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Report to the Committee on Finance and the Committee on Transportation on the
2020-2023 Adopted Plan for the

Metropolitan Transportation Authority

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MTA's Adopted Budget Overview

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 six 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.

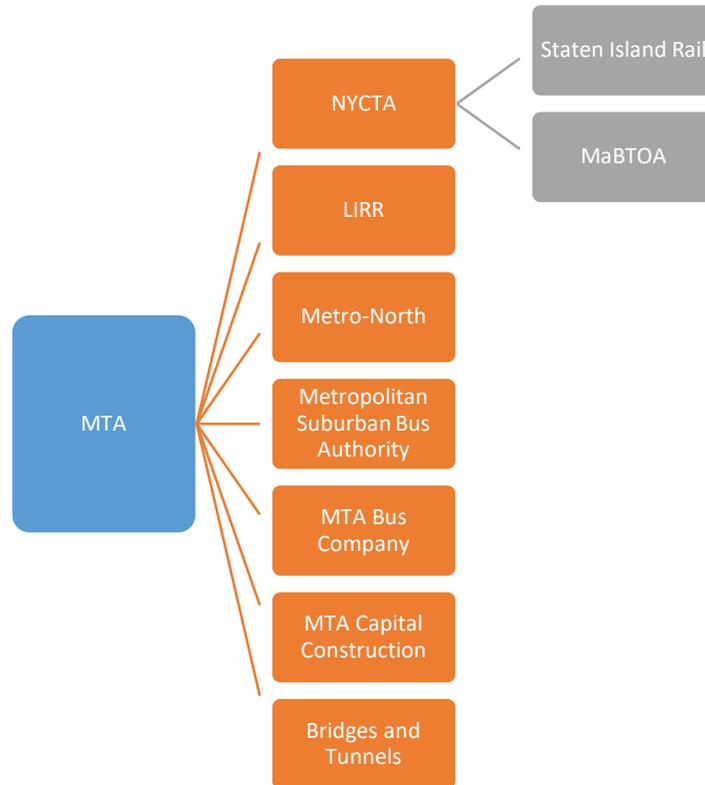
This report will discuss and examine issues and highlights within the MTA's current budget and outline challenges within the Plan, including how the MTA is responding to the COVID-19 pandemic.

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.

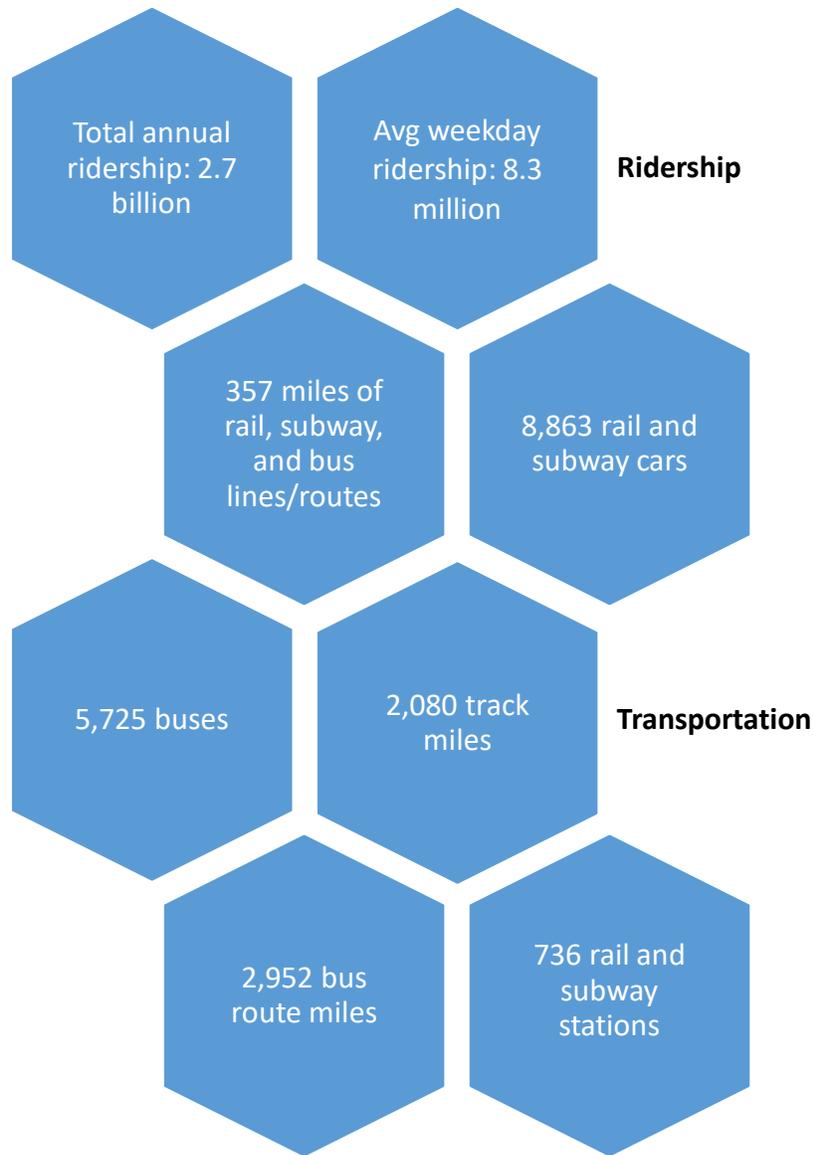
The Authority carries out these responsibilities through its subsidiary and affiliate entities that include the New York City Transit Authority (NYCTA) and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA); the Staten Island Rapid Transit Operating Authority (SIRTOA); the Long Island Rail Road Company (LIRR); the Metro-North Commuter Railroad Company (MNR); the Metropolitan Suburban Bus Authority (MSBA); the MTA Bus Company; and the MTA Capital Construction Company. Another affiliate of the MTA, the former Triborough Bridge and Tunnel Authority (TBTA), which is now called the 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 2020 financial plans exclude 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

