

MTA BUS COMPANY
2023 YEAR-END REPORT
SUMMARY

The MTA Bus Company's (MTABC) financial performance compared to the 2023 Final Estimate was favorable by \$206 Million. This favorable result was due to the actual 2023 non-reimbursable expenses before non-cash liabilities of \$872.3 million, which were \$62.0 million lower than the Final Estimate, partially offset by Operating Revenues of \$193.0 million, which were \$3.7 million unfavorable compared with the Final Estimate.

MTA Bus Company's Cash Deficit of \$558.5 million was \$91.6 million lower than the Final Estimate, primarily due to lower payroll expenses, overtime, the timing of health and welfare, lower Other Post Employee Benefits (OPEB) current payment, the timing of insurance, claims, maintenance services, professional services, and lower materials usage. These were partially offset by lower other operating revenue and lower capital and other reimbursements. Excluding timing-related items, the MTA Bus Company's cash position was \$56.7 million favorable compared with the Final Estimate.

Total Non-Reimbursable Revenues were \$3.7 million lower than the Final Estimate primarily due to lower other operating revenue, due to the timing of student fare reimbursement and lower advertising revenue, partially offset by higher farebox revenue. Overall, ridership of 86.2 million was 4.4% higher than 2022 ridership and 28.4% lower than 2019 pre-COVID-19 levels (adjusted for the same number of workdays). The 86.2 million 2023 ridership was 1.2 million or 1.4% lower than the Final Estimate.

Total Non-Reimbursable Expenses Before Depreciation and GASB Adjustments were \$62.0 million lower than the Final Estimate.

Labor Expenses of \$669.3 million were \$40.4 million lower than the Final Estimate primarily due to vacancies and associated fringe costs, lower maintenance and scheduled/unscheduled service overtime, pension, OPEB current payment, and higher reimbursable overhead.

Non-Labor Expenses of \$203.0 million were \$21.6 million lower than the Final Estimate due to the timing of maintenance and other operating contracts and professional service contracts, lower materials usage, partially offset by higher claims, and higher electric expenses.

Non-Cash Liabilities of \$100.5 million were \$109.5 million below the Final Estimate primarily due to lower GASB 75, lower depreciation, and lower GASB 68, partially offset by higher environmental remediation.

Total Reimbursable Revenues and Expenses were \$3.0 million lower than the Final Estimate, due to the timing of capital projects.

Cash Deficit of \$558.5 million was \$91.6 million lower than the Final Estimate, which consisted of a favorable real variance of \$56.7 million and favorable timing variance of \$34.9 million. Cash Receipts of \$329.5 million were lower than the Final Estimate by \$38.7 million, comprised of \$19.2 million in real variances and \$19.5 million in timing variances. The real variance was primarily due to lower advertising revenue, and lower recoveries from other insurance. The timing variance was attributed to the scheduling of transfers of student fare reimbursements and capital projects.

Cash Expenditures of \$887.9 million were \$130.3 million lower than the Final Estimate, comprised

of \$75.9 million in favorable real variances and \$54.4 million in favorable timing-related variances. Favorable real variances are primarily attributed to lower payroll, overtime, health and welfare, OPEB current payment, maintenance and other operating contracts, professional service contracts and materials and supplies. The timing variance is primarily attributed to retroactive wage payments, health and welfare costs, claims, and professional service contracts.

MTA BUS COMPANY
2023 YEAR-END REPORT
EXPLANATIONS OF REVENUE AND EXPENSE VARIANCES
ACCRUAL BASIS

2023 Final Estimate vs. Actual

Non-Reimbursable

Revenue:

- **Farebox Revenue** was \$2.3 million or 1.3% favorable to the Final Estimate due to higher average fare partially offset by lower ridership, which was 1.2 million or 1.4% below the Final Estimate.
- **Other Operating Revenue** was \$5.9 million or 29.1% unfavorable to the Final Estimate primarily due to the timing of student fare reimbursement, lower advertising, and miscellaneous income.

Expenses:

- **Payroll** was \$8.2 million or 2.5% favorable to the Final Estimate primarily due to vacancies.
- **Overtime** was \$9.5 million or 9.5% favorable to the Final Estimate, primarily due to lower scheduled and unscheduled overtime, programmatic maintenance, partially offset by lower availability and higher vacancy coverage.
- **Health & Welfare** was \$12.8 million or 12.3% favorable to the Final Estimate due to the timing of expenses and vacant positions.
- **OPEB Current Payment** was \$7.1 million or 17.4% favorable to the Final Estimate due to lower than anticipated retirees/beneficiaries than Final Estimate.
- **Pensions** was \$1.4 million or 2.2% favorable to the Final Estimate based on vacancies and the latest actuarial review.
- **Other Fringe Benefits** was \$0.2 million or 0.3% favorable to the Final Estimate due to lower payroll related-expenses, and timing of interagency billings partially offset by higher worker's comp.
- **Reimbursable Overhead** was \$1.0 million or 80.6% favorable to the Final Estimate due to higher than projected reimbursable activities.
- **Electric Power** was \$0.7 million or 43.1% unfavorable to the Final Estimate primarily due to higher rates.
- **Fuel** was \$1.7 million or 4.9% favorable to the Final Estimate primarily due to lower diesel fuel consumption, receipt of the Compressed Natural Gas (CNG) tax credit, partially offset by higher CNG usage.
- **Insurance** was \$1.1 million or 16.9% favorable to the Final Estimate due to the timing of expenses.
- **Claims** was \$2.1 million or 3.8% unfavorable to the Final Estimate based on the latest actuarial

review.

