

Staten Island Railway

**MTA Staten Island Railway
2006 Preliminary Budget
July Financial Plan 2006-2009**

MISSION STATEMENT

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

FINANCIAL OVERVIEW

MTA Staten Island Railway carries out its mission by providing effective and cost-efficient transportation services through:

- a subway system operating 64 subway cars over 28.6 route miles and 26.6 miles of mainline track, serving 22 stations located on the south shore of Staten Island.

The 2006 Preliminary Budget and projections for the years 2007-2009 provide sufficient funding to increase current service levels by providing resources to match enhanced ferry service as well as to maintain MTA's commitment to safety and security. This is accomplished primarily through implementation of organizational and operating efficiencies that optimize the use of resources to achieve agency goals. Performance indicators including mean distance between failures and on time performance remain within targeted levels.

2005 Mid-Year Forecast

MTA Staten Island Railway's 2005 Mid Year Forecast reflects total expenses before depreciation of \$27.415 million including \$26.390 million of non-reimbursable expenses and \$1.025 million of reimbursable expenses. Total revenues are projected to be \$6.372 million, of which \$5.347 million are operating revenues and \$1.025 million represent capital reimbursements. Total full-time positions are 283 including 277 non-reimbursable positions and 6 reimbursable positions. The above information excludes the effects of Programs to Eliminate the GAP (PEGs), which are presented separately on the attached financial tables.

Providing quality service is paramount to MTA Staten Island Railway. To ensure this goal, the 2005 Mid-Year Forecast includes additional funding necessary to properly maintain fleet and other equipment integral to Staten Island Railway system operations.

Major assumptions and reconciliations are discussed later in this section.

2006-2009 Projections

MTA Staten Island Railway's projections for 2006-2009 reflect total expenses before depreciation as follows: 2006-\$28.040 million, 2007-\$29.316 million, 2008-\$30.433 million, and 2009-\$31.904 million. Non-reimbursable expenses before depreciation are projected as follows: 2006-\$26.986 million, 2007-\$28.229 million, 2008-\$29.304 million, and 2009-\$30.758 million. Reimbursable expenses are projected as follows: 2006-\$1.054 million, 2007-\$1.087 million, 2008-\$1.129 million, and 2009-\$1.146 million.

Total revenues are projected as follows: 2006-\$6.480 million, 2007-\$6.862 million, 2008-\$6.947 million, and 2009-\$7.007 million. Operating revenues are projected as follows: 2006-\$5.426 million, 2007-\$5.775 million, 2008-\$5.818 million and 2009-\$5.861 million. Capital reimbursements are projected as follows: 2006-\$1.054 million, 2007-\$1.087 million, 2008-\$1.129 million, and 2009-\$1.146 million. Total full-time positions are projected to be as follows: 2006-291, 2007-294, 2008-294, and 2009-294. Non-reimbursable positions are projected to be as follows: 2006-288, 2007-291, 2008-291, and 2009-291. Reimbursable positions are projected to be 3 in each year. The above information excludes the effects of Programs to Eliminate the GAP, which are presented separately on the attached financial tables.

Programs to Eliminate the GAP, which are described below, represent deficit reductions of \$0.035 million in 2005, \$0.384 million in 2006, \$0.734 million in 2007, \$1.737 million in 2008 and \$2.815 million in 2009. Position reductions are projected to be 2 in 2005, 7 in 2006, 11 in 2007, 24 in 2008 and 37 in 2009.

Major assumptions and reconciliations are discussed later in this section.

GAP CLOSING MEASURES

2006 Programs to Eliminate the Gap (PEGs) Actions

MTA Staten Island Railway has developed programs that will save \$0.384 million in 2006 as shown below.

- **Operational Efficiencies** - The commissioning of the new Staten Island Railway Control Center will enable the Railway to perform the movement control and supervision function more effectively and efficiently. The current staffing level for the movement control function is one Train Dispatcher and one Tower Operator 24/7. The consolidation and performance of all movement control operations at one location will enable the staffing to be reduced to one Train Dispatcher 24/7 and an assisting Train Dispatcher for AM and PM Weekday Peak Service. This change will enable the Railway to address its long-standing deficit in the area of transportation service line supervision through redeployment of part of this headcount savings.

Installation of additional MVMs in St. George Terminal will enable the Railway to reduce its Agent/Operator headcount by 3. The change to a MetroCard based fare collection and assignment of the crew assignment function to Control Center supervisors will enable a reduction/re-assignment of two Transportation Department clerical employees. This will result in a headcount reduction of 2.

The net benefit to the Transportation Department will be readily available line supervision, necessary for the safe and efficient operation of the service, while at the same time allowing for an overall reduction in headcount of 5 and a projected savings of \$0.245 million in 2006. This program will be extended and remain in effect from 2007 through 2009 for additional savings of \$1.089.

- Facility Painting/ Station Maintenance - Currently, Authority budgeted cycles for painting interiors/exterior of facilities is 5 years while station maintenance is performed continuously on an as needed basis. In 2005, interior/exterior facility painting cycles were increased to every 6 years and efficiencies will be developed and implemented for station related masonry and carpentry repairs. This program was implemented on schedule. Full savings of \$0.139 million will be realized in 2006. This program will be extended and remain in effect from 2007 through 2009 for additional saving of \$0.448.

Programs to Eliminate the GAP described above continue in 2007 through 2009 with deficit reductions of \$0.495 million in 2007, \$0.512 million in 2008, and \$0.530 million in 2009. Position reductions are projected to be 7 in each year.