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 Calendar Year 2020 Budget in December 2019, which means that the City’s Executive Budget does not impact the adoption of the Authority’s budget.

The 2020 Budget adopted by the MTA board includes a four-year financial plan for calendar years 2020 -2023. The Authority issued a Preliminary Budget in July 2019 for public review and comment before issuing a Final Budget in late November that was presented to the MTA Board for a vote in December 2019. Highlights of the MTA 2020-2023 Adopted Plan include biennial fare and toll increases of four percent in 2021 and 2023, maintained funding for prior Plan initiatives previously identified, including maintenance of the Subway Action Plan (SAP) and Phase 1 of Congestion Pricing/FHV fees, concentrated efforts to reduce fare evasion, gap-closing actions, carrying out a

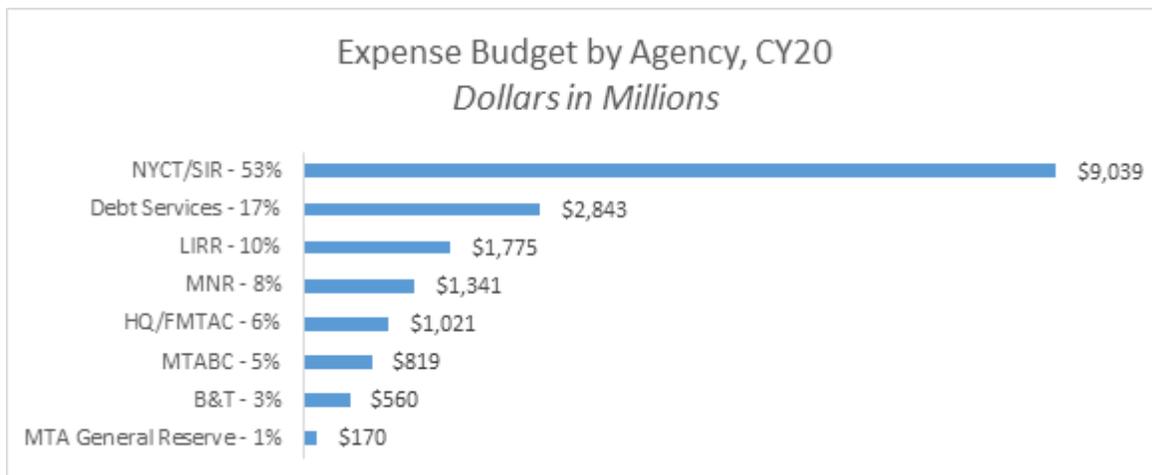
State-mandated “Transformation Plan” to review the Authority’s operations and implement changes, and the assumption of a renegotiation of the Paratransit Contract with the City.

