase of \$1.3 million represents a decrease for equipment rentals, mitigated by inflationary growth.
- 2018-2020 year over year increases of \$0.3 million annually reflects the impact of inflationary growth.

Cash

- 2016-2020 cash adjustments include a reduction in cash requirements versus accrued costs for the Graybar Building office space.
- 2016-2020 also includes reimbursable payments on behalf of CDOT for station facilities and the MTA for utilities.

PROFESSIONAL SERVICES CONTRACTS

Non-Reimbursable

- 2017 is higher by \$0.9 million primarily due to the timing of Enterprise Asset Management (EAM) consulting, the use of Engineering Consultants for the high volume of Reliability Centered Maintenance (RCM), the ramp-up of outside training services and inflationary increases for the New Haven Line MTA Business Service Center (BSC) costs. These items are partially offset by timing of the On Call Track Engineering Project, the prior year's bi-annual market share study costs and 2016 completion of the following projects: the Rail Network Simulation Replacement Project, the Train & Engine (T&E) Labor Time and Motion study, and the Automated Passenger Count study.
- 2018 is higher by \$1.6 million primarily due to the bi-annual market share study costs, increases for the New Haven Line BSC costs, and inflation.
- 2019 is flat due to inflationary increases for the New Haven Line BSC costs offset by the prior year's bi-annual market share study.
- 2020 is higher by \$0.3 million due primarily to the bi-annual market share study costs and increases for the New Haven Line BSC costs partially offset by the timing of EAM consulting expense.

Reimbursable

- 2018-2020 increases of \$0.5 million annually reflect inflationary growth assumptions for ongoing capital projects.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2017 is higher by \$11.9 million primarily due to PTC, the GCT Platform Rehabilitation Project, NHL Signal Motor Operated Disconnect (MOD) Change-out, bringing the current Genesis P32 RCM program in-house, the M7 Seat Replacement plan, Kit Delivery for the M7 systems equipment replacement project, and inflation partially offset by lower spending on the Park Avenue Viaduct Repairs project.
- 2018 is higher by \$7.0 million due to bringing the current Genesis P32 RCM program in-house, H&H 3rd Rail Sectionalization project, PTC, Park Avenue Tunnel Lighting Project, Kit Delivery for the M7 systems equipment replacement project, and inflationary increases.

- 2019 is lower by \$1.4 million reflecting the completion of the Kit Delivery for the M7 systems equipment replacement project and the elimination of M2 parts costs due to the fleet being retired partially offset by increased expense associated with the M8 fleet and inflation.
- 2020 is lower by \$0.8 million due to a reduction in M7 car seat materials partially offset by inflation.

Reimbursable

- 2017 increase of \$15.5 million reflects the ramp up of new five-year capital initiatives for Network Infrastructure Replacement, Harlem & Hudson Line Power rehabilitation, 3rd Rail Component replacement, and AC Circuit Breakers-Switchgear projects.
- 2018-2020 annual increases of approximately \$1.1 million reflect increases for inflation.

Cash

- Cash adjustments reflect differences between expense accruals and cash requirements.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2017 is higher by \$2.3 million due primarily to higher NJ Transit Subsidy expense related to projected West of Hudson service enhancements and the purchase of winter weather gear.
- 2018 is essentially flat with increased trend based Amtrak recoveries related to the Passenger Rail Investment and Improvement Act (PRIIA) and the prior year's winter weather gear purchases offset by higher NJ Transit Subsidy expense related to West of Hudson service enhancements as well as increased Mobile Ticketing and TIMS related credit card fees.
- 2019 is higher by \$0.5 million due to increases in the NJ Transit Subsidy expense related to West of Hudson service enhancements and higher Mobile Ticketing and TIMS credit card fees partially offset by increased Amtrak recoveries (PRIIA).
- 2020 is higher by \$1.2 million due to inflationary increases in the NJ Transit Subsidy expenses, winter weather gear purchases and higher Mobile Ticketing and TIMS credit card fees partially offset by increased Amtrak recoveries (PRIIA).

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 an updated actuarial estimate.

PENSION ADJUSTMENTS (GASB 68)

Non-Reimbursable

- 2017-2020 costs reflect the latest actuarial estimates.

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
July 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	\$699.716	\$716.158	\$16.443	\$724.506	\$8.348	\$729.686	\$5.180	\$735.310	\$5.625
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	64.277	69.235	4.957	70.049	0.814	70.150	0.101	70.278	0.128
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$763.993	\$785.393	\$21.400	\$794.555	\$9.162	\$799.836	\$5.281	\$805.588	\$5.753
Expenses									
Labor:									
Payroll	\$480.276	\$490.070	(\$9.794)	\$510.259	(\$20.189)	\$523.173	(\$12.914)	\$531.518	(\$8.346)
Overtime	93.870	98.482	(4.612)	100.511	(2.029)	102.755	(2.244)	105.117	(2.362)
Health and Welfare	104.593	106.886	(2.293)	111.385	(4.499)	113.985	(2.600)	115.413	(1.428)
OPEB Current Payment	29.000	30.000	(1.000)	31.000	(1.000)	32.000	(1.000)	33.000	(1.000)
Pensions	93.437	98.247	(4.810)	100.569	(2.322)	101.887	(1.318)	103.644	(1.757)
Other Fringe Benefits	115.150	117.389	(2.239)	121.404	(4.015)	124.081	(2.677)	125.941	(1.860)
Reimbursable Overhead	(49.030)	(52.567)	3.537	(53.697)	1.129	(56.206)	2.510	(57.223)	1.017
Total Labor Expenses	\$867.296	\$888.507	(\$21.211)	\$921.431	(\$32.924)	\$941.675	(\$20.243)	\$957.409	(\$15.735)
Non-Labor:									
Electric Power	\$67.243	\$80.341	(\$13.098)	\$85.178	(\$4.837)	\$90.271	(\$5.094)	\$95.903	(\$5.632)
Fuel	14.854	16.333	(1.479)	17.486	(1.152)	19.690	(2.204)	22.456	(2.766)
Insurance	19.178	20.728	(1.550)	22.398	(1.670)	24.388	(1.990)	26.522	(2.133)
Claims	0.976	1.000	(0.024)	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	114.755	120.800	(6.045)	121.185	(0.384)	121.105	0.079	123.829	(2.723)
Professional Service Contracts	38.598	39.547	(0.949)	41.193	(1.646)	41.215	(0.022)	41.548	(0.333)
Materials & Supplies	83.036	94.902	(11.865)	101.927	(7.025)	100.487	1.440	99.672	0.814
Other Business Expenses	13.442	15.734	(2.292)	15.739	(0.006)	16.274	(0.534)	17.490	(1.217)
Total Non-Labor Expenses	\$352.082	\$389.385	(\$37.303)	\$406.105	(\$16.720)	\$414.429	(\$8.324)	\$428.419	(\$13.990)
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 Adj.	\$1,219.378	\$1,277.892	(\$58.514)	\$1,327.536	(\$49.644)	\$1,356.104	(\$28.568)	\$1,385.829	(\$29.725)
Depreciation	\$236.900	\$236.900	(\$0.000)	\$236.900	\$0.000	\$236.900	\$0.000	\$236.900	\$0.000
OPEB Liability Adjustment	68.316	68.316	0.000	68.316	0.000	68.316	0.000	68.316	0.000
GASB 68 Pension Adjustment	(7.500)	(2.500)	(5.000)	(1.100)	(1.400)	(7.300)	6.200	(13.800)	6.500
Environmental Remediation	4.167	5.000	(0.833)	5.000	0.000	5.000	0.000	5.000	0.000
Total Expenses	\$1,521.261	\$1,585.608	(\$64.348)	\$1,636.652	(\$51.044)	\$1,659.020	(\$22.368)	\$1,682.245	(\$23.225)
Net Surplus/(Deficit)	(\$757.268)	(\$800.215)	(\$42.948)	(\$842.098)	(\$41.882)	(\$859.184)	(\$17.087)	(\$876.657)	(\$17.472)

MTA METRO-NORTH RAILROAD
July 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	217.735	251.710	33.974	262.378	10.668	275.345	12.967	281.353	6.009
Total Revenue	\$217.735	\$251.710	\$33.974	\$262.378	\$10.668	\$275.345	\$12.967	\$281.353	\$6.009
Expenses									
Labor:									
Payroll	\$49.405	\$56.721	(\$7.316)	\$61.022	(\$4.301)	\$65.614	(\$4.592)	\$67.065	(\$1.452)
Overtime	16.734	17.620	(0.886)	17.715	(0.095)	18.052	(0.337)	18.416	(0.364)
Health and Welfare	15.244	17.645	(2.402)	18.874	(1.229)	20.176	(1.302)	20.613	(0.437)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	10.053	11.419	(1.366)	12.120	(0.701)	12.905	(0.785)	13.187	(0.282)
Other Fringe Benefits	11.587	14.593	(3.006)	14.103	0.489	15.065	(0.962)	15.392	(0.327)
Reimbursable Overhead	47.080	51.155	(4.075)	53.551	(2.396)	56.058	(2.507)	57.071	(1.014)
Total Labor Expenses	\$150.102	\$169.153	(\$19.051)	\$177.385	(\$8.232)	\$187.870	(\$10.484)	\$191.745	(\$3.876)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	(\$0.000)	\$0.000	(\$0.000)
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	4.343	5.090	(0.747)	5.674	(0.584)	6.259	(0.585)	6.393	(0.134)
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	13.062	11.802	1.260	12.084	(0.282)	12.374	(0.289)	12.678	(0.304)
Professional Service Contracts	19.765	19.686	0.080	20.156	(0.470)	20.638	(0.482)	21.146	(0.508)
Materials & Supplies	30.042	45.558	(15.516)	46.647	(1.089)	47.763	(1.116)	48.939	(1.175)
Other Business Expenses	0.420	0.420	(0.000)	0.430	(0.010)	0.440	(0.010)	0.451	(0.011)
Total Non-Labor Expenses	\$67.633	\$82.556	(\$14.923)	\$84.992	(\$2.436)	\$87.475	(\$2.483)	\$89.608	(\$2.133)
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	\$217.735	\$251.710	(\$33.974)	\$262.378	(\$10.668)	\$275.345	(\$12.967)	\$281.353	(\$6.009)
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
July 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	\$699.716	\$716.158	\$16.443	\$724.506	\$8.348	\$729.686	\$5.180	\$735.310	\$5.625
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	64.277	69.235	4.957	70.049	0.814	70.150	0.101	70.278	0.128
Capital and Other Reimbursements	217.735	251.710	33.974	262.378	10.668	275.345	12.967	281.353	6.009
Total Revenue	\$981.728	\$1,037.103	\$55.374	\$1,056.932	\$19.830	\$1,075.180	\$18.248	\$1,086.942	\$11.761
Expenses									
Labor:									
Payroll	\$529.681	\$546.791	(\$17.110)	\$571.281	(\$24.490)	\$588.786	(\$17.506)	\$598.584	(\$9.797)
Overtime	110.604	116.102	(5.498)	118.227	(2.124)	120.807	(2.581)	123.533	(2.726)
Health and Welfare	119.837	124.531	(4.695)	130.259	(5.727)	134.161	(3.902)	136.026	(1.865)
OPEB Current Payment	29.000	30.000	(1.000)	31.000	(1.000)	32.000	(1.000)	33.000	(1.000)
Pensions	103.490	109.666	(6.176)	112.689	(3.023)	114.792	(2.103)	116.831	(2.039)
Other Fringe Benefits	126.737	131.982	(5.245)	135.508	(3.526)	139.146	(3.638)	141.333	(2.187)
Reimbursable Overhead	(1.950)	(1.412)	(0.538)	(0.145)	(1.266)	(0.148)	0.003	(0.152)	0.004
Total Labor Expenses	\$1,017.398	\$1,057.661	(\$40.263)	\$1,098.817	(\$41.156)	\$1,129.544	(\$30.727)	\$1,149.155	(\$19.611)
Non-Labor:									
Electric Power	\$67.243	\$80.341	(\$13.098)	\$85.178	(\$4.837)	\$90.271	(\$5.094)	\$95.903	(\$5.632)
Fuel	14.854	16.333	(1.479)	17.486	(1.152)	19.690	(2.204)	22.456	(2.766)
Insurance	23.521	25.818	(2.296)	28.072	(2.254)	30.648	(2.575)	32.915	(2.267)
Claims	0.976	1.000	(0.024)	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	127.817	132.603	(4.785)	133.269	(0.666)	133.479	(0.210)	136.507	(3.028)
Professional Service Contracts	58.363	59.232	(0.869)	61.349	(2.116)	61.853	(0.504)	62.694	(0.841)
Materials & Supplies	113.078	140.460	(27.381)	148.574	(8.114)	148.250	0.324	148.611	(0.361)
Other Business Expenses	13.862	16.154	(2.292)	16.170	(0.016)	16.714	(0.544)	17.941	(1.227)
Total Non-Labor Expenses	\$419.715	\$471.941	(\$52.226)	\$491.097	(\$19.156)	\$501.904	(\$10.807)	\$518.028	(\$16.123)
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	\$1,437.113	\$1,529.602	(\$92.489)	\$1,589.914	(\$60.312)	\$1,631.449	(\$41.535)	\$1,667.182	(\$35.734)
Depreciation									
Depreciation	\$236.900	\$236.900	(\$0.000)	\$236.900	\$0.000	\$236.900	\$0.000	\$236.900	\$0.000
OPEB Liability Adjustment	68.316	68.316	0.000	68.316	0.000	68.316	0.000	68.316	0.000
GASB 68 Pension Adjustment	(7.500)	(2.500)	(38.974)	(1.100)	(12.068)	(7.300)	(6.767)	(13.800)	0.491
Environmental Remediation	4.167	5.000	(0.833)	5.000	0.000	5.000	0.000	5.000	0.000
Total Expenses	\$1,521.261	\$1,585.608	(\$64.348)	\$1,636.652	(\$51.044)	\$1,659.020	(\$22.368)	\$1,682.245	(\$23.225)
Net Surplus/(Deficit)	(\$757.268)	(\$800.215)	(\$42.948)	(\$842.098)	(\$41.882)	(\$859.184)	(\$17.087)	(\$876.657)	(\$17.472)

MTA METRO-NORTH RAILROAD
July 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	\$704.528	\$721.174	\$16.646	\$729.699	\$8.525	\$735.103	\$5.404	\$740.952	\$5.849
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	110.396	124.358	13.961	92.091	(32.267)	92.647	0.556	91.262	(1.385)
Capital and Other Reimbursements	215.517	243.915	28.398	259.181	15.266	272.916	13.735	280.677	7.761
Total Receipts	\$1,030.442	\$1,089.447	\$59.005	\$1,080.971	(\$8.476)	\$1,100.665	\$19.694	\$1,112.891	\$12.226
Expenditures									
Labor:									
Payroll	\$531.009	\$553.274	(\$22.265)	\$574.175	(\$20.901)	\$592.422	(\$18.248)	\$612.551	(\$20.128)
Overtime	110.564	116.312	(5.748)	117.633	(1.321)	120.182	(2.549)	125.507	(5.325)
Health and Welfare	123.614	128.224	(4.609)	133.611	(5.387)	137.654	(4.043)	139.600	(1.946)
OPEB Current Payment	29.000	30.000	(1.000)	31.000	(1.000)	32.000	(1.000)	33.000	(1.000)
Pensions	104.527	110.309	(5.782)	113.066	(2.757)	115.170	(2.104)	117.377	(2.208)
Other Fringe Benefits	125.649	132.087	(6.438)	135.296	(3.209)	138.707	(3.411)	144.090	(5.383)
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	(0.000)	0.000	(0.000)	(0.000)	(0.000)	0.000	(0.000)	0.000
Total Labor Expenditures	\$1,024.363	\$1,070.205	(\$45.842)	\$1,104.780	(\$34.575)	\$1,136.135	(\$31.355)	\$1,172.125	(\$35.990)
Non-Labor:									
Electric Power	\$67.243	\$80.341	(\$13.098)	\$85.178	(\$4.837)	\$90.271	(\$5.094)	\$95.903	(\$5.632)
Fuel	13.954	15.415	(1.461)	16.550	(1.134)	18.735	(2.185)	21.482	(2.747)
Insurance	23.411	26.221	(2.810)	27.616	(1.395)	30.881	(3.265)	32.490	(1.609)
Claims	26.305	36.804	(10.499)	1.146	35.658	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	150.965	150.336	0.629	129.738	20.598	130.773	(1.036)	135.571	(4.797)
Professional Service Contracts	65.676	66.980	(1.304)	63.832	3.147	62.380	1.452	62.697	(0.317)
Materials & Supplies	116.951	143.994	(27.043)	152.676	(8.682)	143.396	9.280	143.638	(0.242)
Other Business Expenses	49.592	73.196	(23.604)	82.539	(9.342)	66.943	15.595	68.344	(1.401)
Total Non-Labor Expenditures	\$514.097	\$593.288	(\$79.190)	\$559.273	\$34.014	\$544.525	\$14.748	\$561.270	(\$16.745)
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	\$1,538.460	\$1,663.493	(\$125.033)	\$1,664.054	(\$0.561)	\$1,680.660	(\$16.607)	\$1,733.396	(\$52.735)
Net Cash Deficit	(\$508.018)	(\$574.046)	(\$66.028)	(\$583.083)	(\$9.037)	(\$579.995)	\$3.088	(\$620.505)	(\$40.510)
Subsidies									
MTA	\$402.014	\$461.954	\$59.940	\$463.324	\$1.370	\$456.876	(\$6.448)	\$489.208	\$32.332
CDOT	106.004	112.091	6.087	119.758	7.667	123.120	3.362	131.297	8.177
Total Subsidies	\$508.019	\$574.045	\$66.026	\$583.082	\$9.037	\$579.996	(\$3.086)	\$620.505	\$40.509

MTA METRO-NORTH RAILROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Summary of Plan-to-Plan Changes by Generic Category

REVENUE

FAREBOX REVENUE

Non-Reimbursable

- 2016–2019 reflects slightly increased ridership growth versus the Adopted Budget resulting in higher revenue of \$6.4 million in 2016, \$8.8 million in 2017, \$5.8 million in 2018 and \$3.0 million in 2019.

OTHER OPERATING REVENUE

Non-Reimbursable

- 2016 increase of \$3.9 million from the Adopted Budget reflects primarily higher net GCT retail revenue.
- 2017–2019 continues to reflect improvement in net GCT retail revenues.

CAPITAL AND OTHER REIMBURSEMENTS

Reimbursable

- 2016 decrease of \$32.2 million reflects the impact of excluding direct pay expenses that were previously included in the February Financial plan plus the impact from delays in starting new five-year capital program projects as a result of the delayed adoption. These reductions were offset by increased labor costs due to recruiting efforts to support the new five-year capital program.
- 2017-2018 decreases of \$9.5 million and \$4.8 million, respectively, continue a diminishing savings trend due to the exclusion of previously budgeted direct pay expenses that are offset by increasing labor expenses.
- 2019 reflects an overall increase of \$2.8 million as the ramp-up of new five-year capital program projects, combined with the impact from the phased-in recruiting efforts, drive higher costs that more than offset the decrease from the exclusion of previously budgeted direct pay expense.

Cash

- 2016 adjustments of \$46.0 million reflect decreased reimbursements versus the Adopted Budget from FMTAC for Spuyten Duyvil derailment claim settlements and the timing of receipts for capital related projects partially offset by a one-time retroactive real estate tax refund related to Graybar Building office space.
- 2017 adjustments of \$13.2 million reflect increased reimbursements versus the Adopted Budget from FMTAC for the Spuyten Duyvil derailment claim settlements partially offset by the timing of receipts of capital related projects.
- 2018-2020 adjustments reflect decreased reimbursements versus the Adopted Budget primarily due to the timing of receipts for capital related projects.

EXPENSES

PAYROLL

Non-Reimbursable

Management Labor

- 2016 through 2019 increases of \$4.7 million, \$7.6 million, \$10.3 million and \$11.8 million, respectively, are 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

- 2016–2019 expenses are lower by \$1.7 million, \$9.0 million, \$7.4 million and \$6.1 million, respectively, due to the timing of new hires and increased capital allocations.

Reimbursable

- 2016 increase of \$5.2 million is driven largely by the impact of capital labor associated with the new five-year capital program plus revised requirements for the Turnouts Mainline / Hi-Speed project, several Track programs in Connecticut, and the Positive Train Control (PTC) project. These increases were mitigated by delays in starting new five-year capital projects.
- 2017-2019 labor cost increases of \$11.2 million, \$14.4 million and \$18.1 million, respectively, are driven by implementation of new five-year capital program projects plus recruiting efforts to meet capital labor requirements. Annual cost of living increases of 2.0% following the same assumptions as the Non-Reimbursable Forecast, further impact expense.

OVERTIME

Non-Reimbursable

- 2016 is lower by \$4.6 million driven by the reallocation of \$2.0 million from overtime to straight time for New York State mandated compliance and certification training, a reduction in weather related provisions, and improvements in Transportation for delayed attrition.
- 2017-2018 includes reduced overtime of \$1.9 million annually due to a reduction in weather related provisions and a reallocation from overtime to straight time for New York State mandated compliance and certification training partially offset by an increase for service coverage due to Train and Engine (T&E) Block Training going from three days to five.
- 2019 is lower by \$1.7 million including the above with a slight reduction for reduced attrition in Transportation.

Reimbursable

- 2016 overtime decrease of \$1.8 million is due largely to the rescheduled implementation of several new five-year capital program projects, offset slightly by increased requirements for several existing Turnouts Projects.
- 2017–2019 increases of \$1.2 million, \$1.5 million and \$1.6 million, respectively, reflect the onset of new five-year capital program work.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2016-2019 Mid-Year Forecast changes reflect revised rates in premiums.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- 2016–2019 cash contributions have been adjusted to reflect the latest funding assumption criteria for retirees and premiums.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2016–2019 change in pension costs represents updated actuarial estimates for the Defined Benefit Plan.

OTHER FRINGE BENEFITS

Non-Reimbursable and Reimbursable

- 2016–2019 reflects changes in Railroad Retirement taxes and adjustments to employee claims.

REIMBURSABLE OVERHEAD

Non-Reimbursable

- Changes in overhead cost recoveries reflect revisions in Reimbursable project cost estimates.

Reimbursable

- Overhead costs are based on a percentage share of direct labor costs charged to reimbursable projects.
- 2016-2019 decreases of \$2.0 million, \$5.1 million, \$3.4 million, and \$1.1 million, respectively, reflect the impact of lower reimbursable overhead rates.

ELECTRIC POWER

Traction Power – Revenue

Non-Reimbursable

- 2016 decrease of \$12.0 million reflects lower energy provider rates and consumption primarily due to lower than anticipated seasonal weather changes.
- 2017-2019 reflects a reduction in energy provider rates from previously anticipated levels.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2016-2019 reflects decreases of \$3.1 million in 2016 and \$2.1 million annually from 2017-2019 based upon improved energy provider rates.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2016 decrease of \$5.8 million is due to lower than budgeted diesel fuel rates.
- 2017-2019 incorporates the impact of price increases combined with the lower 2016 base.

Cash

- 2016-2019 includes a credit (reduction to cash disbursements) for accrued fuel costs at New Haven which are paid directly by CDOT.

Non-Revenue Fuel

Non-Reimbursable

- 2016 decrease of \$0.5 million reflects lower rates and consumption due to a warmer than normal winter heating fuel season.
- 2017-2019 incorporates the impact of revised pricing assumptions combined with the lower 2016 base.

INSURANCE

Non-Reimbursable and Reimbursable

- 2016-2019 incorporates the impact of revised premiums.

Cash

- 2016-2019 includes an adjustment for the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2016-2019 reflect current passenger claim trends.

Cash

- 2016 settlement claims attributable to the Spuyten Duyvil incident decreased by \$30.2 million and increased in 2017 by \$35.7 million compared to the Adopted Budget due to a change in the timing of when the expected claims are to be paid.

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2016 decrease of \$12.6 million reflects the reclassification to operating capital of the Power Control/ Supervisory Control and Data Acquisition (SCADA) System and Central Traffic Control (CTC) Signal System Upgrades as well as real estate related construction projects. Changes in timing affect the BL20 Locomotive RCM program, the full opening of the New Haven Component Change-Out Shop (CCO), implementation of the Centralized Diagnostic System (CDS) Replacement and M7 Software Support Agreement, contracted repairs for equipment damaged in the Bridgeport derailment, and the AC Bus Duct Replacement project. Additionally, Grand Central Terminal utilities costs are lower resulting from more efficient chiller equipment implemented in conjunction with New York Power Authority (NYPA).

- 2017 decrease of \$4.7 million reflects the reclassification to operating capital of the Power Control/SCADA System Upgrade and real estate related construction projects, timing of contracted repairs for equipment damaged in the Bridgeport derailment, lower Grand Central Terminal utilities costs resulting from more efficient chiller equipment, and the completion of the Infrastructure Improvement assessment contract partially offset by temporary Training facilities and the Homeless Outreach initiative.
- 2018 decrease of \$6.6 million reflects the changes described above and includes the rescheduling of the M7 Centralized Diagnostic System (CDS) Replacement.
- 2019 decrease of \$6.4 million reflects the changes described above partially offset by the rescheduling of the BL20 Locomotive RCM program.

Reimbursable

- 2016 increase of \$2.3 million reflects revised project requirements for several Connecticut projects including the Design of Railway Communication & Signals (C&S) Systems, NHL grade Crossing Renewals, and Devon 26M Substation Replacement projects.
- 2017-2019 annual increases of \$0.8 million reflect a continuation of this focus in Connecticut. Additional projects driving this increase include Positive Train Control and the West of Hudson track program.

Cash

- 2016-2019 cash adjustments include timing differences and reallocations to accrued expenses.

PROFESSIONAL SERVICES CONTRACTS

Non-Reimbursable

- 2016 decrease of \$1.5 million primarily reflects timing delays in EAM consulting, training services, and reduced outside medical expenses partially offset by an increase in outside consultants for ad-hoc engineering work and the timing of the CTC Software Upgrade project.
- 2017-2018 is higher by \$1.8 million and \$2.3 million, respectively, primarily due to an increase in the use of outside consultants for ad-hoc and BL20 Locomotive engineering work as well as the timing of EAM consulting expense. The bi-annual market share study drives the additional increase in 2018.
- 2019 reflects an increase of \$1.5 million due to the use of outside consultants for ad-hoc and BL20 Locomotive engineering work.

Reimbursable

- 2016 decrease of \$8.3 million is due to revised requirements for the Signal Replacement: Greenwich–So. Norwalk project and the Waterbury Branch Cab Signals project, and revised scheduling for the Cameras Installation projects in Connecticut.
- 2017-2019 saw decreases of \$8.6 million, \$8.9 million, and \$9.1 million, respectively, reflecting a continuation of these revised estimates driven largely by the three aforementioned projects impacting 2016. These decreases were offset somewhat by increases for the New Haven Yard CCO project, the NHL Cos Cob Mitre rail project, and Positive Train Control project.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2016 is higher by \$4.2 million due to an increased obsolete and excess materials reserve, increased usage for the Park Avenue Viaduct Repair project, higher diesel shop repair rates, an increase in M2 parts costs due to keeping the fleet in service longer than previously anticipated and increased M3 wheel production. These increases are partially offset by timing of PTC, the GCT Platform Rehabilitation project, Infrastructure Improvement material usage, Integrated Electronic Security Systems (IESS) related materials, and the M7 Seat Replacement project.
- 2017-2019 is higher by \$11.2 million, \$15.8 million, and \$12.2 million, respectively, due primarily to bringing the Genesis P32 Locomotive RCM program in-house, an increased obsolete and excess materials reserve, higher diesel shop repair rates, an increase in M2 parts costs due to keeping the fleet in service longer than previously anticipated and increased M3 wheel production and inflationary increases.

Reimbursable

- 2016 decrease of \$30.6 million is due to the rescheduling of various new five-year capital projects as a result of the delayed program adoption as well as the revision to exclude direct pay expenses that were included under the February Financial Plan.
- 2017-2019 overall decreases of \$16.6 million, \$17.1 million, and \$17.6 million respectively, reflect the ongoing effect of the adjustment to exclude direct pay expenses mitigated by the ramp-up of workflows for several five-year capital projects including the Network Infrastructure Project, the Cyclical Track Program, and the GCT Turnouts and Turnouts Mainline Hi Speed projects.

Cash

- 2016-2019 reflects cash adjustments for the difference between expense accruals and cash payments.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2016 is lower by \$2.3 million due to increased trend based Amtrak cost recoveries related to the Passenger Rail Investment and Improvement Act (PRIIA) and lower inflationary NJ Transit Subsidy expense partially offset by higher Mobile Ticketing and TIMS credit card fees.
- 2017-2019 is lower by \$1.6 million, \$1.0 million, and \$0.9 million, respectively, due to increased trend based Amtrak cost recoveries (PRIIA) partially offset by higher Mobile Ticketing and TIMS credit card fees, and inflation related NJ Transit Subsidy expense increases.

DEPRECIATION

Non-Reimbursable

- 2016-2019 includes provisions for changes in Metro-North's capital assets.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2016-2019 costs reflect the liability for Post-Retirement Benefits (healthcare costs) for future retirees based on an updated actuarial estimate.

PENSION ADJUSTMENTS (GASB 68)

Non-Reimbursable

- 2017-2020 costs reflect the latest actuarial estimates.

ENVIRONMENTAL REMEDIATION (GASB 49)

Non-Reimbursable

- 2016-2019 costs reflect the estimated liability for environmental remediation costs associated with capital projects.

MTA METRO-NORTH RAILROAD
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019
2016 February Financial Plan - Cash Surplus/(Deficit)	(\$567.240)	(\$568.471)	(\$579.594)	(\$591.844)
Baseline Changes				
Revenue				
Farebox Revenue	\$6.438	\$8.838	\$5.800	\$2.997
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	3.936	7.009	6.366	5.938
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Total Revenue Changes	\$10.375	\$15.847	\$12.166	\$8.935
Expenses				
<i>Labor:</i>				
Payroll	(\$3.812)	\$1.611	(\$2.098)	(\$4.281)
Overtime	4.581	1.945	1.925	1.729
Health and Welfare	2.458	1.206	2.610	4.844
OPEB Current Payment	(1.718)	(2.221)	(2.014)	(1.760)
Pensions	(1.533)	(5.227)	(5.748)	(3.875)
Other Fringe Benefits	2.225	3.375	2.716	2.271
Reimbursable Overhead	(2.138)	(6.564)	(6.171)	(3.919)
Total Labor Expense Changes	\$0.062	(\$5.873)	(\$8.780)	(\$4.992)
<i>Non-Labor:</i>				
Electric Power	\$15.045	\$5.579	\$5.767	\$6.047
Fuel	6.375	6.220	7.789	8.353
Insurance	0.837	0.601	0.516	0.326
Claims	0.024	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	12.619	4.702	6.635	6.443
Professional Service Contracts	1.477	(1.836)	(2.270)	(1.486)
Materials & Supplies	(4.167)	(11.240)	(15.785)	(12.183)
Other Business Expenses	2.312	1.598	0.988	0.873
Total Non-Labor Expense Changes	\$34.522	\$5.624	\$3.638	\$8.373
Total Expenses before Depreciation and GASB Adjustments	\$34.584	(\$0.249)	(\$5.141)	\$3.382
Depreciation	(\$2.808)	(\$2.808)	(\$2.808)	(\$2.808)
OPEB Liability Adjustment	0.000	0.000	0.000	0.000
GASB 68 Pension Adjustment	7.500	2.500	1.100	7.300
Environmental Remediation	0.833	0.000	0.000	0.000
Total Expense Changes	\$40.109	(\$0.557)	(\$6.850)	\$7.874
Cash Conversion Adjustment Changes				
Depreciation	\$2.808	\$2.808	\$2.808	\$2.808
Operating/Capital	6.548	(15.683)	(13.546)	(0.137)
Other Cash Adjustments	(0.618)	(7.989)	1.933	(7.631)
Total Cash Conversion Adjustments	\$8.738	(\$20.864)	(\$8.805)	(\$4.960)
Net Surplus/(Deficit) Changes	\$59.222	(\$5.574)	(\$3.489)	\$11.849
2016 July Financial Plan - Net Operating Cash Surplus/(Deficit)	(\$508.018)	(\$574.045)	(\$583.083)	(\$579.995)

MTA METRO-NORTH RAILROAD
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2016	2017	2018	2019
2016 February Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(32.178)	(9.541)	(4.754)	2.832
Total Revenue Changes	(\$32.178)	(\$9.541)	(\$4.754)	\$2.832
Expenses				
<i>Labor:</i>				
Payroll	(\$5.225)	(\$11.186)	(\$14.425)	(\$18.102)
Overtime	1.764	1.192	1.525	1.565
Health and Welfare	(0.897)	(3.229)	(3.838)	(4.519)
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	(0.614)	(1.898)	(2.480)	(2.941)
Other Fringe Benefits	(0.610)	(3.308)	(2.556)	(3.292)
Reimbursable Overhead	1.973	5.077	3.358	1.077
Total Labor Expense Changes	(\$3.609)	(\$13.351)	(\$18.415)	(\$26.212)
<i>Non-Labor:</i>				
Electric Power	(\$0.000)	(\$0.000)	(\$0.000)	(\$0.000)
Fuel	0.000	0.000	0.000	0.000
Insurance	(0.862)	(1.533)	(2.034)	(2.549)
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(2.259)	(0.811)	(0.810)	(0.816)
Professional Service Contracts	8.304	8.604	8.864	9.110
Materials & Supplies	30.588	16.605	17.120	17.605
Other Business Expenses	0.016	0.027	0.029	0.030
Total Non-Labor Expense Changes	\$35.787	\$22.893	\$23.169	\$23.380
Total Expense Changes	\$32.178	\$9.541	\$4.754	(\$2.832)
2016 July Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)

MTA METRO-NORTH RAILROAD
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
2016 February Financial Plan - Cash Surplus/(Deficit)	(\$567.240)	(\$568.471)	(\$579.594)	(\$591.844)
Baseline Changes				
Revenue				
Farebox Revenue	\$6.438	\$8.838	\$5.800	\$2.997
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	3.936	7.009	6.366	5.938
Capital and Other Reimbursement	(32.178)	(9.541)	(4.754)	2.832
Total Revenue Changes	(\$21.803)	\$6.305	\$7.412	\$11.767
Expenses				
<i>Labor:</i>				
Payroll	(\$9.038)	(\$9.574)	(\$16.523)	(\$22.383)
Overtime	6.345	3.137	3.450	3.294
Health and Welfare	1.561	(2.023)	(1.228)	0.325
OPEB Current Payment	(1.718)	(2.221)	(2.014)	(1.760)
Pensions	(2.147)	(7.125)	(8.228)	(6.817)
Other Fringe Benefits	1.615	0.068	0.160	(1.021)
Reimbursable Overhead	(0.165)	(1.486)	(2.813)	(2.842)
Total Labor Expense Changes	(\$3.547)	(\$19.225)	(\$27.195)	(\$31.203)
<i>Non-Labor:</i>				
Electric Power	\$15.045	\$5.579	\$5.766	\$6.047
Fuel	6.375	6.220	7.789	8.353
Insurance	(0.025)	(0.932)	(1.518)	(2.223)
Claims	0.024	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	10.359	3.891	5.825	5.627
Professional Service Contracts	9.781	6.768	6.594	7.623
Materials & Supplies	26.421	5.366	1.335	5.422
Other Business Expenses	2.329	1.625	1.016	0.903
Total Non-Labor Expense Changes	\$70.308	\$28.517	\$26.808	\$31.753
Total Expenses before Non-Cash Liability Adjs.	\$66.762	\$9.292	(\$0.388)	\$0.550
Depreciation	(\$2.808)	(\$2.808)	(\$2.808)	(\$2.808)
OPEB Liability Adjustment	0.000	0.000	0.000	0.000
GASB 68 Pension Adjustment	7.500	2.500	1.100	7.300
Environmental Remediation	0.833	0.000	0.000	0.000
Total Expense Changes	\$72.287	\$8.984	(\$2.096)	\$5.042
Net Surplus/(Deficit) Changes	(\$94.090)	(\$2.679)	\$9.507	\$6.724
Cash Conversion Adjustment Changes				
Depreciation	\$2.808	\$2.808	\$2.808	\$2.808
Operating/Capital	6.548	(15.683)	(13.546)	(0.137)
Other Cash Adjustments	(0.618)	(7.989)	1.933	(7.631)
Total Cash Conversion Adjustments	\$8.738	(\$20.864)	(\$8.805)	(\$4.960)
Net Surplus/(Deficit) Changes	\$59.222	(\$5.574)	(\$3.489)	\$11.849
2016 July Financial Plan - Net Operating Cash Surplus/(Deficit)	(\$508.018)	(\$574.045)	(\$583.083)	(\$579.995)

MTA METRO-NORTH RAILROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Summary of Major Plan-to-Plan Changes

The 2016-2020 July Financial Plan reflects the effect of evolving economic conditions, new needs, changes in timing of cost assumptions and resource allocations, as well as the impact of recently implemented cost reduction plans.

2016: JULY FINANCIAL PLAN vs. FEBRUARY FINANCIAL PLAN

The 2016 Mid-Year Forecast cash subsidy requirement of \$508.0 million for Non-Reimbursable operations is \$59.2 million lower than the Adopted Budget. This reflects \$67.8 million in unfavorable receipts offset by a forecasted decrease of \$126.9 million in cash expenditures. Operating revenues of \$764.0 million reflects passenger revenues of \$699.7 million that are \$6.4 million favorable versus the Adopted Budget resulting from higher than anticipated ridership early in the year due to the mild winter. Non-passenger revenues of \$64.3 million are \$3.9 million better than the Adopted Budget due to increased GCT net tenant revenue. Non-Reimbursable operating expenses of \$1,521.3 million reflect a decrease of \$40.1 million. This decrease is driven by lower energy costs, both electric and diesel, lower maintenance and operating contracts, and lower GASB 68 Pension Adjustment costs. These decreases were partially offset by higher materials expense due primarily to increased rolling stock fleet costs, higher payroll expense due to the full year impact of new hires, and higher depreciation expense.

The 2016 Mid-Year Reimbursable Forecast of expenditures (and receipts) total \$217.7 million, which is \$32.2 million lower than the February Financial plan. This decrease is driven largely by a revision to exclude direct pay expenses previously budgeted under the February Financial plan as well as delays arising from the late adoption of the new five-year capital program, which pushed workflows for several key projects into 2017. These decreases were mitigated by increased labor costs arising from recruiting efforts to bolster workforce capacity to execute capital projects in 2016.

2017 - 2019: JULY FINANCIAL PLAN vs. FEBRUARY FINANCIAL PLAN

The 2017-2018 July Financial Plan subsidy requirements are higher than the February Financial Plan by \$5.6 million in 2017 and \$3.5 million in 2018. The 2017 subsidy is higher due to increased expenses partially offset by higher revenues. The 2018 subsidy is higher due to primarily to lower revenues. The 2019 subsidy is lower by \$11.9 million due to primarily to lower expenses. Further specifics of individual categories will be covered below.

Reimbursable expenditures (and receipts) for the 2017-2019 July Financial Plan as compared to the February Financial Plan are lower by \$9.5 million in 2017 and lower by

\$4.8 million in 2018. This trend reflects a diminishing overall decrease due to the revision that excludes direct pay expenses which is offset by the ramp-up of recruiting efforts driving higher payroll costs and by the implementation of new five-year capital program projects. These trends result in an increase in total expenses of \$2.9 million in 2019 as the increased labor costs eventually surpass the decrease from the now-excluded direct pay expenses.