2007 - 2009 Programs to Eliminate the Gap (PEGs) Actions

Two additional efficiencies will be implemented beginning in 2007 as follows:

- Reduce the Size of the Car Fleet by 12 R44 B Units - The current Staten Island Railway fleet of 64 cars includes an increase of 12 cars early in the 1990's. This action was in anticipation of operating 5 car trains to accommodate the expected growth in ridership which has not materialized. However, this reduction has been postponed pending the completion of a more comprehensive fleet replacement analysis. Therefore, internal efficiencies have been implemented to realize the projected savings of \$0.239 million in 2005 and 2006. This program will be extended and remain in effect from 2007 through 2009 for additional savings of \$0.747.
- One Person Train Operation (OPTO) - Currently the Authority operates four car trains with a crew of 1 Train Operator and 1 Conductor. The existing R44 fleet is not equipped with the door obstruction sensing capability required for OPTO. Given the estimated cost of retrofit, a replacement fleet will likely be required. Projected implementation of One Person Train Operation (OPTO) in July 2008 will reduce crew size to one Train Operator. Projections are that 13 Conductor positions can be eliminated in 2008, saving \$0.975 million and 26 Conductor positions in 2009, saving \$2.027 million.

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2004	2005	2006			
	Actuals	Mid-Year Forecast	Preliminary Budget	2007	2008	2009
Revenue						
Farebox Revenue	\$3.137	\$3.456	\$3.535	\$3.884	\$3.927	\$3.970
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.784	1.891	1.891	1.891	1.891	1.891
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4.921	\$5.347	\$5.426	\$5.775	\$5.818	\$5.861
Expenses						
Labor:						
Payroll	14.784	14.645	14.713	15.219	15.696	16.225
Overtime	1.150	0.720	0.692	0.712	0.736	0.761
Health and Welfare	2.537	2.811	3.027	3.364	3.668	4.002
Pensions	1.452	1.635	1.746	1.814	1.760	1.991
Other Fringe Benefits	1.682	1.281	1.290	1.334	1.375	1.420
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$21.605	\$21.092	\$21.468	\$22.443	\$23.235	\$24.399
Non-Labor:						
Traction and Propulsion Power	1.676	1.550	1.663	1.783	1.911	2.035
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.147	0.168	0.182	0.201	0.222	0.244
Claims	0.289	0.230	0.234	0.241	0.248	0.256
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other						
Operating Contracts	1.591	2.105	2.172	2.271	2.378	2.493
Professional Service Contracts	0.266	0.319	0.319	0.326	0.334	0.342
Materials & Supplies	0.796	0.921	0.943	0.959	0.971	0.983
Other Business Expenses	0.005	0.005	0.005	0.005	0.005	0.006
Total Non-Labor Expenses	\$4.770	\$5.298	\$5.518	\$5.786	\$6.069	\$6.359
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	\$26.375	\$26.390	\$26.986	\$28.229	\$29.304	\$30.758
Depreciation	7.063	10.337	10.337	10.337	10.337	10.337
Total Expenses	\$33.438	\$36.727	\$37.323	\$38.566	\$39.641	\$41.095
Baseline Net Surplus/(Deficit)	(\$28.517)	(\$31.380)	(\$31.897)	(\$32.791)	(\$33.823)	(\$35.234)
2006 PEG Program	0	0.035	0.384	0.734	1.737	2.815
Net Surplus/(Deficit)	(\$28.517)	(\$31.345)	(\$31.513)	(\$32.057)	(\$32.086)	(\$32.419)

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2004	2005	2006			
	Actuals	Mid-Year Forecast	Preliminary Budget	2007	2008	2009
Revenue						
Farebox Revenue	\$ 3.137	\$ 3.456	\$ 3.535	\$ 3.884	\$ 3.927	\$ 3.970
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.784	1.891	1.891	1.891	1.891	1.891
Capital and Other Reimbursements	1.835	1.025	1.054	1.087	1.129	1.146
Total Revenue	\$ 6.756	\$ 6.372	\$ 6.480	\$ 6.862	\$ 6.947	\$ 7.007
Expenses						
Labor:						
Payroll	15.537	14.900	14.975	15.488	15.973	16.491
Overtime	1.608	1.301	1.288	1.325	1.367	1.412
Health and Welfare	2.949	2.861	3.081	3.423	3.733	4.073
Pensions	1.547	1.710	1.823	1.893	1.847	2.078
Other Fringe Benefits	1.757	1.345	1.355	1.401	1.444	1.491
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$ 23.398	\$ 22.117	\$ 22.522	\$ 23.530	\$ 24.364	\$ 25.545
Non-Labor:						
Traction and Propulsion Power	1.676	1.550	1.663	1.783	1.911	2.035
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.147	0.168	0.182	0.201	0.222	0.244
Claims	0.289	0.230	0.234	0.241	0.248	0.256
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.591	2.105	2.172	2.271	2.378	2.493
Professional Service Contracts	0.266	0.319	0.319	0.326	0.334	0.342
Materials & Supplies	0.838	0.921	0.943	0.959	0.971	0.983
Other Business Expenses	0.005	0.005	0.005	0.005	0.005	0.006
Total Non-Labor Expenses	\$ 4.812	\$ 5.298	\$ 5.518	\$ 5.786	\$ 6.069	\$ 6.359
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	\$ 28.210	\$ 27.415	\$ 28.040	\$ 29.316	\$ 30.433	\$ 31.904
Depreciation	7.063	10.337	10.337	10.337	10.337	10.337
Total Expenses	\$ 35.273	\$ 37.752	\$ 38.377	\$ 39.653	\$ 40.770	\$ 42.241
Baseline Net Surplus/(Deficit)	\$ (28.517)	\$ (31.380)	\$ (31.897)	\$ (32.791)	\$ (33.823)	\$ (35.234)
2006 PEG Program	0.000	0.035	0.384	0.734	1.737	2.815
Net Surplus/(Deficit)	\$ (28.517)	\$ (31.345)	\$ (31.513)	\$ (32.057)	\$ (32.086)	\$ (32.419)