For Calendar Year 2020, expenses total approximately \$17 billion and are funded through a combination of revenues, including \$6.5 billion from farebox revenue. However, as will be discussed in greater detail in this report, the emergence of the COVID-19 in New York in March 2020 has severely reduced ridership and, consequently, farebox revenue. This change was not reflected or anticipated when MTA’s calendar year 2020 budget was adopted in December.

As a result of MTA’s budget being adopted prior to the outbreak of COVID-19, the 2020 Adopted Budget remains balanced, after adjustments for prior year balances, with an anticipated net cash surplus of \$11 million. For the outyears, the Plan anticipates an end-of-year net surplus of \$33 million in 2021 and cash deficit balances of \$212 million in 2022 and \$426 million in 2023, as shown in the below chart.



2020 Adopted Final Budget, out-year deficits (\$ in millions)



Major Authority Issues and Updates

COVID-19 Revenue Loss, Reduction of Service, and Response. When the MTA adopted its Calendar Year 2020 Budget in December 2019, the Authority's fiscal positions were entirely different than it is at present. During the intervening four-months, the coronavirus disease, or COVID-19, has ravaged our health care system and our economy. The threat of COVID-19 was not factored into the MTA's Adopted Budget or newest Capital Program. The first case of COVID-19 in New York was reported on March 1, nine days before the City's scheduled budget hearing on the MTA's Adopted Budget, which the Authority chose not to attend due to the pandemic. Since the Committee's Preliminary Budget hearing, the Governor and the Mayor have declared states of emergencies for the State and the City due to the COVID-19 outbreak, with the World Health Organization declaring COVID-19 a global pandemic. COVID-19, as well as the protective measures taken to slow the spread of the virus, have upended the lives of millions of New Yorkers and businesses with the implementation of social distancing measures and workplace and school closures including non-essential construction citywide. The full impact of these measures on the MTA capital projects, although undetermined at this time, could mean significant delays in project completion time. In addition, COVID-19 as well as the protective measures taken to slow the spread of the virus, have greatly impacted the MTA's revenue sources.

On March 24, 2020, the MTA Chairman, Patrick Foye, published an Op-Ed in the New York Times requesting \$4 billion in financial assistance from the federal government to make up for lost revenue resulting from reduced ridership due to the COVID-19. At the time of this request, subway ridership had already declined 76 percent, buses by 62 percent, MetroNorth by 94 percent, and LIRR by 71 percent. In a normal year, farebox revenue constitutes nearly 70 percent of the MTA's annual operating revenue, approximately \$6.5 billion. In addition, the MTA anticipates losing a significant portion of the \$7.5 billion it receives from local and state taxes and subsidies. According to Mr. Foye, in mid-March, the MTA used a \$1 billion line of credit to improve its financial liquidity in the short-term.

It should be noted, that at the time of the Chairman's Op-Ed piece, disinfecting and sanitizing efforts by the Authority were projected to cost an additional \$300 million in Calendar Year 2020. More recently, on May 6, 2020, the MTA began shutting down the subway system between the hours of 1:00 am and 5:00 am to conduct daily subway disinfections. This closure marks the first time in history that the MTA has deliberately shut down its entire subway system, shifting away from its scheduled 24-hour service.

The Authority is currently only providing limited services "*MTA Essential Service Plan*", in order to get health-care workers, first responders, and other essential workers to their destinations, while recognizing the need to reduce service within the system. As a result, MTA has reduced service on multiple lines and is encouraging non-essential workers to stay home. As of April 17, 2020, Subway service on the B, C, W, Z, and 42 Street Shuttle has been suspended, extra L-service on nights and weekends has been suspended, many express trains are running local, Staten Island Railway service was reduced to an hourly schedule, and bus service has been reduced. This reduction in service could help offset some of the cleaning costs and declining revenue, however, any potential savings has not been disclosed by the MTA.

In addition, MTA has been implementing measures to protect its workforce from the spread of COVID-19. MTA has distributed millions of pieces of Personal Protective Equipment (PPE) including 2.7 million pairs of gloves and nearly 750,000 masks. The New York City Transit Authority (NYCTA) began

distributing masks to frontline personnel prior to the CDC reversing its earlier guidance against wearing masks. They also implemented rear-door boarding on buses and eliminated cash-transactions to reduce person-to-person contact. On March 24, 2020, NYCTA tested the temperatures of tens of thousands of its employees and in early April began installing plexi-glass barriers at work locations across all 28 bus depots to further protect frontline employees. Finally, MTA plans to begin to require that all customers using subway and buses wear masks to help curtail the spread of COVID-19.