MTA Metro-North Railroad
July Financial Plan 2017 - 2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
2016 February Financial Plan - Cash Surplus/(Deficit)	(\$567.240)	(\$568.471)	(\$579.594)	(\$591.844)
Non-Reimbursable Major Changes				
Revenue				
Change to Ridership Forecasts	\$6.438	\$8.838	\$5.800	\$2.997
Increase in GCT Retail Revenue	3.936	7.009	6.366	5.938
Sub-Total Non-Reimbursable Revenue Changes	\$10.375	\$15.847	\$12.166	\$8.935
Expenses				
Security Positions New Needs	\$0.000	(\$0.680)	(\$0.816)	(\$0.816)
Payroll Adjustments	1.791	2.471	2.607	2.607
Overtime Reductions due to Changes in Weather Provision and Transfer of Mandatory New York State Training to Payroll offset by additional Train & Engine Crew coverage for increased Mandatory Training	27.891	15.472	18.608	22.463
Net Fringe Benefit Expenses	1.432	(2.866)	(2.436)	1.479
Reimbursable Overhead Recovery Reflecting Lower Rates	(2.138)	(6.564)	(6.171)	(3.919)
Lower Electricity Rates	0.000	0.000	0.000	0.000
Lower Fuel and Oil Rates	4.753	5.251	6.038	7.826
Insurance Premium Adjustments	3.087	2.134	2.070	2.102
Temporary Training Facilities	(0.181)	(1.544)	(1.544)	0.000
Retiming of Contracted Rolling Stock Maintenance and Repairs	3.410	(1.073)	0.264	(2.264)
Changes to Provisional Contract Forecasts	12.800	6.247	8.179	6.443
Retiming of Enterprise Asset Management (EAM) Project Consulting	0.000	0.000	0.000	0.000
Rolling Stock Materials Usage	(6.636)	(12.514)	(15.664)	(13.402)
Other Material Usage Re-estimates	2.321	1.375	(0.122)	1.218
West of Hudson Service Inflation Adjustment	11.958	3.446	3.696	3.945
Increased Credit Card Fees	(1.323)	(1.233)	(1.245)	(1.265)
Depreciation	(2.808)	(2.808)	(2.808)	(2.808)
GASB 68 Pension Adjustments	7.500	2.500	1.100	7.300
Net Other Expense Changes	(23.748)	(10.170)	(18.606)	(23.037)
Sub-Total Non-Reimbursable Expense Changes	\$40.109	(\$0.557)	(\$6.850)	\$7.874
Total Non-Reimbursable Major Changes	\$50.484	\$15.290	\$5.316	\$16.808
Reimbursable Major Changes				
Revenue				
Projections for 2016-2019 reflect retiming of 2016 capital project activity levels. 2017-2019 reflect winding down and or completion of 2010-2014 projects and the addition of 2015-2019 projects, mainly continuation of PTC	(\$32.178)	(\$9.541)	(\$4.754)	\$2.832
Sub-Total Reimbursable Revenue Changes	(\$32.178)	(\$9.541)	(\$4.754)	\$2.832
Expenses				
Projections for 2016-2019 reflect retiming of 2016 capital project activity levels. 2017-2019 reflect winding down and or completion of 2010-2014 projects and the addition of 2015-2019 projects, mainly continuation of PTC	\$32.178	\$9.541	\$4.754	(\$2.832)
Sub-Total Reimbursable Expense Changes	\$32.178	\$9.541	\$4.754	(\$2.832)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	(\$0.000)
Total Accrual Changes	\$50.484	\$15.290	\$5.316	\$16.808
Cash Adjustment Changes				
Delay in MTA Reimbursable Receipts	(\$9.595)	(\$6.659)	(\$1.758)	(\$1.520)
Graybar Occupancy Reporting Change	(4.240)	(1.367)	(1.367)	(1.367)
Retiree Payouts	2.400	(0.500)	(1.500)	(4.500)
Claims Adjustment	(2.229)	(4.679)	0.000	0.000
Changes to Operating Capital - Existing and New Projects	6.548	(15.683)	(13.546)	(0.137)
Graybar Recognition of No-Action Condo Status for Period Prior to New Lease	12.895	9.336	14.713	12.218
Reduction of Reimbursable Completed Projects	5.604	(16.260)	(16.190)	(3.204)
Net Other Cash Adjustments	(2.643)	14.948	10.843	(6.450)
Total Cash Adjustment Changes	\$8.738	(\$20.864)	(\$8.805)	(\$4.960)
Net Surplus/(Deficit) Changes	\$59.222	(\$5.574)	(\$3.489)	\$11.848
2016 July Financial Plan - Net Operating Cash Surplus/(Deficit)	(\$508.018)	(\$574.045)	(\$583.083)	(\$579.996)

MTA METRO-NORTH RAILROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Ridership / (Utilization)

Ridership projections are developed by line segment ridership forecasting models that incorporate current trends (excluding anomalies), the impact of economic and demographic factors, the most current information for proposed parking, advertising, service expansion and connecting services as well as government supported mass transit initiatives.

Total East of Hudson ridership is projected at 86.0 million in 2016, which is 0.4% higher than the 2016 Adopted Budget due to slightly higher than projected growth in commutation ridership trends. In 2017 through 2020, ridership is projected to grow 0.8%, 0.9%, 0.8%, and 0.8%, respectively, with growth occurring across all three commuter lines. Projections over this period assume no fare increases in New York State and annual fare increases in Connecticut of 1.0% in 2017 and 2018. Efforts to promote ridership growth continue with on-going parking and promotional advertising helped by a continuation of modest regional employment growth.

West of Hudson utilization, projected at 1.8 million in 2016, is 2.0% lower than the Adopted Budget. In 2017-2020, West of Hudson ridership is projected to grow 2.1%, 2.0%, 1.9%, and 1.2%, respectively. Growth rates during this period reflect improvement in the economic climate, a resumption of customer growth in peak periods and service expansion on the Port Jervis line.

MTA METRO-NORTH RAILROAD

July Financial Plan 2017 - 2020

Ridership (Utilization)

(in millions)

	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
<u>Farebox Revenue by Line & Type</u>						
Harlem Line - Commutation Revenue	106.636	110.369	112.793	113.839	114.618	115.394
Harlem Line - Non-Commutation Revenue	<u>95.113</u>	<u>97.893</u>	<u>100.043</u>	<u>100.970</u>	<u>101.662</u>	<u>102.349</u>
Total	\$201.749	\$208.261	\$212.836	\$214.809	\$216.280	\$217.743
Hudson Line - Commutation Revenue	69.792	71.557	73.313	74.167	74.824	75.704
Hudson Line - Non-Commutation Revenue	<u>77.098</u>	<u>79.517</u>	<u>81.469</u>	<u>82.417</u>	<u>83.147</u>	<u>84.125</u>
Total	\$146.891	\$151.074	\$154.782	\$156.584	\$157.970	\$159.829
New Haven Line - Commutation Revenue	148.342	152.651	156.310	158.359	159.399	160.431
New Haven Line - Non-Commutation Revenue	<u>180.199</u>	<u>187.399</u>	<u>191.891</u>	<u>194.406</u>	<u>195.682</u>	<u>196.949</u>
Total	\$328.540	\$340.050	\$348.201	\$352.766	\$355.081	\$357.380
Total Commutation (East of Hudson)	324.770	334.577	342.417	346.365	348.841	351.528
Total Non-Commutation (East of Hudson)	<u>352.410</u>	<u>364.809</u>	<u>373.402</u>	<u>377.794</u>	<u>380.491</u>	<u>383.423</u>
Total Farebox Revenue (East of Hudson)	\$677.180	\$699.386	\$715.819	\$724.159	\$729.332	\$734.951
West of Hudson Mail & Ride Revenue ⁽¹⁾	\$0.376	\$0.332	\$0.339	\$0.347	\$0.354	\$0.359
Total Farebox Revenue	\$677.556	\$699.718	\$716.158	\$724.506	\$729.686	\$735.310
<u>Ridership by Line & Type</u>						
Harlem Line Ridership - Commutation	16.634	17.071	17.432	17.599	17.723	17.859
Harlem Line Ridership - Non-Commutation	<u>10.870</u>	<u>11.011</u>	<u>11.243</u>	<u>11.351</u>	<u>11.431</u>	<u>11.519</u>
Total	27.504	28.082	28.675	28.949	29.154	29.379
Hudson Line Ridership - Commutation	9.247	9.445	9.665	9.775	9.860	9.976
Hudson Line Ridership - Non-Commutation	<u>7.178</u>	<u>7.295</u>	<u>7.465</u>	<u>7.550</u>	<u>7.616</u>	<u>7.705</u>
Total	16.425	16.740	17.129	17.325	17.476	17.681
New Haven Line Ridership - Commutation	22.478	22.971	23.363	23.531	23.708	23.887
New Haven Line Ridership - Non-Commutation	<u>17.866</u>	<u>18.201</u>	<u>18.511</u>	<u>18.644</u>	<u>18.784</u>	<u>18.927</u>
Total	40.344	41.172	41.874	42.175	42.493	42.814
Total Commutation (East of Hudson)	48.359	49.488	50.459	50.905	51.291	51.723
Total Non-Commutation (East of Hudson)	<u>35.914</u>	<u>36.507</u>	<u>37.219</u>	<u>37.545</u>	<u>37.831</u>	<u>38.151</u>
Total Ridership (East of Hudson)	84.272	85.994	87.678	88.449	89.122	89.874
West of Hudson Ridership ⁽²⁾	<u>1.746</u>	<u>1.767</u>	<u>1.804</u>	<u>1.841</u>	<u>1.875</u>	<u>1.898</u>
Total Ridership	86.018	87.761	89.482	90.290	90.997	91.772

(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
July Financial Plan 2017 - 2020
2016 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
Administration										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Administration</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Customer Convenience/Amenities										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
Reductions to Operating Capital Projects	-	13.130	-	3.567	-	3.567	-	3.567	-	3.567
<i>Subtotal Maintenance</i>	-	13.130	-	3.567	-	3.567	-	3.567	-	3.567
Revenue Enhancement										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety/Security										
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
Service										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service Support										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$13.130	-	\$3.567	-	\$3.567	-	\$3.567	-	\$3.567

**MTA Metro-North Railroad
July Financial Plan 2017 - 2020
2016 Budget Reduction Plan Summary**

Category by Function: Maintenance

Program: Reductions to Operating Capital Projects

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

Total Positions Required:

MTA METRO-NORTH RAILROAD
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Positions

POSITION ASSUMPTIONS

YEAR-TO-YEAR CHANGES

2016-2017

2017 includes an increase of 33 positions. The increase consists of 10 Maintenance of Way (MW) agreement positions in the Communications & Signals Department (C&S) for the inspection and maintenance of the new interlocking, (6) will support the Walk Bridge replacement project and (4) will support the PTC system. Also added were 13 MW Administration positions, 2 VP Finance positions for the Enterprise Asset Management program, and 8 Security positions for expanded operational and video management capabilities.

2017-2018

2018 includes an increase of 2 MW Administration positions for the Enterprise Asset Management program.

2018-2019

2019 includes an increase of 2 MW Administration positions for the Enterprise Asset Management program.

PLAN-TO-PLAN CHANGES

2016

The 2016 Mid-Year Forecast shows a net decrease of 2 positions versus the Adopted Budget, due to the transfer of 6 Procurement positions to MTA Headquarters partially offset by the addition of 2 CDOT funded positions for project management support on the Walk Bridge Replacement and Signal Replacement projects, 1 position to support increased employee and customer communications and 1 position in the Human Resources department to handle the promotional process for agreement staff.

2017-2019

The July Financial Plan for 2017 through 2019 shows a net increase of 19 positions over the February Financial Plan due to the addition of 8 Security positions for expanded operational and video management capabilities, the retaining of 13 positions resulting from the continuation of the PTC project in Maintenance of Equipment partially offset by the net decrease of 2 positions carried forward from 2016.

MTA METRO-NORTH RAILROAD				
July Financial Plan 2017 - 2020				
Favorable/(Unfavorable)				
Total Position Changes at a Glance				
	2016	2017	2018	2019
2016 February Plan - Total Positions	6,831	6,843	6,845	6,847
Total Plan-to-Plan Changes	2	(19)	(19)	(19)
2016 July Plan - Total Positions	6,829	6,862	6,864	6,866
Total Year-to-Year Changes, July Plan		(33)	(2)	(2)
Total Plan-to-Plan Changes by Reporting Category:				
<i>Non-Reimbursable</i>	15	80	123	166
<i>Reimbursable</i> ¹	(13)	(99)	(142)	(185)
Total	2	(19)	(19)	(19)
<i>Full-Time</i>	2	(19)	(19)	(19)
<i>Full-Time Equivalents</i>	0	0	0	0
Total	2	(19)	(19)	(19)
<i>By Function Category</i>				
- Administration	(4)	(12)	(12)	(12)
- Operations	(2)	(2)	(2)	(2)
- Maintenance	9	(4)	(4)	(4)
- Engineering/Capital	(1)	(1)	(1)	(1)
- Public Safety	0	0	0	0
Total	2	(19)	(19)	(19)
<i>By Occupational Group</i>				
- Managers/Supervisors	134	152	152	152
- Professional, Technical, Clerical	(153)	(134)	(134)	(134)
- Operational Hourlies	21	(37)	(37)	(37)
Total	2	(19)	(19)	(19)
Total Plan-to-Plan Changes by Major Category:				
2016 BRPs	0	0	0	0
New Needs	0	(8)	(8)	(8)
Change in Reimbursable Positions ¹	(13)	(99)	(142)	(185)
Re-estimates & All Other ¹	15	88	131	174
Total	2	(19)	(19)	(19)

¹ The Plan to Plan change reflects the reallocation of 11 positions in 2016, 84 in 2017, 127 in 2018, and 170 in 2019 from Non-reimbursable to Reimbursable.

MTA METRO-NORTH RAILROAD
July 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	Notes
	Actual	Mid-Year Forecast	Preliminary Budget				
Administration							
President	4	4	4	4	4	4	
Labor Relations	16	18	18	18	18	18	
Safety	58	54	54	54	54	54	A
Security	0	19	27	27	27	27	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	61	61	61	61	61	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	47	47	47	47	47	
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	80	80	80	80	
Budget	17	22	22	22	22	22	
Procurement & Material Management	28	36	36	36	36	36	
Corporate	0	0	0	0	0	0	
Total Administration	466	572	582	582	582	582	
Operations							
Operations Administration	76	70	70	70	70	70	
Transportation	1,511	1,488	1,488	1,488	1,488	1,488	D
Customer Service	222	329	329	329	329	329	
GCT & Corporate Development	30	0	0	0	0	0	C
Metro-North West	29	46	46	46	46	46	
Total Operations	1,867	1,933	1,933	1,933	1,933	1,933	
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	2,314	2,337	2,339	2,341	2,341	C
Procurement & Material Management	120	123	123	123	123	123	
Total Maintenance	3,771	4,201	4,224	4,226	4,228	4,228	
Engineering/Capital							
Construction Management	36	43	43	43	43	43	
Engineering & Design	70	80	80	80	80	80	C
Total Engineering/Capital	106	123	123	123	123	123	
Total Positions	6,211	6,829	6,862	6,864	6,866	6,866	
<i>Non-Reimbursable</i>	5,888	6,230	6,189	6,149	6,108	6,108	
<i>Reimbursable</i>	323	599	673	715	758	758	
<i>Total Full-Time</i>	6,210	6,828	6,861	6,863	6,865	6,865	
<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.

MTA METRO-NORTH RAILROAD
July Financial Plan 2017 - 2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015	2016	2017	2018	2019	2020
	Actual	Mid-Year Forecast	Preliminary Budget			
Administration						
Managers/Supervisors	148	160	160	160	160	160
Professional, Technical, Clerical	318	412	422	422	422	422
Operational Hourlies	0	0	0	0	0	0
Total Administration	466	572	582	582	582	582
Operations						
Managers/Supervisors	216	185	185	185	185	185
Professional, Technical, Clerical	179	291	291	291	291	291
Operational Hourlies	1,472	1,457	1,457	1,457	1,457	1,457
Total Operations	1,867	1,933	1,933	1,933	1,933	1,933
Maintenance						
Managers/Supervisors	570	539	540	540	540	540
Professional, Technical, Clerical	496	588	604	606	608	608
Operational Hourlies	2,705	3,074	3,080	3,080	3,080	3,080
Total Maintenance	3,771	4,201	4,224	4,226	4,228	4,228
Engineering/Capital						
Managers/Supervisors	40	53	53	53	53	53
Professional, Technical, Clerical	66	70	70	70	70	70
Operational Hourlies	0	0	0	0	0	0
Total Engineering/Capital	106	123	123	123	123	123
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional, Technical, Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	975	937	938	938	938	938
Professional, Technical, Clerical	1,060	1,361	1,387	1,389	1,391	1,391
Operational Hourlies	4,177	4,531	4,537	4,537	4,537	4,537
Total Positions	6,211	6,829	6,862	6,864	6,866	6,866

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MTA Headquarters

MTA HEADQUARTERS
2017 Preliminary Budget
July Financial Plan 2017 – 2020

FINANCIAL OVERVIEW

MTA Headquarters' operations include four distinct components: Policy and Oversight; Consolidated Functions (those departments that perform services on behalf of MTA Agencies and includes the impact of the IT Transformation); the Business Service Center (BSC); and MTA Security, which includes the MTA Police Department (MTAPD). The MTA Headquarters' July Financial Plan demonstrates the organization's commitment to streamlining operations and maximizing efficiencies and revenue opportunities within the organization and across the MTA. At the same time, the MTA also remains committed to maintaining an organization dedicated to communicating effectively and promoting customer satisfaction, as well as enhancing safety and security throughout the MTA system.

Policy, Oversight and Consolidated Functions

MTA Headquarters' July Financial Plan provides funding for MTA-wide initiatives considered to be the highest priority by executive management. The Plan continues to provide funding for a number of high priority initiatives, many of which provide significant savings to the MTA. The successful completion of the IT Transformation, which was initiated in 2015, has yielded an additional \$21 million savings in 2016 on top of the \$15 million in savings that were identified last year. Recurring savings of \$31 million, plus an additional annual savings of \$7 million are projected for 2017 and beyond which will increase the level of total annual savings to \$38 million. These savings are captured in the Plan, and are discussed more fully in the Budget Reductions Program (BRPs) section.

The plan also includes investments for the following:

- Funding in support of the grade crossing “Don't Block the Box” initiative and other safety management projects.
- The establishment of an Office of Health and Safety at Headquarters which will provide savings at the Agencies where these services were previously contracted out.
- Continued funding for the PeopleSoft 9.2 Upgrade project necessary for Financial and Human Resources.
- Funding in support of MTA's planned Procurement function consolidation that will yield future savings.
- Funding for IT security projects which includes investments to protect the critical infrastructure from cyber threats and maintain MTA networks.
- Continued funding for an Energy Management System (EMS), a comprehensive All-Agency initiative for the construction and implementation of an Automated Metering Infrastructure and Energy Management software platform which

provides project management for various agency energy management initiatives that will save money.

- Continued support for the Enterprise Asset Management (EAM) goal of ensuring that the MTA makes informed decisions that optimize operating and capital investments, asset performance, and reduce operational risk.
- While the consolidation/relocation of Headquarters staff from Madison Avenue to Two Broadway was successfully completed in 2014, funding remains for relocation of the Metro-North staff and assets. Reimbursement of the funding will come from the eventual disposition of the Madison Avenue properties. The net proceeds will go to the MTA Capital Program.

MTA Security

As the transportation system expands, MTA is taking steps to ensure appropriate protection is provided for our customers, employees and facilities. Included in the Financial Plan in 2016 is funding for the hiring of 13 MTAPD personnel to create a Homeless Outreach Unit in order to aid homeless New Yorkers. Included in the baseline is the funding for hiring 46 personnel in late 2016 and early 2017 to provide counter terrorism coverage as well as for the MTAPD to begin a hiring schedule for approximately 30 new officers each year in 2019 through 2021; these officers will be used to augment safety and security throughout the MTA system and be available to establish a fully-trained security presence for East Side Access (ESA) when it opens in 2022.

Funding for facility expenses are also included for the recently opened, state-of-the-art Canine Training Facility in Stormville, NY and funding for a new District 2 office in Bethpage, NY.

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 Mid-Year Forecast

The MTA Headquarters Baseline Deficit of \$739.1 million in the July Plan includes total Non-Reimbursable Operating Revenues of \$54.0 million and total expenses before depreciation and other post-employment benefits of \$690.9 million, consisting of \$337.0 million in labor expenses and \$354.0 million in non-labor expenses. Total capital and other reimbursements are projected to be \$142.9 million. Total reimbursable labor

expenses are \$101.2 million and non-labor expenses are \$41.7 million. Cash adjustments prior to depreciation, OPEB obligation and GASB 68 are favorable by \$55.8 million. The Baseline Cash Deficit is projected to be \$581.0 million, a \$4.2 million favorable variance from the February Adopted Budget of \$585.2 million.

Major operating cash changes include:

Favorable

- BRPs of \$22.0 million mainly due to continued savings resulting from the IT Transformation. Savings include reductions of 67 IT positions, conversion of consultants to lower costing full time employees, replacement of retirees at lower salaries and reduced MTAPD non-labor costs.
- Increased advertising revenues of \$5.4 million.
- Rescheduling of Operating Capital budget, primarily in MTA Information Technology (MTA IT), of \$27.9 million.
- Higher rental revenue of \$3.8 million.
- Higher reimbursable overhead expenses of \$8.9 million.
- Revised OPEB current contributions of \$1.8 million.

Unfavorable

- Headquarters relocation expenses of \$18.3 million budgeted in 2015 were delayed until 2016.
- IT requests for security, maintenance, infrastructure and other critical needs of \$21.2 million.
- BSC investments of \$7.8 million primarily for the continued implementation of the PeopleSoft upgrade, higher rental costs, software requirements and higher mailing costs resulting from the Affordable Care Act.
- Headquarters administrative needs of \$3.2 million which includes the establishment of an Occupational Health Services department and other position increases resulting from higher workloads.
- MTAPD and Safety Management needs of \$3.9 million which includes the establishment of a Homeless Outreach unit, Police facility needs and safety initiatives.
- Re-estimated costs of \$8.2 million including IT infrastructure expenses, additional claims work resulting from Superstorm Sandy and additional maintenance requirements for the Madison Avenue buildings.

Reimbursable expenses are projected to increase by \$21.6 million in 2016 mainly as a result of higher recoverable expenses from the level of work planned at the West Side Yard project, higher reimbursable MTAPD overtime patrol, costs related to development of New Fare Payment and higher Risk Management expenses.

Total baseline positions are projected to increase by 114 positions to 2,959 positions. This increase includes 118 positions to address the above-mentioned new needs. It also includes a 63 headcount increase due to the conversion of certain IT work from consultants to in-house employees, yielding operating and cost benefits. Partly

offsetting these increases are the previously mentioned reductions of 67 positions from MTA IT headcount efficiencies.

2017 Preliminary Budget - Baseline

The MTA Headquarters Baseline Deficit of \$782.7 million in the July Plan includes total Non-Reimbursable Operating Revenues of \$50.2 million and total expenses before depreciation and other post-employment benefits of \$676.7 million, consisting of \$377.0 million in labor expenses and \$299.7 million in non-labor expenses. Total capital and other reimbursements are projected to be \$116.0 million. Total reimbursable labor expenses are \$90.2 million and non-labor expenses are \$25.8 million. Cash adjustments prior to depreciation, OPEB obligation and GASB 68 are unfavorable by \$96.2 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 \$530.2 million, a \$105.5 million unfavorable variance (primarily timing-related) from the February Adopted Budget of \$424.7 million.

Major operating cash changes include:

Unfavorable

- Revised timing of recovery of relocation costs of \$100.5 million.
- MTA IT New Needs of \$4.6 million are primarily for security and MTA Employee customer service purposes.
- Headquarters administrative needs of \$4.5 million which includes the establishment of an Occupational Health Services department and other position increases resulting from higher workloads.
- MTAPD and Safety Management needs of \$3.7 million which includes the establishment of a Homeless Outreach unit, Police facility needs and safety initiatives.
- Re-estimated costs of \$11.3 million for IT infrastructure expenses and additional claims work resulting from Superstorm Sandy.
- BSC investments of \$2.6 million are primarily to address higher rental costs, software requirements and higher mailing costs resulting from the Affordable Care Act.
- Timing shift of EMS funding of \$1.9 million.
- Lower rental revenue of \$2.3 million.
- Higher Health and Welfare expenses of \$2.7 million resulting from non-programmatic rate changes.

Favorable

- Re-estimated advertising revenues of \$6.3 million.
- BRPs of \$23.3 million mainly due to continued savings resulting from the IT Transformation. Savings include reductions of 67 IT positions, conversion of consultants to lower costing full time employees, replacement of retirees at lower salaries and reduced MTAPD non-labor costs.

- Re-estimated MTA PD vacancy savings of \$0.4 million.
- Re-alignment of Operating Capital budget to reflect realistic spending of projects, primarily in MTA IT and BSC of \$29.5 million while including funding for the replacement of the MTAPD computer aided dispatch system.
- Higher reimbursable overhead expenses of \$2.5 million.
- Revised OPEB current contributions of \$0.8 million.

Reimbursable expenses are projected to increase by \$6.8 million in 2017 mainly as a result of costs related to development of New Fare Payment and higher Risk Management expenses.

Total baseline positions are projected to increase by 116 positions to 2,977 positions. This increase results from new needs and consultant conversions totaling 182 additions, the transfer of an IT position from NYCT and partly offset by MTA IT BRPs of 67 positions. This is discussed more thoroughly in the Positions section.

2018 - 2020 Projections

Operating cash deficits are projected to decrease by \$37.4 million in 2018 and increase by \$7.1 million in 2019 relative to the Adopted Budget.

Major operating cash changes include:

Unfavorable

- Rescheduling of Operating Capital budget, primarily in MTA IT, of \$28.8 million in 2018.
- Re-estimated costs of \$8.5 million and \$4.6 million in 2018 and 2019, respectively, for IT infrastructure expenses.
- Additional claims work resulting from Superstorm Sandy of \$3.0 million in 2018.
- Headquarters Administration investments of \$4.5 million in 2018 and \$4.6 million in 2019, which includes the establishment of an Occupational Health Services department and other position increases resulting from higher workloads.
- Higher Health and Welfare costs primarily due to rate changes of \$2.9 million and \$3.0 million in 2018 and 2019, respectively.
- BSC investments of \$2.4 million in 2018 and 2019 primarily to address higher rental costs, software requirements and higher mailing costs resulting from the Affordable Care Act.
- MTAPD and Safety Management needs of \$3.8 million and \$4.2 million respectively in 2018 and 2019, which includes the establishment of a Homeless Outreach unit, Police facility needs and safety initiatives.
- Lower rental revenues of \$2.3 in both 2018 and 2019.
- Timing shift of EMS funding of \$5.6 million.
- Revised timing of recovery of relocation costs of \$14.6 million in 2019.

Favorable

- Rescheduling of Operating Capital budget, primarily in MTA IT, of \$18.2 million in 2019.
- Revised relocation costs and recovery of \$95.7 million in 2018.
- Re-estimated advertising revenues of \$6.3 million and \$6.4 million in 2018 and 2019, respectively.
- BRPs of \$23.8 million and \$24.1 million in 2018 and 2019, respectively, mainly due to continued savings resulting from the IT Transformation. Savings include reductions of 67 IT positions, conversion of consultants to lower costing full time employees, replacement of retirees at lower salaries and reduced MTAPD non-labor costs.
- Re-estimated MTA PD vacancy savings of \$0.4 million in both 2018 and 2019.
- Revised OPEB current contributions of \$0.8 million and \$0.5 million in 2018 and 2019, respectively.

Reimbursable expenses are projected to increase by \$7.3 million in 2018 and \$5.1 million in 2019 mainly as a result of costs related to development of New Fare Payment and higher Risk Management expenses.

Total baseline positions are projected to increase by 114 positions to 2,981 positions in 2018 and increase by 101 positions to 3,005 positions in 2019. This increase results from new needs and consultant conversions totaling 180 additions, the transfer of an IT position from NYCT and partly offset by MTA IT BRPs of 67 positions. This is discussed more thoroughly in the Positions section.

The MTA Headquarters Baseline Deficit of \$873.8 million in 2020 includes total Non-Reimbursable Operating Revenues of \$56.2 million and total expenses before depreciation and other post-employment benefits of \$701.4 million, consisting of \$412.6 million in labor expenses and \$288.8 million in non-labor expenses. Total capital and other reimbursements are projected to be \$103.5 million. Total reimbursable labor expenses are \$90.6 million and non-labor expenses are \$12.9 million. Cash adjustments prior to depreciation and OPEB obligation are favorable by \$341.7 million primarily reflecting advertising revenue receipts reassigned from NYCT and the Commuter Rails to MTA Headquarters. Total headcount is projected to be 3,059 positions in 2020.

Budget Reduction Program (BRPs)

The July Plan includes total Headquarters BRPs of \$22.0 million in 2016 and growing to \$24.5 million by 2020. These savings are primarily due to reductions resulting from savings that are achieved through the MTA IT consolidation. These BRPs also include savings from the replacement of retirees at lower salaries at Headquarters and reduced MTAPD reliance on outside services.

In 2016, the MTA IT portion of the BRP resulted in \$21.0 million in savings. Current year vacancies, headcount reductions of 67 positions and elimination of non-labor costs yielded \$20.7 million in savings. While increasing headcount, additional savings to the budget are achieved by replacing higher cost consultants with 67 less expensive full time employees, saving \$0.3 million. The 2016 vacancy savings are considered “one-shot” in nature and will be replaced by recurring savings of \$7.6 million in 2017 and beyond.

In 2017 through 2020, MTA IT headcount reductions of 67 positions, consultant conversions and elimination of non-labor costs annualize to approximately \$14.6 million. Additionally, MTA has also stepped up IT recruiting efforts and is reducing the amount of time needed to fill vacant positions. However, this Plan captures higher vacancy savings going forward in recognition of higher IT turnover when compared with other MTA administrative areas. IT managers will effectively utilize existing incumbents to achieve its goals and output requirements. This provides an additional savings of averaging \$7.7 million annually.

Recurring savings of approximately \$1.0 million annually are realized from replacement of retirees at lower salaries and MTAPD non-labor cost reductions.

MTA HEADQUARTERS
July Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	<u>Actuals</u>	<u>Forecast</u>	<u>Preliminary 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	50.960	46.374	48.084	50.007	52.007
Advertising	-	-	-	-	-	-
Other	<u>3.668</u>	<u>3.083</u>	<u>3.868</u>	<u>4.952</u>	<u>4.072</u>	<u>4.173</u>
Total Other Operating Revenue	50.391	54.043	50.242	53.036	54.079	56.180
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$50.391	\$54.043	\$50.242	\$53.036	\$54.079	\$56.180
Operating Expenses						
<u>Labor:</u>						
Payroll	\$243.390	\$265.648	\$278.501	\$281.872	\$286.488	\$294.213
Overtime	8.239	7.583	7.401	7.522	7.631	7.741
Health and Welfare	46.823	45.973	56.590	59.111	61.967	65.377
OPEB Current Payment	10.203	12.820	13.794	14.084	14.718	15.380
Pensions	66.624	70.192	71.349	74.143	76.662	78.776
Other Fringe Benefits	15.037	22.565	28.228	28.851	29.368	30.111
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	<u>(32.214)</u>	<u>(87.828)</u>	<u>(78.891)</u>	<u>(79.653)</u>	<u>(78.686)</u>	<u>(78.973)</u>
Total Labor Expenses	\$358.103	\$336.952	\$376.972	\$385.931	\$398.148	\$412.625
<u>Non-Labor:</u>						
Electric Power	\$6.855	\$7.063	\$7.328	\$8.309	\$8.666	\$9.189
Fuel	0.823	1.112	1.614	1.643	1.674	1.924
Insurance	4.695	4.873	5.108	5.334	2.503	2.774
Claims	2.107	2.307	2.518	2.463	2.475	2.419
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	67.051	80.699	90.477	92.224	92.437	94.486
Professional Service Contracts	142.972	236.178	172.166	159.911	150.008	155.533
Materials & Supplies	0.010	0.961	0.204	0.267	0.311	0.366
<u>Other Business Expenses</u>						
MTA Internal Subsidy	15.200	12.300	12.300	12.300	12.300	12.300
Other	<u>5.256</u>	<u>8.439</u>	<u>8.007</u>	<u>8.237</u>	<u>8.729</u>	<u>9.827</u>
Total Other Business Expenses	20.456	20.739	20.307	20.537	21.029	22.127
Total Non-Labor Expenses	\$244.969	\$353.933	\$299.722	\$290.687	\$279.101	\$288.818
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$603.072	\$690.885	\$676.694	\$676.618	\$677.249	\$701.443
Depreciation	\$26.524	\$34.266	\$50.679	\$59.526	\$65.210	\$67.746
OPEB Liability Adjustment	79.176	78.209	105.532	107.748	112.597	117.663
GASB 68 Pension Expense Adjustment	(16.410)	(10.200)	(4.100)	(4.200)	(5.000)	(6.900)
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$692.361	\$793.159	\$828.805	\$839.692	\$850.056	\$879.952
Baseline Surplus/(Deficit)	(\$641.970)	(\$739.117)	(\$778.563)	(\$786.656)	(\$795.977)	(\$823.772)

MTA HEADQUARTERS
July Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE							
	2015	2016	2017				
	<u>Actuals</u>	<u>Forecast</u>	<u>Preliminary</u>	<u>Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue							
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Other Operating Revenue	-	-	-	-	-	-	-
Capital and Other Reimbursements	101.422	142.944	115.964	115.862	109.178	103.530	103.530
Total Revenue	\$101.422	\$142.944	\$115.964	\$115.862	\$109.178	\$103.530	\$103.530
Expenses							
<u>Labor:</u>							
Payroll	\$3.967	\$5.049	\$6.008	\$6.093	\$6.181	\$6.273	\$6.273
Overtime	14.532	6.409	2.900	2.858	2.815	2.771	2.771
Health and Welfare	0.679	0.753	1.004	1.020	1.057	1.095	1.095
OPEB Current Payment	-	-	-	-	-	-	-
Pensions	0.730	0.790	0.924	0.969	1.003	1.035	1.035
Other Fringe Benefits	0.372	0.404	0.465	0.474	0.482	0.492	0.492
GASB Account	-	-	-	-	-	-	-
Reimbursable Overhead	32.214	87.828	78.891	79.653	78.686	78.973	78.973
Total Labor Expenses	\$52.493	\$101.234	\$90.192	\$91.066	\$90.224	\$90.639	\$90.639
<u>Non-Labor:</u>							
Electric Power	\$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	-	0.022	0.021	0.021	0.022	0.022	0.022
Professional Service Contracts	48.886	41.566	25.625	24.646	18.801	12.733	12.733
Materials & Supplies	-	-	-	-	-	-	-
<u>Other Business Expenses</u>							
MTA Internal Subsidy	-	-	-	-	-	-	-
Other	0.043	0.122	0.125	0.128	0.132	0.135	0.135
Total Other Business Expenses	0.043	0.122	0.125	0.128	0.132	0.135	0.135
Total Non-Labor Expenses	\$48.928	\$41.710	\$25.771	\$24.795	\$18.954	\$12.891	\$12.891
<u>Other Expenses Adjustments:</u>							
Other	\$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
Total Expenses before Depreciation	\$101.422	\$142.944	\$115.964	\$115.862	\$109.178	\$103.530	\$103.530
Depreciation	-	-	-	-	-	-	-
Total Expenses	\$101.422	\$142.944	\$115.964	\$115.862	\$109.178	\$103.530	\$103.530
Baseline Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
July Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2015	2016	2017			
	<u>Actuals</u>	<u>Mid-Year Forecast</u>	<u>Preliminary Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	46.723	50.960	46.374	48.084	50.007	52.007
Advertising	-	-	-	-	-	-
Other	3.668	3.083	3.868	4.952	4.072	4.173
Total Other Operating Revenue	50.391	54.043	50.242	53.036	54.079	56.180
Capital and Other Reimbursements	101.422	142.944	115.964	115.862	109.178	103.530
Total Revenue	\$151.813	\$196.987	\$166.206	\$168.897	\$163.257	\$159.711
Expenses						
<u>Labor:</u>						
Payroll	\$247.357	\$270.697	\$284.509	\$287.965	\$292.669	\$300.486
Overtime	22.770	13.992	10.301	10.380	10.447	10.512
Health and Welfare	47.502	46.726	57.594	60.131	63.024	66.472
OPEB Current Payment	10.203	12.820	13.794	14.084	14.718	15.380
Pensions	67.354	70.982	72.273	75.111	77.665	79.811
Other Fringe Benefits	15.410	22.969	28.693	29.326	29.850	30.603
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	(0.000)	0.000	-	(0.000)	-	-
Total Labor Expenses	\$410.596	\$438.186	\$467.164	\$476.997	\$488.372	\$503.264
<u>Non-Labor:</u>						
Electric Power	\$6.855	\$7.063	\$7.328	\$8.309	\$8.666	\$9.189
Fuel	0.823	1.112	1.614	1.643	1.674	1.924
Insurance	4.695	4.873	5.108	5.334	2.503	2.774
Claims	2.107	2.307	2.518	2.463	2.475	2.419
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	67.051	80.721	90.498	92.245	92.458	94.508
Professional Service Contracts	191.857	277.744	197.791	184.557	168.808	168.267
Materials & Supplies	0.010	0.961	0.204	0.267	0.311	0.366
<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	8.561	8.132	8.365	8.861	9.962
Total Other Business Expenses	20.499	20.861	20.432	20.665	21.161	22.262
Total Non-Labor Expenses	\$293.898	\$395.643	\$325.494	\$315.483	\$298.056	\$301.709
<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	\$833.829	\$792.658	\$792.480	\$786.427	\$804.973
Depreciation	26.524	34.266	50.679	59.526	65.210	67.746
OPEB Liability Adjustment	79.176	78.209	105.532	107.748	112.597	117.663
GASB 68 Pension Expense Adjustment	(16.410)	(10.200)	(4.100)	(4.200)	(5.000)	(6.900)
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$793.783	\$936.103	\$944.769	\$955.553	\$959.234	\$983.482
Baseline Surplus/(Deficit)	(\$641.970)	(\$739.116)	(\$778.563)	(\$786.656)	(\$795.977)	(\$823.772)

MTA HEADQUARTERS
July Financial Plan 2017-2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actuals	Mid-Year	Preliminary	2018	2019	2020
		Forecast	Budget			
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	50.973	46.374	48.084	50.007	52.007
Advertising	142.585	154.064	159.315	163.927	168.674	173.559
<u>Other</u>	<u>3.698</u>	<u>2.422</u>	<u>3.868</u>	<u>105.548</u>	<u>8.978</u>	<u>23.663</u>
Total Other Operating Revenue	195.983	207.459	209.557	317.559	227.659	249.230
Capital and Other Reimbursements	101.423	143.748	115.964	115.862	109.178	103.530
Total Receipts	\$297.406	\$351.207	\$325.521	\$433.420	\$336.837	\$352.760
Expenditures						
<u>Labor:</u>						
Payroll	\$244.781	\$265.197	\$278.009	\$281.465	\$286.169	\$293.986
Overtime	22.770	13.992	10.301	10.380	10.447	10.512
Health and Welfare	47.496	46.323	56.429	58.941	61.834	65.282
OPEB Current Payment	10.203	12.820	13.794	14.084	14.718	15.380
Pensions	65.153	68.491	71.321	73.538	76.085	78.384
Other Fringe Benefits	22.351	23.174	28.693	29.326	29.850	30.603
GASB Account	-	-	-	0.058	0.185	0.317
Reimbursable Overhead	0.000	0.000	-	(0.000)	-	-
Total Labor Expenditures	\$412.754	\$429.996	\$458.547	\$467.792	\$479.287	\$494.465
<u>Non-Labor:</u>						
Electric Power	\$6.301	\$6.745	\$7.328	\$8.309	\$8.666	\$9.189
Fuel	0.751	1.216	1.614	1.643	1.674	1.924
Insurance	6.042	5.177	5.085	5.309	2.476	2.745
Claims	2.059	2.257	2.518	2.463	2.475	2.419
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	67.759	78.860	87.588	89.288	89.458	91.408
Professional Service Contracts	114.664	285.961	191.349	178.266	162.908	162.667
Materials & Supplies	0.018	0.935	0.204	0.267	0.311	0.366
<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	22.482	15.545	12.599	12.539	9.382
Total Other Business Expenses	57.326	34.782	27.845	24.899	24.839	21.682
Total Non-Labor Expenditures	\$254.920	\$415.933	\$323.532	\$310.444	\$292.807	\$292.400
<u>Other Expenditure Adjustments:</u>						
Operating Capital	\$34.779	\$86.313	\$73.685	\$100.760	\$50.162	\$47.954
Unallocated Service Enhancement Policy Action	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$34.779	\$86.313	\$73.685	\$100.760	\$50.162	\$47.954
Total Expenditures	\$702.453	\$932.242	\$855.764	\$878.996	\$822.255	\$834.819
Baseline Cash Deficit	(\$405.047)	(\$581.034)	(\$530.243)	(\$445.575)	(\$485.418)	(\$482.058)

MTA HEADQUARTERS
July Financial Plan 2017-2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actuals	Mid-Year	Preliminary	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	0.013				
Advertising	142.585	154.064	159.315	163.927	168.674	173.559
Other	0.030	(0.661)	-	100.596	4.906	19.490
Total Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	0.001	0.804	-	-	-	-
Total Receipts	\$145.593	\$154.221	\$159.315	\$264.523	\$173.580	\$193.049
Expenditures						
<u>Labor:</u>						
Payroll	\$2.576	\$5.500	\$6.500	\$6.500	\$6.500	\$6.500
Overtime	0.000	0.000	-	-	-	-
Health and Welfare	0.006	0.403	1.165	1.190	1.190	1.190
OPEB Current Payment	0.000	0.000	-	-	-	-
Pensions	2.201	2.490	0.952	1.573	1.580	1.427
Other Fringe Benefits	(6.941)	(0.204)	-	-	-	-
GASB Account	-	-	-	(0.058)	(0.185)	(0.317)
Reimbursable Overhead	(0.000)	0.000	-	-	-	-
Total Labor Expenditures	(\$2.158)	\$8.190	\$8.617	\$9.205	\$9.085	\$8.800
<u>Non-Labor:</u>						
Electric Power	\$0.554	\$0.318	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.072	(0.103)	-	-	-	-
Insurance	(1.347)	(0.304)	0.023	0.025	0.027	0.029
Claims	0.048	0.050	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.708)	1.861	2.910	2.957	3.000	3.100
Professional Service Contracts	77.193	(8.217)	6.442	6.291	5.900	5.600
Materials & Supplies	(0.008)	0.027	0.000	0.000	0.000	0.000
<u>Other Business Expenses</u>						
MTA Internal Subsidy						
Other Business Expenses	(36.827)	(13.921)	(7.413)	(4.234)	(3.678)	0.580
Total Other Business Expenses	(36.827)	(13.921)	(7.413)	(4.234)	(3.678)	0.580
Total Non-Labor Expenditures	\$38.978	(\$20.290)	\$1.962	\$5.039	\$5.249	\$9.309
<u>Other Expenditure Adjustments:</u>						
Capital	(\$34.779)	(\$86.313)	(\$73.685)	(\$100.760)	(\$50.162)	(\$47.954)
Total Other Expenditure Adjustments	(\$34.779)	(\$86.313)	(\$73.685)	(\$100.760)	(\$50.162)	(\$47.954)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	\$147.634	\$55.808	\$96.209	\$178.007	\$137.752	\$163.204
Depreciation Adjustment	\$26.524	\$34.266	\$50.679	\$59.526	\$65.210	\$67.746
OPEB Liability Adjustment	79.176	78.209	105.532	107.748	112.597	117.663
GASB 68 Pension Expense Adjustment	(16.410)	(10.200)	(4.100)	(4.200)	(5.000)	(6.900)
Environmental Remediation	-	-	-	-	-	-
Baseline Total Cash Conversion Adjustments	\$236.923	\$158.082	\$248.320	\$341.081	\$310.559	\$341.713

MTA Headquarters
2016 Mid-Year 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>	36,802	\$2.000	26%
<u>Weather Emergencies</u>	0	\$0.000	0%
<u>Safety/Security/Law Enforcement</u>	81,213	\$4.225	55%
<u>Other</u>	38,075	\$1.469	19%
Subtotal	156,091	\$7.694	100%
REIMBURSABLE OVERTIME	124,088	\$6.409	
TOTAL OVERTIME	280,179	\$14.103	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA HEADQUARTERS
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Baseline

Receipts:

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.