**MTA Staten Island Railway
July Financial Plan 2006 - 2009
Cash Receipts & Expenditures
(\$ in millions)**

	2004 Actuals	2005 Mid-Year Forecast	2006 Preliminary Budget	2007	2008	2009	2010
Receipts							
Farebox Revenue	\$3.120	\$3.456	\$3.535	\$3.884	\$3.927	\$3.970	\$4.014
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.749	1.891	1.891	1.891	1.891	1.891	1.891
Capital and Other Reimbursements	1.703	1.019	1.048	1.080	1.129	1.146	1.206
Total Receipts	\$6.572	\$6.366	\$6.474	\$6.855	\$6.947	\$7.007	\$7.111
Expenditures							
Labor:							
Payroll	15.492	14.900	14.975	15.488	15.973	16.491	17.070
Overtime	1.586	1.301	1.288	1.325	1.367	1.412	1.459
Health and Welfare	2.994	2.861	3.081	3.423	3.733	4.073	4.443
Pensions	1.544	1.710	1.823	1.893	1.847	2.078	2.059
Other Fringe Benefits	1.607	1.345	1.355	1.401	1.444	1.491	1.541
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$23.223	\$22.117	\$22.522	\$23.530	\$24.364	\$25.545	\$26.572
Non-Labor:							
Traction and Propulsion Power	1.727	1.550	1.663	1.783	1.911	2.035	2.168
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.222	0.168	0.182	0.201	0.222	0.244	0.270
Claims	0.615	0.230	0.234	0.241	0.248	0.256	0.265
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.373	2.105	2.172	2.271	2.378	2.493	2.614
Professional Service Contracts	0.171	0.319	0.319	0.326	0.334	0.342	0.351
Materials & Supplies	0.938	0.921	0.943	0.959	0.971	0.983	0.995
Other Business Expenses	0.005	0.005	0.005	0.005	0.005	0.006	0.006
Total Non-Labor Expenditures	\$5.051	\$5.298	\$5.518	\$5.786	\$6.069	\$6.359	\$6.669
Other Expenditure Adjustments:							
Other	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
Total Expenditures	\$28.274	\$27.415	\$28.040	\$29.316	\$30.433	\$31.904	\$33.241
Baseline Net Cash Deficit	(\$21.702)	(\$21.049)	(\$21.566)	(\$22.461)	(\$23.486)	(\$24.897)	(\$26.130)
2006 PEG Program	0.000	0.035	0.384	0.734	1.737	2.815	2.815
Net Cash Deficit	(\$21.702)	(\$21.014)	(\$21.182)	(\$21.727)	(\$21.749)	(\$22.082)	(\$23.315)

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2004	2005	2006			
	Actuals	Forecast	Preliminary Budget	2007	2008	2009
Receipts						
Farebox Revenue	(\$0.017)	\$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	(0.035)	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(0.132)	(0.006)	(0.006)	(0.007)	0.000	0.000
Total Receipt Adjustments	(\$0.184)	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	0.045	0.000	0.000	0.000	0.000	0.000
Overtime	0.022	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(0.045)	0.000	0.000	0.000	0.000	0.000
Pensions	0.003	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.150	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 Expenditures	\$0.175	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Traction and Propulsion Power	(0.051)	0.000	0.000	0.000	0.000	0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(0.075)	0.000	0.000	0.000	0.000	0.000
Claims	(0.326)	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	0.218	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.095	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	(0.100)	0.000	0.000	0.000	0.000	0.000
Other Business Expenditures	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	(\$0.239)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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 Cash Conversion Adjustments before Depreciation	(\$0.248)	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000	\$0.000
Depreciation Adjustment	7.063	10.337	10.337	10.337	10.337	10.337
Baseline Total Cash Conversion Adjustments	\$6.815	\$10.331	\$10.331	\$10.330	\$10.337	\$10.337
2006 PEG Program						
Unspecified PEGs	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$6.815	\$10.331	\$10.331	\$10.330	\$10.337	\$10.337

**MTA Staten Island Railway
July Financial Plan 2006-2009
Year-Over-Year Changes by Category-Baseline Narrative**

TOTAL REVENUES

Farebox Revenue

- Farebox revenue improvements of: 2006-\$.079 million (2.3%), 2007-\$.349 million (9.9%), 2008-\$.043 million (1.1%), and 2009-\$.043 million (1.1%) were due to projected increases in ridership.
- The ridership increase is based upon forecasted growth in NYC employment.

Other Operating Revenue

- No changes.

Capital and Other Reimbursements

- Annual increases are projected from 2006 through 2009 to provide for reimbursement consistent with projected CPI increases for labor expenses and actuarial-based pension increases as explained below.

TOTAL EXPENSES

In 2005, Staten Island Railway's Police Department was merged into the MTA Police Department. Beginning 6/1/05, these expenses were transferred to the MTA.

Payroll

- Increases represent projected CPI rate increases as follows: 2006-2.57%, 2007-2.79%, 2008-2.94%, and 2009-3.18%.

Overtime

- 2006-2009 payroll wage rate increase assumptions apply.

Health & Welfare

- Increases include the following inflation rate assumptions: 2006 through 2009-9.3%.

Pension

- Significant projected increases in expenses are based on information from pension plan actuaries.

Other Fringe Benefits

- Inflation assumptions consistent with payroll rate increase assumptions.

Traction and Propulsion Power

- Reflects projected New York Power Authority (NYPA) annual rate increases.

Insurance

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-1.47%, 2007-1.83%, 2008-2.05%, and 2009-2.14%.

Claims

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.57%, 2007-2.79%, 2008-2.94%, and 2009-3.18%.

Maintenance and Other Operating Contracts

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.02%, 2007-2.06%, 2008-2.31%, and 2009-2.52%.
- Non-reimbursable expenses reflect projected NYPA annual rate increases for lighting expenses.
- 2006-2009 increased power consumption associated with new signal system as follows: 2006-2.8%, 2007-3.3%, and 2008-3.4%.

