

The City of New York
Office of Management and Budget
75 Park Place - New York, New York 10007 - 2146
(212) 788-5900

Mark Page
Director

November 12, 2008

TO THE FINANCIAL CONTROL BOARD

Pursuant to Section 8.3 of the Financial Emergency Act (the "Act"), the City hereby submits for review by the Financial Control Board, Modification No. 09-1 to the Financial Plan for the City and Covered Organizations for fiscal years 2009-2012 (the "Modification"). The Modification as it relates to the City is attached hereto as Exhibit A. Any Covered Organization which requires modification will be forwarded to you under separate cover.

The Four Year Financial Plan has been prepared in accordance with generally accepted accounting principles ("GAAP"), with the exception of that portion of the plan related to certain Covered Organizations, which are prepared on a cash basis.

The City hereby certifies that, in its judgement, the Modification is complete and complies with the standards set forth in Section 8.1 of the Act.

Yours truly,

A handwritten signature in black ink, appearing to read "Mark Page".

Mark Page

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EXHIBIT A

CITY OF NEW YORK - FINANCIAL PLAN

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Four Year Financial Plan Revenues and Expenditures
(\$ in millions)

REVENUES	FY 2009	FY 2010	FY 2011	FY 2012
Taxes				
General Property Tax	\$ 13,781	\$ 14,735	\$ 15,673	\$ 16,419
Other Taxes	21,039	19,649	20,845	22,365
Discretionary Transfers ^{1,2}	546	546	-	-
Tax Audit Revenue	680	589	589	589
Tax Increase Program	832	1,479	1,554	1,615
Subtotal: Taxes	<u>\$ 36,878</u>	<u>\$ 36,998</u>	<u>\$ 38,661</u>	<u>\$ 40,988</u>
Miscellaneous Revenues	5,821	5,463	5,506	5,523
Unrestricted Intergovernmental Aid	340	340	340	340
Less: Intra-City Revenue	(1,607)	(1,447)	(1,446)	(1,446)
Disallowances Against Categorical Grants	(15)	(15)	(15)	(15)
Subtotal: City Funds	<u>\$ 41,417</u>	<u>\$ 41,339</u>	<u>\$ 43,046</u>	<u>\$ 45,390</u>
Other Categorical Grants	1,075	1,019	1,020	1,023
Inter-Fund Revenues	464	425	420	420
Total City, Capital IFA & Oth. Cat. Funds	<u>\$ 42,956</u>	<u>\$ 42,783</u>	<u>\$ 44,486</u>	<u>\$ 46,833</u>
Federal Categorical Grants	5,816	5,299	5,280	5,290
State Categorical Grants	11,668	11,946	12,805	13,108
Total Revenues	\$ 60,440	\$ 60,028	\$ 62,571	\$ 65,231
EXPENDITURES				
Personal Service				
Salaries and Wages	\$ 21,912	\$ 22,725	\$ 24,163	\$ 24,458
Pensions	6,296	6,904	7,277	7,643
Fringe Benefits ¹	6,726	6,877	7,158	7,493
Subtotal - Personal Service	<u>\$ 34,934</u>	<u>\$ 36,506</u>	<u>\$ 38,598</u>	<u>\$ 39,594</u>
Other Than Personal Service				
Medical Assistance	5,644	5,756	5,916	6,089
Public Assistance	1,191	1,172	1,172	1,172
All Other ^{1,2}	18,685	17,936	18,591	19,094
Subtotal - Other Than Personal Service	<u>\$ 25,520</u>	<u>\$ 24,864</u>	<u>\$ 25,679</u>	<u>\$ 26,355</u>
General Obligation and Lease Debt Service ^{1,2,3}	3,569	2,049	4,817	5,349
FY 2008 Budget Stabilization & Discretionary Transfers ¹	(4,079)	-	-	-
FY 2009 Budget Stabilization & Discretionary Transfers ²	1,803	(1,257)	-	-
FY 2010 Budget Stabilization ³	-	350	(350)	-
General Reserve	300	300	300	300
Subtotal	<u>\$ 62,047</u>	<u>\$ 62,812</u>	<u>\$ 69,044</u>	<u>\$ 71,598</u>
Less: Intra-City Expenses	<u>(1,607)</u>	<u>(1,447)</u>	<u>(1,446)</u>	<u>(1,446)</u>
Total Expenditures	<u>\$ 60,440</u>	<u>\$ 61,365</u>	<u>\$ 67,598</u>	<u>\$ 70,152</u>
Gap To Be Closed	\$ -	\$ (1,337)	\$ (5,027)	\$ (4,921)