Expenditures:

Payroll

- Payroll increases in 2017 over 2016 primarily reflects full-year staffing and MTA Headquarters and MTA Police 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 MTA Police civilian salaries inflated by wage growth assumptions of 2% per year.
- MTA Police 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.
- Overtime expenses throughout the July Financial Plan are primarily related to MTA Police operations with a lesser amount attributable to the operations of the Business Service Center and MTA IT.
- In 2016, overtime expenses reflect the full-year impact of the overtime efficiencies agreed to in the ratified Patrolmen's Benevolent Association (PBA) Contract.

- 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 2016 are projected to increase at a rate of 6.2% over the prior year, 7.2% in 2017, and 0.8% in 2018, and 3.3% in each year thereafter. Individual coverage rates in 2016 are projected to increase at a rate of 7.9%, 7.6% in 2017, 2.1% in 2018, and 4.5% 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 2016 estimate is inflated at a 3-year average CPI +1%. These rates are 3.53% in 2017, 3.41% in 2018, 3.48% in 2019 and 3.59% 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. Claims expenses are inflated at approximately 9% annually over the Plan period. 2016 through 2018 insurance charges also include expenses related to on-going Super Storm Sandy claims work that is being performed.

Maintenance and Other Operating Contracts

- Maintenance expenses increase in all years of the plan reflecting CPI-U growth on baseline expenses with adjustments in MTA IT for BRP reductions, changing levels of required maintenance and communication costs and draw-down of EAM contingency funding for spending in other account categories. Beginning in 2018, Madison Avenue building maintenance expenses are eliminated.

Professional Service Contracts

- Professional services in 2016 include adjustments of \$11.6 million from 2015 for EAM needs, implementation of the Procurement process study

recommendations, and BSC consulting costs. In addition, \$4.2 million in re-estimated software expenses. Expenses are lower in 2017 and 2018 mainly due to reduced IT-related baseline and new need investments, partially offset by higher software cost re-estimates, lower West Side Yard related charges and other Headquarters baseline decreases.

- In 2019 and 2020, the majority of expenses are inflated by the CPI-Urban rates of 2.66%, and 2.63%, respectively, with adjustments corresponding to the needs of the West Side Yards development, MTA IT infrastructure requirements and other baseline changes.

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 2.67%, 2.66%, and 2.63%, 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 lower than 2016 levels which include transfers from other budgeted accounts to reflect current year spending requirements at MTAPD.
- In 2018, 2019 and 2020 expenses are inflated by the CPI-Urban rates of 2.67%, 2.66%, and 2.63%, respectively. 2016 through 2019 also include on-going expenses related to MTA's relocation of its employees and Metro-North employees from the Madison Avenue campus.

Other Expenditure Adjustments:

Capital Expenditures

- Capital expenditures of \$73.7 million in 2017 are lower than the 2016 level of \$86.3 million. Primarily driven by the timing of spending of approved IT projects, this reduction is partially offset by funding to replace the MTA PD computer aided dispatch system.
- Capital expenditures increase to \$100.8 million in 2018 then decrease to \$50.1 million in 2019 and \$48.0 million in 2020 mostly reflecting spending for IT projects.

MTA HEADQUARTERS
July 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	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	50.960	46.374	(4.585)	48.084	1.709	50.007	1.923	52.007	2.000
Other	3.083	3.868	0.785	4.952	1.084	4.072	(0.879)	4.173	0.101
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$54.043	\$50.242	(\$3.800)	\$53.036	\$2.793	\$54.079	\$1.044	\$56.180	\$2.101
Expenses									
Labor:									
Payroll	\$265.648	\$278.501	(\$12.853)	\$281.872	(\$3.371)	\$286.488	(\$4.616)	\$294.213	(\$7.725)
Overtime	7.583	7.401	0.182	7.522	(0.122)	7.631	(0.109)	7.741	(0.109)
Health and Welfare	45.973	56.590	(10.617)	59.111	(2.521)	61.967	(2.856)	65.377	(3.410)
OPEB Current Payment	12.820	13.794	(0.975)	14.084	(0.289)	14.718	(0.635)	15.380	(0.662)
Pensions	70.192	71.349	(1.158)	74.143	(2.794)	76.662	(2.519)	78.776	(2.114)
Other Fringe Benefits	22.565	28.228	(5.663)	28.851	(0.623)	29.368	(0.516)	30.111	(0.743)
Reimbursable Overhead	(87.828)	(78.891)	(8.936)	(79.653)	0.761	(78.686)	(0.966)	(78.973)	0.287
Total Labor Expenses	\$336.952	\$376.972	(\$40.020)	\$385.931	(\$8.959)	\$398.148	(\$12.217)	\$412.625	(\$14.477)
Non-Labor:									
Electric Power	\$7.063	\$7.328	(\$0.266)	\$8.309	(\$0.980)	\$8.666	(\$0.357)	\$9.189	(\$0.524)
Fuel	1.112	1.614	(0.502)	1.643	(0.029)	1.674	(0.031)	1.924	(0.249)
Insurance	4.873	5.108	(0.235)	5.334	(0.226)	2.503	2.831	2.774	(0.271)
Claims	2.307	2.518	(0.211)	2.463	0.055	2.475	(0.012)	2.419	0.056
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	80.699	90.477	(9.778)	92.224	(1.747)	92.437	(0.213)	94.486	(2.049)
Professional Service Contracts	236.178	172.166	64.012	159.911	12.255	150.008	9.904	155.533	(5.526)
Materials & Supplies	0.961	0.204	0.758	0.267	(0.063)	0.311	(0.044)	0.366	(0.055)
MTA Internal Subsidy	12.300	12.300	-	12.300	-	12.300	-	12.300	-
Other Business Expenses	8.439	8.007	0.432	8.237	(0.230)	8.729	(0.492)	9.827	(1.098)
Total Non-Labor Expenses	\$353.933	\$299.722	\$54.211	\$290.687	\$9.035	\$279.101	\$11.586	\$288.818	(\$9.717)
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.	\$690.885	\$676.694	\$14.191	\$676.618	\$0.076	\$677.249	(\$0.631)	\$701.443	(\$24.194)
Depreciation	\$34.266	\$50.679	(\$16.413)	\$59.526	(\$8.847)	\$65.210	(\$5.684)	\$67.746	(\$2.536)
OPEB Liability Adjustment	78.209	105.532	(27.323)	107.748	(2.216)	112.597	(4.849)	117.663	(5.066)
GASB 68 Pension Expense Adjustme	(10.200)	(4.100)	(4.200)	(4.200)	(6.900)	(5.000)	(10.300)	(6.900)	1.900
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$793.159	\$828.805	(\$33.746)	\$839.692	(\$17.887)	\$850.056	(\$21.464)	\$879.952	(\$29.896)
Baseline Net Surplus/(Deficit)	(\$739.117)	(\$778.563)	(\$39.446)	(\$786.656)	(\$8.093)	(\$795.977)	(\$9.320)	(\$823.772)	(\$27.795)

MTA HEADQUARTERS
July 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	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	142.944	115.964	(26.980)	115.862	(0.102)	109.178	(6.684)	103.530	(5.648)
Total Revenue	\$142.944	\$115.964	(\$26.980)	\$115.862	(\$0.102)	\$109.178	(\$6.684)	\$103.530	(\$5.648)
Expenses									
Labor:									
Payroll	\$5.049	\$6.008	(\$0.959)	\$6.093	(\$0.086)	\$6.181	(\$0.087)	\$6.273	(\$0.092)
Overtime	6.409	2.900	3.509	2.858	0.042	2.815	0.043	2.771	0.044
Health and Welfare	0.753	1.004	(0.251)	1.020	(0.015)	1.057	(0.037)	1.095	(0.038)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.790	0.924	(0.134)	0.969	(0.045)	1.003	(0.034)	1.035	(0.032)
Other Fringe Benefits	0.404	0.465	(0.061)	0.474	(0.009)	0.482	(0.008)	0.492	(0.010)
Reimbursable Overhead	87.828	78.891	8.937	79.653	(0.761)	78.686	0.966	78.973	(0.287)
Total Labor Expenses	\$101.234	\$90.192	\$11.041	\$91.066	(\$0.874)	\$90.224	\$0.842	\$90.639	(\$0.415)
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	0.022	0.021	0.002	0.021	(0.001)	0.022	(0.001)	0.022	(0.001)
Professional Service Contracts	41.566	25.625	15.941	24.646	0.980	18.801	5.845	12.733	6.067
Materials & Supplies	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other	0.122	0.125	(0.004)	0.128	(0.003)	0.132	(0.003)	0.135	(0.003)
Total Non-Labor Expenses	\$41.710	\$25.771	\$15.939	\$24.795	\$0.976	\$18.954	\$5.841	\$12.891	\$6.063
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	\$142.944	\$115.964	\$26.980	\$115.862	\$0.102	\$109.178	\$6.684	\$103.530	\$5.648
Depreciation	-	-	-	-	-	-	-	-	-
Total Expenses	\$142.944	\$115.964	\$26.980	\$115.862	\$0.102	\$109.178	\$6.684	\$103.530	\$5.648
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
July Financial Plan 2017-2020
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	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	-	-	-	-	-	-	-	-	-
Rental Income	50.973	46.374	(4.599)	48.084	1.709	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	2.422	3.868	1.446	105.548	101.680	8.978	(96.569)	23.663	14.685
Capital and Other Reimbursements	143.748	115.964	(27.784)	115.862	(0.102)	109.178	(6.684)	103.530	(5.648)
Total Revenue	\$351.207	\$325.521	(\$25.686)	\$433.420	\$107.899	\$336.837	(\$96.583)	\$352.760	\$15.923
Expenses									
Labor:									
Payroll	\$265.197	\$278.009	(\$12.812)	\$281.465	(\$3.456)	\$286.169	(\$4.703)	\$293.986	(\$7.817)
Overtime	13.992	10.301	3.691	10.380	(0.080)	10.447	(0.066)	10.512	(0.066)
Health and Welfare	46.323	56.429	(10.106)	58.941	(2.512)	61.834	(2.893)	65.282	(3.448)
OPEB Current Payment	12.820	13.794	(0.975)	14.084	(0.289)	14.718	(0.635)	15.380	(0.662)
Pensions	68.491	71.321	(2.830)	73.538	(2.217)	76.085	(2.547)	78.384	(2.299)
Other Fringe Benefits	23.174	28.693	(5.519)	29.326	(0.632)	29.850	(0.524)	30.603	(0.753)
GASB Account	-	-	-	0.058	(0.058)	0.185	(0.127)	0.317	(0.132)
Reimbursable Overhead	0.000	-	0.000	(0.000)	0.000	-	(0.000)	-	-
Total Labor Expenditures	\$429.996	\$458.547	(\$28.551)	\$467.792	(\$9.245)	\$479.287	(\$11.495)	\$494.465	(\$15.178)
Non-Labor:									
Electric Power	\$6.745	\$7.328	(\$0.583)	\$8.309	(\$0.980)	\$8.666	(\$0.357)	\$9.189	(\$0.524)
Fuel	1.216	1.614	(0.399)	1.643	(0.029)	1.674	(0.031)	1.924	(0.249)
Insurance	5.177	5.085	0.092	5.309	(0.224)	2.476	2.833	2.745	(0.269)
Claims	2.257	2.518	(0.261)	2.463	0.055	2.475	(0.012)	2.419	0.056
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	78.860	87.588	(8.727)	89.288	(1.700)	89.458	(0.170)	91.408	(1.950)
Professional Service Contracts	285.961	191.349	94.612	178.266	13.083	162.908	15.358	162.667	0.241
Materials & Supplies	0.935	0.204	0.731	0.267	(0.063)	0.311	(0.044)	0.366	(0.055)
MTA Internal Subsidy	12.300	12.300	-	12.300	-	12.300	-	12.300	-
Other Business Expenses	22.482	15.545	6.937	12.599	2.946	12.539	0.061	9.382	3.157
Total Non-Labor Expenditures	\$415.933	\$323.532	\$92.401	\$310.444	\$13.088	\$292.807	\$17.637	\$292.400	\$0.406
Other Expenditure Adjustments:									
Capital	\$86.313	\$73.685	\$12.628	\$100.760	(\$27.075)	\$50.162	\$50.598	\$47.954	\$2.208
Total Other Expenditure Adjustments	\$86.313	\$73.685	\$12.628	\$100.760	(\$27.075)	\$50.162	\$50.598	\$47.954	\$2.208
Total Expenditures	\$932.242	\$855.764	\$76.478	\$878.996	(\$23.232)	\$822.255	\$56.740	\$834.819	(\$12.563)
Baseline Net Cash Deficit	(\$581.034)	(\$530.243)	\$50.791	(\$445.575)	\$84.668	(\$485.418)	(\$39.842)	(\$482.058)	\$3.359

**MTA HEADQUARTERS
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Summary of Plan-to-Plan Changes by Generic Category**

2016: July Financial Plan vs. February Financial Plan

Operating Revenue Changes

Other operating revenues are projected to increase from the Adopted Budget by \$3.5 million.

Major generic category changes include:

- Rental income is projected to increase by \$4.2 million due to slightly higher rental revenue received from the agencies.
- Other revenues are projected to decrease by \$0.7 million mainly reflecting the elimination of anticipated Federal Transit Administration (FTA) recovery of operating funds from Tropical Storm Sandy offset by the increase in Transit Museum revenue.

Operating Expense Changes

Excluding depreciation and post-employment benefits decreases of \$45.3 million, operating expenses increased by \$25.7 million.

Major generic category changes include:

- Professional services increase by \$39.6 million mainly as a result of higher investments and re-estimates primarily related to IT activities.
- Revised reimbursable overhead costs of \$8.9 million reflects higher expenses recoverable from the agencies.
- Lower Health and Welfare costs of \$5.5 million are mainly attributable to high vacancies.
- Higher Maintenance and Other Operating Contracts of \$4.3 million due to IT new needs.
- Lower Other Fringe Benefits costs of \$2.8 million are mainly due to higher vacancies.
- Lower Fuel and Electric costs of \$0.9 million due to lower costs.
- Increase in Insurance and Claims of \$2.6 due to higher insurance related costs.
- Lower OPEB expenses of \$1.8 million.
- Materials & Supplies decreased by \$1.0 million primarily reflects reallocated expenses from Two Broadway.

2017: July Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to decrease from the Adopted Budget by \$2.2 million mainly due to lower rental income.

Operating Expense Changes

Excluding depreciation and post-employment benefits increases of \$20.8 million, operating expenses increased by \$37.5 million.

Major generic category changes include:

- Professional services increase by \$31.0 million mainly as a result of higher New Needs and re-estimates primarily related to IT activities.
- Salary and Fringe increase of \$7.6 million due to headcount increase of 116 positions and higher rates.
- Revised reimbursable overhead costs of \$2.5 million reflects higher expenses recoverable from the agencies.
- Higher Materials and Supplies of \$1.8 million primarily reflects reallocated expenses from Two Broadway.
- Increase in Insurance of \$3.0 million due to higher insurance related costs.

2018 and 2019: July Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues in 2018 and 2019 are projected to increase from the Adopted Budget by \$2.3 million mainly due to lower rental income.

Operating Expense Changes

Excluding depreciation and post-employment benefits increases of \$30.6 million in 2018 and \$38.5 million in 2019, operating expenses are unfavorable by \$33.1 million in 2018, and \$14.3 million in 2019.

Major generic category changes include:

- Professional services increase by \$20.4 million and \$4.8 million in 2018 and 2019, respectively, mainly as a result of higher New Needs and re-estimates primarily related to IT activities.
- Salary and Fringe increase of \$9.4 million and \$8.2 million due to headcount increases of 114 position and 101 positions in 2018 and 2019, respectively, plus higher fringe rates.

- Revised reimbursable overhead costs of \$3.0 million and \$0.7 million in 2018 and 2019, respectively, reflects lower expenses recoverable from the agencies.
- Higher Materials and Supplies in 2018 and 2019 of \$1.8 million primarily reflects reallocated expenses from Two Broadway.
- Higher Maintenance and Other Operating Contracts of \$4.4 million and \$2.9 million in 2017 and 2018, respectively, primarily reflects IT New Needs.
- Increase in Insurance of \$3.0 million due to higher insurance related costs.

MTA HEADQUARTERS
July Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$585.244)	(\$424.703)	(\$482.980)	(\$478.358)
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-
Rental Income	4.171	(2.193)	(2.333)	(2.333)
Advertising Revenue	-	-	-	-
Other	(0.681)	-	-	-
Capital and Other Reimbursement	-	-	-	-
Total Revenue Changes	\$3.491	(\$2.193)	(\$2.333)	(\$2.333)
Expenses				
<i>Labor:</i>				
Payroll	\$0.502	(\$2.791)	(\$2.952)	(\$1.439)
Overtime	(0.241)	(0.150)	(0.150)	(0.150)
Health and Welfare	5.461	(3.423)	(3.611)	(3.692)
OPEB Current Payment	1.814	0.828	0.815	0.485
Pensions	0.864	(1.486)	(3.039)	(3.298)
Other Fringe Benefits	2.834	0.216	0.191	0.223
GASB Account	-	-	-	-
<u>Reimbursable Overhead</u>	8.872	2.538	3.012	0.731
Total Labor Expense Changes	20.106	(4.269)	(5.734)	(7.140)
<i>Non-Labor:</i>				
Electric Power	\$0.080	(\$0.310)	(\$1.311)	(\$1.297)
Fuel	0.793	0.379	0.417	0.588
Insurance	(2.918)	(3.023)	(3.029)	(0.037)
Claims	0.349	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	(4.256)	(0.537)	(4.375)	(2.886)
Professional Service Contracts	(39.647)	(31.018)	(20.443)	(4.789)
Materials & Supplies	1.015	1.807	1.802	1.796
MTA Internal Subsidy	-	-	-	-
<u>Other Business Expenses</u>	(1.198)	(0.563)	(0.412)	(0.493)
Total Non-Labor Expense Changes	(\$45.782)	(\$33.265)	(\$27.351)	(\$7.118)
Gap Closing Expenses :				
Total Gap Closing Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Total Expenses before Depreciation and GASB Adjs.	(\$25.676)	(\$37.534)	(\$33.085)	(\$14.257)
Depreciation	\$2.009	(\$1.226)	(\$1.226)	(\$1.226)
OPEB Liability Adjustment	\$33.091	\$17.968	\$27.652	\$34.703
GASB 68 Pension Expense Adjustment	\$10.200	\$4.100	\$4.200	\$5.000
Total Expense Changes	\$19.625	(\$16.692)	(\$2.458)	\$24.220
Cash Adjustment Changes				
Revenue Adjustments	\$5.472	(\$94.341)	\$102.009	(\$8.200)
Expense Adjustments	(\$24.378)	\$7.686	(\$59.813)	(\$20.746)
Total Cash Adjustment Changes	(\$18.907)	(\$86.655)	\$42.196	(\$28.946)
Total Baseline Changes	\$4.209	(\$105.540)	\$37.405	(\$7.059)
July Financial Plan - Cash Surplus/(Deficit)	(\$581.034)	(\$530.243)	(\$445.575)	(\$485.418)

MTA HEADQUARTERS
July Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-
Rental Income	-	-	-	-
Advertising Revenue	-	-	-	-
Other	-	-	-	-
<u>Capital and Other Reimbursement</u>	<u>21.551</u>	<u>6.840</u>	<u>7.335</u>	<u>5.095</u>
Total Revenue Changes	\$21.551	\$6.840	\$7.335	\$5.095
Expenses				
<i>Labor:</i>				
Payroll	(\$0.458)	(\$1.347)	(\$1.360)	(\$1.376)
Overtime	(3.409)	-	-	-
Health and Welfare	0.193	(0.043)	(0.019)	(0.014)
OPEB Current Payment	-	-	-	-
Pensions	0.152	(0.067)	(0.091)	(0.105)
Other Fringe Benefits	(0.011)	(0.039)	(0.040)	(0.040)
<u>Reimbursable Overhead</u>	<u>(8.872)</u>	<u>(2.538)</u>	<u>(3.012)</u>	<u>(0.731)</u>
Total Labor Expense Changes	(\$12.405)	(\$4.034)	(\$4.522)	(\$2.267)
<i>Non-Labor:</i>				
Electric Power	-	-	-	-
Fuel	-	-	-	-
Insurance	-	-	-	-
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	(0.002)	(0.000)	(0.000)	(0.000)
Professional Services	(9.141)	(2.803)	(2.809)	(2.823)
Materials & Supplies	-	-	-	-
MTA Internal Subsidy	-	-	-	-
<u>Other Business Expenses</u>	<u>(0.003)</u>	<u>(0.004)</u>	<u>(0.004)</u>	<u>(0.004)</u>
Total Non-Labor Expense Changes	(\$9.146)	(\$2.806)	(\$2.813)	(\$2.828)
Gap Closing Expenses :				
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	(\$21.551)	(\$6.840)	(\$7.335)	(\$5.095)
Depreciation	-	-	-	-
Total Expense Changes	(\$21.551)	(\$6.840)	(\$7.335)	(\$5.095)
Cash Adjustment Changes	-	-	-	-
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	(\$0.000)	\$0.000
July Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000

MTA HEADQUARTERS
July Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON REIMBURSABLE/REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$585.244)	(\$424.703)	(\$482.980)	(\$478.358)
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-
Rental Income	\$4.171	(\$2.193)	(\$2.333)	(\$2.333)
Advertising Revenue	-	-	-	-
Other	(0.681)	-	-	-
<u>Capital and Other Reimbursement</u>	<u>21.551</u>	<u>6.840</u>	<u>7.335</u>	<u>5.095</u>
Total Revenue Changes	\$25.042	\$4.647	\$5.002	\$2.762
Expenses				
<i>Labor:</i>				
Payroll	\$0.044	(\$4.138)	(\$4.312)	(\$2.815)
Overtime	(3.650)	(0.150)	(0.150)	(0.150)
Health and Welfare	5.654	(3.466)	(3.630)	(3.706)
OPEB Current Payment	1.814	0.828	0.815	0.485
Pensions	1.017	(1.553)	(3.130)	(3.403)
Other Fringe Benefits	2.823	0.177	0.151	0.183
<u>Reimbursable Overhead</u>	<u>(0.000)</u>	<u>0.000</u>	<u>(0.000)</u>	<u>-</u>
Total Labor Expense Changes	\$7.702	(\$8.303)	(\$10.255)	(\$9.406)
<i>Non-Labor:</i>				
Electric Power	\$0.080	(\$0.310)	(\$1.311)	(\$1.297)
Fuel	0.793	0.379	0.417	0.588
Insurance	(2.918)	(3.023)	(3.029)	(0.037)
Claims	0.349	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	(4.258)	(0.537)	(4.375)	(2.886)
Professional Services	(48.788)	(33.821)	(23.252)	(7.613)
Materials & Supplies	1.015	1.807	1.802	1.796
MTA Internal Subsidy	-	-	-	-
<u>Other Business Expenses</u>	<u>(1.200)</u>	<u>(0.566)</u>	<u>(0.416)</u>	<u>(0.497)</u>
Total Non-Labor Expense Changes	(\$54.928)	(\$36.072)	(\$30.164)	(\$9.946)
Gap Closing Expenses :				
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	(\$47.23)	(\$44.37)	(\$40.42)	(\$19.35)
Depreciation	2.009	(1.226)	(1.226)	(1.226)
OPEB Liability Adjustment	33.091	17.968	27.652	34.703
	10.200	4.100	4.200	5.000
Total Expense Changes	(\$1.926)	(\$23.532)	(\$9.793)	19.125
Cash Adjustment Changes				
Revenue Adjustments	5.472	(94.341)	102.009	(8.200)
Expense Adjustments	(24.378)	7.686	(59.813)	(20.746)
Total Cash Adjustment Changes	(\$18.907)	(\$86.655)	\$42.196	(\$28.946)
Total Baseline Changes	\$4.209	(\$105.540)	\$37.405	(\$7.059)
July Financial Plan - Cash Surplus/(Deficit)	(\$581.034)	(\$530.243)	(\$445.575)	(\$485.418)

**MTA HEADQUARTERS
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Summary of Major Plan-to-Plan Changes**

2016: July Financial Plan vs. February Financial Plan

Revenue Changes

- Total revenue is projected to increase from the Adopted Budget by \$25.0 million primarily due to higher reimbursable overhead of \$21.6 million mainly reflecting higher expenses recoverable from the benefiting agencies.

Expense Changes

Total expenses increased by \$1.9 million in 2016.

Major changes include:

Unfavorable

- IT and BSC Operating New needs of \$22.3 million.
- Safety Management Initiatives and needs of \$2.8 million.

Favorable

- BRPs of \$21.0 million mainly due to IT Transformation savings including vacancy savings and reductions of 67 positions.

Cash Adjustments

- Cash adjustments are unfavorable by \$18.9 million mainly due to higher Operating Capital requirements, invoices and accrual payments and timing of relocation expenses. These unfavorable adjustments are partially offset by higher advertising revenue.

2017: July Financial Plan vs. February Financial Plan

Revenue Changes

Revenues are projected to increase from the Adopted Budget by \$4.6 million.

Major changes include:

- Higher reimbursable overhead of \$6.8 million mainly reflects higher expenses recoverable from the benefiting agencies.

- Rental income is projected to decrease by \$2.3 million due to the elimination of rentals at the Madison Avenue buildings.

Expense Changes

Total expenses are projected to increase by \$23.5 million.

Major changes include:

Unfavorable

- IT and BSC Operating New needs of \$8.7 million.
- HQ and MTAPD New Needs of \$6.6 for various initiatives.
- IT Re-estimated costs of \$8.3 million.
- Revised Fringe Benefits of \$14.6 million.

Favorable

- BRPs of \$22.3 million mainly due to IT vacancy savings, position and non-labor cost reductions.

Cash Adjustments

Cash adjustments are projected to be unfavorable by \$86.7 million primarily due to reimbursement of MTA Relocations expenses.

2018 and 2019: July Financial Plan vs. February Financial Plan

Revenue Changes

Other operating revenues are projected to increase from the Adopted Budget by \$5.0 million in 2018 and \$2.8 million in 2019.

Major changes include:

- Higher reimbursable overhead of \$7.3 million, and \$5.1 million in 2018, and 2019, respectively, mainly reflects higher expenses recoverable from the benefiting agencies.
- Lower rental income of \$2.3 million in each of the years 2018 and 2019 is mainly attributable to the elimination of rentals at the Madison Avenue buildings.

Expense Changes

Expenses increase by \$9.8 million in 2018 and decrease by \$19.1 million in 2019.

Major changes include:

Unfavorable

- IT and BSC Operating New Needs of \$5.1 million and \$3.3 million in 2018 and 2019, respectively.
- HQ and MTAPD New Needs of \$8.9 in 2018 and 2019.
- Higher Health and Welfare and Other Fringe costs primarily due to rate changes of \$8.1 million and \$8.4 million in 2018 and 2019, respectively.
- Re-estimated costs of \$8.5 million in 2018 and \$4.6 million in 2019 are mainly for IT licenses.

Favorable

- BRPs of \$22.8 million and \$23.1 million in 2018 and 2019, respectively, mainly due to IT vacancy savings, position and non-labor cost reductions.

Cash Adjustments

Cash adjustments are projected to be favorable by \$42.2 million in 2018 and unfavorable by \$28.9 million in 2019 primarily reflecting reimbursement of MTA Relocations expenses and OPEB liability adjustments offset by higher advertising revenue of \$6.3 million in both years.

MTA HEADQUARTERS
July Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$585.244)	(\$424.703)	(\$482.980)	(\$478.358)
Non-Reimbursable Major Changes				
Revenue				
Revised Rental Revenue	\$3.755	(\$2.333)	(\$2.333)	(\$2.333)
Adjustment of prior year Super Storm Sandy Recovery funds	(0.759)			
All Other	0.495	0.140	(0.000)	(0.000)
Sub-Total Non-Reimbursable Revenue Changes	\$3.491	(\$2.193)	(\$2.333)	(\$2.333)
Expenses				
New Needs				
MTA IT Operating New Needs <i>(Offsetting contingency use reflected in Op Cap Changes)</i>	(\$22.263)	(\$38.695)	(\$28.507)	(\$20.866)
Business Service Center	(1.980)	(2.550)	(2.354)	(2.357)
HQ Administrative Needs	(1.916)	(2.846)	(2.776)	(2.851)
Occupational Health & Safety Office	(1.288)	(1.669)	(1.715)	(1.761)
Safety Management Department Initiatives and needs	(2.781)	(1.579)	(1.616)	(1.659)
Establishment of MTAPD Homeless Outreach Unit	(0.682)	(1.225)	(1.256)	(1.296)
MTAPD facility expenses	(0.071)	(0.678)	(0.838)	(0.862)
Other MTAPD needs	(0.404)	(0.190)	(0.125)	(0.417)
BRPs				
HQ Administrative BPRs	0.468	0.475	0.486	0.497
MTAPD BRPs	0.523	0.523	0.537	0.552
MTA IT BRPs - Vacancy Savings, Position and non- labor cost reductions	20.979	22.326	22.786	23.079
Rates				
Effect of change in Fuel Rate assumptions	-	0.256	0.292	0.461
Effect of change in Electric Rate assumptions	-	(0.411)	(1.405)	(1.388)
Effect of change in CPI-U	-	(0.073)	(0.370)	(0.982)
Timing				
EAM PMO	(0.890)	-	-	-
Energy Management System	2.100	(1.861)	(5.561)	-
Procurement Consultant	(7.600)	-	-	-
BSC IV&V costs	(3.100)	-	-	-
MTAPD Re-estimate due to hiring shift	1.464	(0.529)	-	-
Re-estimates				
Higher Madison Ave facility expenses resulting from timing of disposal	(1.100)			
Reestimated IG Professional Services, Maintenance and Rental costs	(0.181)			
Capital Program Management Travel Exp	(0.003)	(0.005)	(0.005)	(0.005)
Revised MTAPD Salary mix	-	(0.414)	(0.611)	1.387
Higher insurance related costs resulting from Super Storm Sandy Claims work	(2.900)	(3.000)	(3.000)	-
Change in insurance premiums	(0.018)	(0.023)	(0.029)	(0.037)
Change in NYSLERS payments	-	0.010	0.046	0.093
Change in MTAPD DB Plan	(0.501)	(0.799)	(1.200)	(0.698)
Change in Other Agency Employee Pension cost	(3.143)	(3.581)	(4.063)	(4.778)
IT re-estimated expenses	(4.200)	(8.278)	(8.547)	(4.552)
Change in Reimbursable Overhead	8.872	2.538	3.012	0.731
Change in MTAPD Vacancy Savings Rate	-	0.400	0.400	0.400
Revised Transit Museum expenses	0.387	0.387	0.387	0.387
Revised OPEB Current expenses	1.813	0.828	0.815	0.485
Change in Health & Welfare Rates and plan mix	-	(2.747)	(2.869)	(3.010)
Other Agency Drawdown on EAM Contingency	0.150	0.350		
Depreciation	2.009	(1.226)	(1.226)	(1.226)
OPEB Liability Adjustment	33.091	17.968	27.652	34.703
GASB 68 Pension Expense Adjustment	10.200	4.100	4.200	5.000
All Other changes	(7.411)	5.527	5.002	5.190
Sub-Total Non-Reimbursable Expense Changes	\$19.625	(\$16.692)	(\$2.458)	\$24.220
Total Non-Reimbursable Major Changes	\$23.115	(\$18.885)	(\$4.791)	\$21.887

MTA HEADQUARTERS
July Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$585.244)	(\$424.703)	(\$482.980)	(\$478.358)
Reimbursable Major Changes				
Revenue				
Prior Year Expense Recovery (Primarily IT CDOT & MTAPD)	\$21.400	-	-	-
Increased NHL IT expense recovery	1.849	5.004	4.712	4.196
All Other	(1.698)	1.836	2.623	0.899
Sub-Total Reimbursable Revenue Changes	\$21.551	\$6.840	\$7.335	\$5.095
Expenses				
Change in Reimbursable Overhead	(\$8.872)	(\$2.538)	(\$3.012)	(\$0.731)
All Other Reimbursable expense changes	(12.679)	(4.303)	(4.323)	(4.363)
Sub-Total Reimbursable Expense Changes	(\$21.551)	(\$6.840)	(\$7.335)	(\$5.095)
Total Reimbursable Major Changes	\$0.000	\$0.000	(\$0.000)	\$0.000
Total Accrual Changes	\$23.116	(\$18.885)	(\$4.791)	\$21.887
Cash Adjustment Major Changes				
Higher Advertising Revenue	\$5.417	\$6.225	\$6.319	\$6.385
GASB Cash Contributions	-	-	0.034	0.004
Change in operating Capital	27.910	29.517	(28.764)	18.188
Timing of MTA Relocation Expenses	(18.300)	-	-	-
Reimbursement of MTA Relocation expenses	-	(100.492)	95.692	(14.584)
Depreciation	(2.009)	1.226	1.226	1.226
OPEB Liability Adjustment	(33.091)	(17.968)	(27.652)	(34.703)
GASB 68 Pension Expense Adjustment	(10.200)	(4.100)	(4.200)	(5.000)
All Other	11.367	(1.063)	(0.459)	(0.462)
Total Cash Adjustment Changes	(\$18.907)	(\$86.655)	\$42.196	(\$28.946)
Total Baseline Changes	\$4.209	(\$105.540)	\$37.405	(\$7.059)
July Financial Plan - Cash Surplus/(Deficit)	(\$581.034)	(\$530.243)	(\$445.576)	(\$485.417)

MTA HEADQUARTERS
July 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
<u>Administration</u>										
IT Headcount Reduction	67	9.481	67	14.136	67	14.484	67	14.668	67	14.948
IT Consult Conversions	-	0.292	-	0.619	-	0.616	-	0.604	-	0.538
IT Vacancy Savings	-	11.207	-	7.571	-	7.686	-	7.806	-	7.888
Position Downgrades	-	0.436	-	0.443	-	0.452	-	0.462	-	0.472
Telephone Reduction	-	0.032	-	0.033	-	0.034	-	0.035	-	0.035
Subtotal Administration	67	21.447	67	22.801	67	23.272	67	23.575	67	23.881
<u>Customer Convenience/Amenities</u>										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Customer Convenience/Amenities	-	-	-	-	-	-	-	-	-	-
<u>Maintenance</u>										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Maintenance	-	-	-	-	-	-	-	-	-	-
<u>Revenue Enhancement</u>										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Revenue Enhancement	-	-	-	-	-	-	-	-	-	-
<u>Safety</u>										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Safety	-	-	-	-	-	-	-	-	-	-
<u>Security</u>										
MTA PD - Reduced Facility expenses	-	0.045	-	0.045	-	0.046	-	0.047	-	0.049
MTA PD - Reduced Professional Services and Purchases	-	0.134	-	0.134	-	0.138	-	0.141	-	0.145
MTAPD - Reduced Fuel and Electricity	-	0.129	-	0.129	-	0.133	-	0.137	-	0.144
MTAPD - Reduced Vehicle Repairs, Maintenance and Purchases	-	0.215	-	0.215	-	0.221	-	0.227	-	0.233
Subtotal Security	-	0.523	-	0.523	-	0.537	-	0.552	-	0.570
<u>Service</u>										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Service	-	-	-	-	-	-	-	-	-	-
<u>Service Support</u>										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Service Support	-	-	-	-	-	-	-	-	-	-
<u>Other</u>										
None	-	-	-	-	-	-	-	-	-	-
Subtotal Other	-	-	-	-	-	-	-	-	-	-
Total	67	\$21.970	67	\$23.324	67	\$23.809	67	\$24.128	67	\$24.451

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:	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>	\$9.481	\$14.136	\$14.484	\$14.668	\$14.948
Net Cash Savings (in millions)	\$9.481	\$14.136	\$14.484	\$14.668	\$14.948
<i>Total Positions Required:</i> <i>(List Title of Positions)</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:	When will savings begin?:	7/1/2016
	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>	\$0.292	\$0.619	\$0.616	\$0.604	\$0.538
Net Cash Savings (in millions)	\$0.292	\$0.619	\$0.616	\$0.604	\$0.538

*Total Positions Required:
(List Title of Positions)*

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: **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>	\$11.207	\$7.571	\$7.686	\$7.806	\$7.888
Net Cash Savings (in millions)	\$11.207	\$7.571	\$7.686	\$7.806	\$7.888

Total Positions Required:
(List Title of Positions)

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:	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>	\$0.436	\$0.443	\$0.452	\$0.462	\$0.472
Net Cash Savings (in millions)	\$0.436	\$0.443	\$0.452	\$0.462	\$0.472

Total Positions Required:
(List Title of Positions)

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:	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>	\$0.032	\$0.033	\$0.034	\$0.035	\$0.035
Net Cash Savings (in millions)	\$0.032	\$0.033	\$0.034	\$0.035	\$0.035

Total Positions Required:
(List Title of Positions)

List of Other Concerns:

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Administration
Program: MTAPD Facility Expenses

Background Details:

**Program Description/
Implementation Plan:**

Program Implementation Date:	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>	\$0.045	\$0.045	\$0.046	\$0.047	\$0.049

Net Cash Savings (in millions)



Total Positions Required:
(List Title of Positions)

**MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: MTAPD Professional and Services and Purchases

Background Details:

**Program Description/
Implementation Plan:**

Program Implementation Date:	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>	\$0.134	\$0.134	\$0.138	\$0.141	\$0.145

Net Cash Savings (in millions)



*Total Positions Required:
(List Title of Positions)*

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Administration
Program: MTAPD Fuel and Electric

Background Details:

**Program Description/
Implementation Plan:**

Program Implementation Date:	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>	\$0.129	\$0.129	\$0.133	\$0.137	\$0.144
Net Cash Savings (in millions)					

Total Positions Required:
(List Title of Positions)

MTA HEADQUARTERS
July Financial Plan 2017-2020
2016 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: MTAPD Vehicle Repair, Maintenance and Purchases

Background Details:

**Program Description/
Implementation Plan:**

Program Implementation Date:	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>	\$0.215	\$0.215	\$0.221	\$0.227	\$0.233

Net Cash Savings (in millions)



*Total Positions Required:
(List Title of Positions)*

**MTA HEADQUARTERS
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Positions**

POSITION ASSUMPTIONS

2016-2019: July Financial Plan vs. February Plan

Total baseline positions are projected to increase by 91 positions, due to an increase of 112 Non-Reimbursable and two Reimbursable positions with an offsetting timing shift of 23 MTAPD positions.

Administration (32 positions)

- Four Executive positions, Chief of Government Affairs and Community Relations Officer, Project and Environmental Officer, Special Advisor for Agency Operations and Initiatives, Director, Regulatory Affairs and Corporate Standards and Benchmarking.
- One Associate Director, Real Estate to handle Telecom information and requirements.
- 8 Human Resources positions to support the consolidated functions and increased testing and hiring responsibilities for MTAPD.
- Three Compliance positions to maintain New York State's new financial disclosure system and to expand its role in policy management to include the review, approval, analysis and monitoring of policies issued by MTA and its Agencies.
- One Special Counsel Real Estate, required for the increase in Real Estate related transactions.
- 12 service positions for Occupational Health Services for Metro-North Railroad and MTA HQ employees.
- One Senior Machine Operator position for MTA Reproduction Center.
- One Strategic Initiatives analyst position.
- One Manager, Financial Reporting for Capital reporting.