- **Maintenance and Other Operating Contracts** was \$8.8 million or 25.8% favorable to the Final Estimate primarily due to the timing of expenses for facility maintenance, Jamaica Terminal, bus technology, vehicle purchases, lower tires and tubes rental expenses, and surveillance equipment, partially offset by higher fare equipment maintenance and shop program expenses.
- **Professional Service Contracts** was \$5.1 million or 14.6% favorable to the Final Estimate, primarily due to the timing of interagency billing and lower expenses for bus technology.
- **Materials & Supplies** was \$7.5 million or 15.6% favorable to the Final Estimate primarily due to lower usage of general maintenance material, the timing of radio equipment maintenance/repairs, construction material, partially offset by higher grease and oil lubrication expense, tool purchases and scrap metal.
- **Other Business Expenses** was \$0.1 million or 1.9% favorable to the Final Estimate primarily due to lower other miscellaneous expenses, print and stationery supplies, and Automatic Fare Collection (AFC) fees, payroll mobility tax payments, partially offset by OMNY debit/credit card processing fees.
- **Depreciation** was \$2.8 million or 5.0% favorable to the Final Estimate due to the timing of bus purchases.
- **GASB 87 Lease Adjustment** was essentially on budget.
- **GASB 75 OPEB Expense Adjustment** was \$45.0 million or 59.1% favorable to the Final Estimate based on the latest actuarial review.
- **GASB 68 Pension Adjustment** was \$62.4 million or 80.3% favorable to the Final Estimate based on the latest actuarial review.
- **Environmental Remediation** was unfavorable by \$0.8 million for the year.

Reimbursable:

Total Capital and Other Reimbursements was \$3.0 million or 40.7% unfavorable to the Final Estimate, primarily due to the timing of capital projects.

2023 Adopted Budget vs. Actual

The MTA Bus Company's financial performance compared to the 2023 Adopted Budget was \$205.8 million favorable. Actual non-reimbursable 2023 expenses before non-cash liabilities of \$872.3 million were \$104.1 million or 10.7% lower than the Adopted Budget. The operating cash deficit of \$558.5 million was \$59.4 million or 11.9% unfavorable to the Adopted Budget. The unfavorable results reflect the transfer of Other Local Subsidy Resources to cover 2023 and 2024 MTA-sponsored pension plan expenses.

Non-Reimbursable

Revenue:

- **Farebox Revenue** was \$7.9 million or 4.6% favorable to the Adopted Budget due to higher ridership, and higher average fare. Ridership was 1.1 million or 1.3% above the Adopted Budget.
- **Other Operating Revenue** was \$5.5 million or 27.4% unfavorable to the Adopted Budget primarily due to the timing of student fare reimbursement, lower advertising, and miscellaneous income.

Expenses:

- **Payroll** was \$0.9 million or 0.3% favorable to the Adopted Budget primarily due to vacancies offset partially by contractual rate adjustments.
- **Overtime** was \$9.3 million or 9.2% favorable to the Adopted Budget primarily due to lower scheduled and unscheduled overtime and programmatic maintenance, partially offset by lower availability and higher vacancy coverage.
- **Health & Welfare** was \$8.8 million or 8.8% favorable to the Adopted Budget primarily due to the timing of expenses and vacancies.
- **OPEB Current Payment** was \$0.9 million or 2.7% favorable to the Adopted Budget due to lower than anticipated retirees/beneficiaries.
- **Pensions** was \$0.6 million or 0.9% favorable to the Adopted Budget based on vacancies and the latest actuarial review.
- **Other Fringe Benefits** was \$0.5 million or 0.7% unfavorable to the Adopted Budget due to higher worker's compensation, partially offset by lower payroll-related expenses.
- **Reimbursable Overhead** was \$1.3 million favorable to the Adopted Budget due to higher reimbursable activities.
- **Electric Power** was essentially on budget when compared to the Adopted Budget.
- **Fuel** was \$2.7 million or 7.5% favorable to the Adopted Budget due to lower diesel fuel consumption, receipt of the CNG tax credit partially offset by higher CNG usage.
- **Insurance** was \$2.9 million or 33.7% favorable to the Adopted Budget due to the timing of expenses.
- **Claims** was \$21.5 million or 26.9% favorable to the Adopted Budget based on the latest actuarial review.

- **Maintenance and Other Operating Contracts** was \$19.9 million or 43.9% favorable to the Adopted Budget due to the timing of expenses for facility maintenance, Jamaica Terminal, bus technology, vehicle purchases, tires and tubes rental, shop program, and surveillance equipment, partially offset by higher fare equipment maintenance.
- **Professional Service Contracts** was \$14.7 million or 32.9% favorable to the Adopted Budget primarily due to the timing of interagency billing and lower miscellaneous expenses.
- **Materials & Supplies** was \$22.4 million or 35.7% favorable to the Adopted Budget. The favorable variance is primarily due to lower usage of general maintenance material, the timing of radio equipment maintenance/repairs, and construction material, partially offset by higher grease and oil lubrication expenses, tool purchases, and scrap metal.
- **Other Business Expenses** was \$1.2 million or 17.7% unfavorable to the Adopted Budget due to the payroll mobility tax rate increase and higher OMNY debit/credit card processing fees, partially offset by lower office supplies and other miscellaneous expenses.
- **Depreciation** was \$2.8 million or 5.0% favorable to the Adopted Budget due to the timing of bus purchases.
- **GASB 87 Lease Adjustment** was essentially on budget.
- **GASB 75 OPEB Expense Adjustment** was \$58.5 million or 65.3% favorable to the Adopted Budget based on the latest actuarial review.
- **GASB 68 Pension Expense Adjustment** was \$38.7 or 71.6% million favorable to the Adopted Budget based on the latest actuarial review.
- **Environmental Remediation** was unfavorable by \$0.8 million for the year.

Reimbursable:

- Total Capital and Other Reimbursements were unfavorable to the Adopted Budget by \$2.7 million or 38.5% due to the timing of capital projects.