Congestion Pricing Revenue Diverted to MTA Expense Budget. The 2019-2020 State Enacted 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 State Budget bill, as originally passed, required that all congestion tolling revenue go towards funding the MTA capital programs. The MTA anticipated collecting net revenue sufficient to generate \$15 billion for the MTA 2020-2024 Capital Program from the tolling program.

The State Budget gives few details on how much drivers would be charged for entering the congestion tolling zone. However, 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 and 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 Budget states that congestion tolling will not be applicable to taxis and for-hire vehicles which already tolled under existing 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.

In response to MTA's revenue shortfalls resulting from COVID-19, outlined earlier in this report, the 2020-2021 State Enacted Budget allows the diversion congestion revenue in Calendar Years 2020 and 2021 to offset any decreases in revenue, including, but not limited to, lost taxes, fees, charges, fares and tolls resulting from COVID-19 pandemic. It also authorizes the MTA to use congestion pricing revenue to offset increase in operating costs due in whole, or part, to COVID-19. Overall, it is unclear how this diversion in the use of congestion revenue will impact the Authority's recently adopted Capital Plan, including ex-New York City Transit Authority President, Andy Byford's Transformation Plan. However, it is worth noting that the infrastructure required to start congestion pricing is not yet in place as federal review of the plan is still pending. As such, the immediate effect of the authorized diversion of congestion pricing funds on the Authority's capital program has yet to be determined.

State Mandated Renegotiation of MTA's Paratransit Contract with the City. Pursuant to a 1993 agreement with the MTA, the City has historically paid 33 percent of the "net operating expenses" limited to no more than a 20 percent increase from the amount the City paid in the prior year. The MTA has pointed out that Paratransit registrants, ridership, and net operating deficits have significantly increased, growing from \$11 million in 1994 to \$549 million in 2019. Under the terms of the agreement, in 2019 for instance, the City paid \$176.4 million leaving NYCTA to pay \$371.9 million. As such, in its Adopted Budget the MTA proposed that the City and NYCTA renegotiate the terms of the Paratransit Service Agreement to a 50/50 split. In April, the State 2020-2021 Enacted Budget imposes a mandate requiring the City to pay fifty percent of the MTA's paratransit costs. Since the MTA's Adopted Budget contained an assumption of this split, there is no change on its budget. However, such a change will impact the City's budget by more than \$100 million annually.

Fare Increase of Four Percent. The Adopted Plan includes biennial fare increases of four percent net in 2021 and 2023 (two percent increases in both years). The annualized yield of the increase is projected to be \$326 million and \$340 million, respectively in 2021 and 2023. Exact details on the new fare increases, such as its effect on single ride and unlimited monthly fares, were not disclosed by the Authority in the 2020 Adopted Budget Plan. However, in 2019, a similar fare increase was implemented that kept the base fare at \$2.75, eliminated monthly bonuses, and increased the price of 7 – and 30-Day MetroCards by \$1 and \$6, respectively.

MTA 2020-2024 Capital Program

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. However, while not required to do so by statute, the MTA has consistently included five-year capital programs for the two entities in its submissions to the CPRB. By law, the MTA must submit its 2020-2024 Capital Program proposal to the CPRB by October 1, 2019. Although, the Board has up to 90 days to approve or reject the Program, the 2020-2024 Plan was approved by the CPRB on January 1, 2020.