BSC (1 position)

- Senior Manager, Data and Information to manage system records retention.

Information Technology (68 positions)

- BRP savings eliminate 67 IT positions for consolidation efficiencies.
- While increasing headcount, an additional BRP converted consultants to 67 full time employees.

- MTA IT received one position from NYCT and an additional reduction adjustments of four positions, net to a decrease of three positions.
- 8 positions for implementation, support and maintenance of the critical systems and programs such as PTC (mandated by FRA), pursuing capital funding.
- 7 positions for various projects that eliminate redundancies, expand systems functionality and integrate and streamline existing applications and practices.
- 23 positions to benefit specific MTA Agencies (LIRR, NYCT or MNR) and support their own specific applications designed to improve intrusion protections of highly visible assets and meet regulatory and safety requirements.(LIRR eHOS Train Order Support, NYCT Physical System Information Management, etc.).
- 2 positions mandated by the Governor/the Board or Exec. Dir. such as Open Data Exec order 95 and Infrastructure PCI Compliance and Consultant Services.
- 31 positions to take advantage of digital technologies and deliver quality services to customers by creating economies and efficiencies.

Public Safety/MTAPD (-10 positions)

- 10 Police Officers, Two Sergeants and One Lieutenant for the Homeless Outreach unit.
- Shift into 2017 of hiring 23 baseline positions that were previously approved for MTAPD

The net increase of 91 positions by function included 101 in Administration offset by a decrease of 10 in Public Safety.

Position changes by occupational group are: Managers/Supervisors increase by 25 positions, Professional, Technical, Clerical positions increase by 76 positions, and Operational Hourlies decrease by 10 positions in 2016.

Year over Year

2017 over 2016

In 2017, total headcount increases by 41 positions to 2,977 positions mainly due to the addition of 19 non-reimbursable Information Technology positions partly offset by the elimination of the Associate Director, Real Estate position. Non-reimbursable positions are 2,841 in 2017, and reimbursable positions are 136. Occupational group increases include 19 positions for Professional, Technical, and Clerical to 1,715 positions. Managers/Supervisors remain decrease by 1 position to 627 positions and Operational Hourlies stay at 635 positions.

2018 over 2017

In 2018, total headcount increases by 4 positions to 2,981 positions mainly due to the addition of 4 non-reimbursable Information Technology positions. Non-reimbursable positions are 2,845 in 2018, and reimbursable positions remain unchanged at 136. Occupational group increases include 4 positions for Professional, Technical, and Clerical to 1,719 positions. Managers/Supervisors remain unchanged at 627 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 East Side Access that anticipates a projected opening in 2022 and four Information Technology positions. Total non-reimbursable headcount increases to 2,869 positions while reimbursable positions remain unchanged at 136. Operational Hourly positions increase by 20 positions to 655 while Managers/Supervisors remain unchanged at 627 and Professional, Technical, Clerical increase by 4 to 1,723.

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 2,923 positions while reimbursable positions remain unchanged at 136. Operational Hourly positions increase by 39 positions to 694 while Managers/Supervisors increase by 14 to 641 and Professional, Technical, Clerical increase by 1 to 1,724.

MTA HEADQUARTERS
July Financial Plan 2017-2020
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019
2016 February Plan - Total Baseline Positions	2,845	2,861	2,867	2,904
Total Plan-to-Plan Changes	(91)	(116)	(114)	(101)
2016 July Plan - Total Baseline Positions	2,936	2,977	2,981	3,005
Total Year-to-Year Changes, July Plan		(41)	(4)	(24)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(89)	(114)	(112)	(99)
<i>Reimbursable</i>	(2)	(2)	(2)	(2)
Total	(91)	(116)	(114)	(101)
<i>Full-Time</i>	(91)	(116)	(114)	(101)
<i>Full-Time Equivalents</i>				
Total	(91)	(116)	(114)	(101)
<i>By Function Category</i>				
- Administration	(101)	(103)	(101)	(98)
- Operations				
- Maintenance				
- Engineering/Capital				
- Public Safety	10	(13)	(13)	(3)
Total	(91)	(116)	(114)	(101)
<i>By Occupational Group</i>				
- Managers/Supervisors	(25)	(22)	(22)	(22)
- Professional, Technical, Clerical	(76)	(81)	(79)	(76)
- Operational Hourlies	10	(13)	(13)	(3)
Total	(91)	(116)	(114)	(101)

Total Plan-to-Plan Changes by Major Category:

<i>2016 BRPs</i>	67	67	67	67
<i>New Needs</i>	(117)	(115)	(113)	(110)
<i>Change in Reimbursable Positions</i>	(2)	(2)	(2)	(2)
<i>Re-estimates & All Other (IT xfer, PD ESA)</i>	(39)	(66)	(66)	(56)
Total	(91)	(116)	(114)	(101)

¹ Includes Full-time Equivalents

MTA HEADQUARTERS
July Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
MTA HQ, Policy & Oversight						
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	29	29	29	29	29
PCAC	4	5	5	5	5	5
Labor Relations						
Office of Labor Relations	8	11	11	11	11	11
Labor Relations	8	11	11	11	11	11
General Counsel						
Office of Ded General Counsel	33	36	36	36	36	36
Record Management	1	2	2	2	2	2
General Counsel	34	38	38	38	38	38
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	247	247	247	247	247

MTA HEADQUARTERS
July Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
MTA Consolidated Functions						
External Communication	12	14	14	14	14	14
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	22	22	22	22	22
Real Estate	62	70	69	69	69	69
Information Technology	881	1,101	1,120	1,124	1,128	1,128
Chief Financial Officer	987	1,217	1,235	1,239	1,243	1,243
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	1,493	1,511	1,515	1,519	1,519
Business Service Center	308	348	348	348	348	348
Public Safety	777	848	871	871	891	945
Baseline Total Positions	2,474	2,936	2,977	2,981	3,005	3,059
<i>Non-Reimbursable</i>	2,340	2,800	2,841	2,845	2,869	2,923
<i>Reimbursable</i>	134	136	136	136	136	136
<i>Full-Time</i>	2,474	2,936	2,977	2,981	3,005	3,059
<i>Full-Time Equivalents</i>	0	0	0	0	0	0

MTA HEADQUARTERS
July Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015	2016	2017	2018	2019	2020
	Actual	Mid-Year Forecast	Preliminary Budget			
Administration						
Managers/Supervisors	385	471	470	470	470	470
Professional, Technical, Clerical	1,312	1,617	1,636	1,640	1,644	1,644
Operational Hourlies	-	-	-	-	-	-
Total Administration	1,697	2,088	2,106	2,110	2,114	2,114
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	612	635	635	655	694
Total Public Safety	777	848	871	871	891	945
Total Positions						
Managers/Supervisors	543	628	627	627	627	641
Professional, Technical, Clerical	1,370	1,696	1,715	1,719	1,723	1,724
Operational Hourlies	561	612	635	635	655	694
Total Baseline Positions	2,474	2,936	2,977	2,981	3,005	3,059

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
July Financial Plan 2017 - 2020
Accrual Statement of Operations By Major Function
(\$ in Millions)

Non-Reimbursable	2016 Mid-Year Forecast	2017	2018	2019	2020
<u>MTA Consolidated Functions</u>					
Total Revenue	\$7.013	\$3.868	\$4.952	\$4.072	\$4.173
Labor Expenses (non-IT)	\$16.254	\$19.730	\$20.047	\$20.533	\$21.021
Labor Expenses (IT Transformation)	120.845	132.821	136.027	141.962	145.004
Non-Labor Expenses (non-IT)	30.910	29.706	22.926	19.961	20.643
Non-Labor Expenses (IT Transformation)	169.117	133.749	125.242	118.710	124.295
Depreciation / OPEB Liability Adjustment (non-IT)	0.761	0.000	0.000	0.000	0.000
Depreciation / OPEB Liability Adjustment (IT Transformation)	9.436	35.496	46.449	52.133	56.146
Total Expenses	\$347.324	\$351.501	\$350.691	\$353.300	\$367.109
Baseline Deficit	(\$340.311)	(\$347.634)	(\$345.739)	(\$349.228)	(\$362.936)
<u>MTA HQ, Policy & Oversight</u>					
Total Revenue	\$47.030	\$46.374	\$48.084	\$50.007	\$52.007
Labor Expenses	\$42.346	\$56.345	\$58.962	\$60.983	\$64.060
Non-Labor Expenses	116.449	114.567	121.360	117.983	120.274
Depreciation / OPEB Liability Adjustment/GASB 68	82.290	109.122	110.622	114.671	117.838
Total Expenses	\$241.085	\$280.034	\$290.944	\$293.637	\$302.172
Baseline Deficit	(\$194.055)	(\$233.660)	(\$242.860)	(\$243.630)	(\$250.165)
<u>Business Service Center</u>					
Total Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	\$33.025	\$36.093	\$36.832	\$37.687	\$38.536
Non-Labor Expenses	26.838	10.891	10.522	10.764	10.912
Depreciation / OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$59.863	\$46.984	\$47.355	\$48.451	\$49.449
Baseline Deficit	(\$59.863)	(\$46.984)	(\$47.355)	(\$48.451)	(\$49.449)
<u>Public Safety</u>					
Total Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	\$124.481	\$131.983	\$134.063	\$136.983	\$144.003
Non-Labor Expenses	10.619	10.809	10.637	11.683	12.693
Depreciation / OPEB Liability Adjustment	9.787	7.493	6.002	6.002	4.526
Total Expenses	\$144.888	\$150.285	\$150.702	\$154.668	\$161.222
Baseline Deficit	(\$144.888)	(\$150.285)	(\$150.702)	(\$154.668)	(\$161.222)

MTA HEADQUARTERS
July Financial Plan 2017-2020
Total Positions by Function
Non-Reimbursable/Reimbursable and Full-Time Positions/Full-Time Equivalents

FUNCTION	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
MTA Consolidated Functions	1,204	1,493	1,510	1,515	1,519	1,519
MTA HQ, Policy & Oversight	185	247	248	247	247	247
Business Service Center	308	348	348	348	348	348
Public Safety	777	848	871	871	891	945
Baseline Total Positions	2,474	2,936	2,977	2,981	3,005	3,059
Non-Reimbursable						
MTA Consolidated Functions	1,070	1,357	1,374	1,379	1,383	1,383
MTA HQ, Policy & Oversight	185	247	248	247	247	247
Business Service Center	308	348	348	348	348	348
Public Safety	777	848	871	871	891	945
Reimbursable						
MTA Consolidated Functions	134	136	136	136	136	136
MTA HQ, Policy & Oversight	-	-	-	-	-	-
Business Service Center	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
<i>Full-Time</i>	2,474	2,936	2,977	2,981	3,005	3,059
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA INSPECTOR GENERAL
2017 Preliminary Budget
July 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 Mid-Year Forecast

In the 2016 Mid-Year Forecast a total of \$13.5 million is projected in baseline expenses, compared to \$15.0 million in the 2016 Adopted Budget. The favorable variance is the mainly the result of vacancy savings.

2017 Preliminary Budget – Baseline

In the 2017 Preliminary Budget, a total of \$14.4 million is projected in baseline expenses compared to \$15.0 million in the February Plan. The favorable variance results from a re-estimation of employee salaries and fringe benefit expenses.

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
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015 <u>Actual</u>	2016 Mid-Year <u>Forecast</u>	2017 Preliminary <u>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	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	11.892	13.515	14.450	14.799	15.165	15.536
Total Revenue	\$11.892	\$13.515	\$14.450	\$14.799	\$15.165	\$15.536
Expenses						
<u>Labor:</u>						
Payroll	\$6.621	\$7.621	\$8.206	\$8.369	\$8.535	\$8.705
Overtime	-	-	-	-	-	-
Health and Welfare	0.796	1.108	1.423	1.448	1.504	1.561
OPEB Current Payment	-	-	-	-	-	-
Pensions	1.058	0.927	0.972	1.032	1.073	1.109
Other Fringe Benefits	0.468	0.591	0.716	0.731	0.745	0.761
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$8.943	\$10.247	\$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	0.039	0.035	0.036	0.036	0.041
Insurance	0.021	0.025	0.025	0.028	0.031	0.034
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.605	2.780	2.755	2.829	2.906	2.981
Professional Service Contracts	0.173	0.296	0.204	0.209	0.215	0.221
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.129	0.128	0.114	0.117	0.120	0.123
Total Non-Labor Expenses	\$2.949	\$3.268	\$3.133	\$3.219	\$3.308	\$3.400
<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	\$13.515	\$14.450	\$14.799	\$15.165	\$15.536
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$11.892	\$13.515	\$14.450	\$14.799	\$15.165	\$15.536
Baseline Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
July Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	Mid-Year	Preliminary	2018	2019	2020
			Budget			
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	11.892	13.515	14.450	14.799	15.165	15.536
Total Receipts	\$11.892	\$13.515	\$14.450	\$14.799	\$15.165	\$15.536
Expenditures						
<u>Labor:</u>						
Payroll	\$6.621	\$7.621	\$8.206	\$8.369	\$8.535	\$8.705
Overtime	-	-	-	-	-	-
Health and Welfare	0.796	1.108	1.423	1.448	1.504	1.561
OPEB Current Payment	-	-	-	-	-	-
Pensions	1.058	0.927	0.972	1.032	1.073	1.109
Other Fringe Benefits	0.468	0.591	0.716	0.731	0.745	0.761
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$8.943	\$10.247	\$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	0.039	0.035	0.036	0.036	0.041
Insurance	0.021	0.025	0.025	0.028	0.031	0.034
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.605	2.780	2.755	2.829	2.906	2.981
Professional Service Contracts	0.173	0.296	0.204	0.209	0.215	0.221
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.129	0.128	0.114	0.117	0.120	0.123
Total Non-Labor Expenditures	\$2.949	\$3.268	\$3.133	\$3.219	\$3.308	\$3.400
<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	\$13.515	\$14.450	\$14.799	\$15.165	\$15.536
Baseline Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
July Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary 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	-	-	-	-	-	-
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
July 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	13.515	14.450	0.935	14.799	0.349	15.165	0.366	15.536	0.371
Total Revenue	\$13.515	\$14.450	\$0.935	\$14.799	\$0.349	\$15.165	\$0.366	\$15.536	\$0.371
Expenses									
Labor:									
Payroll	\$7.621	\$8.206	(\$0.585)	\$8.369	(\$0.163)	\$8.535	(\$0.166)	\$8.705	(\$0.170)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.108	1.423	(0.315)	1.448	(0.025)	1.504	(0.056)	1.561	(0.057)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.927	0.972	(0.045)	1.032	(0.060)	1.073	(0.041)	1.109	(0.036)
Other Fringe Benefits	0.591	0.716	(0.125)	0.731	(0.015)	0.745	(0.014)	0.761	(0.016)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$10.247	\$11.317	(\$1.070)	\$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	0.039	0.035	0.004	0.036	(0.001)	0.036	0.000	0.041	(0.005)
Insurance	0.025	0.025	0.000	0.028	(0.003)	0.031	(0.003)	0.034	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other	-	-	-	-	-	-	-	-	-
Operating Contracts	2.780	2.755	0.025	2.829	(0.074)	2.906	(0.077)	2.981	(0.075)
Professional Service Contracts	0.296	0.204	0.092	0.209	(0.005)	0.215	(0.006)	0.221	(0.006)
Materials & Supplies	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.128	0.114	0.014	0.117	(0.003)	0.120	(0.003)	0.123	(0.003)
Total Non-Labor Expenses	\$3.268	\$3.133	\$0.135	\$3.219	(\$0.086)	\$3.308	(\$0.089)	\$3.400	(\$0.092)
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	\$13.515	\$14.450	(\$0.935)	\$14.799	(\$0.349)	\$15.165	(\$0.366)	\$15.536	(\$0.371)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$13.515	\$14.450	(\$0.935)	\$14.799	(\$0.349)	\$15.165	(\$0.366)	\$15.536	(\$0.371)
Baseline Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000

MTA INSPECTOR GENERAL
July 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	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	13.515	14.450	0.935	14.799	0.349	15.165	0.366	15.536	0.371
Total Receipts	\$13.515	\$14.450	\$0.935	\$14.799	\$0.349	\$15.165	\$0.366	\$15.536	\$0.371
Expenditures									
Labor:									
Payroll	\$7.621	\$8.206	(\$0.585)	\$8.369	(\$0.163)	\$8.535	(\$0.166)	\$8.705	(\$0.170)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.108	1.423	(0.315)	1.448	(0.025)	1.504	(0.056)	1.561	(0.057)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.927	0.972	(0.045)	1.032	(0.060)	1.073	(0.041)	1.109	(0.036)
Other Fringe Benefits	0.591	0.716	(0.125)	0.731	(0.015)	0.745	(0.014)	0.761	(0.016)
GASB Account	-	-	-	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$10.247	\$11.317	(\$1.070)	\$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	0.039	0.035	0.004	0.036	(0.001)	0.036	0.000	0.041	(0.005)
Insurance	0.025	0.025	0.000	0.028	(0.003)	0.031	(0.003)	0.034	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other									
Operating Contracts	2.780	2.755	0.025	2.829	(0.074)	2.906	(0.077)	2.981	(0.075)
Professional Service Contracts	0.296	0.204	0.092	0.209	(0.005)	0.215	(0.006)	0.221	(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	0.128	0.114	0.014	0.117	(0.003)	0.120	(0.003)	0.123	(0.003)
Total Non-Labor Expenditures	\$3.268	\$3.133	\$0.135	\$3.219	(\$0.086)	\$3.308	(\$0.089)	\$3.400	(\$0.092)
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	\$13.515	\$14.450	(\$0.935)	\$14.799	(\$0.349)	\$15.165	(\$0.366)	\$15.536	(\$0.371)
Baseline Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000

MTA INSPECTOR GENERAL
July Financial Plan 2017 - 2020
Summary of Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019
2016 February Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Revenue:				
Capital and Other Reimbursements	(1.447)	(0.531)	(0.521)	(0.504)
Sub-Total Revenue Changes	(\$1.447)	(\$0.531)	(\$0.521)	(\$0.504)
Expenses:				
Payroll	\$0.573	\$0.120	\$0.091	\$0.062
Overtime	-	-	-	-
Health and Welfare	0.547	0.259	0.305	0.324
OPEB Current Payment	-	-	-	-
Pensions	0.504	0.236	0.216	0.215
Other Fringe Benefits	0.025	(0.089)	(0.092)	(0.094)
Reimbursable Overhead	-	-	-	-
Fuel	0.000	0.006	0.006	0.010
Insurance	0.000	0.003	0.002	0.002
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other				
Operating Contracts	(0.086)	(0.001)	(0.004)	(0.011)
Professional Service Contracts	(0.097)	(0.001)	0.000	(0.001)
Materials & Supplies	-	-	-	-
Other Business Expenses	(0.019)	(0.002)	(0.003)	(0.003)
Depreciation	0.000	0.000	0.000	0.000
Sub-Total Expense Changes	\$1.447	\$0.531	\$0.521	\$0.504
Sub-Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Changes	\$0.000	\$0.000	\$0.000	\$0.000
2016 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
July 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 Mid-Year Forecast	2017 Preliminary 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 Preliminary Budget
July 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 increasing generally by 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 Preliminary Budget
July Financial Plan 2017 - 2020

2016 Mid-Year Forecast

In the 2016 Mid-Year Forecast, a total of \$17.4 million is projected in Baseline Surplus compared to the \$1.0 million Baseline Surplus in the 2016 Adopted Budget. This consists of an \$18.0 million increase in revenues and a \$1.6 million increase in expenses. The favorable outcome is a result of higher Investment Income (change in net unrealized gains and losses from investments) than projected in the 2016 Adopted Budget. Claims are based on actuarial analysis of claim activity on an estimated basis. Revenue and Other Business Expenses are based on trending actual results through April 2016 and prior year actual results.

2017 Preliminary Budget

In the 2017 Preliminary Budget, a total of \$16.6 million is projected in Baseline Surplus compared to the \$5.3 million Baseline Surplus in the February Plan. This consists of an \$18.6 million increase in revenues and a \$7.3 million increase in expenses. The favorable outcome is a result of higher Investment Income (change in net unrealized gains and losses from investments) than projected in the 2016 Adopted Budget. 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
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	Actual	Mid-Year	Preliminary	2018	2019	2020
		Forecast	Budget			
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	11.113	9.189	9.447	9.673	9.904	10.148
Investment Income	(7.605)	12.000	12.337	12.632	12.934	13.252
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$3.508	\$21.189	\$21.784	\$22.305	\$22.838	\$23.400
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)
Baseline Surplus/(Deficit)	(\$24.361)	\$17.378	\$16.575	\$20.991	\$24.340	\$29.516

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
July Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	Mid-Year	Preliminary	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	9.189	9.447	9.673	9.904	10.148
Investment Income	(7.605)	12.000	12.337	12.632	12.934	13.252
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$3.508	\$21.189	\$21.784	\$22.305	\$22.838	\$23.400
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)	\$25.580	\$25.411	\$30.098	\$33.933	\$39.551
Total Other Expenditure Adjustments	(\$24.361)	\$25.580	\$25.411	\$30.098	\$33.933	\$39.551
Total Expenditures	\$3.508	\$21.189	\$21.784	\$22.305	\$22.838	\$23.400
Baseline Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
July Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	Mid-Year	Preliminary	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	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	-	-	-	-	-	-
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	0.000	0.000	0.000	0.000	0.000	0.000
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	(\$25.580)	(\$25.411)	(\$30.098)	(\$33.933)	(\$39.551)
Total Other Expenditures Adjustments	\$24.361	(\$25.580)	(\$25.411)	(\$30.098)	(\$33.933)	(\$39.551)
Total Cash Conversion Adjustments before Depreciation	\$24.361	(\$17.378)	(\$16.575)	(\$20.991)	(\$24.340)	(\$29.516)
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$24.361	(\$17.378)	(\$16.575)	(\$20.991)	(\$24.340)	(\$29.516)

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
July 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 March 22, 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 March 22, 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 generally by 10%.

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
July 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	9.189	9.447	0.258	9.673	0.226	9.904	0.231	10.148	0.244
Investment Income	12.000	12.337	0.337	12.632	0.295	12.934	0.302	13.252	0.318
Capital and Other Reimbursement									
Total Revenue	\$21.189	\$21.784	\$0.595	\$22.305	\$0.521	\$22.838	\$0.533	\$23.400	\$0.562
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	\$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	\$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
Baseline Surplus/(Deficit)	\$17.378	\$16.575	(\$0.803)	\$20.991	\$4.416	\$24.340	\$3.349	\$29.516	\$5.176

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
July Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual 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	9.189	9.447	0.258	9.673	0.226	9.904	0.231	10.148	0.244
Investment Income	12.000	12.337	0.337	12.632	0.295	12.934	0.302	13.252	0.318
Capital and Other Reimbursement									
Total Receipts	\$21.189	\$21.784	\$0.595	\$22.305	\$0.521	\$22.838	\$0.533	\$23.400	\$0.562
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	\$25.580	\$25.411	\$0.169	\$30.098	(\$4.687)	\$33.933	(\$3.835)	\$39.551	(\$5.618)
Total Other Expenditure Adjustments	\$25.580	\$25.411	\$0.169	\$30.098	(\$4.687)	\$33.933	(\$3.835)	\$39.551	(\$5.618)
Total Expenditures	\$21.189	\$21.784	(\$0.595)	\$22.305	(\$0.521)	\$22.838	(\$0.533)	\$23.400	(\$0.562)
Baseline Cash 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
July Financial Plan 2017 - 2020
Summary of Changes Between Financial Plans by Category

2016 – 2019 July Financial Plan vs February Financial Plan

Revenue

Revenue changes from the February Plan over the 2016 – 2019 periods include:

- The increased baseline estimate for 2016 is due to an increase in Investment Income (change in net unrealized gains and losses from investments) and a decrease in Other Operating Revenue for the first three 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 March 22, 2016.

Expenses

Expense changes from the February Plan over the 2016 – 2019 periods include:

- An increase in Insurance (premium revenue) as projected in the 2016 Mid-Year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets.
- Claim expenses resulted in unfavorable developments due to updated loss projections from actuarial projections.
- Other Business Expenses slightly decreased due to updated estimates based prior year actual results. The inflation rate for Other Business Expenses is expected to increase 2% per year.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-
Other Operating Revenue	(2.848)	(2.894)	(2.987)	(3.074)
Investment Income	20.896	21.458	21.989	22.525
Capital and Other Reimbursement	-	-	-	-
Total Revenue Changes	\$18.048	\$18.564	\$19.002	\$19.452
Expenses				
<i>Labor:</i>				
Payroll	\$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
<i>Non-Labor:</i>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	5.133	3.794	2.760	1.967
Claims	(8.520)	(12.874)	(16.183)	(19.299)
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-
Materials & Supplies	-	-	-	-
Other Business Expenses	1.760	1.795	1.831	1.868
Total Non-Labor Expense Changes	(\$1.627)	(\$7.285)	(\$11.592)	(\$15.464)
<i>Total Expenses before Depreciation and GASB Adjs.</i>				
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	-	-	-	-
Environmental Remediation	-	-	-	-
Total Expense Changes	(\$1.627)	(\$7.285)	(\$11.592)	(\$15.464)
Cash Adjustment Changes				
<i>Revenue:</i>				
Other Operating Revenue	\$0.000	\$0.000	\$0.000	\$0.000
<i>Expenses:</i>				
Claims	\$0.784	\$1.170	\$1.471	\$1.755
Other Business Expenses	0.000	0.000	0.000	0.000
Total Expense Changes	\$0.784	\$1.170	\$1.471	\$1.755
Restricted Cash Adjustment	(\$17.205)	(\$12.449)	(\$8.881)	(\$5.743)
Total Cash Adjustment Changes	(\$16.421)	(\$11.279)	(\$7.410)	(\$3.988)
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000
July Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000

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New York City Transit

MTA NEW YORK CITY TRANSIT
2017 Preliminary Budget
July Financial Plan 2017 – 2020

FINANCIAL OVERVIEW

MTA New York City Transit's July 2016 Financial Plan includes major service improvements and a series of new initiatives focused on enhancing the customer experience made possible by the recent approval of the 2015-2019 Capital Program. For subways, the plan reflects the agency's commitment to complete phase 1 of the Second Avenue Subway with revenue service scheduled to begin in December 2016. For buses, the plan includes the continued rapid expansion of Select Bus Service (SBS), which significantly reduces bus travel time. Four new SBS routes are planned to start in 2016 and 2017, as follows: B46-7/16; M23-9/16; Bx6-Spring 2017; and M79-Summer 2017.

New in this plan is a comprehensive series of initiatives designed to provide significant improvements in the customer experience on our subway trains, in our stations, and on our buses.

The major investment initiatives, which are primarily in the area of Customer Amenities, are summarized below. While all of these investments are funded from the operating budget, only the Bus Time/Bus Cameras Initiative reflects the impact of a capitol-funded project.

- **Subway Car Technology Upgrade.** Investments of \$13.4 million and 3 positions in 2016, \$14.2 million and 7 positions in 2017 and \$1.7 million and 9 positions for the years 2018 through 2020 will be required in order to install Electronic Display Signs and USB charging stations on 600 subway cars (R160s and R179s) in order to improve the overall customer experience in the subways. Maintenance work will be required in support of these new car technologies.
- **Enhanced Station Initiative.** Expenses of \$11.3 million will be required in 2016 and \$9.7 million in 2017 in order to expeditiously advance the enhanced station initiative, which is expected to significantly improve the station environment. The consulting firm ARUP, with experience in project delivery of mass transportation projects, will provide best practice guidance to NYCT to facilitate expedited contracting for this initiative.
- **Subway Wireless Implementation and Service.** Costs of \$9.0 million in 2016, \$4.7 million in 2017 and \$3.5 million for subsequent years are needed to accelerate the completion of the NYCT WiCom Network to provide Cellular, Wi-Fi and 4.9 GHz services in all underground stations, and fund the ongoing network lease cost. At completion, customers will have comprehensive mobile phone and internet access at all underground subway stations.

- **On-The-Go Display Units.** Expenses of \$3.8 million and 24 positions in 2016, \$1.9 million and 11 positions in 2017, and \$1.4 million with 11 positions in subsequent years are required for the expansion and maintenance of this program. Currently, there are 145 units in the subway system with 180 new units to be installed by March 2017.
- **Buses On-Board Technology Upgrades.** Expenses of \$2.5 million in 2016, \$2.9 million in 2017, \$16.0 million in 2018, \$8.3 million in 2019 and \$9.4 million in 2020 are necessary in order to outfit a portion of the existing bus fleet with state-of-the-art technology amenities including high-speed Wi-Fi connectivity, USB charging, and digital screens with on-board Announcement and Infotainment systems. The digital display screens will include real time next stop and service information.
- **All Electric Bus Lease.** Costs of \$3.1 million in 2016, \$5.0 million in 2017, \$4.8 million in 2018, \$5.8 million in 2019, and \$4.9 million in 2020 are required to implement a Zero Emission Initiative pilot by leasing and operating in service 10 All Electric Buses (AEB).
- **Track Defect Backlog Reduction.** Overtime expenses of \$5.8 million in 2017 and \$2.9 million in 2018 are necessary to continue the initiative begun in 2015 to reduce the backlog of track and third rail defects.
- **Platform Controllers Expansion.** \$0.2 million of costs and 3 positions in 2016, \$2.2 million of costs and 35 positions in 2017, and \$3.4 million of costs and 35 positions in subsequent years are needed to expand and improve the management of the current Platform Controller Pilot Program. The goal of this program is to reduce the number and severity of subway delays by providing immediate platform management of dwell time, customer assistance, and response to operating incidents.
- **Bus Time/Bus Cameras.** Expenses of \$1.8 million in 2017, \$2.3 million in 2018, \$3.3 million in 2019 and \$4.0 million in 2020 to acquire Bus Time GPS technology and wireless communications to transmit the location of buses, thereby enabling customers to have real-time information on every bus and route.

The 2016 BUDGET REDUCTION PROGRAM includes the following initiatives:

- **Paratransit Savings.** Savings are projected \$21.8 million in 2016, \$5.7 million in 2017, \$16.0 million in 2018, \$17.8 million in 2019 and \$18.8 million in 2020, based primarily on a reduction in the growth in completed trips.
- **Employer Group Waiver Plan (EGWP).** Savings of \$11.5 million are projected for each plan year. 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 the

Medicare Part D prescription drug plan. The Affordable Care Act makes provision for an Employer Group Waiver Plan (EGWP), which is more financially attractive to RDS for Medicare Eligible members. NYCT is currently receiving significant scheduled rebates for drug costs from both the Drug Manufacturers and CMS for employees who elected to enroll in EGWP.

- **Recovery from Prior Medical Plans.** NYCT reached a settlement agreement resolving litigation with prior medical plans that included a \$7.6 million refund received by NYCT in June, 2016.
- **Terminal Car Cleaning.** Savings of \$2.0 million beginning 2017 are projected, based on an initiative to standardize the terminal car cleaning operation on the overnight tours, limiting cleaning to one of the two terminals. This change would affect the A, D and F lines, making the cleaning operation consistent with other NYCT lines, and is expected to have little or no impact on car cleanliness given low ridership and associated low cleaning needs on the overnight tour.
- **Zero Fare Revenue Increase.** Projected increased fare revenue of \$2.1 million in 2017 and \$3.6 million in subsequent years is based on 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.
- **Administrative and OTPS Savings.** Savings of \$1.4 million and 7 position reductions in 2016, and \$2.3 million of savings and 11 position reductions in subsequent years are projected, due to implementation of several operational efficiencies in the areas of telephone line service, facility maintenance services, external printing services, special ticket stock, uniforms and inspection & testing services.

2016 Mid-Year Forecast

MTA NYC Transit's 2016 Mid-Year-Forecast includes total expenses before depreciation, other post-employment benefits and GASB # 68 Pension Expense Adjustment of \$8,540.9 million, consisting of \$7,371.0 million of non-reimbursable expenses and \$1,169.9 million of reimbursable expenses. Total revenues are projected to be \$6,008.1 million, of which \$4,838.2 million are operating revenues and \$1,169.9 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 48,707 (43,586 non-reimbursable positions and 5,121 reimbursable positions).

The 2016 net operating cash deficit is projected to decrease by a net \$17.8 million from the 2016 Adopted Budget.

Major operating cash changes include:

- Updated inflation assumptions, resulting in savings of \$101.1 million, mainly from projected lower energy costs.
- Budget reduction program savings of \$46.4 million (as detailed at the beginning of this narrative).
- The favorable timing of NYC student fare reimbursements from 2017 of \$45.0 million.
- A net pension expenditure projected increase of \$85.5 million, reflecting an increase in the NYCERS pension bill primarily due to the adoption of a new mortality table reflecting greater longevity by the NYC Office of the Actuary.
- Reduced farebox receipts of \$54.8 million, caused by lower than projected ridership.
- Investments in new programmatic initiatives of \$42.5 million (as detailed at the beginning of this narrative).

Reimbursable expenses are projected to increase in 2016 by \$8.8 million, due to programmatic/engineering requirements.

Plan-to-Plan, total baseline positions are projected to increase by 106, including a non-reimbursable increase of 53 and a reimbursable increase of 53. The non-reimbursable increase represents an increase of 43 in support of new programmatic initiatives (see beginning of this narrative for more detailed information), and 10 positions in support of a platform budget update. The reimbursable position increase is due mostly to programmatic construction/engineering changes.

2017 Preliminary Budget

MTA New York City Transit's 2017 Preliminary Budget includes total expenses before depreciation, other post-employment benefits and GASB #68 Pension Adjustment of \$9,150.8 million, consisting of \$7,997.1 million of non-reimbursable expenses and \$1,153.7 million of reimbursable expenses. Total revenues are projected to be \$6,032.3 million, of which \$4,878.6 million are operating revenues and \$1,153.7 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 48,470, including 43,590 non-reimbursable positions and 4,880 reimbursable positions.

The 2017 net operating cash deficit is projected to increase by \$166.8 million from the February Financial Plan.

Major operating cash variances include:

- A net pension expenditure projected increase of \$77.3 million.

- The unfavorable timing of NYC student fare reimbursements to 2017 of \$45.0 million.
- Reduced farebox receipts of \$60.1 million, caused by projected lower ridership.
- Investments in new programmatic initiatives of \$52.9 million (as detailed at the beginning of this narrative).
- Budget reduction program savings of \$29.9 million (as detailed at the beginning of this narrative).
- Updated inflation assumptions, resulting in savings of \$25.9 million, mainly from projected lower fuel costs.

Reimbursable expenses are projected to increase in 2017 by \$19.8 million, due primarily to programmatic construction/engineering changes.

Plan-to-Plan, total baseline positions are projected to increase by 132, including a non-reimbursable increase of 74 and a reimbursable increase of 58. The non-reimbursable increase represents 64 in support of new programmatic initiatives (see beginning of this narrative for more detailed information) and 20 in support of the updated platform budget normal business. The reimbursable increase is due mostly to programmatic construction/engineering changes.

2018-2019 Projections

Net operating cash deficits are projected to increase by \$97.9 million in 2018 and \$68.5 million in 2019, relative to the February Financial Plan.

Major operating cash changes include:

- A net pension expenditure projected increases of \$87.4 million in 2018 and \$76.8 million in 2019.
- Reduced farebox receipts of \$54.8 million in 2018 and \$52.1 million in 2019, caused by projected lower ridership.
- Investments in new programmatic initiatives of \$42.6 million in 2018 and \$30.8 million in 2019 (as detailed at the beginning of this narrative).
- Budget reduction program savings of \$43.3 million in 2018 and \$46.5 million in 2019 (as detailed at the beginning of this narrative).
- Updated inflation assumptions, resulting in savings of \$41.1 million in 2018 and \$49.6 million in 2019, mainly from projected lower fuel costs.

Reimbursable expenses are projected to increase in 2018 by \$17.9 million and by \$18.7 million in 2019, due to programmatic construction/engineering changes.

Plan-to-Plan, total baseline positions are projected to increase by 126 in 2018 and 135 in 2019, including non-reimbursable increases of 84 in 2018 and 105 in 2019. Reimbursable increases are 42 in 2018 and 30 in 2019. The non-reimbursable increases are due mostly to 87 in both 2018 and 2019 in support of new programmatic initiatives (see beginning of this narrative for more detailed information) and the updated platform budget normal business. The reimbursable increases were due mostly to programmatic construction/engineering changes.