MTA BUS COMPANY
Accrual Statement of Operations by Category
2023 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

NON-REIMBURSABLE

	2023			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	Adopted Budget		Final Estimate	
				\$	%	\$	%
Operating Revenue							
Farebox Revenue	\$170.684	\$176.305	\$178.571	\$7.887	4.6	\$2.266	1.3
Other Operating Revenue	19.928	20.403	14.474	(5.454)	(27.4)	(5.929)	(29.1)
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	-	0.000	-
Total Revenue	\$190.612	\$196.708	\$193.045	\$2.433	1.3	(\$3.663)	(1.9)
Operating Expenses							
<u>Labor:</u>							
Payroll	\$317.598	\$324.969	\$316.731	\$0.867	0.3	\$8.238	2.5
Overtime	100.247	100.517	90.977	9.270	9.2	9.540	9.5
Health and Welfare	99.974	103.973	91.135	8.839	8.8	12.838	12.3
OPEB Current Payment	34.722	40.918	33.782	0.940	2.7	7.136	17.4
Pensions	62.778	63.604	62.189	0.589	0.9	1.415	2.2
Other Fringe Benefits	76.212	76.921	76.710	(0.498)	(0.7)	0.211	0.3
GASB Account	0.000	0.000	0.000	-	-	0.000	-
Reimbursable Overhead	(0.932)	(1.230)	(2.222)	1.290	*	0.992	80.6
Total Labor Expenses	\$690.597	\$709.671	\$669.302	\$21.295	3.1	\$40.369	5.7
<u>Non-Labor:</u>							
Electric Power	\$2.258	\$1.614	\$2.309	(\$0.051)	(2.2)	(\$0.695)	(43.1)
Fuel	35.914	34.921	33.217	2.697	7.5	1.704	4.9
Insurance	8.472	6.767	5.621	2.851	33.7	1.146	16.9
Claims	79.909	56.294	58.409	21.500	26.9	(2.115)	(3.8)
Maintenance and Other Operating Contracts	45.328	34.278	25.431	19.897	43.9	8.847	25.8
Professional Service Contracts	44.724	35.155	30.032	14.692	32.9	5.123	14.6
Materials & Supplies	62.555	47.648	40.195	22.360	35.7	7.453	15.6
Other Business Expenses	6.644	7.969	7.820	(1.176)	(17.7)	0.149	1.9
Total Non-Labor Expenses	\$285.804	\$224.647	\$203.034	\$82.770	29.0	\$21.613	9.6
Total Expenses before Non-Cash Liability Adjs.	\$976.402	\$934.318	\$872.336	\$104.066	10.7	\$61.982	6.6
Depreciation	\$56.163	\$56.163	\$53.357	\$ 2.806	\$5.0	\$ 2.806	5.0
GASB 87 Lease Adjustment	0.001	0.001	(0.037)	0.038	*	0.038	*
GASB 75 OPEB Expense Adjustment	89.600	76.112	31.092	58.508	65.3	45.020	59.1
GASB 68 Pension Expense Adjustment	54.000	77.700	15.326	38.674	71.6	62.374	80.3
GASB 96 - SBITA Asset Subscriptions	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.759	(0.759)	-	(0.759)	-
	\$199.784	\$209.976	\$199.497	\$99.267	\$49.7	\$199.479	52.1
Total Expenses	\$1,176.166	\$1,144.293	\$972.833	\$203.333	17.3	\$171.460	15.0
Baseline Surplus/(Deficit)	(\$985.554)	(\$947.586)	(\$779.788)	\$205.766	20.9	\$167.798	17.7

Note: 1) Totals may not add due to rounding. 2) Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the actual amounts do not include post-close adjustments, which will be included in the Final audited YE statements.

MTA BUS COMPANY
Accrual Statement of Operations by Category
2023 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

REIMBURSABLE	2023			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Other Operating Revenue	0.000	0.000	0.000	0.000	-	0.000	0.0
Capital and Other Reimbursements	7.058	7.321	4.338	(2.720)	(38.5)	(2.983)	(40.7)
Total Revenue	\$7.058	\$7.321	\$4.338	(\$2.720)	(38.5)	(\$2.983)	(40.7)
Expenses							
<u>Labor:</u>							
Payroll	\$3.540	\$4.455	\$2.493	\$1.048	29.6	\$1.963	44.1
Overtime	0.000	0.000	0.002	(0.002)	-	(0.002)	-
Health and Welfare	1.416	1.635	0.000	1.416	100.0	1.635	100.0
OPEB Current Payment	0.000	0.000	0.000	0.000	-	0.000	100.0
Pensions	0.000	0.000	0.000	0.000	-	0.000	100.0
Other Fringe Benefits	0.000	(0.000)	0.001	(0.001)	-	(0.001)	*
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	0.932	1.230	1.842	(0.910)	(97.6)	(0.612)	(49.7)
Total Labor Expenses	\$5.888	\$7.321	\$4.338	\$1.550	26.3	\$2.983	40.7
<u>Non-Labor:</u>							
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Fuel	0.000	0.000	0.000	0.000	-	0.000	-
Insurance	0.000	0.000	0.000	0.000	-	0.000	-
Claims	0.000	0.000	0.000	0.000	-	0.000	-
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	0.252	0.000	0.000	0.252	100.0	0.000	-
Professional Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Materials & Supplies	0.918	0.000	0.000	0.918	100.0	0.000	-
Other Business Expenses	0.000	0.000	0.000	0.000	-	0.000	-
Total Non-Labor Expenses	\$1.170	\$0.000	\$0.000	\$1.170	100.0	\$0.000	-
<u>Other Expense Adjustments:</u>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses Before Depreciation	\$7.058	\$7.321	\$4.338	\$2.720	38.5	\$2.983	40.7
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	-	0.000	-
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	-	0.000	-
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	-	0.000	-
GASB 96 - SBITA Asset Subscriptions	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.000	0.000	-	0.000	-
Total Expenses	\$7.058	\$7.321	\$4.338	\$2.720	38.5	\$2.983	40.7
Net Surplus/(Deficit)	(\$0.000)	\$0.000	\$0.000	\$0.000	100.0	(\$0.000)	(100.0)