Professional Service Contracts

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.02%, 2007-2.06%, 2008-2.31%, and 2009-2.52%.
- 2006-2009 reflects higher costs associated with NYS bridge inspection requirements as follows: 2006-1.9%, 2007-2.5%, 2008-2.4%, and 2009-2.4%.

Materials and Supplies

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-3.08%, 2007-1.69%, 2008-1.20%, and 2009-1.19%.

Other Business Expenses

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.02%, 2007-2.06%, 2008-2.31%, and 2009-2.52%.

Depreciation

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

TOTAL RECEIPTS**Farebox Receipts**

- Farebox revenue improvements of: 2006-\$.079 million (2.3%), 2007-\$.349 million (9.9%), 2008-\$.043 million (1.1%), and 2009-\$.043 million (1.1%) were due to projected increases in ridership.
- The ridership increase is based upon projected growth in NYC employment.

Other Operating Receipts

- No changes.

Capital and Other Reimbursements

- Annual increases are projected from 2006 through 2009 to provide for reimbursement consistent with projected CPI increases for labor expenses and actuarial-based pension increases as explained below.

TOTAL EXPENDITURES

In 2005, Staten Island Railway's Police Department was merged into the MTA Police Department. Beginning 6/1/05, these expenses were transferred to the MTA.

Payroll

- Increases represent projected CPI rate increases as follows: 2006-2.57%, 2007-2.79%, 2008-2.94%, and 2009-3.18%.

Overtime

- 2006-2009 payroll wage rate increase assumptions apply.

Health & Welfare

- Increases include the following inflation rate assumptions: 2006 through 2009-9.3%.

Pension

- Significant projected increases in expenses are based on information from pension plan actuaries.

Other Fringe Benefits

- Inflation assumptions consistent with payroll rate increase assumptions.

Traction and Propulsion Power

- Reflects NYPA projected annual rate increases.

Insurance

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-1.47%, 2007-1.83%, 2008-2.05%, and 2009-2.14%.

Claims

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.57%, 2007-2.79%, 2008-2.94%, and 2009-3.18%.

Maintenance and Other Operating Contracts

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.02%, 2007-2.06%, 2008-2.31%, and 2009-2.52%.
- Non-reimbursable expenses include projected NYPA annual rate increases for lighting expenses.
- 2006-2009 increased power consumption associated with new signal system as follows: 2006-2.8%, 2007-3.3%, and 2008-3.4%.

Professional Service Contracts

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.02%, 2007-2.06%, 2008-2.31%, and 2009-2.52%.
- 2006-2009 reflects higher costs associated with NYS bridge inspection requirements as follows: 2006-1.9%, 2007-2.5%, 2008-2.4% and 2009-2.4%.

Materials and Supplies

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-3.08%, 2007-1.69%, 2008-1.20%, and 2009-1.19%.

Other Business Expenses

- 2006-2009 inflation assumptions are based upon Global Insight's estimates as follows: 2006-2.02%, 2007-2.06%, 2008-2.31%, and 2009-2.52%.

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	Favorable/(Unfavorable)								
	2005	2006	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008
Revenue									
Farebox Revenue	\$3.456	\$3.535	\$0.079	\$3.884	\$0.349	\$3.927	\$0.043	\$3.970	\$0.043
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.891	1.891	0.000	1.891	0.000	1.891	0.000	1.891	0.000
Capital and Other Reimbursements	\$1.025	\$1.054	\$0.029	\$1.087	\$0.033	\$1.129	\$0.042	\$1.146	\$0.017
Total Revenue	\$6.372	\$6.480	\$0.108	\$6.862	\$0.382	\$6.947	\$0.085	\$7.007	\$0.060
Expenses									
Labor:									
Payroll	14.900	14.975	(0.075)	15.488	(0.513)	15.973	(0.485)	16.491	(0.518)
Overtime	1.301	1.288	0.013	1.325	(0.037)	1.367	(0.042)	1.412	(0.045)
Health and Welfare	2.861	3.081	(0.220)	3.423	(0.342)	3.733	(0.310)	4.073	(0.340)
Pensions	1.710	1.823	(0.113)	1.893	(0.070)	1.847	0.046	2.078	(0.231)
Other Fringe Benefits	1.345	1.355	(0.010)	1.401	(0.046)	1.444	(0.043)	1.491	(0.047)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$22.117	\$22.522	(\$0.405)	\$23.530	(\$1.008)	\$24.364	(\$0.834)	\$25.545	(\$1.181)
Non-Labor:									
Traction and Propulsion Power	1.550	1.663	(0.113)	1.783	(0.120)	1.911	(0.128)	2.035	(0.124)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.168	0.182	(0.014)	0.201	(0.019)	0.222	(0.021)	0.244	(0.022)
Claims	0.230	0.234	(0.004)	0.241	(0.007)	0.248	(0.007)	0.256	(0.008)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other	2.105	2.172	(0.067)	2.271	(0.099)	2.378	(0.107)	2.493	(0.115)
Professional Service Contracts	0.319	0.319	0.000	0.326	(0.007)	0.334	(0.008)	0.342	(0.008)
Materials & Supplies	0.921	0.943	(0.022)	0.959	(0.016)	0.971	(0.012)	0.983	(0.012)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.006	(0.001)
Total Non-Labor Expenses	\$5.298	\$5.518	(\$0.220)	\$5.786	(\$0.268)	\$6.069	(\$0.283)	\$6.359	(\$0.290)
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$27.415	\$28.040	(\$0.625)	\$29.316	(\$1.276)	\$30.433	(\$1.117)	\$31.904	(\$1.471)
Depreciation	10.337	10.337	0.000	10.337	0.000	10.337	0.000	10.337	0.000
Total Expenses	\$37.752	\$38.377	(\$0.625)	\$39.653	(\$1.276)	\$40.770	(\$1.117)	\$42.241	(\$1.471)
Baseline Net Surplus/(Deficit)	(\$31.380)	(\$31.897)	(\$0.517)	(\$32.791)	(\$0.894)	(\$33.823)	(\$1.032)	(\$35.234)	(\$1.411)
2006 PEG Program	0.035	0.384	0.349	0.734	0.350	1.737	1.003	2.815	1.078
Net Surplus/(Deficit)	(\$31.345)	(\$31.513)	(\$0.168)	(\$32.057)	(\$0.544)	(\$32.086)	(\$0.029)	(\$32.419)	(\$0.333)