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE	2016		2017		2018	2019	2020
	2015	2016	2017				
	Actual	Mid-Year	Preliminary	Budget			
		Forecast					
Operating Revenue							
Farebox Revenue:							
Subway	\$3,313.600	\$3,349.672	\$3,370.860	\$3,397.104	\$3,411.495	\$3,434.235	
Bus	964.784	958.942	960.292	964.346	966.130	970.131	
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	\$4,400.461	\$4,424.285	\$4,455.873	\$4,473.421	\$4,501.624	
Vehicle Toll Revenue							
Other Operating Revenue:							
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016	
Paratransit Reimbursement	191.064	184.809	195.431	202.760	218.810	237.687	
Other	180.673	168.925	174.867	180.321	184.391	188.578	
Other Operating Revenue	\$455.753	\$437.750	\$454.314	\$467.097	\$487.217	\$510.281	
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	
Total Revenue	\$4,827.145	\$4,838.211	\$4,878.599	\$4,922.970	\$4,960.638	\$5,011.905	
Expenses							
Labor:							
Payroll	\$3,075.994	\$3,189.639	\$3,276.726	\$3,336.785	\$3,397.677	\$3,471.978	
Overtime	458.579	443.563	443.588	446.152	453.930	463.154	
Total Salaries & Wages	\$3,534.573	\$3,633.202	\$3,720.314	\$3,782.937	\$3,851.607	\$3,935.132	
Health and Welfare	741.052	813.671	889.995	952.175	1,027.819	1,106.402	
OPEB Current Payment	371.230	408.902	448.155	487.691	533.843	583.763	
Pensions	867.658	635.607	935.379	930.758	918.681	903.028	
Other Fringe Benefits	511.677	423.521	440.266	453.646	463.157	477.406	
Total Fringe Benefits	\$2,491.617	\$2,281.701	\$2,713.795	\$2,824.270	\$2,943.500	\$3,070.599	
Reimbursable Overhead	(240.904)	(242.105)	(235.174)	(226.689)	(228.806)	(227.957)	
Total Labor Expenses	\$5,785.286	\$5,672.798	\$6,198.935	\$6,380.518	\$6,566.301	\$6,777.774	
Non-Labor:							
Electric Power	\$286.555	\$258.710	\$327.266	\$347.374	\$369.271	\$396.086	
Fuel	101.575	75.419	94.922	99.679	110.126	123.202	
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	390.682	411.338	435.066	472.313	511.273	
Maintenance and Other Operating Contracts	196.382	231.265	225.993	200.014	202.070	207.933	
Professional Service Contracts	93.673	131.775	126.817	131.880	123.735	127.524	
Materials & Supplies	289.716	312.829	308.865	300.488	314.741	323.579	
Other Business Expenses	85.973	78.950	75.518	77.622	79.231	80.370	
Total Non-Labor Expenses	\$1,689.955	\$1,698.156	\$1,798.166	\$1,832.512	\$1,924.924	\$2,038.389	
Other Expense Adjustments:							
Other	0.000	0.000	0.000	0.000	0.000	0.000	
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Expenses before							
Depreciation and GASB Adjustments	\$7,475.241	\$7,370.954	\$7,997.101	\$8,213.030	\$8,491.225	\$8,816.163	
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)	(9.072)	(290.538)	(302.074)	(293.782)	(301.057)	
Environmental Remediation	12.876	0.000	0.000	0.000	0.000	0.000	
Total Expenses	\$9,995.856	\$10,533.305	\$10,985.720	\$11,300.157	\$11,699.089	\$12,131.696	
Net Surplus/(Deficit)	(\$5,168.711)	(\$5,695.094)	(\$6,107.121)	(\$6,377.187)	(\$6,738.451)	(\$7,119.791)	

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE	2016		2017			
	2015	Mid-Year	Preliminary	2018	2019	2020
	Actual	Forecast	Budget			
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	1,169.899	1,153.658	1,125.652	1,136.677	1,119.378
Total Revenue	\$1,182.909	\$1,169.899	\$1,153.658	\$1,125.652	\$1,136.677	\$1,119.378
Expenses						
Labor:						
Payroll	\$436.699	\$487.717	\$475.946	\$466.472	\$471.226	\$459.431
Overtime	133.561	99.051	99.713	98.720	100.461	100.426
Total Salaries & Wages	\$570.260	\$586.768	\$575.659	\$565.192	\$571.687	\$559.857
Health and Welfare	20.452	21.710	23.193	24.081	25.111	24.816
OPEB Current Payment	7.602	8.926	9.730	10.143	10.679	11.241
Pensions	29.795	22.928	33.383	33.539	33.061	31.472
Other Fringe Benefits	172.261	183.344	178.260	174.713	176.287	172.962
Total Fringe Benefits	\$230.110	\$236.908	\$244.566	\$242.476	\$245.138	\$240.491
Reimbursable Overhead	240.904	242.105	235.174	226.689	228.806	227.957
Total Labor Expenses	\$1,041.274	\$1,065.781	\$1,055.399	\$1,034.357	\$1,045.631	\$1,028.305
Non-Labor:						
Electric Power	\$0.553	\$0.252	\$0.252	\$0.252	\$0.252	\$0.252
Fuel	0.019	0.000	(0.023)	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	42.082	31.843	31.694	31.658	31.658	31.686
Professional Service Contracts	27.489	10.134	8.343	8.332	8.332	8.332
Materials & Supplies	75.367	61.930	58.035	51.095	50.845	50.845
Other Business Expenses	(3.875)	(0.041)	(0.042)	(0.042)	(0.041)	(0.042)
Total Non-Labor Expenses	\$141.635	\$104.118	\$98.259	\$91.295	\$91.046	\$91.073
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	\$1,182.909	\$1,169.899	\$1,153.658	\$1,125.652	\$1,136.677	\$1,119.378
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE	2016		2017			
	2015	Mid-Year	Preliminary			
	Actual	Forecast	Budget	2018	2019	2020
Revenue						
<u>Farebox Revenue:</u>						
Subway	\$3,313.600	\$3,349.672	\$3,370.860	\$3,397.104	\$3,411.495	\$3,434.235
Bus	964.784	958.942	960.292	964.346	966.130	970.131
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	\$4,400.461	\$4,424.285	\$4,455.873	\$4,473.421	\$4,501.624
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	184.809	195.431	202.760	218.810	237.687
Other	180.673	168.925	174.867	180.321	184.391	188.578
Other Operating Revenue	\$455.753	\$437.750	\$454.314	\$467.097	\$487.217	\$510.281
Capital and Other Reimbursements	1,182.909	1,169.899	1,153.658	1,125.652	1,136.677	1,119.378
Total Revenue	\$6,010.054	\$6,008.110	\$6,032.257	\$6,048.622	\$6,097.315	\$6,131.283
Expenses						
<u>Labor:</u>						
Payroll	\$3,512.693	\$3,677.356	\$3,752.672	\$3,803.257	\$3,868.903	\$3,931.409
Overtime	592.140	542.614	543.301	544.872	554.391	563.580
Total Salaries & Wages	\$4,104.833	\$4,219.970	\$4,295.973	\$4,348.129	\$4,423.294	\$4,494.989
Health and Welfare	761.504	835.381	913.188	976.256	1,052.930	1,131.218
OPEB Current Payment	378.832	417.828	457.885	497.834	544.522	595.004
Pensions	897.453	658.535	968.762	964.297	951.742	934.500
Other Fringe Benefits	683.938	606.865	618.526	628.359	639.444	650.368
Total Fringe Benefits	\$2,721.727	\$2,518.609	\$2,958.361	\$3,066.746	\$3,188.638	\$3,311.090
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$6,826.560	\$6,738.579	\$7,254.334	\$7,414.875	\$7,611.932	\$7,806.079
<u>Non-Labor:</u>						
Electric Power	\$287.108	\$258.962	\$327.518	\$347.626	\$369.523	\$396.338
Fuel	101.594	75.419	94.899	99.679	110.126	123.202
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	390.682	411.338	435.066	472.313	511.273
Maintenance and Other Operating Contracts	238.464	263.108	257.687	231.672	233.728	239.619
Professional Service Contracts	121.162	141.909	135.160	140.212	132.067	135.856
Materials & Supplies	365.083	374.759	366.900	351.583	365.586	374.424
Other Business Expenses	82.098	78.909	75.476	77.580	79.190	80.328
Total Non-Labor Expenses	\$1,831.590	\$1,802.274	\$1,896.425	\$1,923.807	\$2,015.970	\$2,129.462
<u>Other Expense Adjustments:</u>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before						
Depreciation and GASB Adjustments	\$8,658.150	\$8,540.853	\$9,150.759	\$9,338.682	\$9,627.902	\$9,935.541
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)	(9.072)	(290.538)	(302.074)	(293.782)	(301.057)
Environmental Remediation	12.876	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,178.765	\$11,703.204	\$12,139.378	\$12,425.809	\$12,835.766	\$13,251.074
Net Surplus/(Deficit)	(\$5,168.711)	(\$5,695.094)	(\$6,107.121)	(\$6,377.187)	(\$6,738.451)	(\$7,119.791)

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$4,386.386	\$4,400.661	\$4,424.485	\$4,456.073	\$4,473.621	\$4,501.824
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	185.131	195.556	202.760	218.619	237.507
Other	50.680	51.869	54.299	56.136	56.480	56.830
Other Operating Revenue	\$336.437	\$336.016	\$288.871	\$342.912	\$359.115	\$378.353
Capital and Other Reimbursements	1,221.961	1,246.684	1,156.577	1,130.989	1,133.872	1,122.473
Total Receipts	\$5,944.784	\$5,983.361	\$5,869.933	\$5,929.974	\$5,966.608	\$6,002.650
Expenditures						
<u>Labor:</u>						
Payroll	\$3,515.903	\$3,642.672	\$3,722.453	\$3,772.082	\$3,836.673	\$3,899.207
Overtime	592.140	542.614	543.301	544.872	554.391	563.580
Total Salaries & Wages	\$4,108.043	\$4,185.286	\$4,265.754	\$4,316.954	\$4,391.064	\$4,462.787
Health and Welfare	765.077	828.495	910.880	968.298	1,044.375	1,122.022
OPEB Current Payment	378.832	417.828	457.885	497.834	544.522	595.004
Pensions	922.314	999.217	968.762	964.297	951.742	934.500
Other Fringe Benefits	441.895	466.098	464.259	470.980	478.884	486.648
Total Fringe Benefits	\$2,508.118	\$2,711.638	\$2,801.786	\$2,901.409	\$3,019.523	\$3,138.174
GASB Account	0.000	0.000	0.000	7.907	17.138	27.122
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$6,616.161	\$6,896.924	\$7,067.540	\$7,226.270	\$7,427.725	\$7,628.083
<u>Non-Labor:</u>						
Electric Power	\$296.712	\$258.962	\$327.518	\$347.626	\$369.523	\$396.338
Fuel	102.215	75.419	94.899	99.679	110.126	123.202
Insurance	72.796	72.456	80.674	91.365	104.393	116.088
Claims	125.855	110.485	114.160	117.075	120.063	123.127
Paratransit Service Contracts	380.751	388.682	409.338	433.066	470.313	509.273
Maintenance and Other Operating Contracts	226.597	277.108	268.387	242.372	244.428	250.319
Professional Service Contracts	112.077	140.935	123.160	128.212	120.067	123.856
Materials & Supplies	389.990	358.398	350.400	350.083	364.086	372.924
Other Business Expenditures	79.721	78.909	75.476	77.580	79.190	80.328
Total Non-Labor Expenditures	\$1,786.714	\$1,761.354	\$1,844.012	\$1,887.058	\$1,982.189	\$2,095.455
<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	\$8,658.278	\$8,911.552	\$9,113.328	\$9,409.914	\$9,723.538
Net Cash Deficit	(\$2,458.091)	(\$2,674.917)	(\$3,041.619)	(\$3,183.354)	(\$3,443.306)	(\$3,720.888)

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2015	2016	2017	2018	2019	2020
	Actual	Mid-Year Forecast	Preliminary 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)	0.322	0.125	0.000	(0.191)	(0.180)
Other	(129.993)	(117.056)	(120.568)	(124.185)	(127.911)	(131.748)
Other Operating Revenue	(\$119.316)	(\$101.734)	(\$165.443)	(\$124.185)	(\$128.102)	(\$131.928)
Capital and Other Reimbursements	39.052	76.785	2.919	5.337	(2.805)	3.095
Total Receipt Adjustments	(\$65.270)	(\$24.749)	(\$162.324)	(\$118.648)	(\$130.707)	(\$128.633)
Expenditures						
Labor:						
Payroll	(\$3.210)	\$34.684	\$30.219	\$31.175	\$32.230	\$32.202
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Total Salaries & Wages	(\$3.210)	\$34.684	\$30.219	\$31.175	\$32.230	\$32.202
Health and Welfare	(3.573)	6.886	2.308	7.958	8.555	9.196
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	(24.861)	(340.682)	0.000	0.000	0.000	0.000
Other Fringe Benefits	242.043	140.767	154.267	157.379	160.560	163.720
Total Fringe Benefits	\$213.609	(\$193.029)	\$156.575	\$165.337	\$169.115	\$172.916
GASB Account	0.000	0.000	0.000	(7.907)	(17.138)	(27.122)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$210.399	(\$158.345)	\$186.794	\$188.605	\$184.207	\$177.996
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)	(1.865)	(0.150)
Claims	58.511	34.660	32.295	32.258	30.846	29.357
Paratransit Service Contracts	(1.480)	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	11.867	(14.000)	(10.700)	(10.700)	(10.700)	(10.700)
Professional Service Contracts	9.085	0.974	12.000	12.000	12.000	12.000
Materials & Supplies	(24.907)	16.361	16.500	1.500	1.500	1.500
Other Business Expenditures	2.377	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$44.876	\$40.920	\$52.413	\$36.749	\$33.781	\$34.007
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	(\$117.425)	\$239.207	\$225.354	\$217.988	\$212.003
Total Cash Conversion Adjustments before Depreciation and GASB Adjustments						
	\$190.005	(\$142.174)	\$76.883	\$106.706	\$87.281	\$83.370
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)	(9.072)	(290.538)	(302.074)	(293.782)	(301.057)
Environmental Remediation	12.876	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$2,710.620	\$3,020.177	\$3,065.502	\$3,193.833	\$3,295.145	\$3,398.903

MTA New York City Transit
2016 Mid-Year Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

<i>NON-REIMBURSABLE OVERTIME</i>	Total		%
	Hours	\$	
<u>Scheduled Service</u>	4,077,609	\$128.869	29.1%
<u>Unscheduled Service</u>	3,771,495	121.359	27.4%
<u>Programmatic/Routine Maintenance</u>	4,219,697	144.386	32.6%
<u>Unscheduled Maintenance</u>	-	0.000	0.0%
<u>Vacancy/Absentee Coverage</u>	496,920	15.466	3.5%
<u>Weather Emergencies</u>	739,771	24.933	5.6%
<u>Safety/Security/Law Enforcement</u>	129,955	3.752	0.8%
<u>Other ¹</u>	159,576	4.799	1.1%
Subtotal	13,595,022	\$443.563	100.0%
<i>REIMBURSABLE OVERTIME</i>	2,935,871	\$99.051	
TOTAL OVERTIME	16,530,893	\$542.614	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA NEW YORK CITY TRANSIT
2017 Preliminary Budget
July 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 \$23.8 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.

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 2.00% for each plan
- Wage increases for non-represented employees are projected at 2.00% for each plan year
- 2016 includes \$5.6 million of unfavorable cash timing adjustments from 2015.

Overtime

- 2017-2020 payroll wage rate increase assumptions apply.
- 2016 expenses are essentially flat from 2015, due to lower projected adverse weather requirements than incurred in 2015. Subsequent year-over-year increases of are due mostly to planned wage increases.

Health & Welfare

- Inflation assumptions for 2017-2020: Annual employees: 4.2% per year; hourly employees = 8.5% per year.

Pension

- Projections are consistent with current actuarial information.

Other Fringe Benefits

- Projected increases year-to-year reflect staffing levels, programmatic changes, inflationary payroll rate assumptions and Workers' Compensation cost assumptions.
- 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=1.13%, 2018=2.67%, 2019=2.66% and 2020=2.63%.
- The decrease of \$5.3 million in 2017 over 2016 is mostly due to Electronic Maintenance facility renovations in 2016 not recurring in 2017. The decrease of \$26.0 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 unfavorable 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=1.13%, 2018=2.67%, 2019=2.66% and 2020=2.63%.
- A reduction in expenses in 2017 over 2016 of \$5.0 million represents Transit Wireless' one-time implementation acceleration payment not recurring in 2017. A 2018 over 2017 increase of \$5.1 is due to bus on-board technology improvements planned for 2017, and not recurring in 2019.

- 2016 includes \$10.9 million of unfavorable cash timing adjustments from 2015.

Materials and Supplies

- Inflation assumptions are as follows: 2017=0.26%, 2018=1.66%, 2019=1.82% and 2020=1.64%.
- 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 decrease in 2017 over 2016 of \$4.0 million, the decrease in 2018 over 2017 of \$8.4 and increases of \$14.3 million in 2019 over 2018 and \$8.8 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=1.13%, 2018=2.67%, 2019=2.66% and 2020=2.63%.
- A reduction in expenses in 2017 over 2016 of \$3.4 million is due mostly to a suspension of the TWU apprentice program. Increases in expenses of \$2.1 million in 2018 over 2017, \$1.6 million in 2019 over 2018 and \$1.1 million in 2020 over 2019 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
July Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	Change 2017-2016	2017	Change 2018-2017	2018	Change 2019-2018	2019	Change 2020-2019	2020
Revenue									
Farebox Revenue:									
Subway	\$3,349.672	\$21.188	\$3,370.860	\$26.244	\$3,397.104	\$14.391	\$3,411.495	\$22.740	\$3,434.235
Bus	958.942	1.350	960.292	4.054	964.346	1.784	966.130	4.001	970.131
Paratransit	18.347	1.286	19.633	1.290	20.923	1.373	22.296	1.462	23.758
Fare Media Liability	73.500	0.000	73.500	0.000	73.500	0.000	73.500	0.000	73.500
Total Farebox Revenue	\$4,400.461	23.824	\$4,424.285	31.588	\$4,455.873	17.548	\$4,473.421	28.203	\$4,501.624
Vehicle Toll Revenue									
Other Operating Revenue:									
Fare Reimbursement	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000	84.016
Paratransit Reimbursement	184.809	10.622	195.431	7.329	202.760	16.050	218.810	18.877	237.687
Other	168.925	5.942	174.867	5.454	180.321	4.070	184.391	4.187	188.578
Total Other Operating Revenue	\$437.750	16.564	\$454.314	12.783	\$467.097	20.120	\$487.217	23.064	\$510.281
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4,838.211	40.388	\$4,878.599	44.371	\$4,922.970	37.668	\$4,960.638	51.267	\$5,011.905
Expenses									
Labor:									
Payroll	\$3,189.639	(87.087)	\$3,276.726	(60.059)	\$3,336.785	(60.892)	\$3,397.677	(74.301)	\$3,471.978
Overtime	443.563	(0.025)	443.588	(2.564)	446.152	(7.778)	453.930	(9.224)	463.154
Total Salaries & Wages	\$3,633.202	(87.112)	\$3,720.314	(62.623)	\$3,782.937	(68.670)	\$3,851.607	(83.525)	\$3,935.132
Health and Welfare	813.671	(76.324)	889.995	(62.180)	952.175	(75.644)	1,027.819	(78.583)	1,106.402
OPEB Current Payment	408.902	(39.253)	448.155	(39.536)	487.691	(46.152)	533.843	(49.920)	583.763
Pensions	635.607	(299.772)	935.379	4.621	930.758	12.077	918.681	15.653	903.028
Other Fringe Benefits	423.521	(16.745)	440.266	(13.380)	453.646	(9.511)	463.157	(14.249)	477.406
Total Fringe Benefits	\$2,281.701	(432.094)	\$2,713.795	(110.475)	\$2,824.270	(119.230)	\$2,943.500	(127.099)	\$3,070.599
Reimbursable Overhead	(242.105)	(6.931)	(235.174)	(8.485)	(226.689)	2.117	(228.806)	(0.849)	(227.957)
Total Labor Expenses	\$5,672.798	(526.137)	\$6,198.935	(181.583)	\$6,380.518	(185.783)	\$6,566.301	(211.473)	\$6,777.774
Non-Labor:									
Electric Power	\$258.710	(68.556)	\$327.266	(20.108)	\$347.374	(21.897)	\$369.271	(26.815)	\$396.086
Fuel	75.419	(19.503)	94.922	(4.757)	99.679	(10.447)	110.126	(13.076)	123.202
Insurance	73.381	(7.611)	80.992	(10.064)	91.056	(11.472)	102.528	(13.410)	115.938
Claims	145.145	(1.310)	146.455	(2.878)	149.333	(1.576)	150.909	(1.575)	152.484
Paratransit Service Contracts	390.682	(20.656)	411.338	(23.728)	435.066	(37.247)	472.313	(38.960)	511.273
Mtce. and Other Operating Contracts	231.265	5.272	225.993	25.979	200.014	(2.056)	202.070	(5.863)	207.933
Professional Service Contracts	131.775	4.958	126.817	(5.063)	131.880	8.145	123.735	(3.789)	127.524
Materials & Supplies	312.829	3.964	308.865	8.377	300.488	(14.253)	314.741	(8.838)	323.579
Other Business Expenses	78.950	3.432	75.518	(2.104)	77.622	(1.609)	79.231	(1.139)	80.370
Total Non-Labor Expenses	\$1,698.156	(\$100.010)	\$1,798.166	(\$34.346)	\$1,832.512	(\$92.412)	\$1,924.924	(\$113.465)	\$2,038.389
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	\$7,370.954	(\$626.147)	\$7,997.101	(\$215.929)	\$8,213.030	(\$278.195)	\$8,491.225	(\$324.938)	\$8,816.163
Depreciation	\$1,728.062	(50.000)	\$1,778.062	(50.000)	\$1,828.062	(50.000)	\$1,878.062	(50.000)	\$1,928.062
OPEB Liability Adjustment	1,443.361	(57.734)	1,501.095	(60.044)	1,561.139	(62.445)	1,623.584	(64.944)	1,688.528
GASB 68 Pension Expense Adjustment	(9.072)	281.466	(290.538)	11.536	(302.074)	(8.292)	(293.782)	7.275	(301.057)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$10,533.305	(\$452.415)	\$10,985.720	(\$314.437)	\$11,300.157	(\$398.932)	\$11,699.089	(\$432.607)	\$12,131.696
Net Surplus/(Deficit)	(\$5,695.094)	(\$412.027)	(\$6,107.121)	(\$270.066)	(\$6,377.187)	(\$361.264)	(\$6,738.451)	(\$381.340)	(\$7,119.791)

MTA New York City Transit
 July Financial Plan 2017 - 2020
 Year-to-Year Changes by Category - Accrual Basis
 (\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	Change 2017-2016	2017	Change 2018-2017	2018	Change 2019-2018	2019	Change 2020-2019	2020
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Capital and Other Reimbursements	1,169.899	(16.241)	1,153.658	(28.006)	1,125.652	11.025	1,136.677	(17.299)	1,119.378
Total Revenue	\$1,169.899	(\$16.241)	\$1,153.658	(\$28.006)	\$1,125.652	\$11.025	\$1,136.677	(\$17.299)	\$1,119.378
Expenses									
Labor:									
Payroll	\$487.717	11.771	\$475.946	9.474	\$466.472	(4.754)	\$471.226	11.795	\$459.431
Overtime	99.051	(0.662)	99.713	0.993	98.720	(1.741)	100.461	0.035	100.426
Total Salaries & Wages	\$586.768	\$11.109	\$575.659	\$10.467	\$565.192	(\$6.495)	\$571.687	\$11.830	\$559.857
Health and Welfare	21.710	(1.483)	23.193	(0.888)	24.081	(1.030)	25.111	0.295	24.816
OPEB Current Payment	8.926	(0.804)	9.730	(0.413)	10.143	(0.536)	10.679	(0.562)	11.241
Pensions	22.928	(10.455)	33.383	(0.156)	33.539	0.478	33.061	1.589	31.472
Other Fringe Benefits	183.344	5.084	178.260	3.547	174.713	(1.574)	176.287	3.325	172.962
Total Fringe Benefits	\$236.908	(7.658)	\$244.566	2.090	\$242.476	(2.662)	\$245.138	4.647	\$240.491
Reimbursable Overhead	242.105	6.931	235.174	8.485	226.689	(2.117)	228.806	0.849	227.957
Total Labor Expenses	\$1,065.781	10.382	\$1,055.399	21.042	\$1,034.357	(11.274)	\$1,045.631	17.326	\$1,028.305
Non-Labor:									
Electric Power	\$0.252	0.000	\$0.252	0.000	\$0.252	0.000	\$0.252	0.000	\$0.252
Fuel	0.000	0.023	(0.023)	(0.023)	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	31.843	0.149	31.694	0.036	31.658	0.000	31.658	(0.028)	31.686
Professional Service Contracts	10.134	1.791	8.343	0.011	8.332	0.000	8.332	0.000	8.332
Materials & Supplies	61.930	3.895	58.035	6.940	51.095	0.250	50.845	0.000	50.845
Other Business Expenses	(0.041)	0.001	(0.042)	0.000	(0.042)	(0.001)	(0.041)	0.001	(0.042)
Total Non-Labor Expenses	\$104.118	\$5.859	\$98.259	\$6.964	\$91.295	\$0.249	\$91.046	(\$0.027)	\$91.073
Other Expense Adjustments:									
Other									
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$1,169.899	\$16.241	\$1,153.658	\$28.006	\$1,125.652	(\$11.025)	\$1,136.677	\$17.299	\$1,119.378
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$1,169.899	\$16.241	\$1,153.658	\$28.006	\$1,125.652	(\$11.025)	\$1,136.677	\$17.299	\$1,119.378
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
 July Financial Plan 2017 - 2020
 Year-to-Year Changes by Category - Accrual Basis
 (\$ in millions)

**NON-REIMBURSABLE and
 REIMBURSABLE**

	Favorable/(Unfavorable)								
	2016	Change 2017-2016	2017	Change 2018-2017	2018	Change 2019-2018	2019	Change 2020-2019	2020
Revenue									
Farebox Revenue:									
Subway	\$3,349.672	\$21.188	\$3,370.860	\$26.244	\$3,397.104	\$14.391	\$3,411.495	\$22.740	\$3,434.235
Bus	958.942	1.350	960.292	4.054	964.346	1.784	966.130	4.001	970.131
Paratransit	18.347	1.286	19.633	1.290	20.923	1.373	22.296	1.462	23.758
Fare Media Liability	73.500	0.000	73.500	0.000	73.500	0.000	73.500	0.000	73.500
Total Farebox Revenue	\$4,400.461	\$23.824	\$4,424.285	\$31.588	\$4,455.873	\$17.548	\$4,473.421	\$28.203	\$4,501.624
Vehicle Toll Revenue									
Other Operating Revenue:									
Fare Reimbursement	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000	84.016
Paratransit Reimbursement	184.809	10.622	195.431	7.329	202.760	16.050	218.810	18.877	237.687
Other	168.925	5.942	174.867	5.454	180.321	4.070	184.391	4.187	188.578
Total Other Operating Revenue	\$437.750	\$16.564	\$454.314	\$12.783	\$467.097	\$20.120	\$487.217	\$23.064	\$510.281
Capital and Other Reimbursements	1,169.899	(16.241)	1,153.658	(28.006)	1,125.652	11.025	1,136.677	(17.299)	1,119.378
Total Revenue	\$6,008.110	\$24.147	\$6,032.257	\$16.365	\$6,048.622	\$48.693	\$6,097.315	\$33.968	\$6,131.283
Expenses									
Labor:									
Payroll	\$3,677.356	(\$75.316)	\$3,752.672	(\$50.585)	\$3,803.257	(\$65.646)	\$3,868.903	(\$62.506)	\$3,931.409
Overtime	542.614	(0.687)	543.301	(1.571)	544.872	(9.519)	554.391	(9.189)	563.580
Total Salaries & Wages	\$4,219.970	(\$76.003)	\$4,295.973	(\$52.156)	\$4,348.129	(\$75.165)	\$4,423.294	(\$71.695)	\$4,494.989
Health and Welfare	835.381	(77.807)	913.188	(63.068)	976.256	(76.674)	1,052.930	(78.288)	1,131.218
OPEB Current Payment	417.828	(40.057)	457.885	(39.949)	497.834	(46.688)	544.522	(50.482)	595.004
Pensions	658.535	(310.227)	968.762	4.465	964.297	12.555	951.742	17.242	934.500
Other Fringe Benefits	606.865	(11.661)	618.526	(9.833)	628.359	(11.085)	639.444	(10.924)	650.368
Total Fringe Benefits	\$2,518.609	(\$439.752)	\$2,958.361	(\$108.385)	\$3,066.746	(\$121.892)	\$3,188.638	(\$122.452)	\$3,311.090
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$6,738.579	(\$515.755)	\$7,254.334	(\$160.541)	\$7,414.875	(\$197.057)	\$7,611.932	(\$194.147)	\$7,806.079
Non-Labor:									
Electric Power	\$258.962	(\$68.556)	\$327.518	(\$20.108)	\$347.626	(\$21.897)	\$369.523	(\$26.815)	\$396.338
Fuel	75.419	(19.480)	94.899	(4.780)	99.679	(10.447)	110.126	(13.076)	123.202
Insurance	73.381	(7.611)	80.992	(10.064)	91.056	(11.472)	102.528	(13.410)	115.938
Claims	145.145	(1.310)	146.455	(2.878)	149.333	(1.576)	150.909	(1.575)	152.484
Paratransit Service Contracts	390.682	(20.656)	411.338	(23.728)	435.066	(37.247)	472.313	(38.960)	511.273
Mtce. and Other Operating Contracts	263.108	5.421	257.687	26.015	231.672	(2.056)	233.728	(5.891)	239.619
Professional Service Contracts	141.909	6.749	135.160	(5.052)	140.212	8.145	132.067	(3.789)	135.856
Materials & Supplies	374.759	7.859	366.900	15.317	351.583	(14.003)	365.586	(8.838)	374.424
Other Business Expenses	78.909	3.433	75.476	(2.104)	77.580	(1.610)	79.190	(1.138)	80.328
Total Non-Labor Expenses	\$1,802.274	(\$94.151)	\$1,896.425	(\$27.382)	\$1,923.807	(\$92.163)	\$2,015.970	(\$113.492)	\$2,129.462
Other Expense Adjustments:									
Other									
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$8,540.853	(\$609.906)	\$9,150.759	(\$187.923)	\$9,338.682	(\$289.220)	\$9,627.902	(\$307.639)	\$9,935.541
Depreciation	\$1,728.062	(50.000)	\$1,778.062	(50.000)	\$1,828.062	(50.000)	\$1,878.062	(50.000)	\$1,928.062
OPEB Liability Adjustment	1,443.361	(57.734)	1,501.095	(60.044)	1,561.139	(62.445)	1,623.584	(64.944)	1,688.528
GASB 68 Pension Expense Adjustment	(9.072)	281.466	(290.538)	11.536	(302.074)	(8.292)	(293.782)	7.275	(301.057)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,703.204	(\$436.174)	\$12,139.378	(\$286.431)	\$12,425.809	(\$409.957)	\$12,835.766	(\$415.308)	\$13,251.074
Net Surplus/(Deficit)	(\$5,695.094)	(\$412.027)	(\$6,107.121)	(\$270.066)	(\$6,377.187)	(\$361.264)	(\$6,738.451)	(\$381.340)	(\$7,119.791)

MTA New York City Transit
 July Financial Plan 2017 - 2020
 Year-to-Year Changes by Category - Cash Basis
 (\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	Favorable/(Unfavorable)								
	2016	Change 2017-2016	2017	Change 2018-2017	2018	Change 2019-2018	2019	Change 2020-2019	2020
Receipts									
Farebox Revenue	\$4,400.661	\$23.824	\$4,424.485	\$31.588	\$4,456.073	\$17.548	\$4,473.621	\$28.203	\$4,501.824
Vehicle Toll Revenue									
Other Operating Revenue:									
Fare Reimbursement	99.016	(60.000)	39.016	45.000	84.016	0.000	84.016	0.000	84.016
Paratransit Reimbursement	185.131	10.425	195.556	7.204	202.760	15.859	218.619	18.888	237.507
Other	51.869	2.430	54.299	1.837	56.136	0.344	56.480	0.350	56.830
Total Other Operating Revenue	336.016	(47.145)	288.871	54.041	342.912	16.203	359.115	19.238	378.353
Capital and Other Reimbursements	1,246.684	(90.107)	1,156.577	(25.588)	1,130.989	2.883	1,133.872	(11.399)	1,122.473
Total Receipts	\$5,983.361	(\$113.428)	\$5,869.933	\$60.041	\$5,929.974	\$36.634	\$5,966.608	\$36.042	\$6,002.650
Expenditures									
Labor:									
Payroll	\$3,642.672	(\$79.781)	\$3,722.453	(\$49.629)	\$3,772.082	(\$64.591)	\$3,836.673	(\$62.534)	\$3,899.207
Overtime	542.614	(0.687)	543.301	(1.571)	544.872	(9.519)	554.391	(9.189)	563.580
Total Salaries & Wages	\$4,185.286	(\$80.468)	\$4,265.754	(\$51.200)	\$4,316.954	(\$74.110)	\$4,391.064	(\$71.723)	\$4,462.787
Health and Welfare	828.495	(82.385)	910.880	(57.418)	968.298	(76.077)	1,044.375	(77.647)	1,122.022
OPEB Current Payment	417.828	(40.057)	457.885	(39.949)	497.834	(46.688)	544.522	(50.482)	595.004
Pensions	999.217	30.455	968.762	4.465	964.297	12.555	951.742	17.242	934.500
Other Fringe Benefits	466.098	1.839	464.259	(6.721)	470.980	(7.904)	478.884	(7.764)	486.648
Total Fringe Benefits	\$2,711.638	(\$90.148)	\$2,801.786	(\$99.623)	\$2,901.409	(\$118.114)	\$3,019.523	(\$118.651)	\$3,138.174
GASB Account	0.000	0.000	0.000	(7.907)	7.907	(9.231)	17.138	(9.984)	27.122
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$6,896.924	(\$170.616)	\$7,067.540	(\$158.730)	\$7,226.270	(\$201.455)	\$7,427.725	(\$200.358)	\$7,628.083
Non-Labor:									
Electric Power	\$258.962	(68.556)	\$327.518	(20.108)	\$347.626	(21.897)	\$369.523	(26.815)	\$396.338
Fuel	75.419	(19.480)	94.899	(4.780)	99.679	(10.447)	110.126	(13.076)	123.202
Insurance	72.456	(8.218)	80.674	(10.691)	91.365	(13.028)	104.393	(11.695)	116.088
Claims	110.485	(3.675)	114.160	(2.915)	117.075	(2.988)	120.063	(3.064)	123.127
Paratransit Service Contracts	388.682	(20.656)	409.338	(23.728)	433.066	(37.247)	470.313	(38.960)	509.273
Mtce. and Other Operating Contracts	277.108	8.721	268.387	26.015	242.372	(2.056)	244.428	(5.891)	250.319
Professional Service Contracts	140.935	17.775	123.160	(5.052)	128.212	8.145	120.067	(3.789)	123.856
Materials & Supplies	358.398	7.998	350.400	0.317	350.083	(14.003)	364.086	(8.838)	372.924
Other Business Expenditures	78.909	3.433	75.476	(2.104)	77.580	(1.610)	79.190	(1.138)	80.328
Total Non-Labor Expenditures	\$1,761.354	(\$82.658)	\$1,844.012	(\$43.046)	\$1,887.058	(\$95.131)	\$1,982.189	(\$113.266)	\$2,095.455
Other Expenditure Adjustments:									
Other									
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$8,658.278	(\$253.274)	\$8,911.552	(\$201.776)	\$9,113.328	(\$296.586)	\$9,409.914	(\$313.624)	\$9,723.538
Net Cash Deficit	(\$2,674.917)	(\$366.702)	(\$3,041.619)	(\$141.735)	(\$3,183.354)	(\$259.952)	(\$3,443.306)	(\$277.582)	(\$3,720.888)

MTA New York City Transit
 July Financial Plan 2017 - 2020
 Year-to-Year Changes by Category - Cash Conversion (Cash Flow Adjustments)
 (\$ in millions)

CASH FLOW ADJUSTMENTS

	Favorable/(Unfavorable)								
	2016	Change 2017-2016	2017	Change 2018-2017	2018	Change 2019-2018	2019	Change 2020-2019	2020
Receipts									
Farebox Revenue	\$0.200	0.000	\$0.200	0.000	\$0.200	0.000	\$0.200	0.000	\$0.200
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Fare Reimbursement	15.000	(60.000)	(45.000)	45.000	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	0.322	(0.197)	0.125	(0.125)	0.000	(0.191)	(0.191)	0.011	(0.180)
Other	(117.056)	(3.512)	(120.568)	(3.617)	(124.185)	(3.726)	(127.911)	(3.837)	(131.748)
Total Other Operating Revenue	(\$101.734)	(63.709)	(\$165.443)	41.258	(\$124.185)	(3.917)	(\$128.102)	(3.826)	(\$131.928)
Capital and Other Reimbursements	76.785	(73.866)	2.919	2.418	5.337	(8.142)	(2.805)	5.900	3.095
Total Receipt Adjustments	(\$24.749)	(\$137.575)	(\$162.324)	\$43.676	(\$118.648)	(\$12.059)	(\$130.707)	\$2.074	(\$128.633)
Expenditures									
Labor:									
Payroll	\$34.684	(4.465)	\$30.219	0.956	\$31.175	1.055	\$32.230	(0.028)	\$32.202
Overtime	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Salaries & Wages	34.684	(4.465)	30.219	0.956	31.175	1.055	32.230	(0.028)	32.202
Health and Welfare	6.886	(4.578)	2.308	5.650	7.958	0.597	8.555	0.641	9.196
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	(340.682)	340.682	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	140.767	13.500	154.267	3.112	157.379	3.181	160.560	3.160	163.720
Total Fringe Benefits	(\$193.029)	349.604	\$156.575	8.762	\$165.337	3.778	\$169.115	3.801	\$172.916
GASB Account	0.000	0.000	0.000	(7.907)	(7.907)	(9.231)	(17.138)	(9.984)	(27.122)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$158.345)	\$345.139	\$186.794	\$1.811	\$188.605	(\$4.398)	\$184.207	(\$6.211)	\$177.996
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	0.925	(0.607)	0.318	(0.627)	(0.309)	(1.556)	(1.865)	1.715	(0.150)
Claims	34.660	(2.365)	32.295	(0.037)	32.258	(1.412)	30.846	(1.489)	29.357
Paratransit Service Contracts	2.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000	2.000
Mtce. and Other Operating Contracts	(14.000)	3.300	(10.700)	0.000	(10.700)	0.000	(10.700)	0.000	(10.700)
Professional Service Contracts	0.974	11.026	12.000	0.000	12.000	0.000	12.000	0.000	12.000
Materials & Supplies	16.361	0.139	16.500	(15.000)	1.500	0.000	1.500	0.000	1.500
Other Business Expenditures	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$40.920	\$11.493	\$52.413	(\$15.664)	\$36.749	(\$2.968)	\$33.781	\$0.226	\$34.007
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 Expenditure Adjustments	(\$117.425)	\$356.632	\$239.207	(\$13.853)	\$225.354	(\$7.366)	\$217.988	(\$5.985)	\$212.003
Total Cash Conversion Adjustments before Depreciation	(\$117.425)	\$356.632	\$239.207	(\$13.853)	\$225.354	(\$7.366)	\$217.988	(\$5.985)	\$212.003
Depreciation Adjustment	\$1,728.062	50.000	\$1,778.062	50.000	\$1,828.062	50.000	\$1,878.062	50.000	\$1,928.062
OPEB Liability Adjustment	1,443.361	57.734	1,501.095	60.044	1,561.139	62.445	1,623.584	64.944	1,688.528
GASB 68 Pension Expense Adjustment	(9.072)	(281.466)	(290.538)	(11.536)	(302.074)	8.292	(293.782)	(7.275)	(301.057)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$3,020.177	\$45.325	\$3,065.502	\$128.331	\$3,193.833	\$101.312	\$3,295.145	\$103.758	\$3,398.903

MTA NEW YORK CITY TRANSIT
2017 Preliminary Budget
July Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes by Generic Categories

2016: July Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$52.7 million.

Major generic category changes include:

- Farebox revenue decreased by \$54.8 million, due primarily to reduced ridership projections including the impact of adverse weather early in the year. Recent annual ridership growth has now appeared to have plateaued.
- Other operating revenue was favorable by \$2.0 million, due mostly to a higher advertising revenue projection.

Operating Expense Changes

Operating expenses are projected to decrease by \$209.6 million from the February Financial Plan.

Major generic category changes include:

- Overtime is projected to increase by \$11.9 million, due primarily to the impact of adverse weather in early 2016.
- Health & welfare/OPEB current payment expenses are projected to decrease by \$31.4 million, due mainly to more favorable rates and the inclusion of retiree drug cost rebates.
- Pension expenses are projected to decrease by \$248.1 million, due to the adoption of GASB #68 Pension accounting rules.
- Other fringe benefits are projected to increase by \$112.4 million, due mainly to a projected increase in Workers' Compensation reserve requirements.
- Electric power expenses are projected to decrease by \$50.6 million, due mostly to a decrease in projected prices.
- Fuel expenses are projected to decrease by \$36.1 million, due mainly to lower prices.

- Claims expenses are projected to increase by \$20.0 million, based on higher anticipated reserve requirements.
- Paratransit service contract expenses are projected to decrease by \$16.0 million, due mostly to less than projected growth in trips.
- Maintenance contract expenses are projected to increase by \$12.8 million, due mostly to priority R160 subway car retro-fitting requirements.
- Professional service contract expenses are projected to increase by \$24.0 million, due mostly to the 31 station enhancement initiative.

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

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$50.8 million in 2017, \$50.5 million in 2018 and by \$50.3 million in 2019:

Major generic category changes include:

- Farebox revenue is projected to decrease in 2017 by \$60.1 million, \$54.8 million in 2018, and \$52.1 million in 2019, due primarily to projected lower ridership.
- Other operating revenue increased by \$9.2 million in 2017, \$4.3 million in 2018 and \$1.8 million in 2019, due largely to projected increases in advertising revenue.

Operating Expense Changes

Operating expenses increased from the February Financial Plan by \$212.4 million in 2017, \$183.4 million in 2018 and \$143.0 million in 2019.

Major generic category changes include:

- Overtime is projected to increase by \$9.4 million in 2017, \$4.0 million in 2018, and \$1.1 million in 2019. About half of the 2017 and 2018 increases reflect continuation of the track defect backlog reduction initiative.
- Health & welfare/OPEB current payment expenses are projected to decrease by \$11.5 million in 2017, \$16.2 million in 2018 and \$16.0 million in 2019, due mainly to more favorable rates and the inclusion of retiree drug cost rebates.
- Pension expenses are projected to increase by \$85.8 million in 2017, \$97.4 million in 2018 and \$76.5 million in 2019, based on updated actuarial information.

- Other fringe benefit expenses are projected to increase by \$114.0 million in 2017, \$114.7 million in 2018 and \$116.7 million in 2019, due primarily to projected Workers' Compensation additional reserve requirements.
- Fuel expenses are projected to decrease by \$22.3 million in 2017, \$35.8 million in 2018 and \$42.8 million in 2019, due largely to projected lower prices.
- Claims expenses are projected to increase by \$20.0 million for each year 2017, 2018 and 2019, based on projected reserve requirements.
- Paratransit service contract expenses are projected to decrease by \$14.9 million in 2017, \$28.3 million in 2018 and \$29.6 million in 2019, due primarily to reductions in completed trip levels.
- Maintenance contract costs are projected to increase by \$21.5 million in 2017, due to R160 subway car retro-fitting priority requirements, an increase in paratransit vehicle purchases and additional bus shop requirements. Increases of \$14.2 million in 2018 and \$14.5 million in 2019 are planned, supported by additional bus shop requirements and paratransit vehicle purchases.
- Professional service contract expenses are projected to increase by \$23.4 million in 2017 and \$26.3 million in 2018, due mostly to requirements for enhancement initiatives for 31 subway stations, and transit wireless/electric bus/USB/WiFi requirements. An increase of \$16.7 million is planned in 2019, regarding USB/WiFi/Transit wireless and electric bus requirements.
- Materials & supplies expenses are projected to decrease by \$5.8 million in 2017, \$8.7 million in 2018, and \$8.1 million in 2019, due largely to the timing of subways scheduled maintenance requirements.

