

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson
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Hon. Ydanis Rodriguez
Chair, Transportation Committee



Report to the Committee on Finance and the Committee on Transportation on the Calendar
Year 2019 Adopted Budget and the Calendar Year 2015-2019 Capital Program for

Metropolitan Transportation Authority

May 21, 2019

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MTA’s Adopted Budget Overview

\$16.7 billion – Calendar Year 2019 Adopted Budget

Increase of \$163 million
since CY18 Budget
Adoption

Increased by 23%
since CY14 Budget

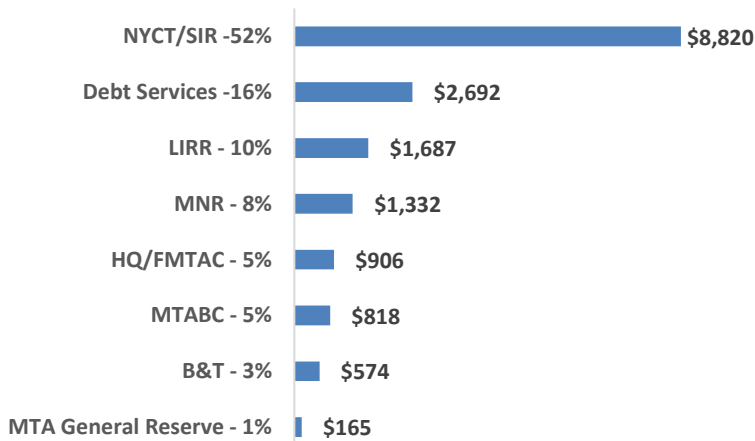
72,050 headcount

\$6.4 billion from farebox

\$33.3 billion – Current
Capital Program

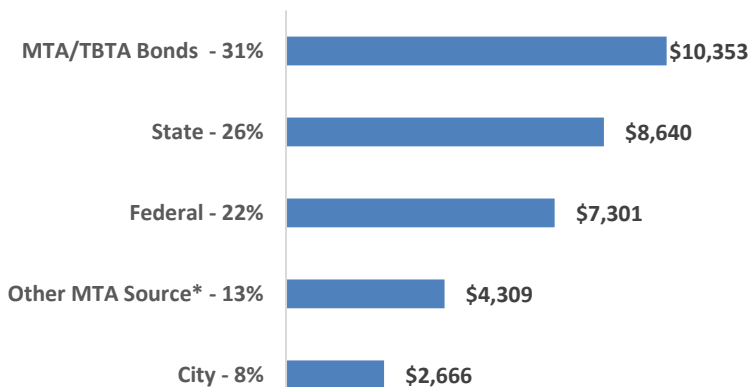
\$41 billion + Estimated
2020-2024 Capital Budget

Expense Budget by Agency, CY19
Dollars in Millions



MTA Capital Program Funding 2015-2019 - \$33.3
Billion

Dollars in Millions



Major Authority Issues

- Congestion Pricing.** The Fiscal 2020 New York State Executive Budget authorized the MTA to establish a congestion tolling program in the City of New York, which was passed by the State on April 1, 2019. The congestion tolling zone would include any roadways, bridges, tunnels, approaches, or ramps that are located within, or enter into, the geographic area of Manhattan south of and including 60th Street. All congestion tolling revenue will go towards funding MTA capital programs. Congestion tolling is expected to take effect by 2021 and raise \$15 billion over ten years.
- Subway Action Plan.** The Subway Action Plan (SAP) is a two-phase initiative launched by the MTA on July 25, 2017, to address the persistent problem of train delays, breakdowns, and overcrowding that have beset the Authority in the last few years. The City is contributing \$418 million, including \$164 million in capital funds, in the City’s Fiscal 2019 Budget to support the SAP program. To date, MTA has spent 84 percent of SAP funding, approximately \$700 million.
- MetroCard Fare Increase.** The Adopted Plan includes biennial fare increases of four percent net in 2019 and 2021 (two percent annual increases). The annualized yield of the increase is projected to be \$316 million in 2019 and \$321 million in 2021. The increase took effect on April 21, 2019.

Introduction

The Metropolitan Transportation Authority (MTA or Authority) is the largest transportation system in the United States, serving approximately 2.7 billion passengers each year. With an average subway weekday ridership of 6 million riders, it is one of the only public transportation systems in the world that runs 24 hours per day on every day of the year.

The MTA's budget is unique within the City's budget process because it is a State-controlled agency and operates on a calendar year, rather than the City's fiscal year. The MTA Board approved its 2019 Budget on December 12, 2018, which means that the Executive Budget does not impact the adoption of the Authority's budget.

The 2019 Budget adopted by the MTA board includes a four-year financial plan for calendar years 2019 -2022. The Authority issued a Preliminary Budget in July 2018 for public review and comment before issuing a Final Budget in late November that was presented to the MTA Board for a vote on December 12, 2018. Highlights of the Adopted Plan include a MetroCard fare and toll increase, maintaining major investments from the July Plan (including implementation of Subway Action Plan funded from Phase 1 of Congestion Pricing surcharge on For-Hire Vehicles), and recognition of a need for additional recurring revenue.