¹ Fiscal Year 2008 Budget Stabilization and Discretionary Transfers total \$4.625 billion, including prepayments of subsidies of \$500 million, Retiree Health Benefits of \$460 million, lease debt service of \$46 million, Budget Stabilization of \$3.073 billion, and a TFA grant which increases FY 2009 revenues by \$546 million.

² Fiscal Year 2009 Budget Stabilization and Discretionary Transfers total \$1.803 billion, including Budget Stabilization of \$1.257 billion and a TFA grant which increases FY 2010 revenues by \$546 million.

³ Fiscal Year 2010 Budget Stabilization totals \$350 million.

**New York City Financial Plan
Four Year Projections of Cash Sources and Uses
(\$ in millions)**

Sources of Cash	FY 2009	FY 2010	FY 2011	FY 2012
Funds Provided/(Used) from Operations	\$ 643	\$ -	\$ -	\$ -
Proceeds from Seasonal Borrowings	-	2,400	2,400	2,400
Capital Plan Funding Sources (see Exhibit A-3)	10,364	9,689	10,182	9,156
Total Sources	\$ 11,007	\$ 12,089	\$ 12,582	\$ 11,556
Uses of Cash				
Capital Disbursements	10,364	9,689	10,182	9,156
Repayment of Seasonal Borrowings	-	2,400	2,400	2,400
Total Uses	\$ 10,364	\$ 12,089	\$ 12,582	\$ 11,556
Net Sources/(Uses) of Cash	\$ 643	\$ -	\$ -	\$ -
Cash Balance - Beginning of Period	\$ 4,988	\$ 5,631	\$ 5,631	\$ 5,631
Cash Balance - End of Period	\$ 5,631	\$ 5,631	\$ 5,631	\$ 5,631

**New York City Financial Plan
Four Year Capital Plan Funding Sources
(\$ in millions)**

Sources of Capital Cash	FY 2009	FY 2010	FY 2011	FY 2012
New York City General Obligation Bonds	\$ 5,530	\$ 6,500	\$ 6,340	\$ 5,540
Other Long-Term Sources:				
Transitional Finance Authority	-	-	-	-
Water Authority	2,602	2,226	2,003	1,907
Total Long-Term Sources	\$ 8,132	\$ 8,726	\$ 8,343	\$ 7,447
Four Year Education Capital Plan				
TFA - Building Aid Revenue Bonds	2,100	600	-	-
DASNY	-	-	-	-
Other Non-City Funds	1,015	320	1,737	1,608
Reimbursable Capital	\$ 3,115	\$ 920	\$ 1,737	\$ 1,608
Financial Plan Adjustment	(883)	43	102	101
Total Capital Plan Funding Sources	\$ 10,364	\$ 9,689	\$ 10,182	\$ 9,156

**New York City Financial Plan
Fiscal Year 2009 Borrowing Schedule
(\$ in millions)**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Financing
Short-Term Borrowing:					
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -
Repayment	-	-	-	-	-
Total Short-Term Borrowing (Repayment)	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Borrowing:					
New York City General Obligation	\$ 1,855	\$ 1,175	\$ 1,250	\$ 1,250	\$ 5,530
Water Authority ¹	550	500	894	658	2,602
Total Borrowing to Finance City Capital Program	\$ 2,405	\$ 1,675	\$ 2,144	\$ 1,908	\$ 8,132

Notes:

1. Excludes costs of issuance and reserve fund allocations and reflects Water Authority Commercial Paper and revenue bonds issued to finance the water and sewer system's capital program. Amounts do not include revenue bonds issued to permanently finance previously issued commercial paper.