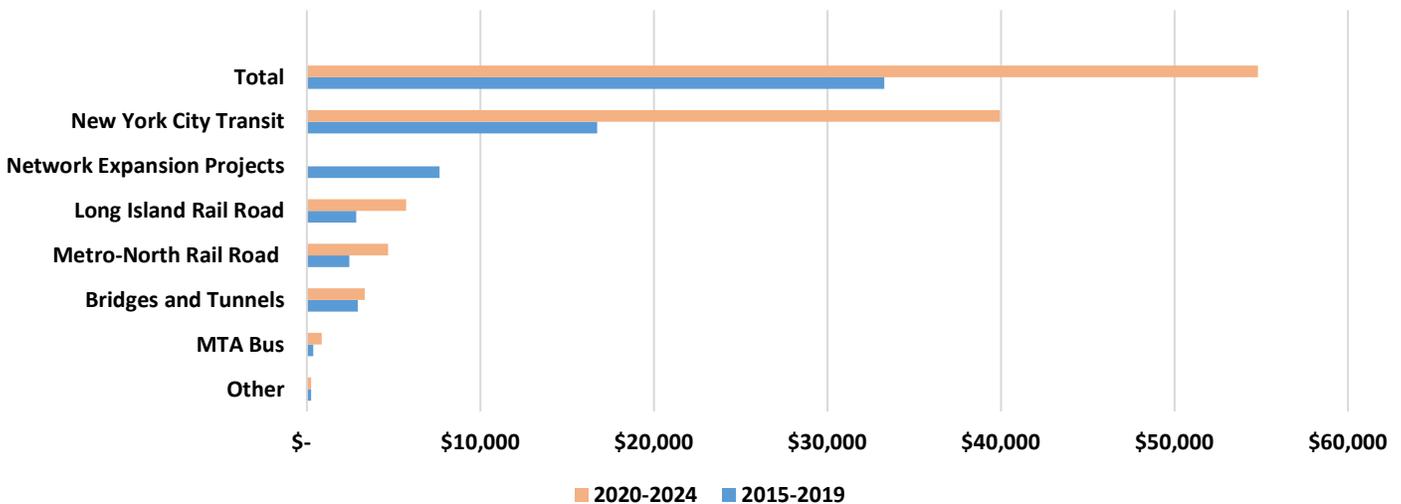
On September 25, 2019, the MTA submitted a proposal for the 2020-2024 Capital Program to the MTA Board, totaling \$54.8 billion. Of the total spending, including for network expansion, \$39.9 billion, or 73 percent, is allocated to New York City Transit, followed by Long Island Railroad at \$5.7 billion (10 percent), Metro-North Railroad at \$4.7 billion (9 percent), Bridges and Tunnels at \$3.3 billion (6 percent), MTA Bus at \$871 million (1.6 percent), and Other at \$254 million (less than one percent). Overall, the 2020-2024 Proposed Capital Program is \$21.5 billion greater than the \$33.3 billion 2015-2019 Capital Program, an increase of 65 percent.

2020-2024 MTA Proposed Capital Program

Dollars in Millions



The 2020-2024 Capital Program is \$21.5 billion more than the 2015-2019 Capital Program



Core Capital Program	
New York City Transit	\$39,944
Long Island Rail Road	5,714
Metro-North Rail Road	4,689
MTA Bus	871
Other	254
Core Subtotal	\$51,472
Bridges and Tunnels	3,327
Total 2020-2024 Capital Program	\$54,799

Where the Funding Will Come From

The MTA 2020-2024 Capital Program will be funded from various revenue streams, including congestion pricing estimated at \$15 billion (27 percent), federal funding of \$10.7 billion (19 percent), capital from new revenue sources (progressive tax on high end real estate and the elimination of the internet tax advantage) of \$10 billion (18 percent), bonds (borrowing) and PAYGO of \$9.8 billion (18 percent), B&T Self-Funding of \$3.3 billion (six percent), State funding of \$3 billion (five percent), and City funding of \$3 billion (five percent).

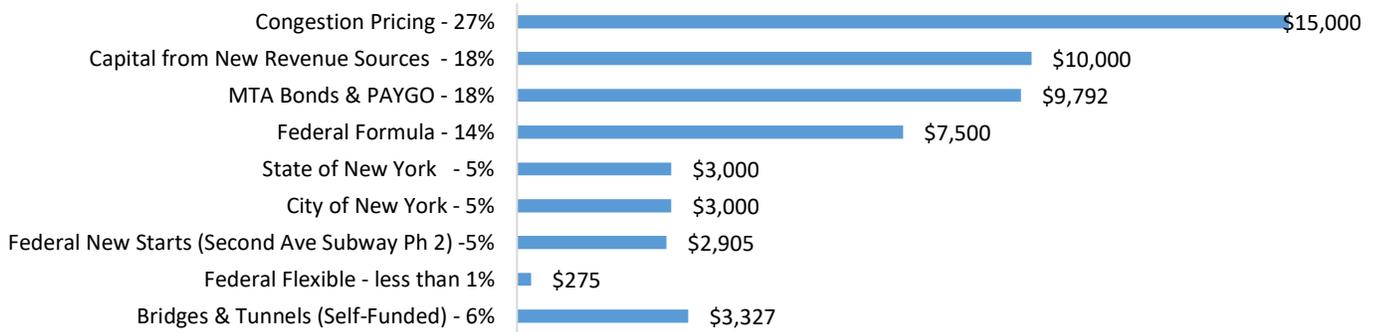
2020-2024 MTA Capital Program Funding Sources