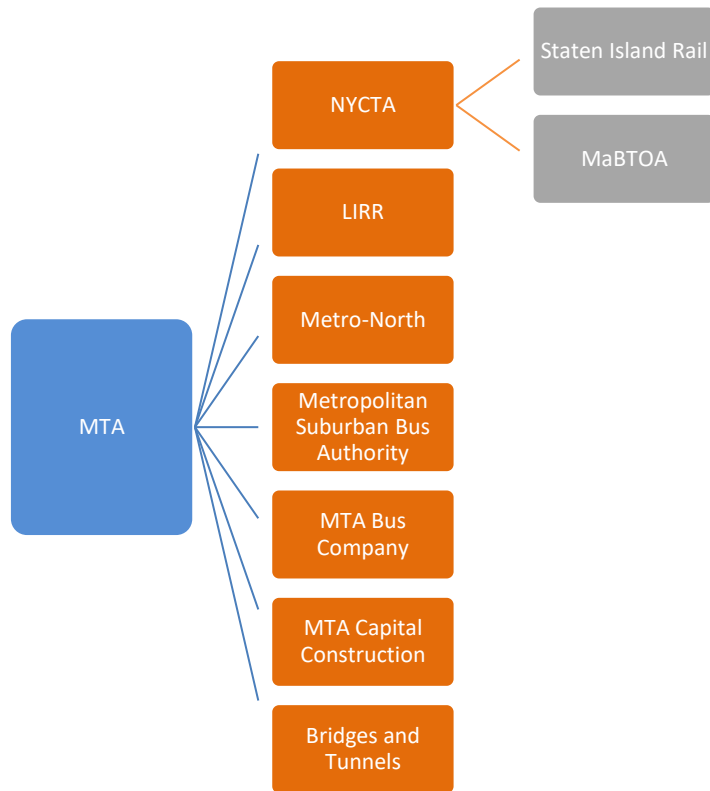
This report presents a review of the Metropolitan Transportation Authority's Calendar Year 2019 Adopted Budget, major issues related to the Authority, and an overview of the Authority's Capital Program. For additional information on the Authority's budget and its various programs, please refer to the Calendar Year 2019 Preliminary Budget Report for the MTA at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2019/03/MTA-2020-1.pdf>

MTA Structure

The MTA was established under the New York State Public Authorities Law in 1965 as a public benefit corporation. The Authority has responsibility for developing and implementing a unified public transportation policy for New York City and the seven New York metropolitan-area counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester.

The Authority carries out these responsibilities through its subsidiary and affiliate entities that include New York City Transit Authority (NYCTA) and its subsidiary, Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA); Staten Island Rapid Transit Operating Authority (SIRTOA); Long Island Rail Road Company (LIRR); Metro-North Commuter Railroad Company (MNR); Metropolitan Suburban Bus Authority (MSBA); MTA Bus Company; and MTA Capital Construction Company. Another affiliate of the MTA, the former Triborough Bridge and Tunnel Authority (TBTA), which is now called MTA Bridges and Tunnels (B&T), is empowered to construct and operate toll bridges and tunnels and other public facilities in New York City. The revenues from all authorities and subsidiaries support the organization as a whole.¹

¹ Based on a request by Nassau County, in April 2011 the MTA Board approved a resolution authorizing Nassau County to transition its bus and paratransit services to a private operator on or before January 1, 2012. As a result, the MTA's calendar year 2018 financial plan excludes it from all budget forecasts (revenue, expenses, cash, subsidies, and headcount).

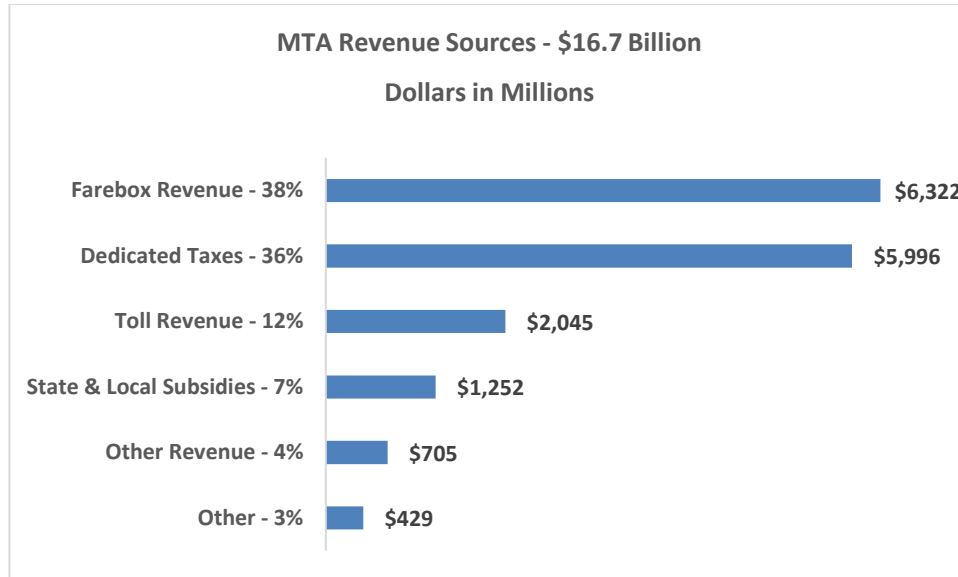


Governance/MTA Board

The MTA Board consists of a Chairperson and 16 other voting members, two non-voting members, and four alternate non-voting members, all of whom are appointed by the Governor with the advice and consent of the State Senate. Members are appointed by the Governor, with four recommended by New York City's mayor and one each by the county executives of Nassau, Suffolk, Westchester, Dutchess, Orange, Rockland, and Putnam counties (the members representing the latter four cast one collective vote). The other voting members, including the Chairperson, cast one vote each (except in the event of a tie when the Chairperson is allowed one additional vote).