**New York City Financial Plan
Four Year Capital Plan
(\$ in millions)**

Projected Capital Commitments

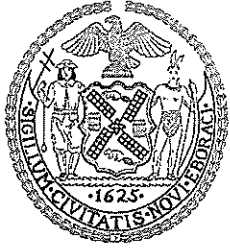
	FY 2009	FY 2010	FY 2011	FY 2012	Total
City	\$ 11,537	\$ 8,043	\$ 6,059	\$ 4,995	\$ 30,634
Non-City	3,266	2,155	1,477	1,212	8,110
Total	<u>\$ 14,803</u>	<u>\$ 10,198</u>	<u>\$ 7,536</u>	<u>\$ 6,207</u>	<u>\$ 38,744</u>

Projected Capital Expenditures

	FY 2009	FY 2010	FY 2011	FY 2012	Total
City	\$ 7,249	\$ 8,769	\$ 8,445	\$ 7,548	\$ 32,011
Non-City ¹	3,115	920	1,737	1,608	7,380
City-administered Capital Plan	<u>\$ 10,364</u>	<u>\$ 9,689</u>	<u>\$ 10,182</u>	<u>\$ 9,156</u>	<u>\$ 39,391</u>
Total Capital Plan Expenditures	<u>\$ 10,364</u>	<u>\$ 9,689</u>	<u>\$ 10,182</u>	<u>\$ 9,156</u>	<u>\$ 39,391</u>

Notes:

1. Includes Federal, State and other Reimbursable Capital.



The City of New York
Office of Management and Budget
75 Park Place - New York, New York 10007 - 2146
(212) 788-5900

Mark Page
Director

December 18, 2008

Mr. Jeffrey Sommer
Acting Executive Director
Financial Control Board
123 William Street, 23rd Floor
New York, New York 10038

Dear Mr. Sommer:

Enclosed please find Exhibits B1-B4 on behalf of the Covered Organizations. This completes Modification No. 09-1.

Yours truly,

Stuart Klein

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EXHIBIT B	COVERED ORGANIZATIONS - FINANCIAL PLAN
B-1	New York City Health and Hospitals Corporation
B-2	New York City Educational Construction Fund
B-3	New York City Transit Authority
B-4	Staten Island Rapid Transit Operating Authority

NYC Health & Hospitals Corporation

Accrual Basis
November 2008 Financial Plan
(\$ in millions)