Dollars in Millions

	Proposed 2020-2020
Total 2020-2024 CPR Program Costs	\$51,472
Funding Currently Projected	
Congestion Pricing	\$15,000
Capital from New Revenue Sources	10,000
MTA Bonds & PAYGO	9,792
Federal Formula	7,500
State of New York	3,000
City of New York	3,000
Federal New Starts (Second Ave Subway Phase 2)	2,905
Federal Flexible	275
Subtotal	\$51,472
Bridges & Tunnels Self-Funded	3,327
Total 2015-2019 Funds Available	\$54,799
Funding Gap	\$0

Note: Numbers may not total due to rounding

2020-2024 Proposed Capital Program by Funding Source
Dollars in Millions



- Congestion Pricing and COVID-19.** As outlined earlier in the report, in response to MTA’s revenue shortfalls resulting from COVID-19, the 2020-2021 State Enacted Budget authorized the MTA to use revenue derived from congestion pricing in Calendar Years 2020 and 2021 to offset decreases in revenue, including, but not limited to, lost taxes, fees, charges, fares and tolls resulting from the COVID-19 pandemic. The Enacted Budget also includes authorization to use congestion pricing revenue to offset increases in operating costs due in whole, or part, to COVID-19. Overall, it is unclear how this funding diversions will impact the Authority’s recently adopted Capital Plan, which relies heavily on congestion pricing to fund 27 percent of the Program costs.

MTA Financial Operations

The MTA adheres to financial planning and budgeting practices that require the preparation of four-year financial plans covering the existing and future calendar years. As stated earlier, unlike the City, the MTA operates on a calendar year rather than a fiscal year. The financial plan includes provision for capital spending (including debt service) authorized by the Capital Programs of the related entities, including those Capital Programs approved by the Capital Programs Review Board.

MTA Financial Plan 2020-2023

MTA Consolidated Statement of Operations – Including MTA Bus Company

Non-Reimbursable	2018 Actual	2019 November Forecast	Adopted Budget 2020	2021 Projected	2022 Projected	2023 Projected
Operating Revenue						
Farebox	\$6,155	\$6,346	\$6,436	\$6,427	\$6,439	\$6,448
Toll Revenue	1,976	2,078	2,118	2,126	2,125	2,127
Other Revenue	643	689	682	708	724	739
Capital & Other Reimburse.	-	-	-	-	-	-
Total Operating Revenue	\$8,774	\$9,113	\$9,237	\$9,261	\$9,288	\$9,314
Operating Expenses						
Labor Expenses	\$9,799	\$10,211	\$10,568	\$10,893	\$11,198	\$11,471
Non-Labor Expenses	3,611	3,805	3,901	3,909	3,945	4,045
Other Expenses Adjustment	129	158	86	41	28	29
General Reserve	-	165	170	175	180	185
Total Operating Expenses Before Non-Cash Liability Adj.	\$13,539	\$14,339	\$14,725	\$15,019	\$15,352	\$15,730
Depreciation	\$2,805	\$2,777	\$2,843	\$2,909	\$2,977	\$3,052
OPED Liability Adjustment	1,048	1,457	1,628	1,749	1,823	1,898
GASB 68 Pension Expense Adjustment	(373)	(221)	(272)	(343)	(318)	(242)
Environmental Remediation	106	6	6	6	6	6
Total Operating Expenses After Non-Cash Liability	\$17,125	\$18,358	\$18,930	\$19,340	\$19,840	\$20,444
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$3,585)	(\$4,020)	(\$4,205)	(\$4,320)	(\$4,488)	(\$4,714)
Debt Service (excluding Service Contract Bonds)	2,541	2,664	2,837	3,140	3,457	3,848
Total Operation Expense with Debt Service	\$16,081	\$17,002	\$17,562	\$18,160	\$18,809	\$19,578
Dedicated Taxes and State/Local Subsidies	\$7,177	\$7,286	\$7,454	\$7,637	\$7,887	\$8,067
Net Surplus/Deficit After Subsidies and Debt Service	(\$128)	(\$603)	(\$4,871)	(\$1,261)	(\$1,633)	(\$2,197)
Conversion to Cash Basis: GASB Account	\$-	\$-	\$-	\$-	\$-	\$-
Conversion to Cash Basis: All Other	379	302	60	136	122	170
Cash Balance Before Prior-Year Carryover	\$251	(\$301)	(\$811)	(\$1,125)	(\$1,511)	(\$2,027)
Adjustments	\$-	\$73	\$679	\$1,146	\$1,266	\$1,601
Prior Year Carryover	121	372	143	11	33	-
Net Cash Balance	\$372	\$143	\$11	\$33	(\$212)	(\$426)

