MTA
Overview

April 26 2013
The MTA region comprises New York City and nine counties in two states
• 5,900 sq mile service area
• a combined population of 14.8 M people
Today, the MTA is the largest regional transit provider in Western Hemisphere.

- Over 2,000 miles of track
- Over 3,500 miles of bus routes
- 735 subway and rail stations
- 6,000 subway cars, 4,600 buses, 2,000 rail cars
Labor-related costs to provide service predominate on the expense side while revenues come from a variety of fares/tolls and dedicated taxes.

**WHERE THE DOLLARS COME FROM**

- State & Local Subsidies: 35%
- Dedicated Taxes: 12%
- Farebox Revenue: 41%
- Toll Revenue: 5%
- Other Revenue: 7%

**WHERE THE DOLLARS GO**

- Labor cost: 32%
- Non-Labor cost: 4%
- Debt Service: 25%
- Payroll: 32%
- Overtime: 10%
- Employee and Retiree Healthcare: 17%
- Pensions: 10%

MTA 2013 Adopted Budget -- $13.5 Billion
MTA Capital Budget

• Five-Year Capital Programs since 1982 target “System Investments” made up of State of Good Repair/Ongoing Replacement/Upgrade; and “Network Expansion”

• Current 2010-2014 Program: $24.3 Billion

Where the Dollars Come From

- Federal Sources: 35%
- State Assistance: 3%
- City Capital: 3%
- MTA Bus Match: 1%
- Asset Sales Pay Go Capital: 6%
- MTA Bonds: 43%
- B&T Bonds: 9%

Where the Dollars Go

- Network Expansion: 24%
- System Reinvestment: 76%

• Additional Capital Costs for post-Sandy recovery: $4.75 Billion
Financial Plan Principles

• Increase in annual recurring savings targets, achieving $1.2 Billion in 2016

• Continue three years of “net”-zero wage growth for represented employees
  – Non-represented employees are in fifth year of zero wage increases

• Regular biennial fare/toll increases

• Invest in transit services to meet growing ridership
  – Mitigate worst impacts of 2010 service reductions,
  – Improve coverage to existing markets
  – Deliver service to new markets where ridership emerging

• Invest in Capital Program by dedicating revenues to support debt service payments
  – Savings in debt service from lower interest rates reinvested in Capital Program
  – $250 Million annually set aside as down payment for support of next 2015-19 Capital Program
Looking Ahead

• Ongoing Financial Challenges
  – Out-year deficits (2014-2016) are currently projected to total $325 Million
  – MTA expenses grow faster than inflation due to high growth in costs like pension, healthcare, energy, paratransit and debt service
  – MTA must continue to find ways to drive costs down
  – Subsidy and fare/toll revenues will have to continue to rise faster than CPI

• Ongoing Capital Challenges
  – Outlook for Federal support is uncertain
  – Current MTA revenues, except for small set-aside of $250 Million, all spoken for to cover operations and previous Capital Programs
  – Core system requires continuous investment to keep region moving
  – Expansion projects underway must be advanced

• Sandy Impacts

• Yet, Promise of Greater Demand