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Cash Receipts and Expenditures
(\$ in millions)

	Favorable/(Unfavorable)								
	2005	2006	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008
Receipts									
Farebox Revenue	\$3.456	\$3.535	\$0.079	\$3.884	\$0.349	\$3.927	\$0.043	\$3.970	\$0.043
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.891	1.891	0.000	1.891	0.000	1.891	0.000	1.891	0.000
Capital and Other Reimbursements	1.019	1.048	0.029	1.080	0.032	1.129	0.049	1.146	0.017
Total Receipts	\$6.366	\$6.474	\$0.108	\$6.855	\$0.381	\$6.947	\$0.092	\$7.007	\$0.060
Expenditures									
Labor:									
Payroll	14.900	14.975	(0.075)	15.488	(0.513)	15.973	(0.485)	16.491	(0.518)
Overtime	1.301	1.288	0.013	1.325	(0.037)	1.367	(0.042)	1.412	(0.045)
Health and Welfare	2.861	3.081	(0.220)	3.423	(0.342)	3.733	(0.310)	4.073	(0.340)
Pensions	1.710	1.823	(0.113)	1.893	(0.070)	1.847	0.046	2.078	(0.231)
Other Fringe Benefits	1.345	1.355	(0.010)	1.401	(0.046)	1.444	(0.043)	1.491	(0.047)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$22.117	\$22.522	(\$0.405)	\$23.530	(\$1.008)	\$24.364	(\$0.834)	\$25.545	(\$1.181)
Non-Labor:									
Traction and Propulsion Power	1.550	1.663	(0.113)	1.783	(0.120)	1.911	(0.128)	2.035	(0.124)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.168	0.182	(0.014)	0.201	(0.019)	0.222	(0.021)	0.244	(0.022)
Claims	0.230	0.234	(0.004)	0.241	(0.007)	0.248	(0.007)	0.256	(0.008)
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	2.105	2.172	(0.067)	2.271	(0.099)	2.378	(0.107)	2.493	(0.115)
Professional Service Contracts	0.319	0.319	0.000	0.326	(0.007)	0.334	(0.008)	0.342	(0.008)
Materials & Supplies	0.921	0.943	(0.022)	0.959	(0.016)	0.971	(0.012)	0.983	(0.012)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.006	(0.001)
Total Non-Labor Expenditures	\$5.298	\$5.518	(\$0.220)	\$5.786	(\$0.268)	\$6.069	(\$0.283)	\$6.359	(\$0.290)
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	\$27.415	\$28.040	(\$0.625)	\$29.316	(\$1.276)	\$30.433	(\$1.117)	\$31.904	(\$1.471)
Baseline Net Cash Deficit	(21.049)	(21.566)	(0.517)	(22.461)	(0.895)	(23.486)	(1.025)	(24.897)	(1.411)
2006 PEG Program	0.035	0.384	0.349	0.734	0.350	1.737	1.003	2.815	1.078
Net Cash Deficit	(\$21.014)	(\$21.182)	(\$0.168)	(\$21.727)	(\$0.545)	(\$21.749)	(\$0.022)	(\$22.082)	(\$0.333)

**MTA Staten Island Railway
July Financial Plan 2006-2009
Summary of Plan to Plan Changes-Baseline Narrative**

2005: July Financial Plan vs. February Financial Plan

Revenue Re-estimates

- Farebox revenue reduced by \$0.225 to reflect the delay in implementation of Tompkinsville Hardening PEG until 2007.

Expense Re-estimates

- Expense inflation revision increase of \$0.034 million primarily based upon an update of Global Insight's economic and demographics forecasts.
- Delay in implementation of Short Train program until May 2005 results in an increase of \$0.063 million.
- Matching additional Staten Island Ferry service has a projected cost of \$0.090.
- Additional support for the new signal system will result in an increase of \$0.035.
- In 2005, Staten Island Railway's Police Department was merged into the MTA Police Department. Beginning 6/1/05, these expenses for 2005 of \$1.210 million were transferred to the MTA.

2006: July Financial Plan vs. February Financial Plan

Revenue Re-estimates

- Farebox revenue reduced by \$0.300 to reflect the delay in implementation of Tompkinsville Hardening PEG until 2007.

Expense Re-estimates

- Expense inflation revision increase of \$0.214 million primarily based upon an update in Global Insight's economic and demographics forecasts.
- Matching additional Staten Island Ferry service has a projected cost of \$0.180.
- Additional support for the new signal system will result in an increase of \$0.246.
- During the Signal Modernization Project 3 Third Rail Maintainer positions were shifted from the Operating to the Capital Budget to support the program. With the impending completion of the project, in 2006, these positions will be reclassified as operating. This reclassification will result in an increase in positions of \$0.189.
- In 2005, Staten Island Railway's Police Department was merged into the MTA Police Department. These expenses for 2006 of \$2.176 million were transferred to the MTA.

2007: July Financial Plan vs. February Financial Plan

Revenue Re-estimates

- No changes from February Plan.

Expense Re-estimates

- Expense inflation revision increase of \$0.205 million primarily based upon an update in Global Insight's economic and demographics forecasts.