Numbers may not total due to rounding

Source: MTA 2020 Final Proposed Budget November Financial Plan 2020-2023 Vol 2

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 49,401 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 2020-2023 (Dollars in Millions)

Non-Reimbursable and Reimbursable	2018 Actual	2019 Final Estimate	2020 Adopted Budget	2021 Projected	2022 Projected	2023 Projected
Operating Revenue						
Farebox	\$4,447	\$4,582	\$4,647	\$4,630	\$4,634	\$4,630
Other Revenue	446.146	472.116	468.873	485.194	498.519	510.713
Capital & Other Reimbursement.	1,492	1,383	1,333	1,247	1,233	1,230
Total Operating Revenue	\$6,384	\$6,437	\$6,450	\$6,362	\$6,365	\$6,371
Operating Expenses						
Labor Expenses	7,845	8,106	8,142	8,259	8,463	8,660
Non-Labor Expenses	2,163	2,214	2,169	2,177	2,224	2,308
Other Expenses Adjustments	0	0	0	0	0	0
Operating Expenses Before Depreciation, OPEB & ER 1	\$10,008	\$10,319	\$10,310	\$10,436	\$10,687	\$10,967
Depreciation	1,958	1,878	1,928	1,978	2,029	2,082
Other Post Employment Benefit Liab Adj.	0	0	0	0	0	0
GASB 75 OPEB Expense Adjustment	706	1,084	1,346	1,472	1,557	1,643
GASB 68 Pension Expense Adjustment	(335)	(296)	(303)	(309)	(309)	(309)
Environmental Remediation	84	0	0	0	0	0
Total Operating Expenses	\$12,422	\$12,985	\$13,281	\$13,578	\$13,964	\$14,384
Net Operating Surplus/(Deficit) Before Debt Service	(\$6,037)	(\$6,548)	(\$6,831)	(\$7,215)	(\$7,599)	(\$8,013)
Debt Service	\$1,289	\$1,332	\$1,336	\$1,376	\$1,446	\$1,525
Net Operating Surplus/(Deficit) Including Debt Service	(\$7,326)	(\$7,880)	(\$8,168)	(\$8,591)	(\$9,045)	(\$9,538)
Dedicated Tax, State & Local subsidies	4,798	4,577	4,382	4,353	4,426	4,423
Deficit after Projected Subsidies	(\$2,528)	(\$3,303)	(\$3,786)	(\$4,238)	(\$4,619)	(\$5,115)
Conversion to Cash						
Depreciation, OPEB, GASB & ER Adj.	2,414	2,666	2,971	3,141	3,193	3,416
Net Cash Surplus/(Deficit) 2	(\$114)	(\$637)	(\$815)	(\$1,097)	(\$1,426)	(\$1,699)

Source: MTA 2020 Final Proposed Budget November Financial Plan 2020-2023 Vol 2

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 2020-2023 (Dollars in Millions)