*Totals may not add due to rounding

MTA BUS COMPANY
Accrual Statement of Operations by Category
2023 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

NON-REIMBURSABLE/ REIMBURSABLE	2023			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$170.684	\$176.305	\$178.571	\$7.887	4.6	\$2.266	1.3
Other Operating Revenue	19.928	20.403	14.474	(5.454)	(27.4)	(5.929)	(29.1)
Capital and Other Reimbursements	7.058	7.321	4.338	(2.720)	(38.5)	(2.983)	(40.7)
Total Revenue	\$197.670	\$204.028	\$197.383	(\$0.287)	(0.1)	(\$6.645)	(3.3)
Expenses							
<u>Labor:</u>							
Payroll	\$321.138	\$329.424	\$319.224	\$1.914	0.6	\$10.200	3.1
Overtime	100.247	100.517	90.979	9.268	9.2	9.538	9.5
Health and Welfare	101.390	105.608	91.135	10.255	10.1	14.473	13.7
OPEB Current Payment	34.722	40.918	33.782	0.940	2.7	7.136	17.4
Pensions	62.778	63.604	62.189	0.589	0.9	1.415	2.2
Other Fringe Benefits	76.212	76.921	76.711	(0.499)	(0.7)	0.210	0.3
Reimbursable Overhead	0.000	0.000	(0.380)	0.380	-	0.380	-
Total Labor Expenses	\$696.486	\$716.992	\$673.640	\$22.846	3.3	\$43.352	6.0
<u>Non-Labor:</u>							
Electric Power	\$2.258	\$1.614	\$2.309	(\$0.051)	(2.2)	(\$0.695)	(43.1)
Fuel	35.914	34.921	33.217	2.697	7.5	1.704	4.9
Insurance	8.472	6.767	5.621	2.851	33.7	1.146	16.9
Claims	79.909	56.294	58.409	21.500	26.9	(2.115)	(3.8)
Maintenance and Other Operating Contracts	45.580	34.278	25.431	20.149	44.2	8.847	25.8
Professional Service Contracts	44.724	35.155	30.032	14.692	32.9	5.123	14.6
Materials & Supplies	63.473	47.648	40.195	23.278	36.7	7.453	15.6
Other Business Expenses	6.644	7.969	7.820	(1.176)	(17.7)	0.149	1.9
Total Non-Labor Expenses	\$286.974	\$224.647	\$203.034	\$83.940	29.3	\$21.613	9.6
Total Expenses Before Depreciation and GASB Adjs.	\$983.460	\$941.639	\$876.674	\$106.786	10.9	\$64.965	6.9
Depreciation	\$56.163	\$56.163	\$53.357	\$2.806	5.0	\$2.806	5.0
GASB 87 Lease Adjustment	0.001	0.001	(0.037)	0.038	*	0.038	*
GASB 75 OPEB Expense Adjustment	89.600	76.112	31.092	58.508	65.3	45.020	59.1
GASB 68 Pension Expense Adjustment	54.000	77.700	15.326	38.674	0.0	62.374	80.3
GASB 96 - SBITA Asset Subscriptions	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.759	(0.759)	-	(0.759)	-
Total Expenses	\$1,183.224	\$1,151.614	\$977.171	\$206.053	17.4	\$174.443	15.1
Baseline Surplus/(Deficit)	(\$985.554)	(\$947.586)	(\$779.788)	\$205.766	20.9	\$167.798	17.7

Note: 1) Totals may not add due to rounding. 2) Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the actual amounts do not include post-close adjustments, which will be included in the Final audited YE statements.

MTA BUS COMPANY
2023 YEAR-END REPORT
EXPLANATIONS OF CASH RECEIPTS AND EXPENDITURE VARIANCES

2023 Final Estimate vs. Actual

The favorable total cash deficit variance of \$91.6 million was the net of a real favorable variance of \$56.7 million and a favorable timing variance of \$34.9 million. The timing variance was primarily attributed to retroactive wage payments, health and welfare, claims, and professional services. The real variances were primarily attributed to lower payroll, overtime, health & welfare, OPEB current payment, maintenance and other operating contracts, professional service contracts and materials & supplies.

Receipts

- **Farebox Revenue** was \$0.7 million or 0.4% favorable to the Final Estimate due to higher average fares and partially offset by lower ridership.
- **Other Operating Revenue** was \$36.4 million or 19.7% unfavorable to the Final Estimate, primarily due to the timing of student fare revenue reimbursement and lower miscellaneous income.
- **Capital and Other Reimbursements** were \$3.0 million or 41.5% unfavorable to the Final Estimate primarily due to the timing of capital activity and other reimbursements.

Expenditures

- **Payroll** was \$28.9 million or 8.6% favorable to the Final Estimate due to vacancies, and the timing of retroactive payments for settled labor agreements.
- **Overtime** was \$9.5 million or 9.5% favorable to the Final Estimate due to lower scheduled and unscheduled overtime and lower programmatic maintenance, partially offset by lower availability and higher vacancy coverage.
- **Health and Welfare** was \$8.5 million, or 8.0%, favorable to the Final Estimate primarily due to vacancies and lower medical and hospitalization costs, partially offset by higher prescription drug expenses and life insurance.
- **OPEB Current Payment** was \$7.8 million or 18.3% favorable to the Final Estimate due to fewer than retirees/beneficiaries.
- **Pensions** was \$2.9 million or 2.3% favorable to the Final Estimate based on vacancies and the latest actuarial review.
- **Other Fringe Benefits** was \$0.7 million or 1.1% favorable to the Final Estimate due to the timing of payroll-related expenses and partially offset by higher workers' compensation.
- **Electric Power** was \$0.7 million or 41.3% unfavorable to the Final Estimate primarily due to higher rates.