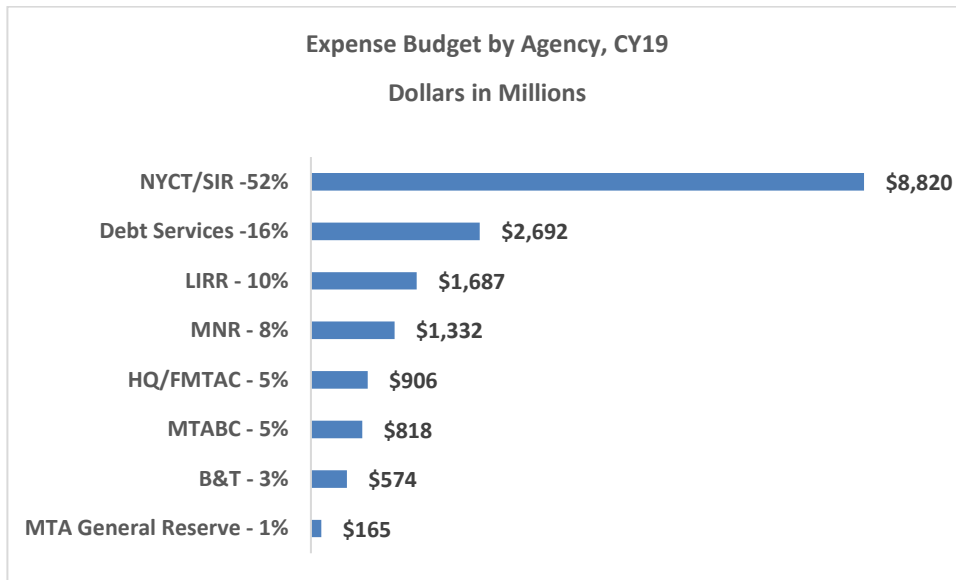
MTA Budget Overview

For Calendar Year 2019, expenses total approximately \$16.7 billion and are funded through a combination of revenues, including \$6.4 billion from farebox revenue. Of the total spending, \$8.8 billion, or 52 percent, is allocated to the New York City Transit/Staten Island Railroad, followed by debt service at \$2.7 billion (16 percent), and the LIRR at \$1.7 billion (10 percent). As indicated in the chart and table below, the MTA’s expense budget has increased by 23 percent or \$3.1 billion between 2014 and 2019.

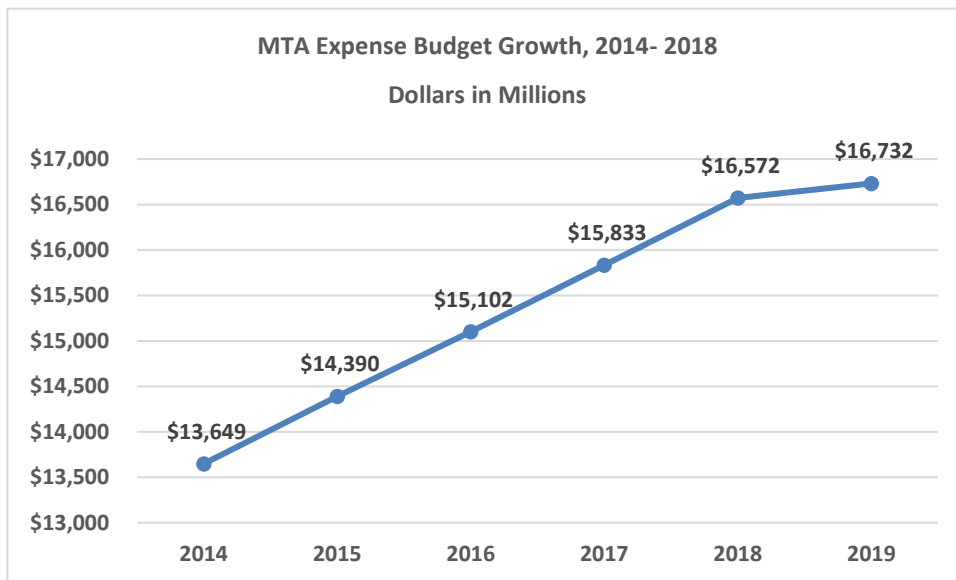


Agency	2014	2015	2016	2017	2018	2019
NYCT/SIR	\$7,132	\$7,490	\$7,637	\$8,169	\$8,695	\$8,820
Debt Services	2,393	2,482	2,660	2,641	2,604	2,692
LIRR	1,395	1,492	1,485	1,524	1,620	1,687
MNR	1,125	1,191	1,251	1,288	1,339	1,332
HQ/FMTAC	419	467	738	777	785	906
MTABC	580	628	671	726	773	818
B&T	470	500	510	553	596	574
MTA General Reserve	135	140	150	155	160	165
TOTAL	\$13,649	\$14,390	\$15,102	\$15,833	\$16,572	\$16,994