Non-Reimbursable and Reimbursable	2018 Actual	2019 Final Estimate	2020 Adopted Budget	2021 Projected	2022 Projected	2023 Projected
Operating Revenue						
Farebox	\$220.9	\$221.8	\$225.2	\$224.3	\$224.4	\$224.1
Other Revenue	18.7	20.3	20.3	21.2	22.0	22.2
Capital & Other Reimbursement.	6.2	5.9	5.6	5.6	5.8	5.8
Total Operating Revenue	\$245.8	\$248.1	\$251.1	\$251.2	\$252.3	\$252.1
Operating Expenses						
Labor Expenses	\$583.8	\$590.7	\$600.6	\$608.5	\$633.3	\$624.6
Non-Labor Expenses	202.5	246.9	223.5	232.0	237.5	235.6
Other Expenses Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Operating Expenses Before Depreciation, OPEB & ER 1	\$786.3	\$837.6	\$824.1	\$840.6	\$870.8	\$860.2
Depreciation	\$53.0	\$54.3	\$54.3	\$54.8	\$56.2	\$56.2
Other Post Employment Benefit Liab Adj.	0.0	0.0	0.0	0.0	0.0	0.0
GASB 75 OPEB Expense Adjustment	42.1	100.2	100.2	100.2	103.3	103.3
GASB 68 Pension Expense Adjustment	-14.1	110.7	46.1	36.3	36.6	45.5
Environmental Remediation	0.2	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	\$867.6	\$1,102.8	\$824.1	\$840.6	\$870.8	\$860.2
Net Operating Surplus/(Deficit) Before Debt Service	(\$621.8)	(\$854.8)	(\$573.0)	(\$589.4)	(\$618.5)	(\$608.1)
Debt Service	\$9.7	\$12.7	\$29.1	\$42.2	\$53.9	\$63.5
Net Operating Surplus/(Deficit) Including Debt Service	(\$631.4)	(\$867.4)	(\$602.0)	(\$631.6)	(\$672.4)	(\$671.6)
Dedicated Tax, State & Local subsidies	\$463.2	\$633.5	\$561.8	\$542.2	\$555.2	\$579.5
Deficit after Projected Subsidies	(\$168.2)	(\$233.9)	(\$40.2)	(\$89.4)	(\$117.2)	(\$92.1)
Conversion to Cash						
Depreciation, OPEB, GASB & ER Adj.	\$81.3	\$265.2	\$200.6	\$191.2	\$196.1	\$205.0
Net Cash Surplus/(Deficit) 2	(\$86.9)	\$31.3	\$160.3	\$101.9	\$78.8	\$112.9

Source: MTA 2019 Final Proposed Budget November Financial Plan 2020-2023 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	2018 Actual	2019 Final Estimate	2020 Adopted Budget	2021 Projected	2022 Projected	2023 Projected
Operating Revenue						
Farebox	\$6.9	\$6.9	\$6.7	\$6.6	\$6.6	\$6.6
Other Revenue	2.6	2.5	2.5	2.5	2.5	2.5
Capital & Other Reimbursement.	3.6	5.2	7.0	6.2	6.3	6.4
Total Operating Revenue	\$13.1	\$14.6	\$16.1	\$15.3	\$15.4	\$15.5
Operating Expenses						
Labor Expenses	\$50.5	\$54.4	\$57.3	\$54.5	\$55.2	\$55.9
Non-Labor Expenses	12.7	15.3	11.8	10.6	11.3	11.0
Other Expenses Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Operating Expenses Before Depreciation, OPEB & ER 1	\$63.2	\$69.7	\$69.1	\$65.2	\$66.4	\$67.0
Depreciation	\$12.3	\$12.0	\$12.0	\$12.0	\$12.0	\$17.5
Other Post Employment Benefit Liab Adj.	0.0	0.0	0.0	0.0	0.0	0.0
GASB 75 OPEB Expense Adjustment	3.0	7.5	7.5	7.5	7.5	7.5
GASB 68 Pension Expense Adjustment	(2.4)	0.5	(0.1)	(1.1)	(1.1)	(1.2)
Environmental Remediation	2.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	\$78.1	\$89.7	\$88.5	\$83.6	\$84.8	\$90.8
Net Operating Surplus/(Deficit) Before Debt Service	(\$65.0)	(\$75.1)	(\$72.4)	(\$68.3)	(\$69.4)	(\$75.2)
Debt Service	\$1.1	\$3.1	\$12.7	\$24.0	\$34.1	\$41.7
Net Operating Surplus/(Deficit) Including Debt Service	(\$66.0)	(\$78.2)	(\$85.1)	(\$92.3)	(\$103.5)	(\$116.9)
Dedicated Tax, State & Local subsidies	\$63.7	\$53.1	\$54.1	\$65.0	\$71.7	\$82.9
Deficit after Projected Subsidies	(\$2.3)	(\$25.1)	(\$31.0)	(\$27.3)	(\$31.8)	(\$34.0)
Conversion to Cash						
Depreciation, OPEB, GASB & ER Adj.	\$14.9	\$20.0	\$19.4	\$18.4	\$18.4	\$23.8
Net Cash Surplus/(Deficit) 2	\$12.6	(\$5.1)	(\$11.6)	(\$8.9)	(\$13.4)	(\$10.2)

Source: MTA 2020 Final Proposed Budget November Financial Plan 2020-2023 Vol 2