- Matching additional Staten Island Ferry service has a projected cost of \$0.180.
- Additional support for the new signal system will result in an increase of \$0.349.
- During the Signal Modernization Project 3 Third Rail Maintainer positions were shifted from the Operating to the Capital Budget to support the program. With the impending completion of the project, in 2006, these heads will be reclassified as operating. This reclassification will result in an increase of \$0.195.
- In 2005, Staten Island Railway's Police Department was merged into the MTA Police Department. These expenses for 2007 of \$2.233 million were transferred to the MTA.

2008: July Financial Plan vs. February Financial Plan Revenue Re-estimates

- No changes from February Plan.

Expense Re-estimates

- Expense inflation revision increase of \$0.367 million primarily based upon an update in Global Insight's economic and demographics forecasts.
- Matching additional Staten Island Ferry service has a projected cost of \$0.180.
- Additional support for the new signal system will result in an increase of \$0.368.
- During the Signal Modernization Project 3 Third Rail Maintainer positions were shifted from the Operating to the Capital Budget to support the program. With the impending completion of the project, in 2006, these heads will be reclassified as operating. This reclassification will result in an increase of \$0.205.
- In 2005, Staten Island Railway's Police Department was merged into the MTA Police Department. These expenses for 2008 of \$2.294 million were transferred to the MTA.

2009: July Financial Plan vs. February Financial Plan Revenue Re-estimates

- No changes from February Plan.

Expense Re-estimates

- Expense inflation revision increase of \$0.350 million primarily based upon an update in Global Insight's economic and demographics forecasts.
- Matching additional Staten Island Ferry service has a projected cost of \$0.180.
- Additional support for the new signal system will result in an increase of \$0.380.
- During the Signal Modernization Project 3 Third Rail Maintainer positions were shifted from the Operating to the Capital Budget to support the program. With the impending completion of the project, in 2006, these heads will be reclassified as operating. This reclassification will result in an increase of \$0.211.
- In 2005, Staten Island Railway's Police Department was merged into the MTA Police Department. These expenses for 2009 of \$2.361 million were transferred to the MTA.

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Summary of Changes Between Financial Plans by Category
(\$ in millions)

NON-REIMBURSABLE

	2005	2006	2007	2008	2009
2005 February Financial Plan - Operating Cash Income/(Deficit)	(\$21.806)	(\$20.078)	(\$21.161)	(\$21.990)	(\$23.394)
Add Back: February Plan PEGs	\$0.000	(\$2.529)	(\$2.597)	(\$2.670)	(\$2.743)
Baseline 2005 February Financial Plan - Operating Cash Income/(Deficit)	(\$21.806)	(\$22.607)	(\$23.758)	(\$24.660)	(\$26.137)
Baseline:					
Changes					
Revenue					
Hardening Tompkinsville - Delay to 1/1/07	(0.225)	(0.300)	0.000	0.000	0.000
Sub-Total Revenue Changes	(0.225)	(0.300)	0.000	0.000	0.000
Expenses					
Payroll	0.734	1.102	1.038	1.028	1.029
Pension	0.071	0.113	0.120	0.135	0.153
Health and Welfare	0.124	0.195	0.206	0.233	0.262
Other Fringe Benefits	0.043	0.060	0.054	0.054	0.054
Insurance	0.005	0.009	0.009	0.009	0.010
Maintenance and Other Operating Contracts	0.032	0.056	0.056	0.056	0.056
Professional Service Contracts	0.008	0.015	0.015	0.015	0.015
Materials & Supplies	0.004	0.010	0.010	0.010	0.010
Other Business Expenditures	0.001	0.001	0.001	0.001	0.001
Inflation	(0.034)	(0.214)	(0.205)	(0.367)	(0.350)
Sub-Total Expense Changes	0.988	1.347	1.304	1.174	1.240
Cash Adjustments:					
Revenue	(0.006)	(0.006)	(0.007)	0.000	0.000
Expense	0.000	0.000	0.000	0.000	0.000
Sub-Total Cash Adjustment Changes	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000	\$0.000
Total Baseline Changes	\$0.757	\$1.041	\$1.297	\$1.174	\$1.240
PEG Program	0.035	0.384	0.734	1.737	2.815
Total Changes	\$0.792	\$1.425	\$2.031	\$2.911	\$4.055
2005 July Financial Plan - Operating Cash Income/(Deficit)	(\$21.014)	(\$21.182)	(\$21.727)	(\$21.749)	(\$22.082)

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Summary of Changes Between Financial Plans by Category
(\$ in millions)

REIMBURSABLE	2005	2006	2007	2008	2009
2005 February Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add Back: February Plan PEGs					
Baseline 2005 February Financial Plan - Operating Cash Income/(Deficit)					
Baseline:					
Changes					
Revenue					
Sub-Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Sub-Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustments:					
Revenue					
Expense					
Sub-Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
PEG Program					
Total Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2005 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Summary of Changes Between Financial Plans by Category
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2005	2006	2007	2008	2009
2005 February Financial Plan - Operating Cash Income/(Deficit)	(\$21.806)	(\$20.078)	(\$21.161)	(\$21.990)	(\$23.394)
Add Back: February Plan PEG's	\$0.000	(\$2.529)	(\$2.597)	(\$2.670)	(\$2.743)
Baseline 2005 February Financial Plan - Operating Cash Income/(Deficit)	(\$21.806)	(\$22.607)	(\$23.758)	(\$24.660)	(\$26.137)
Baseline:					
Changes					
Revenue					
Hardening Tompkinsvill - Delay to 1/1/07	(.225)	(.300)	.000	.000	.000
Sub-Total Revenue Changes	(\$0.225)	(\$0.300)	\$0.000	\$0.000	\$0.000
Expenses					
Payroll	.734	1.102	1.038	1.028	1.029
Pension	.071	.113	.120	.135	.153
Health and Welfare	.124	.195	.206	.233	.262
Other Fringe Benefits	.043	.060	.054	.054	.054
Insurance	.005	.009	.009	.009	.010
Maintenance and Other Operating Contracts	.032	.056	.056	.056	.056
Professional Service Contracts	.008	.015	.015	.015	.015
Materials & Supplies	.004	.010	.010	.010	.010
Other Business Expenditures	.001	.001	.001	.001	.001
Inflation	(.034)	(.214)	(.205)	(.367)	(.350)
Sub-Total Expense Changes	\$0.988	\$1.347	\$1.304	\$1.174	\$1.240
Cash Adjustments:					
Revenue	(0.006)	(0.006)	(0.007)	0.000	0.000
Expense	0.000	0.000	0.000	0.000	0.000
Sub-Total Cash Adjustment Changes	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000	\$0.000
Total Baseline Changes	\$0.757	\$1.041	\$1.297	\$1.174	\$1.240
PEG Program	0.035	0.384	0.734	1.737	2.815
Total Changes	\$0.792	\$1.425	\$2.031	\$2.911	\$4.055
2005 July Financial Plan - Operating Cash Income/(Deficit)	(\$21.014)	(\$21.182)	(\$21.727)	(\$21.749)	(\$22.082)