MTA New York City Transit
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$2,692.753)	(\$2,874.817)	(\$3,085.471)	(\$3,374.785)
Baseline Changes				
Revenue				
Farebox Revenue	(\$54.792)	(\$60.079)	(\$54.755)	(\$52.109)
Other Operating Revenue	2.049	9.242	4.284	1.802
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Total Revenue Changes	(\$52.743)	(\$50.837)	(\$50.471)	(\$50.307)
Expenses				
<i>Labor:</i>				
Payroll	\$0.855	\$1.457	(\$1.163)	(\$2.399)
Overtime	(11.867)	(9.364)	(3.956)	(1.129)
Health and Welfare	10.706	(4.844)	(2.125)	(2.840)
OPEB Current Payment	20.672	16.319	18.308	18.817
Pensions	248.149	(85.773)	(97.439)	(76.465)
Other Fringe Benefits	(112.449)	(113.969)	(114.697)	(116.652)
Reimbursable Overhead	3.571	3.260	2.147	2.641
Total Labor Expense Changes	\$159.637	(\$192.914)	(\$198.925)	(\$178.027)
<i>Non-Labor:</i>				
Electric Power	\$50.623	(\$1.941)	(\$1.028)	\$1.049
Fuel	36.138	22.295	35.787	42.824
Insurance	4.398	4.135	3.969	4.332
Claims	(20.000)	(20.000)	(20.000)	(20.000)
Paratransit Service Contracts	15.953	14.864	28.282	29.617
Maintenance and Other Operating Contracts	(12.765)	(21.526)	(14.188)	(14.493)
Professional Service Contracts	(24.020)	(23.419)	(26.282)	(16.744)
Materials & Supplies	(0.602)	5.769	8.671	8.134
Other Business Expenses	0.201	0.351	0.342	0.316
Total Non-Labor Expense Changes	\$49.926	(\$19.472)	\$15.553	\$35.035
Depreciation	(\$39.918)	\$85.230	\$85.230	\$86.572
OPEB Liability	237.550	247.053	256.935	267.213
GASB #68 Pension Adjustment	9.072	290.538	302.074	293.782
Total Expense Changes	\$416.267	\$410.435	\$460.867	\$504.575
Cash Adjustment Changes				
Revenue	\$39.515	(\$50.566)	(\$5.695)	(\$5.980)
Expense	(224.698)	149.238	141.261	130.933
Depreciation	39.918	(85.230)	(85.230)	(86.572)
GASB Adjustments	(246.622)	(537.591)	(559.009)	(561.095)
Total Cash Adjustment Changes	(\$391.887)	(\$524.149)	(\$508.673)	(\$522.714)
Total Baseline Changes	(\$28.363)	(\$164.551)	(\$98.277)	(\$68.446)
July Financial Plan - Cash Surplus/(Deficit)	(\$2,721.116)	(\$3,039.368)	(\$3,183.748)	(\$3,443.231)

MTA New York City Transit
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue				
Other Operating Revenue				
Capital and Other Reimbursement	8.822	19.768	17.875	18.717
Total Revenue Changes	\$8.822	\$19.768	\$17.875	\$18.717
Expenses				
<i>Labor:</i>				
Payroll	(\$5.992)	(\$4.811)	(\$1.836)	(\$2.600)
Overtime	(0.706)	(1.057)	(2.844)	(2.667)
Health and Welfare	0.193	(0.297)	(0.229)	(0.259)
OPEB Current Payment	0.205	(0.208)	(0.111)	(0.109)
Pensions	6.019	(5.466)	(5.859)	(5.313)
Other Fringe Benefits	(2.603)	(1.538)	(1.720)	(1.998)
Reimbursable Overhead	(3.571)	(3.260)	(2.147)	(2.641)
Total Labor Expense Changes	(\$6.455)	(\$16.637)	(\$14.746)	(\$15.587)
<i>Non-Labor:</i>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.046	0.023	0.023
Insurance	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(2.330)	(2.230)	(2.230)	(2.230)
Professional Service Contracts	(2.531)	(0.899)	(0.899)	(0.899)
Materials & Supplies	2.494	(0.048)	(0.023)	(0.024)
Other Business Expenses	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	(\$2.367)	(\$3.131)	(\$3.129)	(\$3.130)
Total Expense Changes	(\$8.822)	(\$19.768)	(\$17.875)	(\$18.717)
Cash Adjustment Changes				
Capital Reimbursement Timing	46.199	(2.251)	0.394	(0.175)
Total Cash Adjustment Changes	\$46.199	(\$2.251)	\$0.394	(\$0.175)
Total Baseline Changes	\$46.199	(\$2.251)	\$0.394	(\$0.175)
July Financial Plan - Cash Surplus/(Deficit)	\$46.199	(\$2.251)	\$0.394	(\$0.175)

MTA New York City Transit
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$2,692.753)	(\$2,874.817)	(\$3,085.471)	(\$3,374.785)
Baseline Changes				
Revenue				
Farebox Revenue	(\$54.792)	(\$60.079)	(\$54.755)	(\$52.109)
Other Operating Revenue	2.049	9.242	4.284	1.802
Capital and Other Reimbursement	8.822	19.768	17.875	18.717
Total Revenue Changes	(\$43.921)	(\$31.069)	(\$32.596)	(\$31.590)
Expenses				
<i>Labor:</i>				
Payroll	(\$5.137)	(\$3.354)	(\$2.999)	(\$4.999)
Overtime	(12.573)	(10.421)	(6.800)	(3.796)
Health and Welfare	10.899	(5.141)	(2.354)	(3.099)
OPEB Current Payment	20.877	16.111	18.197	18.708
Pensions	254.168	(91.239)	(103.298)	(81.778)
Other Fringe Benefits	(115.052)	(115.507)	(116.417)	(118.650)
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$153.182	(\$209.551)	(\$213.671)	(\$193.614)
<i>Non-Labor:</i>				
Electric Power	\$50.623	(\$1.941)	(\$1.028)	\$1.049
Fuel	36.138	22.341	35.810	42.847
Insurance	4.398	4.135	3.969	4.332
Claims	(20.000)	(20.000)	(20.000)	(20.000)
Paratransit Service Contracts	15.953	14.864	28.282	29.617
Maintenance and Other Operating Contracts	(15.095)	(23.756)	(16.418)	(16.723)
Professional Service Contracts	(26.551)	(24.318)	(27.181)	(17.643)
Materials & Supplies	1.892	5.721	8.648	8.110
Other Business Expenses	0.201	0.351	0.342	0.316
Total Non-Labor Expense Changes	\$47.559	(\$22.603)	\$12.424	\$31.905
Depreciation	(\$39.918)	\$85.230	\$85.230	\$86.572
OPEB Liability	237.550	247.053	256.935	267.213
GASB #68 Pension Adjustment	9.072	290.538	302.074	293.782
Total Expense Changes	\$407.445	\$390.667	\$442.992	\$485.858
Cash Adjustment Changes				
Revenue	\$39.515	(\$50.566)	(\$5.695)	(\$5.980)
Expense	(224.698)	149.238	141.261	130.933
Capital Reimbursement Timing	46.199	(2.251)	0.394	(0.175)
Depreciation	39.918	(85.230)	(85.230)	(86.572)
GASB Adjustments	(246.622)	(537.591)	(559.009)	(560.995)
Total Cash Adjustment Changes	(\$345.688)	(\$526.400)	(\$508.279)	(\$522.789)
Total Baseline Changes	\$17.836	(\$166.802)	(\$97.883)	(\$68.521)
July Financial Plan - Cash Surplus/(Deficit)	(\$2,674.917)	(\$3,041.619)	(\$3,183.354)	(\$3,443.306)

MTA NEW YORK CITY TRANSIT
2017 Preliminary Budget
July Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes

2016: July Financial Plan vs. February Financial Plan

Revenue Changes

Total revenue changes from the February Financial Plan decreased by \$43.9 million.

Major changes include:

- Farebox revenue decreased by \$54.8 million, due primarily to reduced ridership projections including the impact of adverse weather early in the year. Recent annual ridership growth has now appeared to have plateaued.
- Other operating revenue was favorable by \$2.0 million, due mostly to a higher advertising revenue projection.
- Capital reimbursements increase by \$8.8 million to provide for reimbursement of reimbursable expense increases.

Expense Changes

Total expenses decrease from the February Financial Plan by \$200.7 million.

Major changes include:

- Pension expenses are projected to decrease by \$248.1 million, based on updated actuarial information adjusted for the impact of GASB #68 Pension Adjustment rules.
- Updated inflation assumptions, resulting in savings of \$101.1 million, mainly from projected lower energy costs.
- Budget reduction program savings of \$46.4 million (as detailed at the beginning of this narrative).
- Other fringe benefits are projected to increase by \$112.4 million, due mainly to a projected increase in Workers' Compensation reserve requirements.
- Investments in new programmatic initiatives of \$42.5 million (as detailed at the beginning of this narrative).

- Reimbursable expenses are projected to increase by \$8.8 million in 2017, mainly due to programmatic/engineering requirements.

Cash Adjustments

Cash adjustments are projected to be an unfavorable by \$139.0 million.

Major changes include:

- Pension adjustment of \$(333.6) million
- Workers' Compensation reserve adjustment of \$106.7 million
- The favorable timing of NYC student fare payments of \$45.0 million
- Capital reimbursement favorable timing adjustment of \$48.0 million

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

Revenue Changes

Total revenue changes from the February Financial Plan represent decreases of \$31.1 million in 2017, \$32.6 million in 2018 and \$31.6 million in 2019.

Major changes include:

- Farebox revenue is projected to decrease in 2017 by \$60.1 million, \$54.8 million in 2018, and \$52.1 million in 2019, due primarily to projected lower ridership as recent annual ridership growth appears to have now plateaued.
- Other operating revenue increased by \$9.2 million in 2017, \$4.3 million in 2018 and \$1.8 million in 2019, due largely to projected increases in advertising revenue.
- Capital reimbursements increased by \$19.8 million in 2017, \$17.9 million in 2018, and \$18.7 million in 2019 to provide for reimbursement of reimbursable expense increases.

Expense Changes

Total expenses increase by \$232.2 million in 2017, \$201.2 million in 2018 and \$161.7 million in 2019.

Major changes include:

- Other fringe benefits are projected to increase by \$114.0 million in 2017, \$114.7 million in 2018 and \$116.7 million in 2019, due mainly to a projected increase in Workers' Compensation reserve requirements.

- Pension expenses are projected to increase by \$85.8 million in 2017, \$97.4 million in 2018 and \$76.5 million in 2019, based on updated actuarial information.
- Investments in new programmatic initiatives of \$52.9 million in 2017, \$42.6 million in 2018 and \$30.8 million in 2019 (as detailed at the beginning of this narrative).
- Reimbursable expenses are projected to increase by \$19.8 million in 2017, \$17.9 million in 2018 and \$18.7 million in 2019.
- Updated inflation assumptions, resulting in savings of \$25.9 million in 2017, \$41.1 million in 2018, and \$49.6 million in 2019, mainly from lower fuel prices.
- Budget reduction program savings of \$29.9 million in 2017, \$43.3 million in 2018 and \$46.5 million in 2019 (as detailed at the beginning of this narrative).

Cash Adjustments

Cash adjustments are projected to be favorable by \$96.4 million in 2017, \$136.0 million in 2018 and by \$124.8 million in 2019.

Major changes include:

- Workers' Compensation reserve adjustments of \$112.2 million in 2017, \$114.4 million in 2018 and \$116.7 million in 2019.
- The unfavorable timing of NYC student fare payments of \$45.0 million in 2017.
- Public liability claims favorable adjustments of \$19.5 million in 2017 and 2018 and \$18.1 million in 2019.

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Cash Surplus/(Deficit)	(\$2,692.753)	(\$2,874.817)	(\$3,085.471)	(\$3,374.785)
Non-Reimbursable Major Changes				
Revenue				
Farebox	(\$54.792)	(\$60.079)	(\$54.755)	(\$52.109)
Other Operating Revenue	2.049	9.242	4.284	1.802
Sub-Total Non-Reimbursable Revenue Changes	(\$52.743)	(\$50.837)	(\$50.471)	(\$50.307)
Expenses				
Inflation-Related:				
Bus/Heating Fuel	\$31.308	\$17.506	\$29.867	\$36.018
Electric Power	50.624	(1.788)	(0.411)	1.666
Health & Welfare Rates	13.688	2.242	7.218	7.892
Materials, Insurance, Rentals and Miscellaneous Expenses	5.513	7.899	4.390	3.981
Sub-total Inflation-Related	101.133	25.859	41.064	49.557
Programmatic Initiatives:				
Subway Car Technical Maintenance-R160, R179	(\$13.381)	(\$14.161)	(\$1.698)	(\$1.698)
Enhanced Station Initiatives	(11.250)	(9.650)	0.000	0.000
Subway Wireless Implementation & Service	(8.984)	(4.712)	(3.537)	(3.537)
OBI On-The -Go	(3.790)	(1.882)	(1.432)	(1.432)
Bus Improved Customer Amenities-On Board Technology	(2.540)	(2.859)	(16.042)	(8.346)
All Electric Bus Lease	(3.055)	(4.987)	(4.836)	(5.786)
Track Defect Backlog Reduction	0.000	(5.840)	(2.920)	0.000
Platform Controllers	(0.211)	(2.164)	(3.375)	(3.375)
OBI Bus Time Cameras	1.534	(1.783)	(2.284)	(3.328)
Other New Needs	(0.807)	(4.908)	(6.452)	(3.286)
Sub-total Programmatic Initiatives	(\$42.484)	(\$52.946)	(\$42.576)	(\$30.788)
Budget Reduction Program:				
Paratransit Savings	\$21.800	\$5.741	\$16.008	\$17.771
Employee Group Waiver Plan	11.520	11.520	11.520	11.520
Recovery from Prior Medical Plans	7.625	0.000	0.000	0.000
Reduce Terminal Car Cleaning	0.000	2.025	2.025	2.025
Zero Fare Revenue Increase	0.000	2.100	3.600	3.600
Administrative and OTPS Savings	1.421	2.306	2.306	2.306
Other Savings	4.040	6.241	7.796	9.323
Sub-total Budget Reduction Program	\$46.406	\$29.933	\$43.255	\$46.545
Technical Adjustments/Re-estimates:				
Pension	\$248.149	(\$83.473)	(\$94.424)	(\$72.645)
Workers' Compensation /Other Fringe Benefit Reforecast	(110.500)	(115.120)	(116.818)	(120.297)
Timing of Expenses	(7.742)	(2.056)	(2.000)	0.000
Bus Shop Plan	(3.383)	(0.644)	(4.352)	(3.097)
Adverse Weather	(13.907)	0.000	0.000	0.000
Platform Budget-Normal Business	(1.991)	(4.436)	(4.436)	(4.436)
Reimbursable Adjustments	(0.250)	1.088	2.448	2.293
Other Re-estimates	(1.059)	(2.500)	(1.345)	(0.804)
OTPS Adjustments	(1.875)	(2.302)	(2.288)	(2.682)
Bus Overhaul Program	0.000	0.000	0.000	(6.950)
All Other	(2.934)	(5.789)	(1.900)	0.312
Sub-total Technical Adjustments/Re-estimates	104.508	(215.232)	(225.115)	(208.306)
Sub-Total Non-Reimbursable Expense Changes	\$209.563	(\$212.386)	(\$183.372)	(\$142.992)
Total Non-Reimbursable Major Changes*	\$156.820	(\$263.223)	(\$233.843)	(\$193.299)
Reimbursable Major Changes				
Revenue				
Increased Reimbursements-Higher Expenses	\$8.822	\$19.768	\$17.875	\$18.717
Sub-Total Reimbursable Revenue Changes	\$8.822	\$19.768	\$17.875	\$18.717
Expenses				
Increased Expenses	(\$8.822)	(\$19.768)	(\$17.875)	(\$18.717)
Sub-Total Reimbursable Expense Changes	(\$8.822)	(\$19.768)	(\$17.875)	(\$18.717)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$156.820	(\$263.223)	(\$233.843)	(\$193.299)
Cash Adjustment Changes				
Pension Payment Re-estimate	(\$333.612)	\$6.228	\$7.017	(\$4.195)
Workers Compensation/Other Fringe Benefit Reforecast	106.730	112.151	114.400	116.682
Timing-Student Fare Reimbursements	45.000	(45.000)	0.000	0.000
Capital Reimbursement Timing	48.014	(2.251)	0.394	(0.175)
Year-end 2015 Timing-Other Cash Flow Adjustments	(25.421)	10.000	0.000	0.000
Public Liability Claims	21.875	19.511	19.473	18.060
Other	(1.570)	(4.218)	(5.324)	(5.594)
Total Cash Adjustment Changes*	(\$138.984)	\$96.421	\$135.960	\$124.778
Total Baseline Changes	\$17.836	(\$166.802)	(\$97.883)	(\$68.521)
July Financial Plan - Cash Surplus/(Deficit)	(\$2,674.917)	(\$3,041.619)	(\$3,183.354)	(\$3,443.306)

*Excluding depreciation, Other Post-Employment Benefits and GASB #66 Pension adjustment accrued expenses and offsetting cash-flow adjustments

MTA NEW YORK CITY TRANSIT
2017 Preliminary Budget
July Financial Plan 2017 – 2020

RIDERSHIP/ (UTILIZATION)

The July 2016 Financial Plan baseline ridership forecast assumes that weather adjusted 2016 subway ridership will be 1.9% below budget and 2016 bus ridership will be 3.1% below budget, based on January-April 2016 weather and calendar adjusted ridership compared to the same period in 2015. The revised 2016 forecast includes preliminary actual ridership through April 2016, which was 3.1% below budget on subway and 3.2% below budget on bus due mainly to the historic blizzard in January 2016. As a result of lower subway and bus baseline ridership, and the blizzard in January 2016, projected 2016 subway and bus ridership is 54.9 million lower than the February 2016 Plan.

In developing the 2017 ridership forecast, subway ridership is projected to increase by approximately 0.6% over 2016 based on the revised March 2016 employment forecast, which projects a slightly lower percentage increase from 2016 to 2017 than the June 2015 forecast used in the February 2016 Plan. 2017 bus ridership is projected to increase by approximately 0.2%, based on a 40% factor applied to the employment forecast. The 40% bus factor was also used in the February Plan and is based on an analysis of historical bus ridership showing a lower employment elasticity on bus than on subway. As a result of both lower subway and bus ridership, slightly lower 2017 employment growth, projected 2017 subway and bus ridership is 51.9 million lower than the February Plan.

Working off the revised 2017 baseline projection, 2018-2020 subway and bus ridership growth forecasts are based on the March 2016 employment forecast, which projects larger percent increases in employment for 2018 and 2019 and a slower growth in employment for 2020 compared to the forecast used in the February 2016 Plan. The resulting ridership is expected to be 49.1 million lower than the February Plan in 2018, and 47.7 million in 2019.

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Ridership/Traffic Volume (Utilization)
(\$ in millions)

	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
RIDERSHIP						
Subway	1,762.565	1,767.357	1,778.584	1,791.931	1,799.250	1,810.815
Bus	650.682	640.637	641.797	644.277	645.367	647.814
Paratransit	8.829	8.983	9.671	10.299	10.969	11.682
Total Ridership	2,422.076	2,416.977	2,430.052	2,446.507	2,455.586	2,470.311
FAREBOX REVENUE (Excluding fare media liability)						
Subway	\$3,313.600	\$3,349.672	\$3,370.860	\$3,397.104	\$3,411.495	\$3,434.235
Bus	964.784	958.942	960.292	964.346	966.130	970.131
Paratransit	17.425	18.347	19.633	20.923	22.296	23.758
Total Farebox Revenue	4,295.809	4,326.961	4,350.785	4,382.373	4,399.921	4,428.124

NEW YORK CITY TRANSIT
July 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
Recovery From Prior Medical Plans	-	7.625	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Administration</i>	7	20.566	11	13.826	11	13.826	11	13.826	11	13.826
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	-	1.140	-	0.704	-	0.704	14	2.231	14	2.231
<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	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<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	-	0.000	-	2.100	-	3.600	-	3.600	-	3.600
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	2.100	-	3.600	-	3.600	-	3.600
Safety										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
Security Efficiencies	3	0.562	2	0.601	2	0.601	2	0.601	2	0.601
<i>Subtotal Security</i>	3	0.562	2	0.601	2	0.601	2	0.601	2	0.601
Service										
Paratransit Additional Savings	-	21.800	-	5.741	-	16.008	-	17.771	-	18.840
<i>Subtotal Service</i>	-	21.800	-	5.741	-	16.008	-	17.771	-	18.840
Service Support										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	26	\$46.406	95	\$29.933	95	\$43.255	109	\$46.545	109	\$47.614

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.
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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)	\$11.520	\$11.520	\$11.520	\$11.520	\$11.520
<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.
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Program Implementation Date:	7/1/2016	When will savings begin?:	7/1/2016
		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)	\$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.
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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.
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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.
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Program Implementation Date:	Jan-16 When will savings begin?:	Jan-16
Other Issues:	Are these savings recurring?:	Yes

	Favorable/(Unfavorable)				
<i>Financial Impact (Operating):</i>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
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)				
<i>Financial Impact (Operating):</i>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
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:		

	<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)	\$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.
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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.
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Program Implementation Date:	Jun-17	When will savings begin?:	Jun-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	\$2.100	\$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:		

	<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)	\$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.
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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 Preliminary Budget
July Financial Plan 2017 – 2020
Positions

POSITION ASSUMPTIONS

2016: July Financial Plan vs. February Financial Plan

Total baseline positions are projected to increase by 106, including a non-reimbursable increase of 53 and a reimbursable increase of 53. Specifically:

BRPs (total decrease of 26 positions) includes:

- -9 positions for Buses Maintenance
- -7 positions for Signals Maintenance Efficiency
- -7 positions for Administrative Savings
- -3 positions for Security Efficiencies

New Needs (total increase of 48 positions) includes:

- 36 positions for OBI Help Point and On The Go
- 3 positions for Subway Car Technology & Maintenance
- 3 positions for Platform Controllers
- 5 positions for Road Operations Service Management
- 1 position for Buses Underground Storage Tanks

(These initiatives are summarized at the beginning of the introductory narrative.)

Reimbursable (total increase of 53 positions) includes:

- 25 positions for Capital Track Program
- 12 positions for Subways Capital Program Support
- 13 positions for Signals Support
- 3 positions for Capital Program Support

Re-estimates (increase of 31 positions) include:

- 10 positions for Platform Budget – Normal Business
- 6 positions for Human Resources to support Exams and Recruitment units
- 3 positions for Operations Planning Schedules Unit
- 8 positions (FTEs) Hearing Referees for Law
- -3 positions for Select Bus Service
- 7 positions for miscellaneous other

The breakdown of the 106 position increase by function is as follows:

Administration (total increase of 19 positions) includes:

- 8 positions (FTEs) Hearing Referees for Law
- 5 positions, net for Human Resources to support Exams and Recruitment units
- 5 positions in Corporate Communications to support Help Point
- 1 position for miscellaneous other

Operations (total increase of 20 positions) include:

- 3 positions for Platform Controllers
- 12 positions for Stations reimbursable support
- 5 positions for miscellaneous other

Maintenance (total increase of 56 positions) includes:

- 25 positions for Track Maintenance
- 20 positions for Electronic Maintenance in support of On the Go and Help Point
- 19 positions for Car Equipment support
- -8 positions for miscellaneous other

Public Safety (total increase of 11 positions)

- 14 positions for Security for Select Bus Service Support
- -3 positions for Security Efficiencies BRP

Position increases by occupational group are: Managers/Supervisors 56, Professional, Technical, Clerical 29, and Operational Hourlies 21.

For further details, please see position tables.

2017: July Financial Plan vs. February Financial Plan

BRPs (total decrease of 95 positions) includes:

- -42 positions by Destaffing Auxiliary Full-Time Booths
- -24 positions by Reducing Terminal Cleaning
- -9 positions for Buses Maintenance
- -7 positions for Signals Maintenance Efficiency
- -11 positions for Administrative Savings
- -2 positions for Security Efficiencies

New Needs (total increase of 71 positions) includes:

- 23 positions for OBI Help Point and On The Go
- 7 positions for Subway Car Technology & Maintenance

- 35 positions for Platform Controllers
- 5 positions for Road Operations Service Management
- 1 position for Buses Underground Storage Tanks

Reimbursable (total increase of 58 positions) includes:

- 25 positions for Capital Track Program
- 12 positions for Subways Capital Program Support
- 5 positions for Signals Support
- 7 positions for Station Agent Support
- 9 positions for Car Equipment support

Re-estimates (increase of 98 positions) include:

- 40 positions for Subways Timekeeping Consolidation(change to prior year BRP)
- 25 positions for Select Bus Service
- 20 positions for Platform Budget – Normal Business
- 6 positions for Human Resources to support Exams and Recruitment units
- 3 positions for Operations Planning Schedules Unit
- 8 positions (FTEs) Hearing Referees for Law
- -4 positions for miscellaneous other

The breakdown of the 132 position increase by function is as follows:

- Administration (total increase of 20 positions) – mainly due to Law Hearing Referees and Human Resources
- Operations (total increase of 85 positions) – mainly due to platform budget changes and platform controllers
- Maintenance (total increase of 15 positions) – mainly due to Help Point and On the Go maintenance
- Engineering (no change)
- Public Safety (total increase of 12 positions) – mainly due to SBS support costs for eagle teams.

Position increases by occupational group are: Managers/Supervisors +46, Professional, Technical, Clerical +36, and Operational Hourlies +50.

2018 - 2019: July Financial Plan vs. February Financial Plan

BRPs (total decrease of 95 positions in 2018 and 109 positions in 2019) includes:

- -42 positions by Destaffing Auxiliary Full-Time Booths
- -24 positions by Reducing Terminal Cleaning
- -9 positions for Buses Maintenance
- -7 positions for Signals Maintenance Efficiency
- -11 positions for Administrative Savings
- -2 positions for Security Efficiencies
- -14 positions for Customer Assistance Program beginning in 2019

New Needs (total increase of 73 positions in 2018 and 2019) includes:

- 23 positions for OBI Help Point and On The Go
- 9 positions for Subway Car Technology & Maintenance
- 35 positions for Platform Controllers
- 5 positions for Road Operations Service Management
- 1 position for Buses Underground Storage Tanks

Reimbursable (total increase of 42 positions in 2018 and 30 positions in 2018) includes:

- 25 positions for Capital Track Program
- 12 positions for Subways Capital Program Support (2018 only)
- 9 positions for Car Equipment support
- -4 positions for Miscellaneous Other

Re-estimates (total increase of 106 positions in 2018 and 141 positions in 2019) include:

- 40 positions for Subways Timekeeping Consolidation(change to prior year BRP)
- 25 positions for Select Bus Service
- 20 positions for Platform Budget – Normal Business
- 6 positions for Human Resources to support Exams and Recruitment units
- 8 positions (FTEs) Hearing Referees for Law
- 9 positions for Bus Shop Maintenance/Overhaul Program (45 positions in 2019)
- -2 positions for miscellaneous other (-3 in 2019)

The breakdown of the 126 position increase in 2018 and 135 positions in 2019 by function is as follows:

- Administration (total increase of 20 positions in 2018 and 18 positions in 2019) – mainly due to Law Hearing Referees and Human Resources
- Operations (total increase of 77 positions in 2018 and 76 positions in 2019) – mainly due to platform budget changes and platform controllers
- Maintenance (total increase of 17 positions in 2018 and 29 positions in 2019) – mainly due to Help Point and On the Go maintenance
- Engineering (no change)
- Public Safety (total increase of 12 positions) – mainly due to SBS support costs for eagle teams.

Position increases by occupational group in 2018 are: Managers/Supervisors +41, Professional, Technical, Clerical +32, and Operational Hourlies +53. In 2019, positions increase among Managers/Supervisors +30, and Professional, Technical, Clerical +32 and Operational Hourlies +73.

Year over Year

2017 over 2016

Total positions decrease by 237 positions. The decrease is mainly due to Subways Capital Program support project completion, Bus Shop Plan adjustments and training float requirements.

2018 over 2017

Total positions decrease by 248 positions, mainly due to Subways Capital Program support, Bus Shop Plan adjustments and changes in Subways SMS program.

2019 over 2018

Total positions decrease by 29 positions, mainly due to changes in capital project completion.

MTA NEW YORK CITY TRANSIT
July Financial Plan 2017 - 2020
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019
2016 February Plan - Total Baseline Positions	48,601	48,338	48,096	48,058
Total Plan-to-Plan Changes	(106)	(132)	(126)	(135)
2016 July Plan - Total Baseline Positions	48,707	48,470	48,222	48,193
Total Year-to-Year Changes, July Plan		237	248	29

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(53)	(74)	(84)	(105)
<i>Reimbursable</i>	(53)	(58)	(42)	(30)
Total	(106)	(132)	(126)	(135)
<i>Full-Time</i>	(98)	(124)	(118)	(127)
<i>Full-Time Equivalents</i>	(8)	(8)	(8)	(8)
Total	(106)	(132)	(126)	(135)
<i>By Function Category</i>				
- Administration	(19)	(20)	(20)	(18)
- Operations	(20)	(85)	(77)	(76)
- Maintenance	(56)	(15)	(17)	(29)
- Engineering/Capital	0	0	0	0
- Public Safety	(11)	(12)	(12)	(12)
Total	(106)	(132)	(126)	(135)
<i>By Occupational Group</i>				
- Managers/Supervisors	(56)	(46)	(41)	(30)
- Professional, Technical, Clerical	(29)	(36)	(32)	(32)
- Operational Hourlies	(21)	(50)	(53)	(73)
Total	(106)	(132)	(126)	(135)

Total Plan-to-Plan Changes by Major Category:

2016 BRPs	26	95	95	109
New Needs	(48)	(71)	(73)	(73)
Change in Reimbursable Positions	(53)	(58)	(42)	(30)
Re-estimates & All Other ¹	(31)	(98)	(106)	(141)
Total	(106)	(132)	(126)	(135)

¹ Includes Full-time Equivalents

MTA New York City Transit
July Financial Plan 2017 - 2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Administration						
Office of the President	59	64	65	65	66	66
Law	290	320	320	320	320	320
Office of the EVP	42	46	46	46	46	44
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	265	265	265	263
Non-Departmental	-	(34)	(34)	(34)	(34)	(34)
Labor Relations	95	98	98	98	98	98
Materiel	272	290	284	283	281	256
Controller	123	128	128	128	128	125
Total Administration	1,441	1,486	1,482	1,479	1,477	1,444
Operations						
Subways Rapid Transit Operations	7,867	8,040	8,121	8,120	8,120	8,024
Subways Operation Support /Admin	386	406	406	406	406	406
Subways Stations	2,620	2,647	2,621	2,614	2,614	2,614
Subtotal - Subways	10,873	11,093	11,148	11,140	11,140	11,044
Buses	11,005	11,005	11,020	11,019	11,019	11,019
Paratransit	200	213	213	213	213	213
Operations Planning	395	400	400	400	399	394
Revenue Control	546	583	583	583	583	583
Non-Departmental	-	102	-	-	-	-
Total Operations	23,019	23,396	23,364	23,355	23,354	23,253
Maintenance						
Subways Operation Support /Admin	149	160	160	164	163	160
Subways Engineering	358	379	359	336	319	308
Subways Car Equipment	4,396	4,409	4,391	4,312	4,270	4,163
Subways Infrastructure	1,503	1,587	1,612	1,557	1,557	1,548
Subways Elevator & Escalators	408	453	489	484	489	489
Subways Stations	3,649	3,713	3,779	3,770	3,742	3,742
Subways Track	2,755	2,829	2,854	2,832	2,818	2,820
Subways Power	609	605	627	616	604	598
Subways Signals	1,484	1,498	1,485	1,454	1,452	1,453
Subways Electronics Maintenance	1,493	1,612	1,569	1,549	1,545	1,540
Subtotal - Subways	16,804	17,245	17,325	17,074	16,959	16,821
Buses	3,675	3,694	3,651	3,658	3,748	3,802
Supply Logistics	553	559	559	556	556	556
System Safety	89	99	99	99	99	96
Non-Departmental	-	208	(31)	(20)	(21)	(21)
Total Maintenance	21,121	21,805	21,603	21,367	21,341	21,254
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	663	663	663	663
Total Public Safety	622	662	663	663	663	663
Total Baseline Positions	47,572	48,707	48,470	48,222	48,193	47,897
Non-Reimbursable	43,449	43,586	43,590	43,523	43,545	43,503
Reimbursable	4,123	5,121	4,880	4,699	4,648	4,394
Total Full-Time	47,315	48,495	48,258	48,010	47,981	47,685
Total Full-Time Equivalents	257	212	212	212	212	212

MTA New York City Transit
July Financial Plan 2017 - 2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Administration						
Managers/Supervisors	468	537	535	534	532	513
Professional, Technical, Clerical	948	920	918	916	916	902
Operational Hourlies	25	29	29	29	29	29
Total Administration	1,441	1,486	1,482	1,479	1,477	1,444
Operations						
Managers/Supervisors	2,689	2,765	2,756	2,755	2,755	2,740
Professional, Technical, Clerical	490	508	508	507	506	504
Operational Hourlies	19,840	20,123	20,100	20,093	20,093	20,009
Total Operations	23,019	23,396	23,364	23,355	23,354	23,253
Maintenance						
Managers/Supervisors	3,826	3,927	3,895	3,839	3,819	3,806
Professional, Technical, Clerical	1,016	1,123	1,097	1,079	1,087	1,073
Operational Hourlies	16,279	16,755	16,611	16,449	16,435	16,375
Total Maintenance	21,121	21,805	21,603	21,367	21,341	21,254
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	288	288	288	288
Professional, Technical, Clerical	38	38	38	38	38	38
Operational Hourlies	319	336	337	337	337	337
Total Public Safety	622	662	663	663	663	663
Total Baseline Positions						
Managers/Supervisors	7,596	7,856	7,813	7,755	7,733	7,630
Professional, Technical, Clerical	3,511	3,606	3,578	3,557	3,564	3,515
Operational Hourlies	36,465	37,245	37,079	36,910	36,896	36,752
Total Baseline Positions	47,572	48,707	48,470	48,222	48,193	47,897

MTA Bus Company

MTA BUS COMPANY
2017 Preliminary Budget
July 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 NYC. To that end, the July 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, included in this financial plan are:

- **Introduction of Selective Bus Service (SBS) Routes.** MTABC is introducing SBS routes starting in 2016. The routes are selected jointly by MTABC, NYC DOT and NYC Transit as part of a strategy to improve bus service in the face of increasing street congestion. There are currently four planned SBS routes for MTABC. Off-board fare collection is essential to achieving the improvement in service speed and quality expected from this initiative. To accomplish this, approximately \$2.6 million is needed in 2016 for startup costs which include the purchase and installation of SBS fare machines, fare machine decals, bus wraps and Eagle Team ramp-up costs. From 2017 to 2020, annual expenses are estimated to average \$7.0 million, with additional positions of 5 in each of the years 2016 - 2020.
- **Shop Program.** This initiative involves production and headcount realignments, and a revision to the scope of work for the new Compressed Natural Gas (CNG) fleets entering the Shop for the first time. The original Hybrid plan was to repower hybrid buses with diesel engines, however, after an evaluation of the full cost of the conversions, it was determined that these funds would be better utilized to support the following Hybrid bus programs: provision for an extended warranty on PCS components with the vendor; replacement of traction motors and generators based on three-year average failure rates; replacement of hybrid batteries based on the latest schedule with the vendor; replacement of engines in their midlife; and replacement of injectors in years two and four after engine replacements. This initiative increases expenses by \$3.6 million in 2016, reduces expenses by \$32.4 million in 2017, and increases expenses by \$17.1 million in 2018, and \$8.0 million in 2019 and 2020. Positions increase by 4 in 2016, 8 in 2017, and 41 in 2018, and decrease by 3 in 2019 and 2020.

- **Electronic Security Systems (ESS).** Positions are needed to support MTABC security functions including: programming, inspection, and analysis of the card reader and CCTV systems. Additionally, the staff will be trained in the utilization and forensic analysis of the ESS data. This initiative increases expenses by \$0.2 million in 2016 and \$1.1 million annually in 2017 – 2020, with position increases of 4 in 2016 – 2020.
- **CMO Staffing.** Additional positions are needed in response to the significant increase in responsibilities of the Maintenance & Support Services division. This initiative increases expenses by \$0.2 million in 2016 and \$0.5 million annually in 2017 – 2020, with position increases of 3 in 2016 - 2020.
- **CMF staffing.** Additional managers and line supervisors are needed to address the increased production levels in the Shop. In 2015 the number of buses scheduled for the Shop Program were 129, in 2016 it is 251, and in 2017 it is 311, which is a 141% increase in the number of buses. This initiative increases expenses by \$0.6 million 2016 and \$0.9 million annually in 2017 – 2020, with position increases of 6 in 2016 - 2020.
- **CRT Filters.** Funding is required for periodic filter cleaning and the purchase of replacement filters. Filters are removed for cleaning every 6,000 engine hours, which occurs approximately every 12 months on local routes and every 18 months on express routes. This initiative increases expenses by \$1.0 million annually in 2016 - 2020.
- **Chief Officer of Equal Employment Opportunity.** This unit will have oversight of the MTABC Title VI program and its requirements; further, the Chief will be responsible for developing and recommending Equal Employment Opportunity policy, planning, reporting and day-to-day implementation of the MTABC EEO Program to ensure that: (1) equality of opportunity is an integral part of the MTA Bus Company's human resources policies and practices; (2) employees and applicants for employment are not subject to employment discrimination and (3) underutilized groups in the MTABC workforce are more fully utilized and provided with opportunities for development. This initiative increases expenses by \$0.4 million in 2016, \$0.6 million in 2017 and 2018, and \$0.7 million in 2019 and 2020, with position increases of 4 in 2016 - 2020.

The 2016 Budget Reduction Program (BRP) is based on a continued review of controllable non-labor expenses for areas of savings, specifically:

- The **Shop BRP**, with projected savings of \$4.2 million in 2016 with minor average annual savings over the period 2017 - 2020 is based on: A/C upgrades on all Hybrid buses being completed in-house rather than by a vendor, and MCI engine replacements being done on a fix-as-fail basis.
- The **Fuel Economy BRP**, with projected savings of \$0.3 million annually over the 2016 – 2020 period is based on the improved efficiencies of new buses.

2016 Mid-Year Forecast

MTA Bus Company's 2016 Mid-Year Forecast includes Total Expenses before Depreciation and Other Post-employment Benefits of \$678.0 million, consisting of \$671.9 million of non-reimbursable expenses and \$6.0 million of reimbursable expenses. Total Revenues are projected to be \$237.2 million, of which \$210.5 million is Farebox Revenues, \$20.7 million is Other Operating Revenue and \$6.0 million is Capital and Other Reimbursements. Total baseline full-time and full-time equivalent positions are 3,845 (3,805 non-reimbursable positions and 40 reimbursable positions).

The 2016 net operating cash deficit is projected to increase by \$35.8 million from the Adopted Budget.

Major operating cash changes include:

- A Farebox Revenue decrease of \$4.0 million due to year-to-date unfavorable ridership results (including the impact of the January blizzard), and lower forecasted ridership for the remainder of the year.
- Investment increases of \$13.4 million, which include SBS Routes and CRT Filters discussed previously under programmatic initiatives.
- Re-estimates of \$9.3 million in savings, which include Fuel and Pension
- 2015 timing adjustment of \$32.3 million negatively impacting 2016, primarily in the Payroll, Fringe Benefits and Professional Service Contracts categories.
- Shop BRP and Fuel Economy BRP savings of \$4.5 million.

Plan-to-Plan total baseline non-reimbursable positions are projected to increase by 38.

2017 Preliminary Budget

MTA Bus Company's 2017 preliminary budget includes Total Expenses before Depreciation and Other Post-employment Benefits of \$701.8 million, consisting of \$696.0 million of non-reimbursable expenses and \$5.9 million of reimbursable expenses. Total Revenues are projected to be \$237.7 million, of which \$210.7 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 3,867 (3,827 non-reimbursable positions and 40 reimbursable positions).

The 2017 net operating cash deficit is projected to decrease by \$12.1 million from the February Financial Plan.

Major operating cash changes include:

- Revenue decrease of \$3.7 million due to lower ridership, partially offset by higher pass average fares
- Investment increases of \$16.4 million offset by the \$32.4 million in savings in the Shop Program.
- Re-estimate increase of \$0.4 million, including higher H&W/OPEB expenses partially offset by decreases in Pension, Fuel and OTPS CPI.
- Fuel Economy BRP savings of \$0.3 million.

Plan-to-Plan, total baseline positions are projected to increase by 39.

2018 - 2020 Projections

Net operating cash deficits are projected to increase by \$56.2 million in 2018, \$61.9 million in 2019 and \$42.4 million in 2020, relative to the Adopted Budget.

Major operating cash changes include:

- Farebox Revenue decrease of \$3.6 million in 2018 and \$3.6 million in 2019 and \$3.7 million in 2020, mainly due to lower ridership which is partially offset by higher average Metrocard pass fares.
- Investment increases of \$43.8 million in 2018, \$25.7 million in 2019 and \$21.6 million in 2020.
- Re-estimate increases of \$9.3 million in 2018, \$33.0 million in 2019, and \$17.5 million in 2020 mainly due to higher H&W/OPEB expenses, partially offset by lower Pension and Fuel expenses.

- Shop BRP and Fuel Economy BRP savings of \$0.5 million in 2018, \$0.3 million in 2019, and \$0.5 million in 2020.

Plan-to-Plan, total baseline positions are projected to increase by 66 in 2018, 22 in 2019, and 21 in 2020.