	Projected 2009	Projected 2010	Projected 2011	Projected 2012
OPERATING REVENUES				
Third Party Revenue				
Medicaid Fee for Service	1,597.8	1,642.0	1,635.2	1,661.8
Medicare	592.5	607.3	622.5	638.1
Other Third Parties <i>which includes Medicaid & Medicare managed care</i>	928.9	975.4	1,024.2	1,075.4
Pools & Additional Revenues <i>including Self Pay</i>	1,362.5	1,145.4	1,144.9	1,144.9
Subtotal: Third Party Revenue	4,481.7	4,370.1	4,426.7	4,520.1
Funds Appropriated by the City				
Debt Service	(60.4)	(67.6)	(66.6)	(58.5)
Prisoner/Uniform Services	52.6	52.6	52.6	52.6
Other City Services	42.9	42.6	42.2	32.2
Unrestricted City Services	9.3	9.1	9.1	9.3
Adjustment for Prepayment	-	-	-	-
CEO: Nursing Ladder Program	1.1	-	-	-
Subtotal: Funds Appropriated by the City	45.5	36.7	37.3	35.5
Grants (including CHP and Intra-City)	259.4	171.7	172.8	174.0
Other Revenue	37.9	38.8	39.8	40.8
MetroPlus Premium Revenue	930.2	1,011.5	1,011.5	1,011.5
TOTAL OPERATING REVENUES	5,754.8	5,628.8	5,688.1	5,781.8
OPERATING EXPENSES				
Personal Services	2,460.4	2,558.8	2,609.9	2,662.1
Fringe Benefits	966.9	1,020.8	1,068.1	1,119.1
Other Than Personal Services	1,520.6	1,566.2	1,613.2	1,661.6
Information Systems	95.0	135.0	75.0	75.0
Medical Malpractice	189.9	189.9	189.9	189.9
Affiliations	774.9	805.9	830.1	855.0
Depreciation	230.0	240.0	250.0	260.0
Postemployment benefits, other than pension (Excl PYG)	355.0	385.2	417.9	453.4
TOTAL OPERATING EXPENSES	6,592.7	6,901.8	7,054.2	7,276.2
TOTAL OPERATING INCOME/(LOSS)	(837.9)	(1,273.0)	(1,366.1)	(1,494.4)
NON-OPERATING REVENUE/(EXPENSE)				
Interest Income	40.0	35.0	20.0	20.0
Interest Expense	(100.0)	(100.0)	(100.0)	(100.0)
Total Non-Operating Expenses (net)	(60.0)	(65.0)	(80.0)	(80.0)
PROFIT/(LOSS) BEFORE OTHER CHANGES IN NET ASSETS	(897.9)	(1,338.0)	(1,446.1)	(1,574.4)
CORRECTIVE ACTIONS				
State/Federal Actions	235.0	728.9	753.9	803.9
Revenue Initiatives	50.0	50.0	50.0	50.0
Medical Malpractice Containment	25.0	25.0	25.0	25.0
Managed Care Initiatives	-	-	-	-
Operational Initiatives	75.0	80.0	80.0	80.0
Subtotal: Corrective Actions	385.0	883.9	908.9	958.9
PROFIT/(LOSS) AFTER CORRECTIVE ACTIONS	(512.9)	(454.1)	(537.2)	(615.5)
PRIOR YEAR CASH BALANCE	879.7	1,412.5	1,049.2	687.1
ACCRUAL TO CASH ADJUSTMENT	1,045.7	90.8	175.1	241.6
CLOSING CASH BALANCE	1,412.5	1,049.2	687.1	313.2

**NYC EDUCATIONAL CONSTRUCTION FUND
FY09-FY12 BUDGET (in \$000's)**

	FY09	FY10	FY11	FY12
<u>RECEIPTS</u>				
NON-SCHOOL RENTALS & TAX PAYMENTS	14,246	17,399	17,921	18,459
INTEREST INCOME	4,221	4,348	4,435	4,523
TOTAL	18,467	21,747	22,356	22,982
<u>DISBURSEMENTS</u>				
PERSONAL SERVICE (INCL. HEALTH, RETIREMENT--ETC.)	518	544	571	600
OTHER THAN PERSONAL SERVICES (Note 1)	366	384	404	424
INSURANCE	530	557	573	590
DEBT SERVICE (Note 2)				
PRINCIPAL	7,465	6,135	6,075	6,750
INTEREST	4,917	4,616	4,421	4,228
TOTAL	13,796	12,236	12,044	12,592
SURPLUS/(DEFICIT)	4,671	9,511	10,312	10,390

NOTES:

- 1) OTPS includes Operations, Legal & Development Fees.
- 2) Debt Service pertains to the 2005A Series Revenue Bond Issue and 2007A Bond Series in original amounts of \$99,140,000, replacing 1994 and 1996 Revenue Bonds .