Source: MTA 2019 Final Proposed Budget November Financial Plan 2019-2022 Vol 1



Source: MTA 2019 Final Proposed Budget November Financial Plan 2019-2022 Vol 1



Major Authority Issues and Updates

Subway Action Plan

The Subway Action Plan (SAP) is a two-phase initiative launched by the MTA on July 25, 2017, under the direction of the Governor, to address the persistent problem of train delays, breakdowns, and overcrowding that have beset the Authority in the last few years. As laid out by the Authority, the SAP will address key drivers of 79 percent of service delays at the cost of approximately \$1.8 billion over five years. Phase II of the Plan calls for an additional \$8 billion in capital investments to repair the subway's tracks, signals, stations, and cars.

In March 2018, the State's Fiscal 2019 Enacted Budget included State funding of \$418 million and mandated that the City contribute the same amount to support the MTA Subway Action Plan. The City allocated \$418 million, including \$164 million in capital funds, in the City's Fiscal 2019 Budget to support the SAP program. The funding is supporting 1,249 positions in 2019, and 1,229 positions in the outyears. The MTA Adopted Plan restored the level of the SAP to its originally intended investment of \$836 million, \$508 million for operating expenses, reflecting the impact of legislation that has NYS and NYC splitting SAP's initial startup costs equally. The remaining \$964 million of Phase I funding will be financed through other means, including the State's phase 1 congestion pricing proposal (FHV Congestion Pricing).

To date, the MTA has committed over \$700 million under the Subway Action Plan, which has allowed the Authority to undertake the following enhancements:

- Repair or rebuild more than 1,700 signal components;
- Make maintenance practices more efficient, enabling the MTA to accelerate scheduled and reliability-based maintenance on their cars and maintain more cars each year;
- Install Continuous Welded Rail nearly everywhere feasible throughout the entire subway system;
- Increase the amount of productive "wrench time" delivered by the MTA workforce during overnight outages by over 60 percent since 2016; and
- Increase the amount of work in the system by 40 percent in the same time period by managing resources more efficiently.

As a result of this investment, the MTA reported that they have exceeded their goal to reduce subway delays by 10,000 per month from the 80,000 per month reported in January 2018. In February 2019, the MTA reported 37,119 delays compared to 60,446 delays reported during the same time period of February 2018, a nearly 40 percent reduction in delays for customers. In addition, over the same time-period, customers' average wait time on platforms was nine seconds closer to schedule and average travel time was 25 seconds closer to schedule, an improvement of 11 percent and 27 percent, respectively.

Loss of Taxi Surcharge Revenues

The continued growth in app-based livery services (e.g., Uber/Lyft) has resulted in the loss of taxi surcharge revenues which are earmarked for the MTA. The traditional medallion taxi and green taxi services collect a fifty cent surcharge, while app-based service trips are not subject to the same surcharge. Instead, black cars, including most app-based services, are subject to a sales tax of which

the MTA receives less than one percent. This results in substantially less taxi surcharge revenue for the MTA. Overall, during the Preliminary Budget Hearing follow-up, the MTA reported to the Council that from 2014 to 2017, receipts from the Taxicab Surcharge declined by \$26 million, or 32 percent. The MTA further reported that absent of new revenue sources, the Authority will have to reduce their expenses to ensure it does not run a deficit.

Congestion Pricing

The Fiscal 2020 New York State Executive Budget authorized the MTA to establish a congestion tolling program in the City of New York. The congestion tolling zone would include any roadways, bridges, tunnels, approaches, or ramps that are located within, or enter into, the geographic area of Manhattan south of and including 60th Street. The budget bill states that all congestion tolling revenue will go towards funding MTA capital programs.

