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Press Release

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IMMEDIATE

MTA Announces Sweeping Financial Changes

MTA Executive Director Katherine Lapp today announced sweeping changes in the agency's budget and financial reporting procedures. The procedures will largely mirror those used by New York City in its four-year reporting process.

At today's MTA Finance Committee meeting, Executive Director Lapp said she would recommend that the full MTA Board adopt the new procedures.

"I am confident," Ms. Lapp said, "that this new procedure of four-year financial planning, incorporating periods for public comment and elected official input as well as providing for the posting of all financial and budgetary data on the MTA website for public inspection, will reinforce for our over eight million daily customers and our investors that our resources are being used wisely and efficiently."

The new procedures recommended for Board adoption include:

In July of each year, the Executive Director will submit to the MTA Board a preliminary budget for the next year. The preliminary budget will also be transmitted to the Governor, the State Legislature, the Mayor of New York City and the County Executives of seven counties for review and comment.

- In October, a proposed final budget for the next fiscal year, together with a four-year financial plan, copies of which will be made available to elected officials, will be submitted to the Board.
- After the proposed final budget and financial plan are submitted, but sufficiently before the adoption of the final budget, the MTA board will solicit public comment at its November Committee and/or Board meetings. Written comments from the elected officials will be distributed to Board members.
- A final budget, following public comment, will be adopted by the MTA Board by no later than December 31st.
- Within sixty (60) days of the adoption of the final budget, the MTA will issue an update of the four-year financial plan and will provide updates thereto each July and October.
- The final budget will provide that each MTA agency will be "self-sustaining" as required by law.

All budget documents with supporting detailed material will be available to the public and posted on our website.

Executive Director Lapp also announced the creation of an informal group of advisors who will provide guidance and expertise to the MTA in developing the details of the new reporting procedures, as well as the formats, of the new reports. The advisors are:

- Paul A. Crotty, Group President, New York/Connecticut, Verizon - Former New York City Corporation Counsel
- Peter J. Powers, President & CEO, Powers Global Strategies, LLC - Former First Deputy Mayor of the City of New York
- Stanley Brezenoff, President & CEO, Maimonides Medical Center - Former First Deputy Mayor of the City of New York
- Diana Fortuna, President, Citizens Budget Commission - Former Deputy Budget Director of the City of New York
- Michael P. Jacobson, Professor, John Jay College of Criminal Justice and CUNY Graduate Center - Former Deputy Budget Director of the City of New York

Executive Director Lapp stated, "Each of these individuals possess a wealth of expertise and knowledge of the City's budget process which is widely regarded as the best governmental budget process in the State. I appreciate their commitment and time to this initiative and am confident that their contribution will be invaluable to the MTA."

If adopted by the Board, at the next scheduled meeting on May 29, 2003, the new procedures would take effect immediately.