NEW YORK CITY TRANSIT
2009-2012 FINANCIAL PLAN SUMMARY - MODIFIED ACCRUAL BASED
 (Calendar Years; \$ in Millions)

	2009	2010	2011	2012
REVENUES				
Operating Revenue				
Farebox Revenue	\$3,010.2	\$3,026.8	\$3,072.2	\$3,121.3
Other Operating Revenue	308.3	325.3	346.3	370.8
Total Operating Revenue	\$3,318.5	\$3,352.1	\$3,418.5	\$3,492.1
Capital & Police Reimbursement	\$894.6	\$870.1	\$847.9	\$861.1
Subsidies				
Bridges & Tunnels Surplus Transfer	\$42.2	\$19.5	\$12.6	\$1.1
Operating Assistance	316.4	316.4	316.4	316.4
Tax-Supported Subsidies	2,044.9	2,043.1	2,087.3	2,163.9
MMTOA Transfers to Capital Projects ⁽¹⁾	(\$50.0)	\$0.0	\$0.0	\$0.0
NYCT Charge Back of MTA Bus Debt Service ⁽²⁾	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)
Forward Energy Contracts ⁽³⁾	\$117.8	\$0.0	\$0.0	\$0.0
Fulton Street ⁽⁴⁾	\$0.0	\$0.0	\$0.0	\$0.0
55/25 Pension Funding ⁽⁵⁾	\$0.0	\$0.0	\$0.0	\$0.0
Total Subsidies	2,459.8	2,367.5	2,404.8	2,469.9
TOTAL REVENUES AND SUBSIDIES	\$6,672.8	\$6,589.6	\$6,671.1	\$6,823.0
EXPENSES				
Nonreimbursable Expenses				
Personal Services				
Salaries and Wages	\$3,110.1	\$3,197.0	\$3,265.5	\$3,313.9
Fringe Benefits	\$1,714.5	\$1,767.8	\$1,820.0	\$1,900.5
Reimbursable Overhead	(\$200.2)	(\$193.1)	(\$185.4)	(\$187.2)
Total Personal Services	\$4,624.4	\$4,771.7	\$4,900.1	\$5,027.2
OTPS TOTAL	\$1,621.2	\$1,741.7	\$1,847.2	\$1,967.0
Debt Service ⁽⁴⁾	\$649.2	\$853.6	\$953.6	\$1,102.3
Depreciation	\$1,185.2	\$1,266.5	\$1,321.5	\$1,376.5
Other Post Employment Benefits (OPEB)	1,055.4	1,098.9	1,144.8	1,191.6
Environmental Remediation	0.0	0.0	0.0	0.0
Total Nonreimbursable Expenses	\$9,135.4	\$9,732.4	\$10,167.2	\$10,664.6
Total Reimbursable Expenses	\$894.6	\$870.1	\$847.9	\$861.1
TOTAL EXPENSES	\$10,030.0	\$10,602.5	\$11,015.1	\$11,525.7
BALANCE BEFORE OTHER MTA ACTIONS AND CASH FLOW ADJUSTMENTS	(\$3,357.2)	(\$4,012.9)	(\$4,344.0)	(\$4,702.6)
2009 MTA Program to Eliminate GAP ⁽⁷⁾	\$61.0	\$61.9	\$69.3	\$59.1
Post-2009 Agency Program to Eliminate Gap ⁽⁷⁾	\$0.0	\$59.6	\$119.2	\$178.8
BUSINESS SERVICE CENTER ⁽⁸⁾	\$0.0	\$0.0	\$10.8	\$35.9
OTHER ACTIONS AVAILABLE TO OFFSET OUTYEAR BUDGET GAPS ⁽⁹⁾	\$793.9	\$1,473.4	\$1,626.7	\$1,806.4
CASH FLOW ADJUSTMENTS ⁽¹⁰⁾	\$261.7	\$52.6	\$51.7	\$54.4
DEPRECIATION ADJUSTMENT	\$1,185.2	\$1,266.5	\$1,321.5	\$1,376.5
OPEB ADJUSTMENT	\$1,055.4	\$1,098.9	\$1,144.8	\$1,191.6
ENVIRONMENTAL REMEDIATION ⁽¹¹⁾	\$0.0	\$0.0	\$0.0	\$0.0
CASH SURPLUS FROM PREVIOUS YEAR	\$0.0	\$0.0	\$0.0	\$0.0
SURPLUS / (DEFICIT) ⁽¹²⁾	\$0.0	\$0.0	\$0.0	\$0.0