- **Fuel** was \$1.9 million or 5.4% favorable to the Final Estimate primarily due to lower diesel fuel consumption and receipt of the CNG tax credit, partially offset by higher CNG usage.
- **Insurance** was \$8.0 million or 91.6% favorable to the Final Estimate primarily due to favorable expenses.
- **Claims** was \$6.8 million or 16.1% favorable to than the Final Estimate due to the timing of payments.
- **Maintenance and Other Operating Contracts** was \$13.1 million or 33.3% favorable to the Final Estimate primarily due to the timing of expenses for facility maintenance, Jamaica Terminal, bus technology, vehicle purchases, lower tires and tubes rental expenses, and surveillance equipment, partially offset by higher fare equipment maintenance and shop program.
- **Professional Service Contracts** was \$29.2 million or 53.1% favorable to the Final Estimate primarily due to the timing of MTA chargebacks and partially offset by lower miscellaneous expenses.
- **Materials and Supplies** was \$11.0 million or 20.7% favorable to the Final Estimate due to lower general maintenance material usage.
- **Other Business Expenses** was \$2.5 million or 26.4% favorable to the Final Estimate, primarily due to lower payroll mobility tax, office supplies expenses, partially offset by higher OMNY debit/credit card processing fees.

2023 Adopted Budget vs. Actual

Receipts

- **Farebox Revenue** was \$6.4 million or 3.7% favorable to the Adopted Budget due to higher ridership and higher average fare.
- **Other Operating Revenue** was \$101.8 million or 40.7% unfavorable to the Adopted Budget, primarily due to the transfer of Other Local Subsidy Resources to cover 2023 and 2024 MTA-sponsored pension plan expenses, the timing of student fare reimbursement, and lower miscellaneous revenue.
- **Capital and Other Reimbursements** was \$2.8 million or 39.3% favorable to the Adopted Budget due to the timing of capital projects and other reimbursements.

Expenditures

- **Payroll** was \$12.9 million, or 4.0% favorable to the Adopted Budget due to vacancies and unsettled labor agreements.
- **Overtime** was \$9.3 million or 9.2% favorable to the Adopted Budget primarily due to lower scheduled and unscheduled overtime and programmatic maintenance, partially offset by unfavorable availability and higher vacancy coverage.
- **Health and Welfare** was \$4.3 million or 4.2% favorable to the Adopted Budget primarily due to vacancies and lower medical and hospitalization, partially offset by higher prescription drug expenses and life insurance.
- **Pensions** was \$60.2 million or 96.1% unfavorable to the Adopted Budget due to pre-

payment of 2024 pension costs.

- **Other Fringe Benefits** was \$0.6 million or 1.0% unfavorable to the Adopted Budget due to higher worker's compensation.
- **Electric Power** was essentially on budget.
- **Fuel** was \$2.9 million or 8.1% favorable to the Adopted Budget primarily due to lower consumption and receipt of the CNG tax credit, partially offset by higher CNG usage.
- **Insurance** was \$7.7 million or 91.3% favorable to the Adopted Budget primarily due to lower insurance expenses.
- **Claims** was \$3.2 million or 8.3% favorable to the Adopted Budget due to the timing of payments.
- **Maintenance and Other Operating Contracts** was \$19.4 million or 42.6% favorable to the Adopted Budget primarily due to the timing of expenses for facility maintenance, Jamaica Terminal, bus technology, vehicle purchases, tires, and tubes rental expenses, partially offset by higher fare equipment maintenance and shop program.
- **Professional Service Contracts** was \$18.9 million or 42.2% favorable to the Adopted Budget due to the timing of MTA chargebacks and other professional service payments.
- **Materials and Supplies** was \$21.3 million or 33.6% favorable to the Adopted Budget primarily due to lower general maintenance material usage.
- **Other Business Expenses** was \$0.3 million or 4.9% unfavorable to the Adopted Budget, primarily due to higher payroll mobility taxes and OMNY debit/credit card processing fees, partially offset by lower office supplies expenses.

MTA BUS COMPANY
Cash Receipts and Expenditures
2023 Adopted Budget and Final Estimate vs. Actual
(\$ in millions)

	2023			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	Adopted Budget		Final Estimate	
				\$	%	\$	%
Receipts							
Farebox Revenue	\$170.684	\$176.305	\$177.046	\$6.362	3.7	\$0.741	0.4
Other Operating Revenue	249.906	184.522	148.123	(101.783)	(40.7)	(36.399)	(19.7)
Capital and Other Reimbursements	7.058	7.321	4.284	(2.774)	(39.3)	(3.037)	(41.5)
Total Receipts	\$427.648	\$368.148	\$329.453	(\$98.195)	(23.0)	(\$38.695)	(10.5)
Expenditures							
<u>Labor:</u>							
Payroll	\$320.719	\$336.734	\$307.791	\$12.928	4.0	\$28.943	8.6
Overtime	100.247	100.517	90.978	9.269	9.2	9.539	9.5
Health and Welfare	101.391	105.608	97.129	4.262	4.2	8.479	8.0
OPEB Current Payment	34.722	42.532	34.750	(0.028)	0.0	7.782	18.3
Pensions	62.596	125.674	122.760	(60.164)	(96.1)	2.914	2.3
Other Fringe Benefits	61.027	62.328	61.629	(0.601)	(1.0)	0.699	1.1
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenditures	\$680.702	\$773.394	\$715.037	(\$34.335)	(5.0)	\$58.357	7.5
<u>Non-Labor:</u>							
Electric Power	\$2.258	\$1.614	\$2.280	(\$0.022)	(1.0)	(\$0.666)	(41.3)
Fuel	35.914	34.921	33.023	2.891	8.1	1.898	5.4
Insurance	8.471	8.767	0.740	7.731	91.3	8.027	91.6
Claims	38.915	42.542	35.698	3.217	8.3	6.844	16.1
Maintenance and Other Operating Contracts	45.581	39.253	26.168	19.413	42.6	13.085	33.3
Professional Service Contracts	44.724	55.055	25.841	18.883	42.2	29.214	53.1
Materials & Supplies	63.473	53.148	42.147	21.326	33.6	11.001	20.7
Other Business Expenses	6.644	9.469	6.972	(0.328)	(4.9)	2.497	26.4
Total Non-Labor Expenditures	\$245.980	\$244.769	\$172.869	\$73.111	29.7	\$71.900	29.4
Total Expenditures Before Depreciation	\$926.682	\$1,018.163	\$887.906	\$38.776	4.2	\$130.257	12.8
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
GASB 87 Lease Adjustment	0.000	0.000	0.000	0.000	-	0.000	-
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	-	0.000	-
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	-	0.000	-
GASB 96 - SBITA Asset Subscriptions	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.000	0.000	-	0.000	-
Total Expenditures	\$926.682	\$1,018.163	\$887.906	\$38.776	4.2	\$130.257	12.8
Baseline Cash Deficit	(\$499.034)	(\$650.015)	(\$558.453)	(\$59.419)	(11.9)	\$91.562	14.1