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Operating Revenue						
Farebox Revenue	\$210.333	\$210.479	\$210.742	\$211.627	\$212.013	\$212.896
Other Operating Revenue	23.109	20.724	21.089	21.471	21.650	21.832
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$233.442	\$231.203	\$231.831	\$233.098	\$233.663	\$234.728
Operating Expenses						
<u>Labor:</u>						
Payroll	\$272.882	\$263.257	\$271.782	\$273.622	\$279.412	\$280.301
Overtime	58.326	54.158	54.835	56.203	56.558	55.840
Health and Welfare	59.155	60.909	65.998	71.795	76.742	82.471
OPEB Current Payment	18.124	23.911	25.928	28.016	30.324	32.824
Pensions	43.923	44.243	45.414	46.851	47.645	46.995
Other Fringe Benefits	63.811	50.632	50.668	53.860	54.433	54.356
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$516.221	\$497.111	\$514.625	\$530.348	\$545.114	\$552.787
<u>Non-Labor:</u>						
Electric Power	\$1.696	\$1.724	\$2.149	\$2.274	\$2.425	\$2.418
Fuel	22.088	18.108	20.430	21.585	24.063	26.877
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	40.372	38.254	38.184	31.598	28.959
Professional Service Contracts	21.113	26.955	27.291	29.210	32.869	32.557
Materials & Supplies	46.459	50.545	53.943	55.227	50.865	48.279
Other Business Expenses	3.955	2.602	3.750	3.842	4.910	4.861
Total Non-Labor Expenses	\$158.090	\$174.807	\$181.366	\$187.376	\$184.904	\$183.338
<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.	\$674.311	\$671.918	\$695.992	\$717.724	\$730.019	\$736.125
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	\$854.504	\$882.329	\$904.432	\$915.426	\$917.232
Net Surplus/(Deficit)	(\$539.894)	(\$623.301)	(\$650.498)	(\$671.334)	(\$681.763)	(\$682.504)

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2015	2016	2017			
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary 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
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						
<u>Labor:</u>						
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
<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	-	0.231	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
<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.	\$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
July Financial Plan 2017 - 2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2015 <u>Actual</u>	2016 <u>Mid-Year Forecast</u>	2017 <u>Preliminary Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenue						
Farebox Revenue	\$210.333	\$210.479	\$210.742	\$211.627	\$212.013	\$212.896
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	\$237.242	\$237.688	\$239.058	\$239.588	\$240.599
Expenses						
<u>Labor:</u>						
Payroll	\$275.818	\$266.149	\$274.464	\$276.353	\$281.998	\$282.731
Overtime	58.326	54.158	54.835	56.203	56.558	55.840
Health and Welfare	60.076	62.003	67.099	72.917	77.956	83.784
OPEB Current Payment	18.124	23.911	25.928	28.016	30.324	32.824
Pensions	44.362	44.741	45.912	47.359	48.153	47.503
Other Fringe Benefits	64.251	51.115	51.154	54.355	54.929	54.851
Reimbursable Overhead	0.379	-	-	-	-	-
Total Labor Expenses	\$521.336	\$502.077	\$519.392	\$535.202	\$549.918	\$557.534
<u>Non-Labor:</u>						
Electric Power	\$1.696	\$1.724	\$2.149	\$2.274	\$2.425	\$2.418
Fuel	22.088	18.108	20.430	21.585	24.063	26.877
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	40.603	38.489	38.422	31.840	29.201
Professional Service Contracts	21.113	26.955	27.291	29.210	32.869	32.557
Materials & Supplies	46.596	51.388	54.798	56.094	51.746	49.160
Other Business Expenses	3.955	2.602	3.750	3.842	4.910	4.861
Total Non-Labor Expenses	\$158.227	\$175.881	\$182.456	\$188.481	\$186.026	\$184.461
<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	\$677.958	\$701.848	\$723.684	\$735.944	\$741.995
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	\$860.544	\$888.185	\$910.392	\$921.351	\$923.102
Net Surplus/(Deficit)	(\$539.894)	(\$623.301)	(\$650.498)	(\$671.334)	(\$681.763)	(\$682.504)

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Receipts						
Farebox Revenue	\$209.816	\$210.479	\$210.742	\$211.627	\$212.013	\$212.896
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	\$241.430	\$242.879	\$244.342	\$248.238	\$249.308
Expenditures						
<u>Labor:</u>						
Payroll	\$246.476	\$278.920	\$272.424	\$274.274	\$283.377	\$284.269
Overtime	58.371	58.258	54.835	56.203	56.558	55.840
Health and Welfare	62.071	61.586	66.679	72.489	77.956	83.785
OPEB Current Payment	20.005	23.911	25.928	28.016	30.324	32.824
Pensions	46.001	44.569	45.742	47.185	47.979	47.329
Other Fringe Benefits	45.798	50.942	50.981	54.178	54.752	54.674
GASB Account	-	-	-	-	0.094	0.205
Reimbursable Overhead	0.238	-	-	-	-	-
Total Labor Expenditures	\$478.960	\$518.186	\$516.589	\$532.344	\$551.040	\$558.927
<u>Non-Labor:</u>						
Electric Power	\$1.696	\$1.724	\$2.149	\$2.274	\$2.425	\$2.418
Fuel	24.750	18.108	20.430	21.585	22.640	25.454
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	40.603	38.490	38.422	30.351	27.712
Professional Service Contracts	20.202	38.055	27.291	29.210	32.869	32.557
Materials & Supplies	47.608	51.388	54.798	56.094	51.746	49.160
Other Business Expenses	2.948	2.603	3.750	3.841	4.910	4.861
Total Non-Labor Expenditures	\$153.434	\$186.282	\$178.395	\$184.345	\$178.980	\$177.414
<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	\$704.468	\$694.984	\$716.690	\$730.020	\$736.341
Net Cash Surplus/(Deficit)	(\$396.489)	(\$463.037)	(\$452.106)	(\$472.348)	(\$481.782)	(\$487.034)

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
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						
<u>Labor:</u>						
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	0.173	0.173	0.177	0.177	0.177
GASB Account	-	-	-	-	(0.094)	(0.205)
Reimbursable Overhead	0.141	-	-	-	-	-
Total Labor Expenditures	\$42.376	(\$16.109)	\$2.803	\$2.858	(\$1.122)	(\$1.393)
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(2.662)	-	-	-	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	-	-
Total Non-Labor Expenditures	\$4.793	(\$10.401)	\$4.061	\$4.136	\$7.046	\$7.047
<u>Other Expenditures Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Gap Closing Actions:</u>						
Total Gap Closing Actions	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$44.380	(\$22.322)	\$12.055	\$12.278	\$14.574	\$14.363
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	\$160.264	\$198.392	\$198.986	\$199.981	\$195.470

MTA Bus Company
2016 Mid-Year Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	Total		
	Hours	\$	%
<i>NON-REIMBURSABLE OVERTIME</i>			
<u>Scheduled Service</u>	634,597	\$26.301	48.6%
<u>Unscheduled Service</u>	133,859	\$5.892	10.9%
<u>Programmatic/Routine Maintenance</u>	233,054	\$9.909	18.3%
<u>Unscheduled Maintenance</u>	0	\$0.000	0.0%
<u>Vacancy/Absentee Coverage</u>	190,474	\$9.757	18.0%
<u>Weather Emergencies</u>	48,458	\$1.854	3.4%
<u>Safety/Security/Law Enforcement</u>	2,641	\$0.128	0.2%
<u>Other ¹</u>	3,802	\$0.316	0.6%
Subtotal	1,246,885	\$54.158	100%
<i>REIMBURSABLE OVERTIME</i>			
TOTAL OVERTIME	1,246,885	\$54.158	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA BUS COMPANY
2017 Preliminary Budget
July 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 is as follows: Increases of \$0.3 million, or 0.1%, 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 are as follows: \$0.4 million in 2017; \$0.4 million in 2018, \$0.2 million in 2019, and \$0.2 million in 2020. The changes in 2016 through 2020 are primarily due to annual increases in advertising revenues, which are based upon current contracts in place.

Capital and Other Reimbursements

- Capital and Other Reimbursements are projected to essentially remain the same.

TOTAL EXPENSES/EXPENDITURES

Projections include Payroll and Other Fringe Benefits expenses for those employees without contract agreements that are patterned after the recent TWU settlement.

Payroll

- Represented employee wage increase assumptions follow the TWU pattern upon expiration of existing contracts starting in 2012 as follows: 0.87% 0.95%, 2.23%, 2.22% and 1.88% for years 1,2,3,4 and 5, respectively. CPI-based increases of 2% are assumed for each year upon expiration of the pattern.
- Non-Reimbursable payroll expenses are projected to increase by \$8.5 million in 2017, \$1.8 million in 2018, \$5.8 million in 2019 and by \$0.9 million in 2020, mainly due to changes in the Shop Plan.

Overtime

- Non-Reimbursable overtime expenses are projected to increase by \$0.7 million in 2017, \$1.4 million in 2018; \$0.4 million in 2019 and decrease by \$0.7 million in 2020. The 2017-2020 changes are primarily due to the impact of the Shop Program changes and Priority Initiatives.

Health & Welfare and OPEB Current

- 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

- Pension expenses are projected to increase by \$1.2 million in 2017, \$1.4 million in 2018; \$0.8 million in 2019 and decrease by \$0.7 million in 2020. The 2016-2019 increases are consistent with current actuarial information and related headcount program changes.

Other Fringe Benefits

- Projected year-to-year increases reflect staffing levels, programmatic changes and inflationary payroll rate assumptions.

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. Changes in fuel costs are primarily due to revised year-to-year forecasted rate guidelines.

Insurance

- Insurance expenses reflect actuals paid and revised forecasts for insurance premiums.

Claims

- Projections are consistent with the current actuarial information.

Maintenance and Other Operating Contracts

- The 2017 - 2020 decreases are mainly due to Shop Program changes and the Shop BRP, partially offset by SBS Routes, Non-Revenue Vehicle Replacements, the TRAK System Upgrade and the CNG fuel contract reclassification.

Professional Service Contracts

- The 2017 - 2020 changes are mainly due to SBS Routes and Bus Diagnostic Licenses.

Materials and Supplies

- The year-to-year changes in Materials and Supplies are primarily due to Shop Program changes and CRT Filters.

Other Business Expenses

- The 2017 - 2020 changes are due mainly to increased spending on office supplies, automatic fare collection and ticket printing fees/charges, training courses, and travel and meetings.

Depreciation (non-cash)

- Annual expense changes are due to projections of additional assets reaching beneficial use.

MTA BUS COMPANY
July 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	\$210.479	\$210.742	\$0.263	\$211.627	\$0.885	\$212.013	\$0.386	\$212.896	\$0.883
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	\$231.203	\$231.831	\$0.628	\$233.098	\$1.267	\$233.663	\$0.565	\$234.728	\$1.065
Expenses									
Labor:									
Payroll	\$263.257	\$271.782	(\$8.525)	\$273.622	(\$1.840)	\$279.412	(\$5.790)	\$280.301	(\$0.889)
Overtime	54.158	54.835	(0.677)	56.203	(1.368)	56.558	(0.355)	55.840	0.718
Health and Welfare	60.909	65.998	(5.088)	71.795	(5.798)	76.742	(4.946)	82.471	(5.729)
OPEB Current Payment	23.911	25.928	(2.017)	28.016	(2.088)	30.324	(2.308)	32.824	(2.500)
Pensions	44.243	45.414	(1.171)	46.851	(1.437)	47.645	(0.794)	46.995	0.650
Other Fringe Benefits	50.632	50.668	(0.036)	53.860	(3.192)	54.433	(0.573)	54.356	0.077
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$497.111	\$514.625	(\$17.514)	\$530.348	(\$15.723)	\$545.114	(\$14.766)	\$552.787	(\$7.672)
Non-Labor:									
Electric Power	\$1.724	\$2.149	(\$0.425)	\$2.274	(\$0.125)	\$2.425	(\$0.151)	\$2.418	\$0.007
Fuel	18.108	20.430	(2.322)	21.585	(1.155)	24.063	(2.478)	26.877	(2.813)
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	40.372	38.254	2.118	38.184	0.071	31.598	6.585	28.959	2.640
Professional Service Contracts	26.955	27.291	(0.336)	29.210	(1.918)	32.869	(3.660)	32.557	0.312
Materials & Supplies	50.545	53.943	(3.398)	55.227	(1.283)	50.865	4.361	48.279	2.587
Other Business Expenses	2.602	3.750	(1.148)	3.842	(0.092)	4.910	(1.068)	4.861	0.050
Total Non-Labor Expenses	\$174.807	\$181.366	(\$6.559)	\$187.376	(\$6.010)	\$184.904	\$2.472	\$183.338	\$1.566
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$671.918	\$695.992	(\$24.073)	\$717.724	(\$21.733)	\$730.019	(\$12.294)	\$736.125	(\$6.106)
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	\$854.504	\$882.329	(\$27.824)	\$904.432	(\$22.104)	\$915.426	(\$10.993)	\$917.232	(\$1.806)
Net Surplus/(Deficit)	(\$623.301)	(\$650.498)	(\$27.196)	(\$671.334)	(\$20.837)	(\$681.763)	(\$10.428)	(\$682.504)	(\$0.741)

MTA BUS COMPANY
July 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
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	-	-	-	-	-	-	-	-	-
Fuel	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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
July Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE

Favorable/(Unfavorable)

	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 2019
Revenue									
Farebox Revenue	\$210.479	\$210.742	\$0.263	\$211.627	\$0.885	\$212.013	\$0.386	\$212.896	\$0.883
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	\$237.242	\$237.688	\$0.446	\$239.058	\$1.370	\$239.588	\$0.531	\$240.599	\$1.011
Expenses									
Labor:									
Payroll	\$266.149	\$274.464	(\$8.315)	\$276.353	(\$1.889)	\$281.998	(\$5.645)	\$282.731	(\$0.733)
Overtime	54.158	54.835	(0.677)	56.203	(1.368)	56.558	(0.355)	55.840	0.718
Health and Welfare	62.003	67.099	(5.096)	72.917	(5.818)	77.956	(5.039)	83.784	(5.829)
OPEB Current Payment	23.911	25.928	(2.017)	28.016	(2.088)	30.324	(2.308)	32.824	(2.500)
Pensions	44.741	45.912	(1.171)	47.359	(1.446)	48.153	(0.795)	47.503	0.650
Other Fringe Benefits	51.115	51.154	(0.039)	54.355	(3.201)	54.929	(0.574)	54.851	0.077
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$502.077	\$519.392	(\$17.315)	\$535.202	(\$15.810)	\$549.918	(\$14.715)	\$557.534	(\$7.617)
Non-Labor:									
Electric Power	1.724	2.149	(\$0.425)	2.274	(\$0.125)	2.425	(\$0.151)	2.418	\$0.007
Fuel	18.108	20.430	(2.322)	21.585	(1.155)	24.063	(2.478)	26.877	(2.813)
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	40.603	38.489	2.114	38.422	0.068	31.840	6.582	29.201	2.639
Professional Service Contracts	26.955	27.291	(0.336)	29.210	(1.918)	32.869	(3.660)	32.557	0.312
Materials & Supplies	51.388	54.798	(3.410)	56.094	(1.295)	51.746	4.348	49.160	2.586
Other Business Expenses	2.602	3.750	(1.148)	3.842	(0.092)	4.910	(1.068)	4.861	0.050
Total Non-Labor Expenses	\$175.881	\$182.456	(\$6.575)	\$188.481	(\$6.025)	\$186.026	\$2.455	\$184.461	\$1.565
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$677.958	\$701.848	(\$23.891)	\$723.684	(\$21.835)	\$735.944	(\$12.260)	\$741.995	(\$6.052)
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	\$860.544	\$888.185	(\$27.642)	\$910.392	(\$22.206)	\$921.351	(\$10.959)	\$923.102	(\$1.752)
Net Surplus/(Deficit)	(\$623.301)	(\$650.498)	(\$27.196)	(\$671.334)	(\$20.837)	(\$681.763)	(\$10.428)	(\$682.504)	(\$0.741)

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

Favorable/(Unfavorable)

	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 2019
Receipts									
Farebox Revenue	\$210.479	\$210.742	\$0.263	\$211.627	\$0.885	\$212.013	\$0.386	\$212.896	\$0.883
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	\$241.430	\$242.879	\$1.449	\$244.342	\$1.463	\$248.238	\$3.897	\$249.308	\$1.070
Expenditures									
Labor:									
Payroll	\$278.920	\$272.424	\$6.496	\$274.274	(\$1.850)	\$283.377	(\$9.103)	\$284.269	(\$0.892)
Overtime	58.258	54.835	3.423	56.203	(1.368)	56.558	(0.355)	55.840	0.718
Health and Welfare	61.586	66.679	(5.093)	72.489	(5.810)	77.956	(5.467)	83.785	(5.830)
OPEB Current Payment	23.911	25.928	(2.017)	28.016	(2.088)	30.324	(2.308)	32.824	(2.500)
Pensions	44.569	45.742	(1.173)	47.185	(1.442)	47.979	(0.795)	47.329	0.650
Other Fringe Benefits	50.942	50.981	(0.039)	54.178	(3.197)	54.752	(0.574)	54.674	0.077
GASB Account	-	-	-	-	-	0.094	(0.094)	0.205	(0.111)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$518.186	\$516.589	\$1.597	\$532.344	(\$15.755)	\$551.040	(\$18.695)	\$558.927	(\$7.888)
Non-Labor:									
Electric Power	\$1.724	\$2.149	(\$0.425)	\$2.274	(\$0.125)	\$2.425	(\$0.151)	\$2.418	\$0.007
Fuel	18.108	20.430	(2.322)	21.585	(1.155)	22.640	(1.055)	25.454	(2.813)
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	40.603	38.490	2.113	38.422	0.069	30.351	8.070	27.712	2.640
Professional Service Contracts	38.055	27.291	10.764	29.210	(1.918)	32.869	(3.660)	32.557	0.312
Materials & Supplies	51.388	54.798	(3.410)	56.094	(1.295)	51.746	4.347	49.160	2.587
Other Business Expenses	2.603	3.750	(1.147)	3.841	(0.091)	4.910	(1.069)	4.861	0.050
Total Non-Labor Expenditures	\$186.282	\$178.395	\$7.887	\$184.345	(\$5.950)	\$178.980	\$5.365	\$177.414	\$1.566
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	\$704.468	\$694.984	\$9.483	\$716.690	(\$21.705)	\$730.020	(\$13.330)	\$736.341	(\$6.322)
Net Cash Surplus/(Deficit)	(\$463.037)	(\$452.106)	\$10.932	(\$472.348)	(\$20.243)	(\$481.782)	(\$9.433)	(\$487.034)	(\$5.252)

MTA BUS COMPANY
2017 Preliminary Budget
July Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes by Generic Category

2016: July Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$4.0 million.

Major generic category changes include:

- A decrease in Farebox Revenue of \$4.0 million due to lower-than-projected ridership and the impact of winter storms in the first quarter of 2016, which formed the basis for the projections for the rest of the year.

Operating Expense Changes

Operating expenses decreased from the February Plan by \$0.5 million.

Major generic category changes include:

- **Payroll** is projected to increase by \$1.7 million, mainly due to programmatic initiatives discussed previously.
- **Overtime** is projected to increase by \$1.1 million due to SBS Routes, Route Extension, Shop Program and Priority Initiatives (OBAV).
- **Health & Welfare/OPEB** current payment expenses are projected to increase by \$0.8 million.
- **Pension** expenses decrease by \$4.2 million based on revised actuarial assumptions.
- **Fuel** expenses are projected to decrease by a total of \$6.0 million as a result of lower fuel prices, as well as the CNG contract reclassification of \$1.2 million to Maintenance & Other Operations Contracts.
- **Maintenance and Other Operating Contracts** is projected to increase by \$2.0 million mainly due to SBS Routes, Priority Initiatives, and CNG Contract reclassification, which is partly offset by Shop BRP savings.
- **Professional Service Contracts** expenses are expected to increase by \$0.7 million as a result of inflation re-estimates.

- **Material and Supplies** is expected to increase by \$3.7 million as a result of CRT Filters, Shop Program and Priority Initiatives (OBAV and Bus Customer Wi-Fi).
- Cash adjustments include increases of \$32.3 million due to the 2015 timing of expenses.
- GASB 68 pension expense adjustment of \$40.2 million.

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

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$3.7 million in 2017, and \$3.6 million in 2018 and 2019.

Major generic category changes include:

- Decreases in Farebox Revenue of \$3.7 million in 2017 and \$3.6 million in 2018 and 2019, in accordance with the latest ridership projections. There are no changes to Other Operating Revenue projections.

Operating Expense Changes

Operating expenses decreased from the February Plan by \$15.9 million in 2017; and increased by \$52.6 million in 2018, and \$58.3 million in 2019.

Major generic category changes include:

- **Payroll** is projected to increase by \$3.6 million in 2017, \$5.8 million in 2018, and \$12.5 million in 2019, mainly due to the programmatic initiatives discussed previously.
- **Overtime** is projected to increase by \$1.0 million in 2017, \$1.8 million in 2018, and \$1.1 million in 2019, due to Priority Initiatives and the Shop Program.
- **Health & Welfare/OPEB** current payment expenses are projected to increase by \$9.7 million in 2017, \$20.0 million in 2018, and \$27.7 million in 2019, based on the latest projected inflation rates.
- **Pension** expenses are projected to decrease by \$3.7 million in 2017, \$3.0 million in 2018, and \$4.1 million in 2019, based on the current actuarial re-estimate.
- **Fuel** expenses are projected to decrease by \$4.8 million in 2017, \$6.6 million in 2018, and \$6.7 million in 2019, due to revised forecast assumptions.

- **Maintenance and Other Operating Contract** expenses are projected to decrease by \$32.3 million in 2017 and increase by \$13.7 million in 2018, and \$10.5 million in 2019. This is mainly due to the introduction of the SBS routes, Priority Initiatives (OBAV), CNG contract reclassification, TRAK System Upgrade, and Non-Revenue Vehicle Replacement, partly offset by Shop BRP savings.
- **Materials and Supplies** expenses are projected to increase by \$9.6 million in 2017, \$17.8 million in 2018, and \$10.3 million in 2019. This is mostly due to CRT Filters and the Shop Program.

MTA Bus Company
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	(\$427.223)	(\$464.246)	(\$416.099)	(\$419.855)
Baseline Changes				
Revenue				
Farebox Revenue	(\$3.992)	(\$3.743)	(\$3.644)	(\$3.600)
Vehicle Toll Revenue	-	-	-	-
Other Operating Revenue	-	-	-	-
Capital and Other Reimbursements	-	-	-	-
Total Revenue Changes	(\$3.992)	(\$3.743)	(\$3.644)	(\$3.600)
Expenses				
Labor:				
Payroll	(\$1.742)	(\$3.629)	(\$5.763)	(\$12.454)
Overtime	(1.119)	(0.991)	(1.751)	(1.104)
Health and Welfare	(0.893)	(8.071)	(17.393)	(24.003)
OPEB Current Payment	0.044	(1.589)	(2.583)	(3.746)
Pensions	4.207	3.736	3.049	4.086
Other Fringe Benefits	(0.291)	(0.470)	(0.764)	(0.251)
Reimbursable Overhead	-	-	-	-
Total Labor Expense Changes	\$0.206	(\$11.014)	(\$25.205)	(\$37.472)
Non-Labor:				
Electric Power	\$0.113	(\$0.194)	(\$0.194)	(\$0.252)
Fuel	6.023	4.751	6.580	6.722
Insurance	0.665	0.421	0.292	0.138
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	(2.024)	32.269	(13.667)	(10.492)
Professional Service Contracts	(0.746)	(0.665)	(2.548)	(5.700)
Materials & Supplies	(3.714)	(9.648)	(17.810)	(10.293)
Other Business Expenses	(0.045)	(0.035)	(0.053)	(0.977)
Total Non-Labor Expense Changes	\$0.272	\$26.898	(\$27.400)	(\$20.855)
Other Expenditure Adjustments:				
Other	-	-	-	-
Total Other Expenditure Adjustments	-	-	-	-
Gap Closing Actions:				
Total Gap Closing Actions	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$0.478	\$15.884	(\$52.605)	(\$58.326)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	-	-	-	-
GASB 68 Pension Expense Adjustment	(40.200)	(43.300)	(42.900)	(41.600)
Environmental Remediation	-	-	-	-
Total Expense Changes	(\$39.722)	(\$27.416)	(\$95.505)	(\$99.926)
Cash Adjustment Changes				
Impact of 2015 Timing on 2016 Results (All Categories)	(\$32.300)	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	-	-	-	-
GASB 68 Pension Expense Adjustment	40.200	43.300	42.900	41.600
Environmental Remediation	-	-	-	-
Total Cash Adjustment Changes	\$7.900	\$43.300	\$42.900	\$41.600
Total Baseline Changes	(\$35.814)	\$12.141	(\$56.249)	(\$61.926)
July Financial Plan - Net Cash Surplus/(Deficit)	(\$463.037)	(\$452.106)	(\$472.348)	(\$481.782)

MTA Bus Company
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-
Capital and Other Reimbursements	-	-	-	-
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Expenses				
Labor:				
Payroll	\$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
Non-Labor:				
Electric Power	\$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 Expenses	-	-	-	-
Total Non-Labor Expense Changes	-	-	-	-
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000
July Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000

MTA Bus Company
July Financial Plan 2017 - 2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	(\$427.223)	(\$464.246)	(\$416.099)	(\$419.855)
Baseline Changes				
Revenue				
Farebox Revenue	(\$3.992)	(\$3.743)	(\$3.644)	(\$3.600)
Vehicle Toll Revenue	-	-	-	-
Other Operating Revenue	-	-	-	-
Capital and Other Reimbursements	-	-	-	-
Total Revenue Changes	(\$3.992)	(\$3.743)	(\$3.644)	(\$3.600)
Expenses				
Labor:				
Payroll	(\$1.742)	(\$3.629)	(\$5.763)	(\$12.454)
Overtime	(1.119)	(0.991)	(1.751)	(1.104)
Health and Welfare	(0.893)	(8.071)	(17.393)	(24.003)
OPEB Current Payment	0.044	(1.589)	(2.583)	(3.746)
Pensions	4.207	3.736	3.049	4.086
Other Fringe Benefits	(0.291)	(0.470)	(0.764)	(0.251)
Reimbursable Overhead	-	-	-	-
Total Labor Expense Changes	\$0.206	(\$11.014)	(\$25.205)	(\$37.472)
Non-Labor:				
Electric Power	0.113	(0.194)	(0.194)	(0.252)
Fuel	6.023	4.751	6.580	6.722
Insurance	0.665	0.421	0.292	0.138
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	(2.024)	32.269	(13.667)	(10.492)
Professional Service Contracts	(0.746)	(0.665)	(2.548)	(5.700)
Materials & Supplies	(3.714)	(9.648)	(17.810)	(10.293)
Other Business Expenses	(0.045)	(0.035)	(0.053)	(0.977)
Total Non-Labor Expense Changes	\$0.272	\$26.898	(\$27.400)	(\$20.855)
Other Expenditure Adjustments:				
Other	-	-	-	-
Total Other Expenditure Adjustments	-	-	-	-
Gap Closing Actions:				
Total Gap Closing Actions	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$0.478	\$15.884	(\$52.605)	(\$58.326)
Depreciation	-	-	-	-
OPEB Liability Adjustment	-	-	-	-
GASB 68 Pension Expense Adjustment	(40.200)	(43.300)	(42.900)	(41.600)
Environmental Remediation	-	-	-	-
Total Expense Changes	(\$39.722)	(\$27.416)	(\$95.505)	(\$99.926)
Cash Adjustment Changes				
Impact of 2015 Timing on 2016 Results (All Categories)	(\$32.300)	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	-	-	-	-
GASB 68 Pension Expense Adjustment	40.200	43.300	42.900	41.600
Environmental Remediation	-	-	-	-
Total Cash Adjustment Changes	\$7.900	\$43.300	\$42.900	\$41.600
Total Baseline Changes	(\$35.814)	\$12.141	(\$56.249)	(\$61.926)
July Financial Plan - Net Cash Surplus/(Deficit)	(\$463.037)	(\$452.106)	(\$472.348)	(\$481.782)

MTA BUS COMPANY
2017 Preliminary Budget
July Financial Plan 2017 – 2020
Summary of Major Plan-to-Plan Changes

2016: July Financial Plan vs. February Financial Plan

Revenue Changes

Total revenue changes from the February Financial Plan decreased by \$4.0 million.

Major changes include:

- A decrease in Farebox Revenue of \$4.0 million due to the lower ridership projections.

Expense Changes

Total expenses decreased from the February Financial Plan by \$0.5 million.

Major changes include:

- A Pension decrease of \$4.6 million, based primarily on updated pension rates.
- Programmatic investments of \$13.4 million mainly to meet service and administrative requirements.
- Updated inflation assumptions resulting in savings of \$4.2 million, mainly from projected lower fuel prices.
- Insurance decrease of \$0.7 million, based on updated insurance projection.
- The adverse weather impact in early 2016 resulted in a cost of \$0.2 million.
- Projected budget reduction program savings of \$4.5 from Shop BRP and Fuel Economy.

Cash Adjustments

Cash Adjustment is projected to be unfavorable by \$32.3 million.

Major changes include:

- An unfavorable adjustment of \$32.3 million due to the 2015 timing of expenses.

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

Revenue Changes

Total revenue changes from the February Financial Plan resulted in a decrease of \$3.7 million in 2017, \$3.6 million in 2018, and \$3.6 million in 2019.

Major changes include:

- A decrease in Farebox Revenue of \$3.7 million in 2017; \$3.6 million in 2018, and \$3.6 million in 2019, due to revised ridership projections. There were no changes to the Other Operating Revenue projections.

Expense Changes

Total expenses decrease by \$15.9 million in 2017, and increase by \$52.6 million in 2018 and \$58.3 million in 2019. Changes are due to the latest projected inflation rates and forecast assumptions and other operating initiatives.

Major changes include:

- Pension decreases of \$4.4 million in 2017, \$4.2 million in 2018, and \$4.6 million in 2019, based on updated pension rates.
- Updated inflation assumption costs of \$5.3 million in 2017, \$13.8 million in 2018, and \$22.3 million in 2019, mainly from projected lower energy costs.
- Projected budget reduction program savings of \$0.3 in 2017, \$0.5 in 2018, and \$0.3 in 2019 from Shop BRP and Fuel Economy.
- Programmatic investments that result in \$16.0 million in savings in 2017, and expenses of \$43.8 million in 2018, and \$25.7 million in 2019, mainly to meet service and administrative requirements.
- Insurance decrease of \$0.4 million in 2017, \$0.3 million in 2018, and \$0.1 million in 2019, based on updated insurance projections.
- Other adjustment increase of \$15.4 million in 2019 due to exclusion from financial tables in prior plan.

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	(\$427.223)	(\$464.246)	(\$416.099)	(\$419.855)
Non-Reimbursable Major Changes				
Revenue				
Farebox Revenue	(\$3.992)	(\$3.743)	(\$3.644)	(\$3.600)
Other Operating Revenue	-	-	-	-
Sub-Total Non-Reimbursable Revenue Changes	(\$3.992)	(\$3.743)	(\$3.644)	(\$3.600)
Expenses				
Programs:				
Equal Employment Opportunity (EEO)	(\$0.350)	(\$0.629)	(\$0.642)	(\$0.654)
Gotham Training	(0.045)	(0.046)	-	-
USB Charging Port	(0.107)	(0.431)	-	-
On-Board Audio Video (OBAV)	(1.507)	(1.270)	(2.660)	(1.825)
Bus Customer WiFi	(0.409)	(2.022)	(0.762)	(0.822)
SBS Routes	(2.586)	(5.578)	(7.008)	(9.221)
Road Service Management	(0.232)	(0.481)	(0.492)	(0.502)
Bus Service Adjustment	(0.674)	-	-	-
Roaddeo	(0.044)	(0.045)	(0.046)	(0.047)
Route Extension - Q52	(0.348)	-	-	-
CRT Filters	(1.000)	(1.028)	(1.053)	(1.078)
Shop Program	(3.577)	32.409	(17.072)	(8.031)
CMF - Staffing	(0.552)	(0.900)	(0.918)	(0.937)
CMO - Staffing	(0.224)	(0.457)	(0.466)	(0.477)
Productivity Incentive Program (PIP)	(0.283)	(0.283)	(0.283)	(0.283)
TRAK System Upgrade	-	(0.821)	(0.065)	(0.067)
CNG Consultant	(0.080)	(0.082)	(0.084)	-
Rocore Transmission Cooler	(0.804)	-	-	-
Underground Storage Tank Shutdown and Closures	(0.028)	(0.049)	-	-
CRS - Jackets and Bibs	(0.025)	(0.026)	(0.026)	(0.027)
Tech Software	(0.017)	-	-	-
Tenant Sweeper Repair Contract	(0.075)	(0.077)	(0.079)	(0.081)
Non Revenue Vehicle Replacement	-	(0.810)	(0.154)	(0.157)
Bus Diagnostic Software	(0.157)	(0.298)	(0.306)	(0.312)
Electronic Security System (ESS)	(0.224)	(1.071)	(1.093)	(1.117)
Furnitures	(0.060)	(0.030)	(0.031)	(0.031)
New Fare System (NFS)	-	-	(10.600)	-
Sub-Total Programs	(\$13.409)	\$15.973	(\$43.838)	(\$25.670)
Major Re-estimates/Technical Adjustments/Other:				
Guidance - Insurance	\$0.665	\$0.421	\$0.292	\$0.138
Out Years Adjustment 2019-2023	-	-	-	(15.416)
CNG Fuel move to Contracts (Trillium)	(1.200)	(1.234)	(1.263)	(1.293)
Electric Power	0.113	(0.193)	(0.194)	(0.238)
Weather Adjustment	(0.192)	-	-	-
Health & Welfare	(0.426)	(7.098)	(15.849)	(23.349)
OPEB Current Payment	0.044	(1.589)	(2.583)	(3.746)
Fuel	4.527	3.200	5.000	5.112
Pension	4.648	4.448	4.208	4.639
CNG Fuel move to Contracts (Trillium)	1.200	1.234	1.263	1.293
CPI - Maintenance and Other Operating Contracts - CPI	(0.012)	0.198	(0.047)	(0.026)
CPI - Materials & Supplies - CPI	(0.014)	0.126	(0.073)	(0.050)
CPI - Other Business Expense - CPI	(0.001)	0.010	(0.007)	(0.005)
CPI - Professional Service Contracts - CPI	(0.008)	0.075	(0.051)	(0.033)
Sub-Total Non-Reimbursable Expense Changes	\$9.344	(\$0.402)	(\$9.304)	(\$32.974)
Total Non-Reimbursable Major Changes	(\$8.057)	\$11.828	(\$56.786)	(\$62.244)
Reimbursable Major Changes				
Revenue				
Reimbursement of Increased Expense Requirements	0.000	0.000	0.000	0.000
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Expenses				
Sub-Total Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	(\$8.057)	\$11.828	(\$56.786)	(\$62.244)
Cash Adjustment Changes				
Impact of 2015 Timing on 2016 Results (All Categories)	(\$32.300)	\$0.000	\$0.000	\$0.000
BRP	4.543	0.315	0.537	0.317
Total Cash Adjustment Changes	(\$27.757)	\$0.315	\$0.537	\$0.317
Total Baseline Changes	(\$35.814)	\$12.142	(\$56.249)	(\$61.927)
July Financial Plan - Net Cash Surplus/(Deficit)	(\$463.037)	(\$452.104)	(\$472.349)	(\$481.782)

MTA BUS COMPANY
2017 Preliminary Budget
July Financial Plan 2017 – 2020

RIDERSHIP / (UTILIZATION)

Ridership

The July 2016 Financial Plan ridership forecast assumes that the April 2016 year-to-date weather-adjusted, non-student ridership variance from budget, which was 2.4% below budget on local bus and 2.2% below budget on express bus, will continue through the remainder of the year. As a result of year-to-date unfavorable ridership results – including the impact of the January blizzard – and the lower ridership forecast for the remainder of the year, 2016 Mid-Year Forecast for ridership is 3.2 million lower than the Adopted Budget projection.

Ridership for 2017 is projected to increase by 0.2%, reflecting a positive baseline ridership adjustment to account for the January 2016 blizzard, employment growth, and a negative calendar adjustment reflecting one less weekday in 2017 due to leap year in 2016. Employment growth is projected to be slightly lower than assumed in the February Plan. The resulting 2017 ridership is 3.0 million lower than the February Plan forecast.

Ridership forecasts for 2018 through 2020 are based on the revised 2017 ridership forecast and the March 2016 employment forecast, which projects higher employment increases than projected in the February Plan. The resulting ridership is expected to be 3.0 million lower than the February Plan in 2018 and 2.9 million lower in 2019.

Revenue

Projected farebox revenue is \$4.0 million lower than the February Plan in 2016, \$3.7 million lower in 2017, and \$3.6 million lower in both 2018 and 2019. These changes reflect lower ridership levels; partially offsetting the reduction in ridership is an increase in the assumed average fare per pass, which is based on recent usage statistics showing fewer trips per pass.

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Ridership/(Utilization)
(in millions)

	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
<u>RIDERSHIP</u>						
Fixed Route	125.399	124.196	124.403	124.882	125.092	125.566
Baseline Total Ridership	125.399	124.196	124.403	124.882	125.092	125.566
<u>FAREBOX REVENUE</u>						
Fixed Route	\$210.333	\$210.479	\$210.742	\$211.627	\$212.013	\$212.896
Baseline Total Revenue	\$210.333	\$210.479	\$210.742	\$211.627	\$212.013	\$212.896

MTA BUS COMPANY
July Financial Plan 2017 - 2020
2016 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019	Pos.	2020
Administration										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Administration	-	0.000	-	0.000	-	\$0.000	-	\$0.000	-	\$0.000
Customer Convenience/Amenities										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
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
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										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Security	-	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	4	\$4.543	(6)	\$0.315	-	\$0.537	-	\$0.317	1	\$0.474

**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 Preliminary Budget
July Plan 2017 – 2020
Positions

POSITION ASSUMPTIONS

2016: July Financial Plan vs. February Financial Plan

Total positions are projected to increase by 38, (all non-reimbursable). The changes are as follows:

New Needs (total increase of 42 positions) includes:

- 12 positions in support of Bus Service Adjustment
- 6 positions in support of CMF Staffing
- 5 positions in support of SBS Routes
- 4 positions in support of Chief Officer of EEO
- 4 positions in support of Electronic Support System
- 4 positions in support of the Shop Program
- 3 positions in support of CMO Staffing
- 3 positions in support of Route Extension
- 1 position in support of Bus Diagnostic Licenses

(These initiatives are summarized at the beginning of the introductory narrative.)

BRPs (total decrease of 4 positions) includes:

- -4 positions for Shop BRP

2017: July Financial Plan vs. February Financial Plan

Total positions are projected to increase by 39, (all non-reimbursable). The changes are as follows:

New Needs (total increase of 33 positions) includes:

- 8 positions in support of the Shop Program
- 6 positions in support of CMF Staffing
- 5 positions in support of SBS Routes
- 4 positions in support of Chief Officer of EEO
- 4 positions in support of Electronic Support System
- 3 positions in support of CMO Staffing
- 2 positions in support of Service Management Road Operation
- 1 position in support of Bus Diagnostic Licenses

BRPs (total increase of 6 positions) includes:

- 6 positions for Shop BRP

2018: July Financial Plan vs. February Financial Plan

Total positions are projected to increase by 66, (all non-reimbursable). The changes are as follows:

New Needs (total increase of 66 positions) includes:

- 41 positions in support of the Shop Program
- 6 positions in support of CMF Staffing
- 5 positions in support of SBS Routes
- 4 positions in support of Chief Officer of EEO
- 4 positions in support of Electronic Support System
- 3 positions in support of CMO Staffing
- 2 positions in support of Service Management Road Operation
- 1 position in Support of Bus Diagnostic Licenses

2019: July Financial Plan vs. February Financial Plan

Total positions are projected to increase by 22 (all non-reimbursable). The changes are as follows:

New Needs (total increase of 22 positions) includes:

- 6 positions in support of CMF Staffing
- 5 positions in support of SBS Routes
- 4 positions in Support of Chief Officer of EEO
- 4 positions in support of Electronic Support System
- 3 positions in support of CMO Staffing
- 2 positions in support of Service Management Road Operation
- 1 position in support of Bus Diagnostic Licenses
- -3 positions in support of the Shop Program

Year-to-Year Changes

2017 over 2016:

Total positions increase by 22. The changes are as follows:

- Increase of 26 positions in support of the Shop Overhaul Program
- Increase of 1 position for Asset Management

- Decrease of 5 positions in support of Platform Budget and improved Employee Availability.