NOTE: The Calendar Year is the Fiscal Year used by MTA-New York City Transit
 SOURCE: MTA 2009 Final Proposed Budget 2009-2012, dated November 2008. This report is an accrual based operating report statement excluding amounts for debt service and subsidies, which are reported on a cash basis.

- (1) These subsidy adjustments represent transfers to the South Ferry and #1 Train Capital projects. The State has agreed to appropriate MMTOA funds to subsidize MTA projects in areas devastated by the World Trade Center
- (2) These amounts reflect reimbursement to MTA Bus under a swap agreement with NYCT in which Federal capital grant monies are paid to NYCT for the benefit of MTA Bus. The additional portion of MTA Bus debt service is funded
- (3) Reflects the \$150M that was prepaid for NYCT, LIRR, and Metro-North to implement a forward energy contract to lock-in fuel prices. The budget also reflects the \$91M prepayment for commuter railroads pension expenses as a reduction to subsidies as this is where the funds were drawn down from.
- (4) beyond available federal funds.
- (5) This is a reimbursement payment to NYCERS and MaBSTOA pension plans from the GASB account for payments by them to union employees who previously made contributions to the 55/25 pension program. This is the result of a 12/05 Labor agreement and arbitration with union employees and NYCT.
- (6) Debt Service includes NYCT Base Debt Service plus Debt Service assumed by the MTA on behalf of NYCT. It equals the Sub-Total MTA Paid Debt Service. The total debt service amount is cash-based.
- (7) MTA PEGs (Program to Eliminate the Gap) includes various initiatives included in the MTA 2008 Preliminary Budget approved by the MTA Board in July 2007 and in the current MTA November Financial Plan.
- (8) Created to streamline financial operations. It will start in 2011. These amounts are implementation costs including capital and feasibility studies. MTA has listed this center as a gap closing action.
- (9) Includes items not yet provided by the MTA. Typically includes Increased Ridership, Fare Collection, Expense Reductions, Management Initiatives, Cash Reserve, & Other Governmental Assistance.
- (10) Includes Operating Cash Flow Adjustments and Subsidy/Debt Service Cash Flow Adjustments.
- (11) Reflects implementation of GASB 49 which requires governmental bodies to provide the public with better information about the financial impact of environmental cleanup. This number was estimated using an "expected"
- (12) May be revised to reflect allocations for other MTA Actions.

**STATEN ISLAND RAILWAY (SIRTOA)
2009-2012 FINANCIAL PLAN
(Calendar Years; \$ in Millions)**

REVENUES

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Operating Revenue				
Farebox Revenue	\$4.707	\$5.047	\$5.112	\$5.176
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	\$2.071	\$2.071	\$2.071	\$2.071
Capital and Other Reimbursements	\$1.487	\$1.545	\$1.605	\$1.672
Total Revenue	\$8.265	\$8.663	\$8.788	\$8.919

Subsidies

Metro Account Tax Subsidy	\$3.300	\$3.300	\$3.400	\$3.500
Federal Operating Assistance	\$0.000	\$0.000	\$0.000	\$0.000
Mortgage Recording Tax	\$0.000	\$0.000	\$0.000	\$0.000
State 18b Operating Assistance	\$0.500	\$0.500	\$0.500	\$0.500
City 18b Operating Assistance	\$0.500	\$0.500	\$0.500	\$0.500
MTA Subsidy	\$30.800	\$25.900	\$25.500	\$25.900
Total Tax & Operating Assistance	\$35.100	\$30.200	\$29.900	\$30.400

