

Staff Summary



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| Subject SIR 2024 Budget and 2024 – 2027 Financial Plan Adoption |
| Department Office of the Chief Financial Officer |
| Department Head Name Kevin Willens, Chief Financial Officer |
| Department Head Signature |
| Project Manager Name David Keller |

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|------------------------------------|
| Date December 18, 2023 |
| Vendor Name NA |
| Contract Number NA |
| Contract Manager Name NA |
| Table of Contents Ref # |

| Board Action | | | | | |
|--------------|-------------------|----------|----------|------|-------|
| Order | To | Date | Approval | Info | Other |
| 1 | TA Committee | 12/18/23 | | X | |
| 2 | Finance Committee | 12/18/23 | X | | |
| 3 | MTA Board | 12/20/23 | X | | |
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| Internal Approvals | | | |
|--------------------|-------------------|-------|----------|
| Order | Approval | Order | Approval |
| 1 | OMB | | |
| 2 | Financial Liaison | | |
| 3 | President | | |
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Purpose

To secure MTA Board adoption of MTA Staten Island Railway's 2023 November Forecast, 2024 Final Proposed Budget, and the Four-Year Financial Plan for 2024-2027.

Discussion

The 2024 Final Proposed Budget, which is consistent with information presented to the Board in December 2023, provides funding to maintain SIR's commitment to delivering safe, secure, and reliable transportation and first-class customer service. The SIR's projections do not include MTA consolidated below-the-line adjustments, including the estimated impacts of projected fare increases, which are presented as part of MTA consolidated materials.

Key Initiatives

The 2024 Final Proposed Budget reflects key initiatives deemed essential to providing safe and reliable service to customers while ensuring assets remain in a state of good repair. Among the initiatives included are:

- *Track Support:* Retain 20 non-reimbursable positions for continual support of mainline track tie replacement under the spot tie replacement program.
- *Maintenance of Way:* Add two non-reimbursable positions for infrastructure supervisory and administrative functions.
- *Capital Support:* Retain 12 reimbursable positions to support various capital projects.

2023 November Forecast – Baseline

The 2023 non-reimbursable forecast reflects revenues projected at \$5.7 million, including farebox revenues of \$3.9 million and other operating revenue of \$1.7 million. Total Non-reimbursable expenses are projected to be \$77.6 million, consisting of labor expenses of \$58.2 million and non-labor expenses of \$19.4 million. Non-cash depreciation expense is projected at \$17.5 million, GASB 75 other post-employment benefit expenses are projected at \$8.0 million and GASB 68 pension expenses are projected at \$3.8 million. Projected reimbursable expenses of \$8.1 million are fully offset by capital reimbursements. Total baseline full-time and full-time equivalent positions are 422, including 368 non-reimbursable positions and 54 reimbursable positions.

2024 Final Proposed Budget – Baseline

The 2024 Final Proposed non-reimbursable Budget reflects revenues projected at \$6.4 million, including farebox revenues of \$4.8 million and other operating revenue of \$1.6 million. Total non-reimbursable expenses are projected to be \$76.9 million, consisting of labor expenses of \$61.3 million and non-labor expenses of \$15.6 million. Non-cash depreciation expense is projected at \$17.5 million, GASB 75 other post-employment benefit expenses are projected at \$8.3 million, and GASB 68 pension expenses are projected at \$2.9 million. Projected reimbursable expenses of \$7.8 million are fully offset by capital reimbursements. Total baseline full-time and full-time equivalent positions are at 422, including 368 non-reimbursable positions and 54 reimbursable positions.

Impact on Funding

The 2023 November Forecast, the 2024 Final Proposed Budget and the Four-Year Financial Plan for 2024-2027, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the 2023 November Forecast, the 2024 Final Proposed Budget and the Four-Year Financial Plan for 2024-2027 for MTA Staten Island Railway.