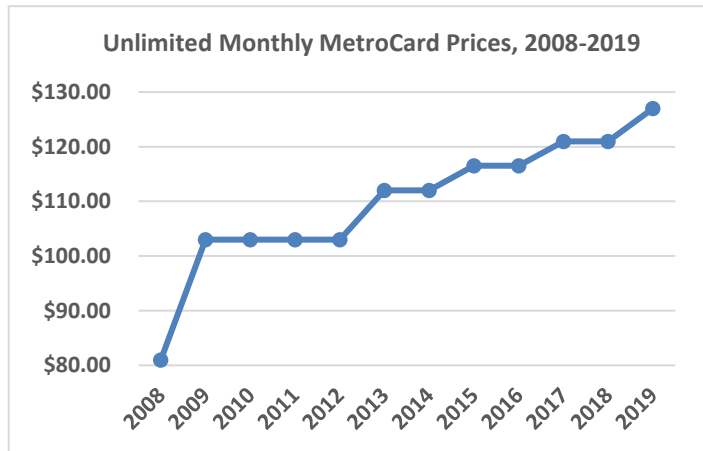
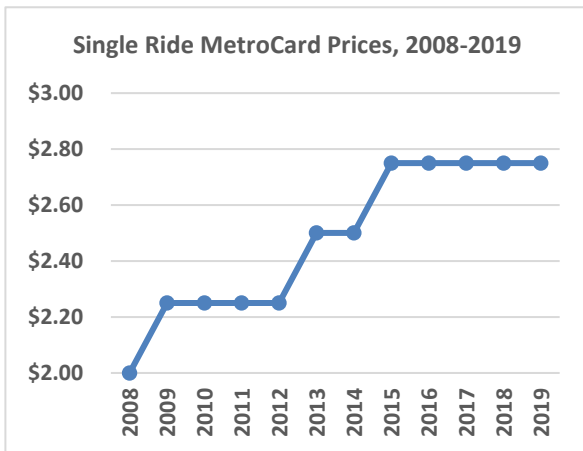
The State Executive Budget gives few details on how much revenue congesting pricing will generate or how much drivers would be charged for entering the congestion tolling zone. However, the State has estimated that congestion pricing could potentially raise \$15 billion over ten years. The Fix NYC Advisory Panel Report , commissioned by Governor Andrew Cuomo and released in January 2018, recommended that congestion pricing charge passenger vehicles \$11.52 and trucks \$25.34, once per day, Monday through Friday, between the hours of 6 am to 8 pm. The panel also recommended exploring the extension of congestion pricing to include the weekend hours between 11 am and 9 pm. The State Executive Budget states that congestion tolling will not be applicable to taxis and for-hire vehicles already tolled under FHV congestion pricing, emergency vehicles, and vehicles travelling on or through the Queens Midtown Tunnel, the Hugh Carey Tunnel, the Holland Tunnel, the Lincoln Tunnel, and the Henry Hudson Bridge.

MetroCard Fare Increases

The Adopted Plan includes biennial fare increases of four percent net in 2019 and 2021 (two percent annual increases). The annualized yield of the increase is projected to be \$316 million in 2019, a decrease of 1.6 percent from the July Plan estimate, and \$321 million in 2021, a four percent decrease from the July Plan estimate. This decrease in projected farebox revenue is the result of a decline in ridership, which the MTA attributes to a number of variables including fare evasion, app-based For-Hire Vehicles, an increase in e-commerce popularity, and an increase of individuals working from home.

To implement the fare increase, the Board considered two options for the new fare increase. The first would keep the single-ridership base fare at \$2.75 but eliminate monetary bonuses on MetroCards. The second option would increase the base fare of single rides to \$3.00 and include a 10 percent bonus increase to purchased MetroCards. In addition, 7-Day and 30-Day Unlimited MetroCards would increase by \$1 and \$6 dollars, respectively. On February 27, 2019, the MTA Board approved a fare increase that keeps the base fare at \$2.75, eliminates monthly bonuses, and increases 7- and 30-Day MetroCards by \$1 and \$6 dollars, respectively. The increases are expected to take effect on April 21, 2019. Delaying this biennial fare increase to March 2020 would have resulted in a revenue reduction of approximately \$325 million every two years.

As indicated in the charts below, between 2008 and 2019, the price of single-ride MetroCards have increased by 38 percent while monthly MetroCards have increased by 57 percent.



Capital Program

2015-2019 MTA Proposed Capital Program

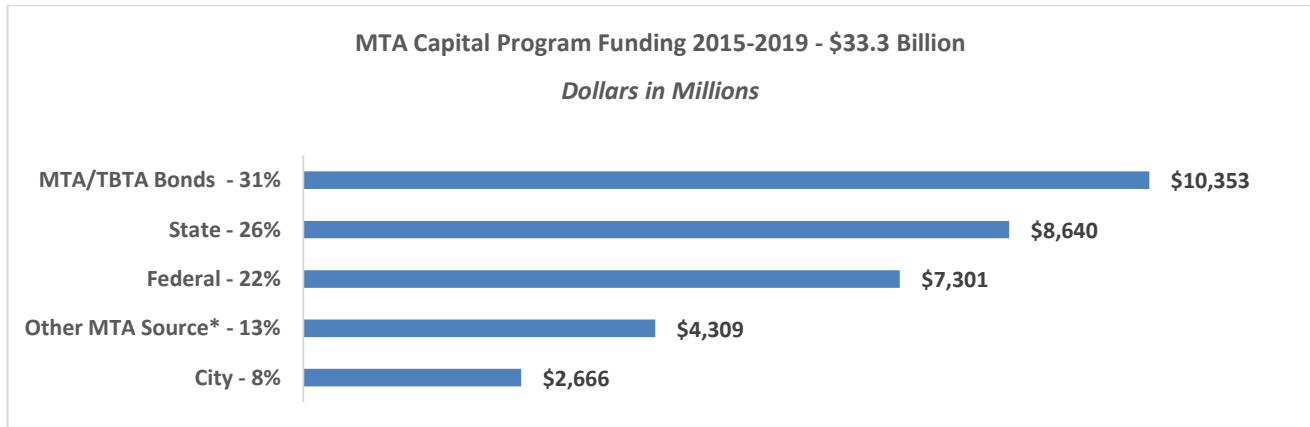
Dollars in Millions

Program	2015-2019
Core Capital Program	
New York City Transit	\$16,742
Long Island Rail Road	2,859
Metro-North Rail Road	2,462
MTA Bus	376
MTA Interagency	243
Core Subtotal	\$22,682
Network Expansion Projects	7,652
Total 2015-2019 CPRB Program	30,334
Bridges and Tunnels	2,936
Total 2015-2019 Capital Program	\$33,270