Total Operating Revenue & Subsidies	\$43.365	\$38.863	\$38.688	\$39.319
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EXPENSES**Nonreimbursable Expenses****Personal Services**

Payroll	\$16.198	\$16.493	\$16.787	\$17.148
Overtime	\$0.772	\$0.786	\$0.804	\$0.822
Total Salaries & Wages	\$16.970	\$17.279	\$17.591	\$17.970

Health and Welfare	\$3.200	\$3.426	\$3.656	\$3.916
OPEB Current Payment	\$0.508	\$0.545	\$0.585	\$0.628
Pensions	\$5.065	\$5.504	\$5.735	\$6.184
Other Fringe Benefits	\$1.268	\$1.291	\$1.316	\$1.344
Total Fringe Benefits	\$10.041	\$10.766	\$11.292	\$12.072

Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000
Total Labor Expenses	\$27.011	\$28.045	\$28.883	\$30.042

Non-Labor

Traction and Propulsion Power	\$2.987	\$3.564	\$3.813	\$4.080
Fuel for Buses and Trains	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	\$0.269	\$0.294	\$0.418	\$0.353
Claims ⁽¹⁾	\$0.273	\$0.278	\$0.284	\$0.290
Paratransit Service Contracts	\$0.000	\$0.000	\$0.000	\$0.000
Mtce. And Other Operating Contracts ⁽²⁾	\$10.676	\$4.360	\$2.866	\$2.980
Professional Service Contracts	\$0.356	\$0.363	\$0.371	\$0.379
Materials & Supplies	\$1.029	\$1.077	\$1.108	\$1.133
Other Business Expenses	\$0.005	\$0.005	\$0.005	\$0.005
Total Non-Labor Expenses	\$15.595	\$9.941	\$8.865	\$9.220

Total Nonreimbursable Expenses before Depreciation	\$42.606	\$37.986	\$37.748	\$39.262
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Reimbursable Expenses	\$1.487	\$1.545	\$1.605	\$1.672
Depreciation	\$10.337	\$10.337	\$10.337	\$10.337
Other Post Employment Benefits (OPEB) Obligation	\$2.700	\$2.800	\$2.800	\$3.000
Environmental Remediation	\$0.000	\$0.000	\$0.000	\$0.000

TOTAL EXPENSES	\$57.130	\$52.668	\$52.490	\$54.271
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Baseline Net Surplus/(Deficit)	(\$13.765)	(\$13.805)	(\$13.802)	(\$14.952)
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Operating Cash Flow Adjustment	(\$0.265)	(\$0.290)	(\$0.317)	(\$0.347)
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Depreciation Adjustment	\$10.337	\$10.337	\$10.337	\$10.337
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OPEB Adjustment	\$2.700	\$2.800	\$2.800	\$3.000
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Environmental Remediation Adjustment	\$0.000	\$0.000	\$0.000	\$0.000
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2009 Program to Eliminate the Gap (PEGs)	\$0.743	\$0.428	\$0.428	\$0.428
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Post 2009 Program to Eliminate the Gap (PEGs)	\$0.000	\$0.420	\$0.840	\$1.260
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Business Service Center	\$0.000	\$0.000	\$0.131	\$0.132
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Net Surplus/(Deficit)	\$0	\$0	\$0	\$0
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NOTE: The Calendar Year is the Fiscal Year used by MTA-Staten Island Railway.

NOTE: This MTA Baseline includes 08' PEGs, Gap Closing Actions, and Cash Management Actions.

SOURCES: MTA 2009 Final Proposed Budget November Financial Plan 2009-2012 & Review of MTA-

(1) MTA Technical Adjustment which added \$2.5M for Worker's Comp payments from staff hurt in

(2) Reflects a delay in the timing of R-44 fleet maintenance work resulting in the deferral of