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Summary of PEGs
(\$ in millions)

Favorable/(Unfavorable)

	2005		2006		2007		2008		2009	
	Positions ¹	Dollars	Positions ¹	Dollars						
LIST of PROGRAMS										
Administration:										
Sub-Total Administration	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Customer Convenience & Amenities:										
Sub-Total Customer Convenience & Amenities	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Service:										
Sub-Total Service	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Maintenance:										
Reduce the size of the car fleet by 12 R44 B units					4	0.239	4	0.250	4	0.258
Facility Painting/Station Maintenance			2	0.139	2	0.144	2	0.149	2	0.155
Sub-Total Maintenance	0	\$.000	2	\$.139	6	\$.383	6	\$.399	6	\$.413
Revenue Enhancements:										
Sub-Total Revenue Enhancements	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Other:										
One Person Train Operation (OPTO) Service Support							13	0.975	26	2.027
<i>Operational Efficiencies</i>	2	.035	5	0.245	5	0.351	5	0.363	5	0.375
Sub-Total Other	2	\$.035	5	\$.245	5	\$.351	18	\$ 1.338	31	\$ 2.402
Total PEGs	2	\$.035	7	\$.384	11	\$.734	24	\$ 1.737	37	\$ 2.815

¹ Reflects the impact of amendments on year-end positions.

**MTA Staten Island Railway
July Financial Plan 2006 - 2009
PEG Worksheet**

PEG Category: Maintenance

Program: Continue Facility Painting/Station Maint.

Background Details:	Currently, Authority budgeted cycle for painting interiors/exterior of facilities is 5 years while station maintenance is performed continuously. In 2005 (2005 PEG), painting cycles increased to 6 years and maintenance efficiencies implemented for masonry and carpentry repairs. These efficiencies will now be continued through the financial plan period.
----------------------------	--

PEG Description and Implementation Plan:	Continue facility Painting and Station Maintenance efficiencies initiated in 2005.
PEG Implementation Date: 1/1/06	When will PEG savings begin?: 1/1/06

	2005	2006	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)		\$0.139	\$0.144	\$0.149	\$0.155
<i>Total Reduction in Positions Required</i>					
Current Level of Vacancies		2	2	2	2
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other (Identify Appropriate Indicator)					

**MTA Staten Island Railway
July Financial Plan 2006 - 2009
PEG Worksheet**

PEG Category: Maintenance

Program: Reduce the size of the car fleet by 12 R44 B units

Background Details:	The current SIR fleet of 64 cars includes an increase of 12 cars early in the 1990's. This action was in anticipation of operating 5 car trains to accommodate the expected growth in ridership which has not materialized. Reducing the fleet size back to its original 52 cars in 2006 will reduce maintenance and cleaning costs saving four (4) positions and \$0.239 million.
----------------------------	--

PEG Description and Implementation Plan:	This 2005 PEG reduction has been postponed pending the completion of a more comprehensive fleet replacement analysis. However, internal efficiencies have been implemented to realize the 2005 PEG savings of \$0.269 million. This program will be extended as a 2006 PEG and remain in effect from 2007 through 2009.
PEG Implementation Date: 1/1/07	When will PEG savings begin?: 1/1/07

	2005	2006	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)			\$0.239	\$0.250	\$0.258
<i>Total Reduction in Positions Required</i>					
Current Level of Vacancies			4	4	4
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other (Identify Appropriate Indicator)					

**MTA Staten Island Railway
July Financial Plan 2006 - 2009
PEG Worksheet**

PEG Category: Service

Program: One Person Train Operation (OPTO)

Background Details:	Currently the Authority operates four car trains with a crew of one Train Operator and one Conductor. In 2008, implementation of One Person Train Operation (OPTO) will reduce crew size to one Train Operator. Projections are that 13 Conductor positions can be eliminated by the end of 2008 and 26 by the end of 2009.
----------------------------	---

PEG Description and Implementation Plan:	The existing R44 fleet is not equipped with the door obstruction sensing capability required for OPTO. Given the estimated cost of retrofit, a replacement fleet will likely be required. Therefore, the implementation of this program will be delayed until July 2008.
PEG Implementation Date: 7/1/08	When will PEG savings begin?: 7/1/08

	2005	2006	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)	\$0.000	\$0.000	\$0.000	\$0.975	\$2.027
<i>Total Reduction in Positions Required</i>	0	0	0	13	26
Current Level of Vacancies	0	0	0	13	26

Impact on Operations:
Ridership Per Week (in thousands)
Mean Distance Between Failure
On-Time Performance

Other
(Identify Appropriate Indicator)