*Totals may not add due to rounding

MTA BUS COMPANY
2023 Adopted Budget and Final Estimate vs. Actual
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2023			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	Adopted Budget		Final Estimate	
				\$	%	\$	%
Receipts							
Farebox Revenue	\$0.000	\$0.000	(\$1.525)	(\$1.525)	*	(\$1.525)	*
Other Operating Revenue	229.978	164.119	133.649	(96.329)	(41.9)	(30.470)	(18.6)
Capital and Other Reimbursements	0.000	0.000	(0.054)	(0.054)	-	(0.054)	-
Total Receipts	\$229.978	\$164.119	\$132.070	(\$97.908)	(42.6)	(\$32.049)	(19.5)
Expenditures							
<u>Labor:</u>							
Payroll	\$0.419	(\$7.310)	\$11.433	\$11.014	*	\$18.743	*
Overtime	(0.000)	(0.000)	0.001	0.001	*	0.001	*
Health and Welfare	(0.001)	(0.001)	(5.994)	(5.993)	*	(5.993)	*
OPEB Current Payment	0.000	(1.614)	(0.968)	(0.968)	*	0.646	40.0
Pensions	0.181	(62.070)	(60.571)	(60.752)	*	1.499	2.4
Other Fringe Benefits	15.184	14.593	15.082	(0.102)	(0.7)	0.489	3.4
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	0.000	0.000	(0.380)	(0.380)	-	(0.380)	-
Total Labor Expenditures	\$15.784	(\$56.402)	(\$41.397)	(\$57.181)	*	\$15.005	26.6
<u>Non-Labor:</u>							
Electric Power	\$0.000	\$0.000	\$0.029	(\$0.029)	*	(\$0.029)	*
Fuel	(0.000)	(0.000)	0.194	0.194	*	0.194	*
Insurance	0.000	(2.000)	4.881	4.881	*	6.881	*
Claims	40.994	13.752	22.711	(18.283)	(44.6)	8.959	65.1
Maintenance and Other Operating	(0.000)	(4.975)	(0.737)	(0.737)	*	4.238	85.2
Professional Service Contracts	(0.000)	(19.900)	4.191	4.191	*	24.091	*
Materials & Supplies	0.001	(5.499)	(1.952)	(1.953)	*	3.547	64.5
Other Business Expenses	(0.000)	(1.500)	0.848	0.848	*	2.348	*
Total Non-Labor Expenditures	\$40.994	(\$20.123)	\$30.165	(\$10.829)	(26.4)	\$50.288	*
Total Cash Conversion							
Adjustments before							
Depreciation and GASB Adjs.	\$56.778	(\$76.524)	(\$11.232)	(\$68.010)	*	\$65.292	85.3
Depreciation	\$56.163	\$56.163	\$53.357	(\$2.806)	(5.0)	(\$2.806)	(5.0)
GASB 87 Lease Adjustment	0.001	0.001	(0.037)	(0.038)	*	(0.038)	*
GASB 75 OPEB Expense Adjustm	89.600	76.112	31.092	(58.508)	(65.3)	(45.020)	(59.1)
GASB 68 Pension Expense Adjustr	54.000	77.700	15.326	(38.674)	(71.6)	(62.374)	(80.3)
GASB 96 - SBITA Asset Subscripti	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.759	(0.759)	-	0.759	-
Total Expenditures	\$256.542	\$133.451	\$89.265	\$167.277	65.2	\$ (44.186)	(33.1)
Baseline Total Cash Conversion	\$486.520	\$297.570	\$221.335	(\$265.185)	(54.5)	(\$76.235)	(25.6)

*Totals may not add due to rounding

MTA Bus Company
2023 YEAR-END REPORT
2023 CASH RESULTS - ACTUAL vs. FINAL ESTIMATE
(\$ in millions)