State law requires the MTA to submit to the New York State Capital Program Review Board (CPRB), for its approval, successive five-year capital programs for the Transit System and MTA Staten Island Railway and the Commuter System. MTA Bridges and Tunnels (MTA B&T) and MTA Bus undertake their own capital planning that is not subject to the CPRB approval. While not required to do so by statute, the MTA has consistently included five-year capital programs for MTA B&T covering the same period. The Authority’s \$33.3 billion 2015-2019 Capital Plan was amended and approved by the Review Board on May 31, 2018. The Plan includes funding to purchase 440 new subway cars and 1,381 new buses, to replace 72 miles of subway tracks, and to replace 127 signal switches, install elevators at 22 stations, replace 42 elevators, fund signal improvements under the Subway Action

Plan, and upgrade and modernize signal technology. It also provides for the expansion of the MTA network by continuing two ongoing projects and launching a third, specifically completing the funding commitment for the East Side Access, launching Phase 2 of the Second Avenue Subway to extend the new line from 96th to 125th Streets, and to begin the expansion of the Metro North Railroad’s New Haven Line service into Penn Station.

The MTA 2015-2019 Capital Program is primarily funded with bonds (borrowing) at 31 percent (\$10.4 billion), followed by State funding at 26 percent (\$8.6 billion), federal funding at 22 percent (\$7.3 billion), -Other MTA Source funding at 13 percent (\$4.3 billion), and City funding at eight percent (\$2.7 billion).



*Other MTA Sources Includes \$551 million in PayGo for TBTA

2015-2019 MTA Capital Program Funding Sources

Dollars in Millions

	Proposed 2015-2019
Total 2015-2019 Program costs	\$33,270
Funding Currently Projected	
Federal Formula, Flexible/CMAQ, and Misc.	\$6,701
Federal Core Capacity	100
Federal New Starts	500
MTA Bonds	7,968
Pay-as-you-go Capital (PAYGO)	2,145
State of New York Capital	8,640
City of New York Capital	2,666
Asset Sales / Leases	1,018
Other MTA Sources	595
Sub-total	\$30,334
Bridge & Tunnels Bonds (\$2.3b) & PAYGO (\$580m)	2,936
Total 2015-2019 Funds Available	\$33,270
Funding Gap	\$0

Source: Metropolitan Transportation Authority
-Numbers may not total due to rounding

Future Capital Program – 2020-2024

By law, the MTA must submit its proposal for the 2020-2024 Capital Program to the Capital Program Review Board by October 1, 2019. The Board has up to 90 days to approve or reject the Program. During the Preliminary Budget Hearing in March, the MTA reported that the 2020-2024 Capital Program is anticipated to total at least \$41 billion, not including TBTA, which is self-funded.

Appendix: MTA Financial Plan 2019-2022

MTA Consolidated Statement of Operations – Including MTA Bus Company

Non-Reimbursable	2017 Actual	November Forecast 2018	Final Proposed Budget 2019	2020 Projected	2021 Projected	2022 Projected
Operating Revenue						
Farebox	\$6,172	\$6,153	\$6,122	\$6,144	\$6,134	\$6,144
Toll Revenue	1,912	1,967	1,984	1,990	1,998	1,998
Other Revenue	653	662	705	733	757	743
Capital & Other Reimburse.	-	-	-	-	-	-
Total Operating Revenue	\$8,737	\$8,782	\$8,811	\$8,867	\$8,889	\$8,885
Operating Expenses						
Labor Expenses	\$9,373	\$9,919	\$10,086	\$10,437	\$10,791	\$11,100
Non-Labor Expenses	3,505	3,761	3,882	3,797	3,902	4,004
Other Expenses Adjustment	49	294	323	254	211	202
General Reserve	-	160	165	170	175	180
Total Operating Expenses Before Non-Cash Liability Adj.	\$12,927	\$13,974	\$14,291	\$14,488	\$14,904	\$15,306
Depreciation	2,608	2,697	2,778	2,844	2,908	2,968
OPED Liability Adjustment	1,567	1,809	1,910	2,014	2,125	2,246
GASB 68 Pension Expense Adjustment	(168)	(240)	(224)	(289)	(324)	(307)
Environmental Remediation	13	6	6	6	6	6
Total Operating Expenses After Non-Cash Liability	\$16,947	\$18,246	\$18,761	\$19,063	\$19,619	\$20,219
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$4,021)	(\$4,273)	(\$4,469)	(\$4,575)	(\$4,714)	(\$4,913)
Debt Service (excluding Service Contract Bonds)	2,525	2,559	2,692	2,840	3,080	3,223
Total Operation Expense with Debt Service	\$15,451	\$16,532	\$16,984	\$17,328	\$17,985	\$18,529
Dedicated Taxes and State/Local Subsidies	6,416	7,254	7,249	7,370	7,576	7,807
Net Surplus/Deficit After Subsidies and Debt Service	(\$300)	(\$498)	(\$924)	(\$1,091)	(\$1,518)	(\$1,837)
Conversion to Cash Basis: GASB Account	\$ -	\$-	\$-	(\$4)	\$-	\$-
Conversion to Cash Basis: All Other	174	282	365	155	(4)	88
Cash Balance Before Prior-Year Carryover	(\$126)	(\$216)	(\$560)	(\$940)	(\$1,523)	(\$1,749)
Adjustments	\$-	\$159	\$514	\$411	\$706	\$758
Prior Year Carryover	248	121	64	18	-	-
Net Cash Balance	\$121	\$64	\$18	(\$510)	(\$816)	(\$991)

