

# BudgetWatch

## September 2020 Flash Report

**This BudgetWatch reflects preliminary operating results through August and subsidies received in September, with results measured against the Mid-Year Forecast.**

**Overall Latest Condition** (reporting on operations for August and subsidies through September):

Preliminary results for the month and year-to-date were better than forecast; however, much of that outcome reflects savings for expenses stemming from operating on an essential service schedule and revisions to assumptions for initiatives and maintenance work given the pandemic, as well as some favorable timing-related variances. Vacancy savings, higher farebox and toll revenue, and subsidies also vitally contributed to the results. Passenger and toll revenues were favorable by \$22 million (3%) for the month, and \$255 million (4%) year-to-date. Operating expenses were favorable by \$117 million (10%) for the month, and \$555 million year-to-date, mainly from higher prescription drug rebates and vacancy savings, lower overtime, procured services, maintenance-related contracts and materials, and paratransit costs. Overtime spending through August was \$61 million lower than forecast primarily from curtailed programmatic/routine maintenance work, revised service schedules, and increased employee availability. Debt service was favorable both for the month and YTD due to timing. Subsidies through September were \$125 million favorable, and reflect mainly higher collections in the Payroll Mobility Tax, Mortgage Recording Tax, and Petroleum Business Tax, partially offset by lower MTA Aid. The Mansion and Internet Sales Taxes, which fund the Capital Lockbox and are available through 2021 to assist in funding operations, were unfavorable by \$13 million year-to-date.

The favorable variance includes \$258 million in savings realized during 2020 which, while included in Agency financials, reflects Transformation Savings from administrative expense and headcount reductions.

### Passenger and Toll Revenues

	YTD August 2020 (\$ in millions)				Month of August 2020 (\$ in millions)			
	Mid-Year		Diff	%Diff	Mid-Year		Diff	%Diff
	Actual	Forecast			Actual	Forecast		
NYCT:								
Subway	\$1,108.5	\$1,033.3	\$75.2	7.3%	\$93.8	\$73.8	\$20.0	27.1%
Bus	213.8	241.8	(27.9)	-11.6%	3.4	21.5	(18.1)	-84.2%
Other	39.6	40.5	(0.9)	-2.1%	0.7	1.2	(0.6)	-46.6%
NYCT	\$1,361.9	\$1,315.6	\$46.4	3.5%	\$97.9	\$96.6	\$1.3	1.3%
MTA Bus	53.5	58.8	(5.3)	-9.0%	1.2	5.3	(4.1)	-76.6%
LIRR	206.6	207.4	(0.8)	-0.4%	14.9	18.9	(4.0)	-21.2%
MNR	191.6	198.0	(6.4)	-3.2%	11.1	17.8	(6.7)	-37.9%
<b>Sub-total</b>	<b>\$1,813.6</b>	<b>\$1,779.7</b>	<b>\$33.9</b>	<b>1.9%</b>	<b>\$125.0</b>	<b>\$138.6</b>	<b>(\$13.5)</b>	<b>-9.8%</b>
B&T	1,035.5	938.7	96.8	10.3%	156.9	110.7	46.2	41.7%
<b>Total</b>	<b>\$2,849.0</b>	<b>\$2,718.4</b>	<b>\$130.7</b>	<b>4.8%</b>	<b>\$281.9</b>	<b>\$249.3</b>	<b>\$32.7</b>	<b>13.1%</b>

**Passenger and toll revenues** overall were better than forecast and mainly reflect higher B&T traffic volume and Subway ridership. Ridership for all other MTA services fell short of projections.

### CARES Act Receipts

The full complement of \$4.009 billion in aid from the Coronavirus Aid, Relief, and Economic Security (CARES) Act has been received and distributed to Agencies based on net operating losses reported through July. Receipts are reflected in Other Operating Revenue in Agency financial statements.

## Total Operating Expenses before Non-Cash Liability Adjustments

	YTD August 2020 (\$ in millions)				Month of August 2020 (\$ in millions)			
	Mid-Year		Diff	% Diff	Mid-Year		Diff	% Diff
	Actual	Forecast			Actual	Forecast		
NYCT	\$5,728.2	\$5,959.8	\$231.6	3.9%	\$726.3	\$762.7	\$36.3	4.8%
MTA Bus	526.9	561.8	34.9	6.2%	66.1	75.4	9.3	12.4%
LIRR	961.2	1,081.2	120.1	11.1%	123.0	148.0	25.1	16.9%
MNR	840.8	895.0	54.2	6.1%	98.9	111.9	12.9	11.6%
B&T	280.8	305.4	24.6	8.0%	29.7	43.2	13.4	31.1%
MTA HQ	<u>487.4</u>	<u>577.3</u>	<u>89.8</u>	<u>15.6%</u>	<u>62.0</u>	<u>82.2</u>	<u>20.2</u>	<u>24.6%</u>
<b>Total</b>	<b>\$8,825.3</b>	<b>\$9,380.4</b>	<b>\$555.2</b>	<b>5.9%</b>	<b>\$1,106.0</b>	<b>\$1,223.3</b>	<b>\$117.3</b>	<b>9.6%</b>