			<u>Favorable/(Unfavorable) Variance</u>		
	<u>Final</u> <u>Estimate</u>	<u>Actual</u>	<u>Total</u>	<u>Real</u>	<u>Timing</u>
<u>Receipts</u>					
Farebox Revenue	\$176.3	\$177.0	\$0.7	\$0.7	\$0.0
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	184.5	148.1	(36.4)	(16.9)	(19.5)
Capital and Other Reimbursements	7.3	4.3	(3.0)	(3.0)	0.0
Total Receipts	\$368.1	\$329.5	(\$38.7)	(\$19.2)	(\$19.5)
<u>Expenditures</u>					
Labor:					
Payroll	\$336.7	\$307.8	\$28.9	\$12.3	\$16.6
Overtime	100.5	91.0	9.5	9.5	0.0
Health and Welfare	105.6	97.1	8.5	4.0	4.5
OPEB Current Payment	42.5	34.8	7.8	7.8	0.0
Pensions	125.7	122.8	2.9	2.9	0.0
Other Fringe Benefits	62.3	61.6	0.7	(0.1)	0.8
GASB Account	0.0	0.0	0.0	0.0	0.0
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	\$773.4	\$715.0	\$58.4	\$36.5	\$21.9
Non-Labor:					
Electric Power	\$1.6	\$2.3	(\$0.7)	(0.7)	0.0
Traction Power	0.0	0.0	0.0	0.0	0.0
Non-Traction Power	1.6	2.3	0.0	0.0	0.0
Fuel	34.9	33.0	1.9	1.9	0.0
Revenue Vehicle Fuel	34.9	33.0	0.0	0.0	0.0
Non-Revenue Fuel	0.0	0.0	0.0	0.0	0.0
Insurance	8.8	0.7	8.0	8.0	0.0
Claims	42.5	35.7	6.8	0.0	6.8
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	39.3	26.2	13.1	10.4	2.7
Professional Service Contracts	55.1	25.8	29.2	7.6	21.6
Materials & Supplies	53.1	42.1	11.0	10.1	0.9
Other Business Expenses	9.5	7.0	2.5	2.0	0.5
Total Non-Labor Expenditures	\$244.8	\$172.9	\$71.9	\$39.4	\$32.5
Other Expenditure Adjustments:					
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Expenditure Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses Before Depreciation and GASB Adjs.	\$1,018.2	\$887.9	\$130.3	\$75.9	\$54.4
Depreciation	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
GASB 87 Lease Adjustment	0.0	0.0	0.0	0.0	0.0
GASB 75 OPEB Expense Adjustment	0.0	0.0	0.0	0.0	0.0
GASB 68 Pension Expense Adjustment	0.0	0.0	0.0	0.0	0.0
Environmental Remediation	0.0	0.0	0.0	0.0	0.0
Total Expenses	\$1,018.2	\$887.9	\$130.3	\$75.9	\$54.4
Baseline Net Cash Surplus/(Deficit)	(\$650.0)	(\$558.5)	\$91.6	\$56.7	\$34.9

Totals may not agree due to rounding.

MTA BUS COMPANY

Overview

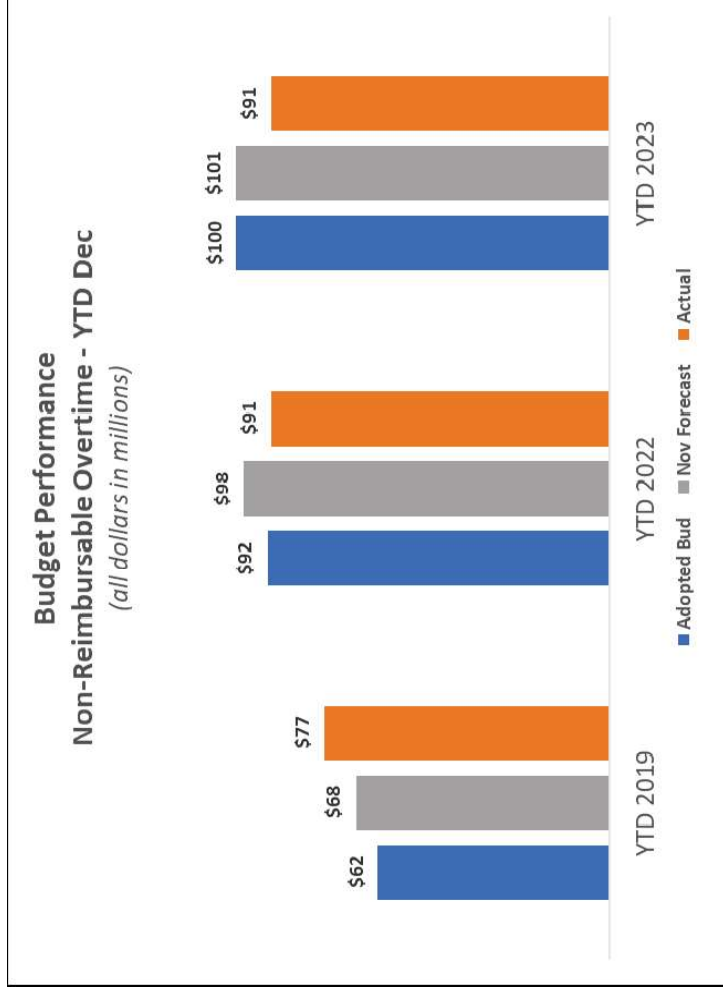
- Overall increase of \$14.3M or 18.6 percent compared to YTD Dec 2019
- Overall decrease of -\$0.1M or -0.1 percent compared to YTD Dec 2022
- -\$9.5M or -9.5 percent below YTD Dec 2023 Nov Forecast budget
- Buses -\$9.5M or 9.5% below the YTD December November Forecast primarily due to favorable scheduled and unscheduled service underrun (\$10.5M), programmatic (\$6.0M), favorable weather (\$1.5M) partially offset by higher vacancy and absence coverage (\$8.3M)

NON-REIMBURSABLE OVERTIME

Agency Detail

Underrun of \$9.5 M vs YTD November Forecast

- **Maintenance:** Underrun of \$8.4M - mainly due to favorable scheduled and unscheduled service (\$1.7M), favorable programmatic maintenance (\$6.0M), favorable vacancy and absence coverage (\$0.8M) partially offset by unfavorable weather of (\$0.2M)
- **Transportation:** Underrun of \$1.2M, primarily to favorable scheduled and unscheduled service (\$8.7M), favorable weather (\$1.8M) partially offset by unfavorable vacancy and absence coverage (\$9.2M)



MTA BUS COMPANY
2023 YEAR-END REPORT
EXPLANATIONS OF VARIANCES
ON RIDERSHIP/ (UTILIZATION)

2023 Final Estimate vs. Actual

Ridership of 86.2 million was 1.4% below the Final Estimate.

2023 Adopted Budget vs. Actual

Ridership of 86.2 million was 1.3% above the Adopted Budget.