2018 over 2017:

Total positions decrease by 19. The changes are as follows:

- Increase of 2 positions for Asset Management
- Decrease of 21 positions in support of the Shop Overhaul Program

2019 over 2018:

Total positions increase by 23. The changes are as follows:

- Increase of 22 positions for the Shop Overhaul Program
- Increase of 2 positions for Asset Management
- Decrease of 1 position for Bus Technology

2020 over 2019:

Total positions decrease by 10. The changes are as follows:

- Decrease of 10 positions for the Shop Overhaul Program

MTA BUS COMPANY
July Financial Plan 2017-2020
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019
2016 February Plan - Total Baseline Positions	3,807	3,828	3,782	3,849
Total Plan-to-Plan Changes	(38)	(39)	(66)	(22)
2016 July Plan - Total Baseline Positions	3,845	3,867	3,848	3,871
Total Year-to-Year Changes, July Plan		(22)	19	(23)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(38)	(39)	(66)	(22)
<i>Reimbursable</i>	0	0	0	0
Total	(38)	(39)	(66)	(22)
<i>Full-Time</i>	(38)	(39)	(66)	(22)
<i>Full-Time Equivalents</i>	0	0	0	0
Total	(38)	(39)	(66)	(22)
<i>By Function Category</i>				
- Administration	(5)	(7)	(7)	(7)
- Operations	(16)	(2)	(2)	(2)
- Maintenance	(13)	(26)	(53)	(9)
- Engineering/Capital	0	0	0	0
- Public Safety	(4)	(4)	(4)	(4)
Total	(38)	(39)	(66)	(22)
<i>By Occupational Group</i>				
- Managers/Supervisors	(14)	(16)	(16)	(16)
- Professional, Technical, Clerical	(9)	(9)	(9)	(9)
- Operational Hourlies	(15)	(14)	(41)	3
Total	(38)	(39)	(66)	(22)

Total Plan-to-Plan Changes by Major Category:

<i>2016 BRPs</i>	4	(6)	0	0
<i>New Needs</i>	(42)	(33)	(66)	(22)
<i>Change in Reimbursable Positions</i>	0	0	0	0
<i>Re-estimates & All Other</i> ¹	0	0	0	0
Total	(38)	(39)	(66)	(22)

¹Includes Full Time Equivalents

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Total Positions by Function & Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
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	-	-	-	-	-	-
Material	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	25	27	28	28
Labor Relations	11	4	4	4	4	4
Non Departmental	-	23	31	28	45	45
Total Administration	103	154	163	162	180	180
Operations						
Buses	2,229	2,249	2,244	2,244	2,244	2,244
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	120	120	120	120
Transportation Support	25	22	22	22	22	22
Operations Planning	29	33	33	33	33	33
Revenue Control	26	27	27	27	27	27
Total Operations	2,499	2,484	2,479	2,479	2,479	2,479
Maintenance						
Buses	752	757	742	748	748	748
Maintenance Support/CMF	181	219	252	228	233	223
Facilities	60	77	77	77	77	77
Supply Logistics	92	95	95	95	95	95
Total Maintenance	1,085	1,148	1,166	1,148	1,153	1,143
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	3,867	3,848	3,871	3,861
Non-Reimbursable	3,693	3,805	3,827	3,808	3,831	3,821
Reimbursable	39	40	40	40	40	40
Total Full-Time	3,718	3,830	3,852	3,833	3,856	3,846
Total Full-Time Equivalents	14	15	15	15	15	15

MTA BUS COMPANY
July Financial Plan 2017 - 2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
Administration						
Managers/Supervisors	43	63	66	64	64	64
Professional, Technical, Clerical	60	73	73	75	76	76
Operational Hourlies	-	18	24	23	40	40
Total Administration	103	154	163	162	180	180
Operations						
Managers/Supervisors	309	303	303	303	303	303
Professional, Technical, Clerical	52	51	51	51	51	51
Operational Hourlies	2,138	2,130	2,125	2,125	2,125	2,125
Total Operations	2,499	2,484	2,479	2,479	2,479	2,479
Maintenance						
Managers/Supervisors	218	225	225	225	225	225
Professional, Technical, Clerical	19	26	26	26	26	26
Operational Hourlies	848	897	915	897	902	892
Total Maintenance	1,085	1,148	1,166	1,148	1,153	1,143
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	632	630	630	630
Professional, Technical, Clerical	146	171	171	173	174	174
Operational Hourlies	2,986	3,045	3,064	3,045	3,067	3,057
Total Baseline Positions	3,732	3,845	3,867	3,848	3,871	3,861

Staten Island Railway

MTA STATEN ISLAND RAILWAY
2017 Preliminary Budget
July Financial Plan 2017 - 2020

FINANCIAL OVERVIEW

The 2016 Mid-Year Forecast, 2017 Preliminary 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 six important new needs that provide for current maintenance and safety requirements. Performance indicators including mean distance between failures and on-time performance remain within targeted levels.

The **six important new needs** noted above are summarized as follows:

- **293 Bay Street Fueling Tank Repairs.** This urgent requirement was originally included in the July 2014 Financial Plan with an initial cost estimate of \$0.283 million. Significant water damage further exacerbated by Sandy caused most of the damage. At that time, the required vendor was not available. Updated building codes and redesign has resulted in an increased project cost of \$0.500 million.
- **New Dorp Station House Portico and Roof Repairs.** Expenses of \$0.200 million will be required to replace rotted roof joists and repair the portico. Engineering and procurement processes are being established.
- **Phase II Station House Platform Access.** Phase I of this project was completed in 2015 and Phase II, which will require \$0.210 million of expenses, is planned to be completed by the third quarter of 2017. The planned work involves the installation of windows, doors, security apparatus, access gates, 37 staircases, a customer information center and a blind strip.
- **293 Bay Street Non-Revenue Vehicle Shop.** This shop urgently requires replacement of air conditioners and roofing repairs. These items were originally purchased around 1985 with the air conditioners having exceeded their life expectancy while experiencing excessive failures. The roof is leaking continuously. The cost requirements are estimated at \$0.350 million, to be incurred over a two year period 2016-2017.
- **Power Maintainer Helper.** A Power Maintainer Helper with a labor cost of \$0.100 million annually is needed to provide maintenance and support to a new substation planned to be functional by early 2017 and to also support existing substations. Training and preparation for this position is a lengthy process.
- **Infrastructure Supervisor.** An Infrastructure Supervisor with an annual labor cost of \$0.135 million is needed to provide oversight and control over the

Infrastructure Department (mechanics/janitors). Currently, this is the only maintenance department without a supervisor.

2016 Mid-Year Forecast

MTA Staten Island Railway's 2016 Mid-Year Forecast reflects total expenses before depreciation, other post-employment benefits (OPEB) and GASB #68 Pension Expense Adjustment of \$71.388 million, including \$66.392 million of non-reimbursable expenses and \$4.996 million of reimbursable expenses. Total revenues are projected to be \$14.109 million, of which \$9.113 million are operating revenues and \$4.996 million represent capital reimbursements. Total full-time positions are 318, including 304 non-reimbursable positions and 14 reimbursable positions.

The 2016 Mid-Year Forecast operating cash deficit is projected to increase by \$4.278 million in comparison with the 2016 Adopted Budget. Major variances include:

- An increase of \$7.488 million representing retro-wage payments, based on labor contract settlements reached in 2015, effective July 2010. Of this amount, \$6.000 million represented the timing of expenses/payments from 2015 and \$1.488 million was due to an adjustment caused by higher actual wage rates in the early retro-wage payment period than budgeted.
- New needs requirements totaling \$1.143 million, as described earlier in this narrative, including support for 293 Bay Street Fueling Tank Repairs, New Dorp Station House Portico/Roof Repairs, Phase 11 Station House Platform Access, 293 Bay Street Non-Revenue Vehicle Shop, a Power Maintainer Helper and an Infrastructure Supervisor.
- Additional overtime requirements of \$0.480 million in support of several project needs.
- The favorable timing of R44 Fleet Scheduled Maintenance expenses of \$5.000 million from 2016 to 2017.

Reimbursable expenses decreased by \$1.875 million, due to a projected reduction in reimbursable work requirements.

2017 Preliminary Budget

MTA Staten Island Railway's 2017 Preliminary Budget reflects total expenses before depreciation and OPEB of \$65.708 million, including \$63.198 million of non-reimbursable expenses and \$2.510 million of reimbursable expenses. Total revenues are projected to be \$11.670 million, of which \$9.160 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 Preliminary Budget operating cash deficit is projected to increase by \$8.078 million. Major changes include:

- The unfavorable timing of R44 Fleet Scheduled Maintenance expenses of \$5.000 million from 2016 to 2017.
- A projected reduction in reimbursable work requirements, resulting in a loss of non-reimbursable overhead credits of \$1.265 million.
- Unfavorable inflation-related adjustments of \$0.729 million.
- New needs requirements totaling \$0.470 million, as described earlier in this narrative, including support for a Power Maintainer Helper and an Infrastructure Supervisor, Phase 11 Station House Platform Access and the 293 Bay Street Non-Revenue Vehicle Shop.
- Additional overtime requirements of \$0.416 million in support of several project needs.

Reimbursable expenses decreased by \$2.861 million, due to a projected reduction in reimbursable work requirements.

Financial Plan 2018-2019 Projections

Operating cash deficits are projected to increase by \$2.593 million in 2018 and by \$2.514 million in 2019. Major changes include:

- A projected reduction in reimbursable work requirements, resulting in a loss of non-reimbursable overhead credits of \$1.265 million for both years.
- Inflation-related adjustments of \$0.700 million in 2018 and \$0.619 million in 2019.
- New needs requirements totaling \$0.235 million for both years, as described earlier in this narrative, including support for a Power Maintainer Helper and an Infrastructure Supervisor.
- Additional overtime requirements of \$0.208 million for both years in support of project needs.

Reimbursable expenses decreased by \$1.861 million each year, due to a projected reduction in reimbursable work requirements.

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Operating Revenue						
Farebox Revenue	\$6.401	\$6.674	\$6.699	\$6.757	\$6.785	\$6.837
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.635	2.439	2.461	2.484	2.507	2.531
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$9.036	\$9.113	\$9.160	\$9.241	\$9.292	\$9.368
Operating Expenses						
Labor:						
Payroll	\$22.407	\$23.636	\$22.822	\$23.246	\$23.743	\$24.206
Overtime	2.725	3.878	1.888	1.595	1.609	1.623
Health and Welfare	4.264	4.284	4.621	4.696	4.885	5.082
OPEB Current Payment	1.463	1.405	1.510	1.535	1.598	1.664
Pensions	6.000	6.067	6.205	6.344	6.529	6.470
Other Fringe Benefits	3.995	4.112	3.987	4.074	4.175	4.275
Reimbursable Overhead	(1.591)	(1.208)	(0.489)	(0.489)	(0.489)	0.000
Total Labor Expenses	\$39.263	\$42.174	\$40.544	\$41.001	\$42.050	\$43.320
Non-Labor:						
Electric Power	\$3.837	\$3.371	\$4.380	\$4.655	\$4.921	\$5.269
Fuel	0.282	0.250	0.274	0.284	0.288	0.321
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	15.772	14.295	1.808	1.877	1.948
Professional Service Contracts	0.623	0.759	0.777	0.795	0.815	0.836
Materials & Supplies	1.945	2.835	1.348	1.334	1.347	1.360
Other Business Expenses	0.182	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$10.776	\$24.218	\$22.654	\$10.654	\$11.049	\$11.727
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.	\$50.039	\$66.392	\$63.198	\$51.655	\$53.099	\$55.047
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	\$81.692	\$78.498	\$66.955	\$68.399	\$70.347
Net Surplus/(Deficit)	(\$6.143)	(\$72.579)	(\$69.338)	(\$57.714)	(\$59.107)	(\$60.979)

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Mid-Year</u> <u>Forecast</u>	<u>2017</u> <u>Preliminary</u> <u>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
July Financial Plan 2017-2020
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2015	2016	2017			
	Actual	Mid-Year Forecast	Preliminary Budget	2018	2019	2020
Revenue						
Farebox Revenue	\$6.401	\$6.674	\$6.699	\$6.757	\$6.785	\$6.837
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.635	2.439	2.461	2.484	2.507	2.531
Capital and Other Reimbursements	3.817	4.996	2.510	2.010	2.010	0.900
Total Revenue	\$12.853	\$14.109	\$11.670	\$11.251	\$11.302	\$10.268
Expenses						
<u>Labor:</u>						
Payroll	\$23.431	\$24.924	\$23.343	\$23.767	\$24.264	\$24.206
Overtime	3.422	5.378	3.388	2.595	2.609	2.523
Health and Welfare	4.264	4.284	4.621	4.696	4.885	5.082
OPEB Current Payment	1.474	1.405	1.510	1.535	1.598	1.664
Pensions	6.000	6.067	6.205	6.344	6.529	6.470
Other Fringe Benefits	3.995	4.112	3.987	4.074	4.175	4.275
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$42.586	\$46.170	\$43.054	\$43.011	\$44.060	\$44.220
<u>Non-Labor:</u>						
Electric Power	\$3.845	\$3.371	\$4.380	\$4.655	\$4.921	\$5.269
Fuel	0.282	0.250	0.274	0.284	0.288	0.321
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	15.772	14.295	1.808	1.877	1.948
Professional Service Contracts	0.641	0.759	0.777	0.795	0.815	0.836
Materials & Supplies	2.413	3.835	1.348	1.334	1.347	1.360
Other Business Expenses	0.182	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$11.270	\$25.218	\$22.654	\$10.654	\$11.049	\$11.727
<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	\$71.388	\$65.708	\$53.665	\$55.109	\$55.947
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	\$86.688	\$81.008	\$68.965	\$70.409	\$71.247
Net Surplus/(Deficit)	(\$56.143)	(\$72.579)	(\$69.338)	(\$57.714)	(\$59.107)	(\$60.979)

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Mid-Year</u> <u>Forecast</u>	<u>2017</u> <u>Preliminary</u> <u>Budget</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Receipts						
Farebox Revenue	\$6.336	\$6.298	\$6.699	\$6.757	\$6.786	\$6.837
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.892	4.092	2.461	2.484	2.507	2.530
Capital and Other Reimbursements	3.034	5.779	2.510	2.010	2.010	0.900
Total Receipts	\$11.262	\$16.169	\$11.670	\$11.251	\$11.303	\$10.267
Expenditures						
<u>Labor:</u>						
Payroll	\$21.634	\$30.426	\$23.343	\$23.767	\$24.264	\$24.204
Overtime	3.121	5.879	3.388	2.595	2.609	2.523
Health and Welfare	5.097	4.284	4.621	4.696	4.885	5.080
OPEB Current Payment	0.620	1.405	1.510	1.535	1.598	1.664
Pensions	6.000	6.067	6.205	6.344	6.529	6.471
Other Fringe Benefits	4.000	4.525	3.987	4.074	4.177	4.279
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	\$52.586	\$43.054	\$43.016	\$44.080	\$44.252
<u>Non-Labor:</u>						
Electric Power	\$3.934	\$3.371	\$4.380	\$4.655	\$4.921	\$5.269
Fuel	0.105	0.335	0.274	0.284	0.288	0.321
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	17.255	14.295	1.808	1.877	1.948
Professional Service Contracts	0.857	0.759	0.777	0.795	0.815	0.836
Materials & Supplies	2.114	3.835	1.348	1.334	1.347	1.360
Other Business Expenses	0.160	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenditures	\$11.025	\$26.786	\$22.654	\$10.654	\$11.049	\$11.727
<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	\$79.372	\$65.708	\$53.670	\$55.129	\$55.979
Net Cash Surplus/(Deficit)	(\$40.235)	(\$63.203)	(\$54.038)	(\$42.419)	(\$43.826)	(\$45.712)

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2015	2016	2017			
	Actual	Mid-Year	Preliminary	2018	2019	2020
		Forecast	Budget			
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
Baseline Total Cash Conversion Adjustments	\$15.908	\$9.376	\$15.300	\$15.295	\$15.281	\$15.267
Total Cash Conversion Adjustments	\$15.908	\$9.376	\$15.300	\$15.295	\$15.281	\$15.267

MTA STATEN ISLAND RAILWAY
2017 Preliminary Budget
July Financial Plan 2017 - 2020
Year-to-Year Changes by Category-Baseline

TOTAL REVENUES/RECEIPTS

Farebox Revenue

- Farebox revenue is projected to increase by \$0.025 million or 0.4% in 2017, \$0.058 million or 0.9% in 2018, \$0.028 or 0.4% in 2019 and \$0.052 million or 0.8% 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% annual growth.
- Salaries for non-represented employees are projected at 2.00% for each plan year beginning 2016.
- 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.
- 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 2.33%, 2.67%, 2.66% and 2.63%, respectively.

Maintenance and Other Operating Contracts

- 2017-2020 reflects inflationary increases of 2.33%, 2.67%, 2.66% and 2.63%, respectively. The decrease in 2017 from 2016 of \$1.477 million is due mostly to less R44 fleet maintenance project work planned in 2017 than in 2016. The decrease of \$12.487 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 2.33%, 2.67%, 2.66% and 2.63%, respectively.

Materials and Supplies

- 2017-2020 reflects inflationary increases of 0.90%, 1.66%, 1.82% and 1.64%, respectively.

Other Business Expenses

- 2017-2020 reflects inflationary increases of 2.33%, 2.67%, 2.66% and 2.63%, respectively.

MTA STATEN ISLAND RAILWAY
July 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	\$6.674	\$6.699	\$0.025	\$6.757	\$0.058	\$6.785	\$0.028	\$6.837	\$0.052
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.439	2.461	0.022	2.484	0.023	2.507	0.023	2.531	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	\$9.113	\$9.160	\$0.047	\$9.241	\$0.081	\$9.292	\$0.051	\$9.368	\$0.076
Expenses									
Labor:									
Payroll	\$23.636	\$22.822	\$0.814	\$23.246	(\$0.424)	\$23.743	(\$0.497)	\$24.206	(\$0.463)
Overtime	3.878	1.888	1.990	1.595	0.293	1.609	(0.014)	1.623	(0.014)
Health and Welfare	4.284	4.621	(0.337)	4.696	(0.075)	4.885	(0.189)	5.082	(0.197)
OPEB Current Payment	1.405	1.510	(0.105)	1.535	(0.025)	1.598	(0.063)	1.664	(0.066)
Pensions	6.067	6.205	(0.138)	6.344	(0.139)	6.529	(0.185)	6.470	0.059
Other Fringe Benefits	4.112	3.987	0.125	4.074	(0.087)	4.175	(0.101)	4.275	(0.100)
Reimbursable Overhead	(1.208)	(0.489)	(0.719)	(0.489)	0.000	(0.489)	0.000	0.000	(0.489)
Total Labor Expenses	\$42.174	\$40.544	\$1.630	\$41.001	(\$0.457)	\$42.050	(\$1.049)	\$43.320	(\$1.270)
Non-Labor:									
Electric Power	\$3.371	\$4.380	(\$1.009)	\$4.655	(\$0.275)	\$4.921	(\$0.266)	\$5.269	(\$0.348)
Fuel	0.250	0.274	(0.024)	0.284	(0.010)	0.288	(0.004)	0.321	(0.033)
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	15.772	14.295	1.477	1.808	12.487	1.877	(0.069)	1.948	(0.071)
Professional Service Contracts	0.759	0.777	(0.018)	0.795	(0.018)	0.815	(0.020)	0.836	(0.021)
Materials & Supplies	2.835	1.348	1.487	1.334	0.014	1.347	(0.013)	1.360	(0.013)
Other Business Expenses	0.030	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000
Total Non-Labor Expenses	\$24.218	\$22.654	\$1.564	\$10.654	\$12.000	\$11.049	(\$0.395)	\$11.727	(\$0.678)
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.	\$66.392	\$63.198	\$3.194	\$51.655	\$11.543	\$53.099	(\$1.444)	\$55.047	(\$1.948)
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	\$81.692	\$78.498	\$3.194	\$66.955	\$11.543	\$68.399	(\$1.444)	\$70.347	(\$1.948)
Net Surplus/(Deficit)	(\$72.579)	(\$69.338)	\$3.241	(\$57.714)	\$11.624	(\$59.107)	(\$1.393)	(\$60.979)	(\$1.872)

MTA STATEN ISLAND RAILWAY
July 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
July Financial Plan 2017-2020
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE

	Favorable/(Unfavorable)								
	2016	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018	2020	Change 2020 - 2019
Revenue									
Farebox Revenue	\$6.674	\$6.699	\$0.025	\$6.757	\$0.058	\$6.785	\$0.028	\$6.837	\$0.052
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.439	2.461	0.022	2.484	0.023	2.507	0.023	2.531	0.024
Capital and Other Reimbursements	4.996	2.510	(2.486)	2.010	(0.500)	2.010	0.000	0.900	(1.110)
Total Revenue	\$14.109	\$11.670	(\$2.439)	\$11.251	(\$0.419)	\$11.302	\$0.051	\$10.268	(\$1.034)
Expenses									
Labor:									
Payroll	\$24.924	\$23.343	\$1.581	\$23.767	(\$0.424)	\$24.264	(\$0.497)	\$24.206	\$0.058
Overtime	5.378	3.388	1.990	2.595	0.793	2.609	(0.014)	2.523	0.086
Health and Welfare	4.284	4.621	(0.337)	4.696	(0.075)	4.885	(0.189)	5.082	(0.197)
OPEB Current Payment	1.405	1.510	(0.105)	1.535	(0.025)	1.598	(0.063)	1.664	(0.066)
Pensions	6.067	6.205	(0.138)	6.344	(0.139)	6.529	(0.185)	6.470	0.059
Other Fringe Benefits	4.112	3.987	0.125	4.074	(0.087)	4.175	(0.101)	4.275	(0.100)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$46.170	\$43.054	\$3.116	\$43.011	\$0.043	\$44.060	(\$1.049)	\$44.220	(\$0.160)
Non-Labor:									
Electric Power	\$3.371	\$4.380	(\$1.009)	\$4.655	(\$0.275)	\$4.921	(\$0.266)	\$5.269	(\$0.348)
Fuel	0.250	0.274	(0.024)	0.284	(0.010)	0.288	(0.004)	0.321	(0.033)
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
Operating Contracts	15.772	14.295	1.477	1.808	12.487	1.877	(0.069)	1.948	(0.071)
Professional Service Contracts	0.759	0.777	(0.018)	0.795	(0.018)	0.815	(0.020)	0.836	(0.021)
Materials & Supplies	3.835	1.348	2.487	1.334	0.014	1.347	(0.013)	1.360	(0.013)
Other Business Expenses	0.030	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000
Total Non-Labor Expenses	\$25.218	\$22.654	\$2.564	\$10.654	\$12.000	\$11.049	(\$0.395)	\$11.727	(\$0.678)
Total Expenses before Depreciation and GASB Adjs.	\$71.388	\$65.708	\$5.680	\$53.665	\$12.043	\$55.109	(\$1.444)	\$55.947	(\$0.838)
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	\$86.688	\$81.008	\$5.680	\$68.965	\$12.043	\$70.409	(\$1.444)	\$71.247	(\$0.838)
Net Surplus/(Deficit)	(\$72.579)	(\$69.338)	\$3.241	(\$57.714)	\$11.624	(\$59.107)	(\$1.393)	(\$60.979)	(\$1.872)

MTA STATEN ISLAND RAILWAY
July 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	\$6.298	\$6.699	\$0.401	\$6.757	\$0.058	\$6.786	\$0.029	\$6.837	\$0.051
Other Operating Revenue	4.092	2.461	(1.631)	2.484	0.023	2.507	0.023	2.530	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	\$16.169	\$11.670	(\$4.499)	\$11.251	(\$0.419)	\$11.303	\$0.052	\$10.267	(\$1.036)
Expenditures									
Labor:									
Payroll	\$30.426	\$23.343	\$7.083	\$23.767	(\$0.424)	\$24.264	(\$0.497)	\$24.204	\$0.060
Overtime	5.879	3.388	2.491	2.595	0.793	2.609	(0.014)	2.523	0.086
Health and Welfare	4.284	4.621	(0.337)	4.696	(0.075)	4.885	(0.189)	5.080	(0.195)
OPEB Current Payment	1.405	1.510	(0.105)	1.535	(0.025)	1.598	(0.063)	1.664	(0.066)
Pensions	6.067	6.205	(0.138)	6.344	(0.139)	6.529	(0.185)	6.471	0.058
Other Fringe Benefits	4.525	3.987	0.538	4.074	(0.087)	4.177	(0.103)	4.279	(0.102)
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	\$52.586	\$43.054	\$9.532	\$43.016	\$0.038	\$44.080	(\$1.064)	\$44.252	(\$0.172)
Non-Labor:									
Electric Power	\$3.371	\$4.380	(\$1.009)	\$4.655	(\$0.275)	\$4.921	(\$0.266)	\$5.269	(\$0.348)
Fuel	0.335	0.274	0.061	0.284	(0.010)	0.288	(0.004)	0.321	(0.033)
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	17.255	14.295	2.960	1.808	12.487	1.877	(0.069)	1.948	(0.071)
Professional Service Contracts	0.759	0.777	(0.018)	0.795	(0.018)	0.815	(0.020)	0.836	(0.021)
Materials & Supplies	3.835	1.348	2.487	1.334	0.014	1.347	(0.013)	1.360	(0.013)
Other Business Expenses	0.030	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000
Total Non-Labor Expenditures	\$26.786	\$22.654	\$4.132	\$10.654	\$12.000	\$11.049	(\$0.395)	\$11.727	(\$0.678)
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	\$79.372	\$65.708	\$13.664	\$53.670	\$12.038	\$55.129	(\$1.459)	\$55.979	(\$0.850)
Net Cash Surplus/(Deficit)	(\$63.203)	(\$54.038)	\$9.165	(\$42.419)	\$11.619	(\$43.826)	(\$1.407)	(\$45.712)	(\$1.886)

MTA STATEN ISLAND RAILWAY
2017 Preliminary Budget
July Financial Plan 2017-2020
Summary of Plan to Plan Changes-Baseline

2016: July Financial Plan vs. February Financial Plan

Major Revenue Re-estimates

- A decrease in farebox revenue of \$0.061 million, due mostly to adverse weather.
- A decrease in other operating revenue of \$0.129 million, due mostly to a projected reduction in student fare reimbursements.

Major Expense Re-estimates

- An increase of \$7.488 million representing retro-wage payments, based on labor contract settlements reached in 2015, effective July 2010. Of this amount, \$6.000 million represented the timing of expenses/payments from 2015 and \$1.488 million was due to an adjustment caused by higher actual wage rates in the early retro-wage payment period than budgeted.
- New needs requirements totaling \$1.143 million, as described at the beginning of this narrative, including support for 293 Bay Street Fueling Tank Repairs, New Dorp Station House Portico/Roof Repairs, Phase 11 Station House Platform Access, 293 Bay Street Non-Revenue Vehicle Shop, a Power Maintainer Helper and an Infrastructure Supervisor.
- Additional overtime requirements of \$0.480 million in support of several project needs.
- The favorable timing of R44 Fleet Scheduled Maintenance expenses of \$5.000 million from 2016 to 2017.

Cash Adjustments

- Unfavorable cash timing originating from 2015 of \$6.230 million, including primarily retro-wage payments that were paid in 2016, based on wage contract settlements reached in 2015.

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

Major Revenue Re-estimates

- Decreases in farebox revenue of \$0.070 million in 2017, \$0.059 million in 2018 and \$0.054 million in 2019, which are due to projected lower ridership levels.

- Other operating revenues are projected to decrease by \$0.128 million for each year 2017 through 2019, due to lower student fare reimbursement projections.

Major Expense Re-estimates

- The unfavorable timing of R44 Fleet Scheduled Maintenance expenses of \$5.000 million in 2017 from 2016.
- A projected reduction in reimbursable work requirements, resulting in a loss of non-reimbursable overhead credits of \$1.265 million for all three years.
- Inflation-related adjustments of \$0.729 million in 2017, \$0.700 million in 2018 and \$0.619 million in 2019.
- New needs requirements totaling \$0.470 million in 2017 and \$0.235 million for 2018 and 2019, as described at the beginning of this narrative.
- Additional overtime requirements of \$0.416 million in 2017 and \$0.208 million for 2018 and 2019 in support of project needs.

Cash Adjustments

- None.

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	(\$58.925)	(\$45.960)	(\$39.826)	(\$41.312)
Baseline Changes				
Revenue				
Farebox Revenue	(\$0.061)	(\$0.070)	(\$0.059)	(\$0.054)
Other Operating Revenue	(0.129)	(0.128)	(0.128)	(0.128)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Total Revenue Changes	(\$0.190)	(\$0.198)	(\$0.187)	(\$0.182)
Expenses				
<i>Labor:</i>				
Payroll	(\$1.519)	(\$0.273)	(\$0.273)	(\$0.273)
Overtime	(0.536)	(0.300)	(0.193)	(0.193)
Health and Welfare	0.026	(0.260)	(0.153)	(0.153)
OPEB Current Payment	0.015	(0.073)	(0.037)	(0.037)
Pensions	0.066	0.015	(0.038)	0.012
Other Fringe Benefits	(0.356)	(0.248)	(0.251)	(0.265)
Reimbursable Overhead	(0.546)	(1.265)	(1.265)	(1.265)
Total Labor Expense Changes	(\$2.850)	(\$2.404)	(\$2.210)	(\$2.174)
<i>Non-Labor:</i>				
Electric Power	0.574	(0.295)	(0.313)	(0.285)
Fuel	(0.033)	(0.045)	(0.046)	(0.027)
Insurance	0.473	0.148	0.120	0.126
Claims	0.001	0.001	0.001	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	4.277	(5.276)	0.021	0.016
Professional Service Contracts	0.007	0.007	0.007	0.005
Materials & Supplies	(0.613)	(0.016)	0.012	0.012
Other Business Expenses				
Total Non-Labor Expense Changes	\$4.686	(\$5.476)	(\$0.198)	(\$0.153)
Total Expense Changes before Depreciation & GASB Adjs.	\$1.836	(\$7.880)	(\$2.408)	(\$2.327)
Depreciation	0.000	0.000	0.000	0.000
OPEB Liability Adjustment	(5.200)	(5.200)	(5.200)	(5.200)
GASB 68 Pension Expense Adjustment	0.500	0.500	0.500	0.500
Environmental Remediation	0.000	0.000	0.000	0.000
Total Depreciation and GASB Adjs. Changes	(\$4.700)	(\$4.700)	(\$4.700)	(\$4.700)
Cash Adjustment Changes				
Year-end Results (including fuel FP favorable adjustment)	(\$5.924)	\$0.000	\$0.002	(\$0.005)
OPEB Liability Adjustment	5.200	5.200	5.200	5.200
GASB #68 Pension Adjustment	(0.500)	(0.500)	(0.500)	(0.500)
Total Cash Adjustment Changes	(\$1.224)	\$4.700	\$4.702	\$4.695
Total Baseline Changes	(\$4.278)	(\$8.078)	(\$2.593)	(\$2.514)
July Financial Plan - Net Cash Surplus/(Deficit)	(\$63.203)	(\$54.038)	(\$42.419)	(\$43.826)

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(1.875)	(2.861)	(1.861)	(1.861)
Total Revenue Changes	(\$1.875)	(\$2.861)	(\$1.861)	(\$1.861)
Expenses				
<i>Labor:</i>				
Payroll	\$0.429	\$1.196	\$1.196	\$1.196
Overtime	0.294	0.294	(0.600)	(0.600)
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	0.106	0.106	0.000	0.000
Reimbursable Overhead	0.546	1.265	1.265	1.265
Total Labor Expense Changes	\$1.375	\$2.861	\$1.861	\$1.861
<i>Non-Labor:</i>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000
Materials & Supplies	0.500	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$0.500	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$1.875	\$2.861	\$1.861	\$1.861
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)
July Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	(\$58.925)	(\$45.960)	(\$39.826)	(\$41.312)
Baseline Changes				
Revenue				
Farebox Revenue	(\$0.061)	(\$0.070)	(\$0.059)	(\$0.054)
Other Operating Revenue	(0.129)	(0.128)	(0.128)	(0.128)
Capital and Other Reimbursement	(1.875)	(2.861)	(1.861)	(1.861)
Total Revenue Changes	(\$2.065)	(\$3.059)	(\$2.048)	(\$2.043)
Expenses				
<i>Labor:</i>				
Payroll	(\$1.090)	\$0.923	\$0.923	\$0.923
Overtime	(0.242)	(0.006)	(0.793)	(0.793)
Health and Welfare	0.026	(0.260)	(0.153)	(0.153)
OPEB Current Payment	0.015	(0.073)	(0.037)	(0.037)
Pensions	0.066	0.015	(0.038)	0.012
Other Fringe Benefits	(0.250)	(0.142)	(0.251)	(0.265)
Reimbursable Overhead	-	-	-	-
Total Labor Expense Changes	(\$1.475)	\$0.457	(\$0.349)	(\$0.313)
<i>Non-Labor:</i>				
Electric Power	\$0.574	(\$0.295)	(\$0.313)	(\$0.285)
Fuel	(0.033)	(0.045)	(0.046)	(0.027)
Insurance	0.473	0.148	0.120	0.126
Claims	0.001	0.001	0.001	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	4.277	(5.276)	0.021	0.016
Materials & Supplies	0.507	0.007	0.007	0.005
Other Business Expenses	(0.613)	(0.016)	0.012	0.012
Total Non-Labor Expense Changes	\$5.186	(\$5.476)	(\$0.198)	(\$0.153)
Total Expense Changes before Depreciation and GASB Adjs.	\$3.711	(\$5.019)	(\$0.547)	(\$0.466)
Depreciation and GASB Adjustment Changes				
Depreciation	-	-	-	-
OPEB Liability Adjustment	(5.200)	(5.200)	(5.200)	(5.200)
GASB #68 Pension Expense Adjustment	0.500	0.500	0.500	0.500
Total Depreciation and GASB Adjustment Changes	(\$4.700)	(\$4.700)	(\$4.700)	(\$4.700)
Cash Adjustment Changes				
Year-end Results (including fuel FP favorable adjustment)	(\$5.924)	\$0.000	\$0.002	(\$0.005)
OPEB Liability Adjustment	5.200	5.200	5.200	5.200
GASB #68 Pension Adjustment	(0.500)	(0.500)	(0.500)	(0.500)
Total Cash Adjustment Changes	(\$1.224)	\$4.700	\$4.702	\$4.695
Total Baseline Changes	(\$4.278)	(\$8.078)	(\$2.593)	(\$2.514)
July Financial Plan - Net Cash Surplus/(Deficit)	(\$63.203)	(\$54.038)	(\$42.419)	(\$43.826)

MTA Staten Island Railway
July Financial Plan 2017-2020
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2016	2017	2018	2019
February Financial Plan - Net Cash Surplus/(Deficit)	(\$58.925)	(\$45.960)	(\$39.826)	(\$41.312)
Non-Reimbursable Major Changes				
Revenue				
Farebox Revenue	(\$0.061)	(\$0.070)	(\$0.059)	(\$0.054)
Other Operating Revenue	(0.129)	(0.128)	(0.128)	(0.128)
Sub-Total Non-Reimbursable Revenue Changes	(\$0.190)	(\$0.198)	(\$0.187)	(\$0.182)
Expenses				
Additional Maintenance Requirements:				
293 Bay Street Fueling Tank Repairs	(\$0.500)	\$0.000	\$0.000	\$0.000
New Dorp Station House Portico/Roof Repairs	(0.200)	0.000	0.000	0.000
Phase II Station House/Platform Access	(0.150)	(0.060)	0.000	0.000
291 Bay Street Non-Revenue Vehicle Shop	(0.175)	(0.175)	0.000	0.000
Car Fleet Maintenance Project Timing	5.000	(5.000)	0.000	0.000
Additional Labor Requirements:				
Power Maintainer Helper	(0.050)	(0.100)	(0.100)	(0.100)
Infrastructure Supervisor	(0.068)	(0.135)	(0.135)	(0.135)
Reduced Reimbursable Project Expenses-Impact on NR Overhead Credits	(0.546)	(1.265)	(1.265)	(1.265)
Additional Overtime Requirements	(0.480)	(0.416)	(0.208)	(0.208)
Retro-Wage Correction	(1.488)	0.000	0.000	0.000
Other Post-Employment Liability Adjustment	(5.200)	(5.200)	(5.200)	(5.200)
GASB #68 Pension Expense Adjustment	0.500	0.500	0.500	0.500
Inflation/Other Adjustments	0.493	(0.729)	(0.700)	(0.619)
Sub-Total Non-Reimbursable Expense Changes	(\$2.864)	(\$12.580)	(\$7.108)	(\$7.027)
Total Non-Reimbursable Major Changes	(\$3.054)	(\$12.778)	(\$7.295)	(\$7.209)
Reimbursable Major Changes				
Sub-Total Reimbursable Revenue Changes	(1.875)	(2.861)	(1.861)	(1.861)
Sub-Total Reimbursable Expense Changes	1.875	2.861	1.861	1.861
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	(\$3.054)	(\$12.778)	(\$7.295)	(\$7.209)
Cash Adjustment Changes				
Year-End 2015 Results Timing Adjustments (including Fuel FP Fav. Adjustment)	(\$5.924)	\$0.000	\$0.002	(\$0.005)
OPEB Liability/GASB #68 Pension Adjustment Cash Offsets	4.700	4.700	4.700	4.700
Total Cash Adjustment Changes	(\$1.224)	\$4.700	\$4.702	\$4.695
Total Baseline Changes	(\$4.278)	(\$8.078)	(\$2.593)	(\$2.514)
July Financial Plan - Net Cash Surplus/(Deficit)	(\$63.203)	(\$54.038)	(\$42.419)	(\$43.826)

MTA STATEN ISLAND RAILWAY
2017 Preliminary Budget
July Financial Plan 2017-2020
Ridership/(Utilization)

- A re-estimate of non-student ridership is projected to decrease ridership below the February Financial Plan by 0.021 million in 2016, based on lower than budgeted ridership growth in March and April 2016.
- Working off the revised 2016 base, the 2017-2020 ridership forecast projects slightly lower employment growth in 2017 than the forecast used for the February Financial Plan, followed by higher employment increases in 2018 and 2019, and then a smaller increase in 2020.
- Annual ridership is projected to be below the February Financial Plan by 0.026 million in 2017, 0.020 million in 2018, and 0.016 million in 2019.

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Ridership/(Utilization)
(in millions)

	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary Budget	2018	2019	2020
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RIDERSHIP

Fixed Route	4.502	4.639	4.654	4.688	4.705	4.736
	-	-	-	-	-	-
Baseline Total Ridership	4.502	4.639	4.654	4.688	4.705	4.736

FAREBOX REVENUE

Fixed Route	\$6.401	\$6.674	\$6.699	\$6.757	\$6.785	\$6.837
Baseline Total Revenue	\$6.401	\$6.674	\$6.699	\$6.757	\$6.785	\$6.837

MTA STATEN ISLAND RAILWAY
2017 Preliminary Budget
July Financial Plan 2017-2020
Positions

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

Total positions are projected to decrease by a net 10 in 2016 through 2018 and increase by 2 in 2019.

Non-reimbursable positions are projected to increase by 2 positions for each year, and are described as follows:

- A **Power Maintainer Helper** with a labor cost of \$0.100 million annually is needed to provide maintenance and support to a new substation planned to be functional by early 2017 and to also support existing substations. Training and preparation for this position is a lengthy process.
- An **Infrastructure Supervisor** with an annual labor cost of \$0.135 million is needed to provide oversight and control over the Infrastructure Department (mechanics/janitors). Currently, this is the only maintenance department without a supervisor.

Reimbursable positions are projected to decrease by 12 from a level of 26 to a current level of 14 through 2018, as reimbursable work levels are now projected to be reduced. Consistent with the February 2016 Financial Plan assumptions, no reimbursable positions are projected beginning 2019. This assumption will be reexamined during subsequent plan cycles to determine if additional reimbursable projects will be coming on stream, thus requiring support positions at that time.

MTA Staten Island Railroad
July Financial Plan 2017-2020
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2016	2017	2018	2019
2016 February Plan - Total Baseline Positions	328	328	329	303
Total Plan-to-Plan Changes	10	10	10	(2)
2016 July Plan - Total Baseline Positions	318	318	319	305
Total Year-to-Year Changes, July Plan		0	(1)	14

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(2)	(2)	(2)	(2)
<i>Reimbursable</i>	12	12	12	0
Total	10	10	10	(2)
<i>Full-Time</i>	10	10	10	(2)
<i>Full-Time Equivalents</i>	0	0	0	0
Total	10	10	10	(2)
<i>By Function Category</i>				
- Administration	0	0	0	0
- Operations	0	0	0	0
- Maintenance	(2)	(2)	(2)	(2)
- Engineering/Capital	12	12	12	0
- Public Safety	0	0	0	0
Total	10	10	10	(2)
<i>By Occupational Group</i>				
- Managers/Supervisors	0	0	0	(1)
- Professional, Technical, Clerical	0	0	0	0
- Operational Hourlies	10	10	10	(1)
Total	10	10	10	(2)

Total Plan-to-Plan Changes by Major Category:

<i>2016 BRPs</i>	0	0	0	0
<i>New Needs</i>	(2)	(2)	(2)	(2)
<i>Change in Reimbursable Positions</i>	12	12	12	0
<i>Re-estimates & All Other</i> ¹	0	0	0	0
Total	10	10	10	(2)

¹Includes Full Time Equivalents

MTA STATEN ISLAND RAILWAY
July Financial Plan 2017-2020
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2015 Actual	2016 Mid-Year Forecast	2017 Preliminary 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	-	-	-	-	-	-
Baseline 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
July Financial Plan 2017-2020
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2015	2016	2017	2018	2019	2020
	Actual	Mid-Year Forecast	Preliminary Budget			
Administration						
Managers/Supervisors	18	17	17	17	17	17
Professional, Technical, Clerical	7	12	12	12	12	12
Operational Hourlies	-	-	-	-	-	-
Total Administration	25	29	29	29	29	29
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	106	107	107	107	107	107
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	151	168	168	169	169	169
Engineering/Capital						
Managers/Supervisors	3	3	3	3	-	-
Professional, Technical, Clerical	2	2	2	2	-	-
Operational Hourlies	21	9	9	9	-	-
Total Engineering/Capital	26	14	14	14	-	-
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
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
Baseline Total Positions	308	318	318	319	305	305