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Press Release

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IMMEDIATE

MTA Releases 2010 Preliminary Budget and Four-Year Financial Plan

2010 Budget Includes No Fare Increases or Service Cuts

The Metropolitan Transportation Authority (MTA) today released its 2010 Preliminary Budget and proposed Four-Year Financial Plan for 2010-2013. The MTA Board will not consider a final budget until December, but the July plan allows for an extended period of public discussion about the MTA's finances and budget proposals.

Some key aspects of the plan include:

As promised to the Governor and Legislature, the 2010 budget includes no service cuts or fare increases.

Projected cash balances of \$29 million in 2009, \$39 million in 2010 and \$1 million in 2011. Manageable deficits are projected for 2012 and 2013.

Significant spending restraints, building on the substantial expense reduction taken in 2009 to save \$64 million in 2010. These savings grow to \$279 million by 2013.

MTA Board Chairman H. Dale Hemmerdinger said: "We are grateful to Governor Paterson and the Legislature for their strong commitment to the transit system during this current economic downturn. Meeting the MTA's fiduciary responsibilities while sparing our customers from the drastic and painful measures proposed earlier this year will help us keep to our mission of providing safe, dependable and affordable public transportation."

MTA Interim Executive Director and CEO Helena E. Williams said: "Today's presentation kicks off six months of public discussion before a final budget is approved in December. Engaging in a productive dialogue with our customers and stakeholders before a final plan is presented to the board assures maximum transparency throughout the entire process."

The Financial Plan recognizes a continued falloff in real estate tax revenue and ridership as the sluggish economy continues to have a direct impact on the MTA's bottom line. On the positive side, inflation is expected to remain very low in 2009.

The Financial Plan also includes the 2009 Mid-Year Forecast which reflects changes from the February 2009 Plan resulting from the passage of legislation to stabilize the MTA's short-term finances. As discussed with the MTA's funding partners in Albany, the Plan includes 7.5 percent fare increases in both 2011 and 2013.

More information on the Plan is available online at www.mta.info. The complete Plan will be online in the coming days.