Source: Metropolitan Transportation Authority

-Numbers may not total due to rounding

New York City Transit Authority

The NYCTA, a subsidiary of the MTA, provides bus and subway service to New York City. The NYCTA is responsible for providing safe, clean, and reliable public transportation services to all persons traveling within the City. The NYCTA employs approximately 51,046 workers who are responsible for the operation and maintenance of 5,725 buses and 6,400 subway cars. About 2.4 billion people ride the City's buses and subways each year.

NYCTA Financial Plan 2019-2022 (Dollars in Millions)

Non-Reimbursable and Reimbursable	2017 Actual	2018 Final Estimate	2019 Adopted Budget	2020 Projected	2021 Projected	2022 Projected
Operating Revenue						
Farebox	\$4,487	\$4,438	\$4,391	\$4,404	\$4,394	\$4,397
Other Revenue	425	446	479	491	505	513
Capital & Other Reimbursement.	1,376	1,417	1,458	1,341	1,230	1,231
Total Operating Revenue	\$6,290	\$6,301	\$6,328	\$6,236	\$6,128	\$6,141
Operating Expenses						
Labor Expenses	7,453	7,882	7,956	8,102	8,211	8,436
Non-Labor Expenses	2,057	2,149	2,257	2,232	2,259	2,306
Other Expenses Adjustments	0	0	0	0	0	0
Operating Expenses Before Depreciation, OPEB & ER 1	\$9,510	\$10,031	\$10,212	\$10,335	\$10,470	\$10,743
Depreciation	1,682	1,828	1,878	1,928	1,978	2,029
Other Post Employment Benefit Liab Adj.	1,103	1,350	1,437	1,529	1,627	1,731
GASB 68 Pension Expense Adjustment	221	306	296	303	309	309
Environmental Remediation	9	0	0	0	0	0
Total Operating Expenses	\$12,082	\$12,904	\$13,231	\$13,488	\$13,765	\$14,194
Net Operating Surplus/(Deficit) Before Debt Service	(\$5,792)	(\$6,603)	(\$6,902)	(\$7,252)	(\$7,637)	(\$8,052)
Debt Service	\$1,279	\$1,294	\$1,325	\$1,368	\$1,444	\$1,491
Net Operating Surplus/(Deficit) Including Debt Service	(\$7,071)	(\$7,897)	(\$8,227)	(\$8,620)	(\$9,081)	(\$9,543)
Dedicated Tax, State & Local subsidies	4,072	4,579	4,418	4,384	4,304	4,500
Deficit after Projected Subsidies	(\$2,998)	(\$3,318)	(\$3,810)	(\$4,236)	(\$4,777)	(\$5,044)
Conversion to Cash						
Depreciation, OPEB, GASB & ER Adj.	2,572	2,873	3,018	3,154	3,296	3,451
Net Cash Surplus/(Deficit) 2	(\$427)	(\$446)	(\$791)	(\$1,082)	(\$1,481)	(\$1,592)

The MTA Bus Company (MTABC)

The MTABC was created in September 2004 pursuant to an agreement between the City of New York and the MTA to consolidate the operations of seven private franchise bus companies. The purpose of the takeover was to improve the quality and efficiency of bus service formerly provided by the private bus franchise operators. The agreement calls for the City to pay MTABC the difference between the actual cost of operating the bus routes and all revenues and subsidies received by the MTABC and allocable to the operation of the bus routes. As a result, the costs of MTABC operations are fully reimbursable by the City to the MTA.