**MTA Staten Island Railway
July Financial Plan 2006 - 2009
PEG Worksheet**

PEG Category: Operations

Program: Operational Efficiencies

Background Details: The commissioning of the new Staten Island Railway Control Center will enable the Railway to perform the movement control and supervision function more effectively and efficiently. The current staffing level for the movement control function is one Train Dispatcher and one Tower Operator 24/7. The consolidation and performance of all movement control operations at one location will enable the staffing to be reduced to one Train Dispatcher 24/7 and an assisting Train Dispatcher for AM and PM Weekday Peak Service. This change will enable the Railway to address its long-standing deficit in the area of transportation service line supervision through redeployment of part of this headcount savings. Installation of additional MVMs in St. George Terminal will enable the Railway to reduce its Agent/Operator head count by three (3). The change to a MetroCard based fare collection and assignment of the crew assignment function to Control Center supervisors will enable a reduction/re-assignment of two Transportation Department clerical employees. This will result in a headcount reduction of two (2).

PEG Description and Implementation Plan: The net benefit to the Transportation Department will be readily available line supervision necessary for the safe and efficient operation of the service, while at the same time allowing for an overall reduction in headcount of five (5).

PEG Implementation Date: 10/1/05

When will PEG savings begin?: 10/1/05

Financial Impact (Operating)

Net Savings (in millions)

2005	2006	2007	2008	2009
\$0.035	\$0.245	\$0.351	\$0.363	\$0.375

Total Reduction in Positions Required

2	5	5	5	5
---	---	---	---	---

Current Level of Vacancies

0	0	0	0	0
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Impact on Operations:

Ridership Per Week (in thousands)
Mean Distance Between Failure
On-Time Performance

Other
(Identify Appropriate Indicator)

**MTA Staten Island Railway
July Financial Plan 2006-2009**

OTHER ASSUMPTIONS

Baseline positions were reduced by 7 in 2006, 11 in 2007, 24 in 2008 and 37 in 2009. These net changes are due primarily to the merger of the Authority's Police department with the MTA Police and the impact of new needs.

Ridership/Utilization reflects farebox revenue reductions of \$0.225 in 2005 and \$.300 in 2006 which represent the delay in implementation of the Tompkinsville Hardening PEG until 2007.

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Total Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2004 Actuals	2005 Mid-Year Forecast	2006 Preliminary Budget	2007	2008	2009
Administration						
Executive	12	11	11	11	11	11
General Office	12	13	13	13	13	13
Purchasing/Stores	6	7	7	7	7	7
Operations						
Transportation	93	99	99	99	99	99
Maintenance						
Mechanical	36	35	35	37	37	37
Car and Station Cleaning	19	20	20	21	21	21
Power/Signals	23	25	31	31	31	31
Maintenance of Way	46	49	49	49	49	49
Bridge and Buildings	23	22	24	24	24	24
Material Handling	2	2	2	2	2	2
Engineering/Capital						
<i>None</i>						
Public Safety						
<i>Police</i>	25	0	0	0	0	0
Baseline Total Positions						
	297	283	291	294	294	294
<i>Non-Reimbursable</i>						
	291	277	288	291	291	291
<i>Reimbursable</i>						
	6	6	3	3	3	3
<i>Total Full-Time</i>						
	297	283	291	294	294	294
<i>Total Full-Time-Equivalents</i>						
<i>Total Full-Time-Equivalents</i>						
Impact of:						
2006 Program to Eliminate the Gap	0	(2)	(7)	(11)	(24)	(37)
Total Positions						
	297	281	284	283	270	257
<i>Non-Reimbursable</i>						
	291	275	281	280	267	254
<i>Reimbursable</i>						
	6	6	3	3	3	3
<i>Total Full-Time</i>						
	297	281	284	283	270	257

MTA Staten Island Railway
July Financial Plan 2006 - 2009
Ridership/Traffic Volume (Utilization)
 (in millions)

	2004 Actuals	2005 Mid-Year Forecast	2006 Preliminary Budget	2007	2008	2009
Baseline Total Ridership	3.343	3.533	3.588	3.886	3.922	3.933
Impact of: PEG Program						
Total Ridership	3.343	3.533	3.588	3.886	3.922	3.933

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MTA Bus Company

MTA Bus Company

The MTA Bus Company was created in September 2004 to assume operations of certain New York City bus routes in areas served by seven private bus operators pursuant to franchises granted by the City. By July 1, 2005, MTA Bus had assumed the operations of Liberty Lines Express, Queens Surface Corporation, and New York Bus Service. It is expected that service currently operated by Command Bus Company, Green Bus Lines, Inc, Jamaica Buses, Inc., and Triboro Coach Corporation will be merged into MTA Bus by the end of the third quarter of 2005. Under the agreement between MTA and the City, which was approved by the MTA Board, the City agreed to pay MTA Bus the difference between the actual operating costs of the city bus routes and all revenues received for such route operations. Thus, the current costs of MTA Bus operations are 100% reimbursable by the City.

MTA Bus will be responsible for both the local and express bus operations of the seven companies, consolidating their operations, maintaining current buses, and purchasing new buses to replace the aging fleet currently in service. The seven companies currently operate 46 local routes and 35 express bus routes between Manhattan and the Bronx, Brooklyn, or Queens. Together the seven companies have 1,228 buses, which will make MTA Bus the 11th largest bus fleet in the United States and Canada, serving 400,000 riders daily.

MTA Bus Company has been reporting monthly to the MTA Board the status of its operations as well as its current operating revenues and costs.

The consolidated MTA budget does not currently include MTA Bus financial information, either in the Financial Plan nor the monthly reports prepared for the MTA Board. When the status of transferring the remaining bus lines has been finalized, MTA Bus will develop a line-item annual budget and four-year financial plan, which will be included in the consolidated MTA budget.

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