MTA BUS COMPANY
2023 Adopted Budget and Final Estimate vs. Actual
UTILIZATION
(in millions)

	December Year-to-Date		Favorable/(Unfavorable) Variance		
	2023				
	Adopted Budget	Final Estimate	Actual	2023 Adopted Budget	2023 Final Estimate
				%	%
<u>Farebox Revenue</u>					
Fixed Route	\$ 170.684	\$ 176.305	\$ 178.571	\$ 7.887	4.6 \$ 2.266
Total Farebox Revenue	\$ 170.684	\$ 176.305	\$ 178.571	\$ 7.887	4.6 \$ 2.266
<u>Ridership</u>					
Fixed Route	85.081	87.400	86.217	1.136	1.3 (1.183)
Total Ridership	85.081	87.400	86.217	1.136	1.3 (1.183)

MTA BUS COMPANY
2023 YEAR-END REPORT
EXPLANATIONS OF VARIANCES on POSITIONS
By FUNCTION and DEPARTMENT
NON-REIMBURSABLE/ REIMBURSABLE and FULL-TIME/ FULL-TIME EQUIVALENTS

2023 Final Estimate vs. Actual

At the end of 2023, the MTA Bus Company had 3,663 total employees, consisting of 3,629 non-reimbursable and 34 reimbursable employees. Staffing was 243 positions, or 6.2% below the Final Estimate of 3,906 positions.

The vacancies were as follows: 133 positions (11.6%) in Maintenance, 66 positions (2.5%) in Operations, 37 positions (32.7%) in Administrative departments, 5 positions (19.2%) in Engineering / Capital, and 2 positions (6.2%) in Public Safety.

MTA BUS COMPANY
NON-REIMBURSABLE AND REIMBURSABLE BY FUNCTION AND DEPARTMENT
FULL - TIME POSITIONS AND FULL - TIME EQUIVALENTS

	December 2023		Variance	
	Final		Final Estimate	
	<u>Estimate</u>		<u>Actual</u>	<u>Variance</u>
Administration				
Office of the EVP	2	3	(1)	(50.0)
Human Resources	14	6	8	57.1
Office of Management and Budget	17	11	6	35.3
Material	15	10	5	33.3
Controller	18	15	3	16.7
Office of the President	8	2	6	75.0
System Safety Administration	-	-	-	-
Law	20	13	7	35.0
Corporate Communications	-	-	-	-
Labor Relations	-	-	-	-
Strategic Office	18	16	2	11.1
Non-Departmental	1	-	1	100.0
Total Administration	113	76	37	32.7
Operations				
Buses	2,335	2,264	71	3.0
Office of the Executive VP	5	3	2	40.0
Safety & Training	68	86	(18)	(26.5)
Road Operations	132	129	3	2.3
Transportation Support	33	32	1	3.0
Operations Planning	32	26	6	18.8
Revenue Control	6	5	1	16.7
Total Operations	2,611	2,545	66	2.5
Maintenance				
Buses	725	667	58	8.0
Maintenance Support/CMF	229	195	34	14.8
Facilities	85	60	25	29.4
Supply Logistics	104	88	16	15.4
Total Maintenance	1,143	1,010	133	11.6
Capital Program Management				
Total Engineering/Capital	26	21	5	19.2
Security				
Total Public Safety	13	11	2	15.4
Total Positions	3,906	3,663	243	6.2
Non-Reimbursable	3,868	3,629	239	6.2
Reimbursable	38	34	4	10.5
Total Full-Time	3,888	3,648	240	6.2
Total Full-Time Equivalents	18	15	3	16.7

MTA BUS COMPANY
2023 YEAR-END REPORT
EXPLANATIONS of VARIANCES
By FUNCTION AND OCCUPATION GROUP

2023 Final Estimate vs. Actual

At the end of 2023, the MTA Bus Company had 3,663 total employees, including 577 Managers/Supervisors, 126 Professional, Technical, and Clerical employees, and 2,960 Operational Hourlies. This was 243 positions, or 6.2%, below the Final Estimate of 3,906.

Approximately 23.2% of the Professional, Technical, and Clerical positions were vacant, followed by 9.7% Managers/Supervisors, and 4.6% Operational Hourlies.

MTA BUS COMPANY
NON-REIMBURSABLE AND REIMBURSABLE BY FUNCTION AND DEPARTMENT
TOTAL FULL - TIME POSITIONS AND FULL - TIME EQUIVALENTS

	December 2023		Variance	
	Final		Final Estimate	
	Estimate		Actual	Variance
Administration				
Managers/Supervisors	47	29	18	38.3
Professional, Technical, Clerical	65	47	18	27.7
Operational Hourlies	1	-	1	100.0
Total Administration	113	76	37	32.7
Operations				
Managers/Supervisors	319	308	11	3.4
Professional, Technical, Clerical	45	36	9	20.0
Operational Hourlies	2,247	2,201	46	2.0
Total Operations	2,611	2,545	66	2.5
Maintenance				
Managers/Supervisors	250	222	28	11.2
Professional, Technical, Clerical	38	29	9	23.7
Operational Hourlies	855	759	96	11.2
Total Maintenance	1,143	1,010	133	11.6
Engineering/Capital				
Managers/Supervisors	15	12	3	20.0
Professional, Technical, Clerical	11	9	2	18.2
Operational Hourlies	-	-	-	-
Total Engineering/Capital	26	21	5	19.2
Public Safety				
Managers/Supervisors	8	6	2	25.0
Professional, Technical, Clerical	5	5	-	-
Operational Hourlies	-	-	-	-
Total Public Safety	13	11	2	15.4
Total Baseline Positions				
Managers/Supervisors	639	577	62	9.7
Professional, Technical, Clerical	164	126	38	23.2
Operational Hourlies	3,103	2,960	143	4.6
Total Baseline Positions	3,906	3,663	243	6.2