MTA Bus Financial Plan 2019-2022 (Dollars in Millions)

Non-Reimbursable and Reimbursable	2017 Actual	2018 Final Estimate	2019 Adopted Budget	2020 Projected	2021 Projected	2022 Projected
Operating Revenue						
Farebox	\$217.16	\$219.32	\$221.40	\$221.98	\$221.09	\$221.20
Other Revenue	19.83	20.54	20.66	20.80	21.51	22.37
Capital & Other Reimbursement.	4.38	5.96	5.93	5.87	5.97	6.15
Total Operating Revenue	\$241.38	\$245.81	\$247.99	\$248.65	\$248.56	\$249.71
Operating Expenses						
Labor Expenses	\$558.19	\$579.03	\$580.54	\$573.91	\$580.73	\$608.99
Non-Labor Expenses	217.59	239.80	243.55	212.95	227.02	232.57
Operating Expenses Before Depreciation, OPEB & ER 1	\$775.78	\$818.83	\$824.09	\$786.85	\$807.75	\$841.56
Depreciation	58.59	54.34	54.34	54.34	54.78	56.16
Other Post Employment Benefit Liab Adj.	61.68	100.15	100.15	100.15	100.15	103.30
GASB 68 Pension Expense Adjustment	66.05	46.30	85.90	28.20	18.70	19.20
Environmental Remediation	0.22	0.00	0.00	0.00	0.00	0.00
Total Operating Expenses	\$962.31	\$1,019.62	\$1,064.48	\$969.55	\$981.38	\$1,020.21
Net Operating Deficit/(Deficit) Before Debt Service	(\$720.93)	(\$773.81)	(\$816.50)	(\$720.90)	(\$732.82)	(\$770.50)
Debt Service	\$15.13	\$12.99	\$25.65	\$29.43	\$35.08	\$38.76
Net Operating Deficit/(Deficit) Including Debt Service	(\$736.06)	(\$786.80)	(\$842.14)	(\$750.33)	(\$767.89)	(\$809.26)
City Subsidy for MTA Bus Company*	461.50	549.20	528.00	492.00	519.30	554.20
Deficit after Projected Subsidies	(\$274.56)	(\$237.60)	(\$314.14)	(\$258.33)	(\$248.59)	(\$255.06)
Conversion to Cash						
Depreciation, OPEB, GASB & ER Adj.	186.53	200.79	240.39	182.69	173.63	178.66
Net Cash Surplus/(Deficit) 2	(\$88.03)	(\$36.81)	(\$73.75)	(\$75.64)	(\$74.97)	(\$76.40)

*Excludes State 18-B Funding

Source: MTA 2019 Final Proposed Budget November Financial Plan 2019-2022 Vol 2

MTA Staten Island Railway (SIR)

The SIR operates and maintains 63 subway cars over a 14.3 route miles and 28.6 miles of mainline track that serves 22 stations located primarily on the south shore of Staten Island.

MTA Staten Island Railway (SIR) Financial Plan 2018 – 2021

Non-Reimbursable and Reimbursable	2017 Actual	2018 Final Estimate	2019 Adopted Budget	2020 Projected	2021 Projected	2022 Projected
Operating Revenue						
Farebox	\$6.89	\$6.96	\$7.04	\$7.08	\$7.06	\$7.06
Other Revenue	2.54	2.45	2.47	2.47	2.47	2.47
Capital & Other Reimbursement.	3.07	2.12	4.55	4.58	4.66	4.75
Total Operating Revenue	\$12.50	\$11.53	\$14.06	\$14.13	\$14.19	\$14.28
Operating Expenses						
Labor Expenses	\$48.62	\$50.58	\$53.76	\$51.93	\$52.51	\$52.96
Non-Labor Expenses	24.96	12.88	16.00	12.32	11.24	11.50
Other Expense Adjustments	0.00	0.00	0.00	0.00	0.00	0.00
Operating Expenses Before Depreciation, OPEB & ER 1	\$73.59	\$63.45	\$69.75	\$64.24	\$63.75	\$64.46
Depreciation	10.47	12.00	12.00	12.00	12.00	12.00
Other Post Employment Benefit Liab Adj.	7.08	7.50	7.50	7.50	7.50	7.50
GASB 68 Pension Expense Adjustment	0.46	0.60	0.50	(0.10)	(1.10)	(1.10)
Environmental Remediation	0.08	0.00	0.00	0.00	0.00	0.00
Total Operating Expenses	\$91.68	\$83.55	\$89.75	\$83.64	\$82.15	\$82.86
Net Operating Deficit/(Deficit) Before Debt Service	(\$79.18)	(\$72.02)	(\$75.69)	(\$69.52)	(\$67.96)	(\$68.58)
Debt Service	\$0.55	\$1.28	\$3.72	\$8.94	\$15.94	\$20.49
Net Operating Deficit/(Deficit) Including Debt Service	(\$79.73)	(\$73.31)	(\$79.41)	(\$78.46)	(\$83.90)	(\$89.06)
Dedicated Tax, State & Local subsidies	58.21	63.76	56.49	59.64	59.34	65.74
Deficit after Projected Subsidies	(\$21.52)	(\$9.54)	(\$22.92)	(\$18.82)	(\$24.56)	(\$23.32)
Conversion to Cash						
Depreciation, OPEB, GASB & ER Adj.	18.10	20.10	20.00	19.40	18.40	18.40
Net Cash Surplus/(Deficit) 2	(\$3.42)	\$10.56	(\$2.92)	\$0.58	(\$6.16)	(\$4.92)

Source: MTA 2019 Final Proposed Budget November Financial Plan 2019-2022 Vol 2