Preliminary expenses for August were favorable by \$117.3 million, or 9.6%, and primarily reflects savings from revisions made to initiatives requiring professional services, planned maintenance work and related materials, and other timing-related changes, across the agencies, due mainly to the pandemic. Additional contributing factors include vacancy savings, timing in the payout of COVID-related death benefits, and fewer claims. The variance at NYCT primarily reflects higher prescription drug contract rebates and vacancy savings, as well as reduced maintenance activity and subway initiatives, overtime, engineering, and claims costs, partially offset by higher COVID-related death benefits and a lower overhead credit due to decreased capital project activity. At MTA Bus, the variance reflects revised assumptions for maintenance work and other timing-related changes, including interagency billing and roll-out of bus technologies and New Fare System/(OMNY). The LIRR variance reflects revisions to fleet modification plans and reduced Reliability Centered Maintenance activity, and right-of-way material needs, as well as higher vacancy and overtime savings, and a higher credit in reimbursable overhead from the favorable timing of capital project activity. At MNR, the variance primarily reflects lower subsidy payments to New Jersey Transit (based on a reduced service schedule), as well as lower rolling stock maintenance work and related material usage and infrastructure repairs, vacancy savings, and lower costs for procured services, overtime, and employee-claim. The B&T variance mainly reflects revised major maintenance and painting projects, lower toll collection processing fees and overtime costs, and vacancy savings. At MTA HQ, the variance reflects overall suppressed spending and revised timing assumptions for a myriad of initiatives, including Transformation, Enterprise Asset Management, and IT.

Year-to-date expenses were favorable by \$555.2 million, or 5.2%, and mainly reflect a continuation of factors noted for the month across all agencies. Lower paratransit costs also contributed to the favorable NYCT variance, and at MNR, a higher reimbursable credit due to increased capital project activity favorably impacted the YTD variance. For MTA Bus LIRR, B&T and MTA HQ, major drivers of the YTD variances also mirror those noted for the month.

## Overtime

	YTD August 2020 (\$ in millions)				Month of August 2020 (\$ in millions)			
	Mid-Year		Diff	% Diff	Mid-Year		Diff	% Diff
	Actual	Forecast			Actual	Forecast		
NYCT	\$362.6	\$391.4	\$28.8	7.3%	\$61.3	\$54.8	(\$6.5)	-11.9%
MTA Bus	50.9	52.3	1.3	2.5%	8.0	7.7	(0.3)	-3.8%
LIRR	76.4	90.2	13.8	15.3%	11.1	12.2	1.2	9.5%
MNR	54.3	64.5	10.2	15.8%	6.1	8.5	2.3	27.4%
B&T	11.3	13.9	2.6	18.7%	0.9	2.3	1.4	62.3%
MTA HQ	<u>17.5</u>	<u>21.3</u>	<u>3.8</u>	<u>17.8%</u>	<u>2.1</u>	<u>3.1</u>	<u>1.0</u>	<u>32.9%</u>
<b>Total</b>	<b>\$573.1</b>	<b>\$633.6</b>	<b>\$60.5</b>	<b>9.5%</b>	<b>\$89.5</b>	<b>\$88.7</b>	<b>(\$0.9)</b>	<b>-1.0%</b>

Overtime costs for the month ran slightly over forecast, and was mostly due to backfill of employee vacancies/unavailability, overnight station shutdowns for sanitizing and cleaning, and storm preparedness measures at NYCT. This was partially offset by lower costs at the LIRR for programmatic/routine maintenance, vacancy/absentee coverage and unscheduled service; and lower costs at MNR due to operating on a reduced service schedule, and improvements to employee availability. At B&T, lower costs reflect deferred maintenance and management efficiencies, which improved scheduling and deployment practices; and at MTA HQ, savings mainly reflect MTAPD lower security coverage requirements.

YTD Overtime expenses were \$60.5 million, or 9.5%, lower than the forecast. This reflects savings mainly from lower programmatic/routine maintenance, revised scheduled/unscheduled service needs, and improvements to employee availability due to circumstances evolving around the pandemic. At NYCT, underruns were due to reduced service

requirements and basic inspections, as well as management efficiencies, while underruns at MTA Bus reflect reduced unscheduled service coverage requirements, improved employee availability, and lower scheduled service coverage. At the LIRR, MNR, B&T and MTA HQ, YTD results reflect a continuation of the same drivers noted for the month.

## Debt Service

Debt Service for August was \$237.4 million, which was \$12.1 million (4.8%) favorable, and Year-to-Date Debt Service was \$1,836.9 million, which was \$32.8 million (1.8%) favorable. Both the monthly and year-to-date variances were due to the timing of debt service deposits and lower than budgeted variable rates.

## State Dedicated Taxes and Fees

	YTD September 2020 (\$ in millions)				Month of September 2020 (\$ in millions)			
	Mid-Year		Diff	% Diff	Mid-Year		Diff	% Diff
	Actual	Forecast			Actual	Forecast		
MMTOA	\$749.9	\$756.5	(\$6.7)	-0.9%	\$135.9	\$142.6	(6.7)	-4.7%
PBT	410.2	373.7	36.5	9.8%	32.2	32.7	(0.5)	-1.5%
PMT <sup>1</sup>	1,119.8	1,050.0	69.8	6.6%	95.8	85.3	10.5	12.4%
MTA Aid <sup>2</sup>	185.1	201.0	(15.8)	-7.9%	59.9	75.8	(15.8)	-20.9%
FHV <sup>3</sup>	181.5	187.8	(6.4)	-3.4%	9.4	13.3	(3.9)	-29.3%
<b>Total</b>	<b>\$2,646.4</b>	<b>\$2,569.0</b>	<b>\$77.4</b>	<b>3.0%</b>	<b>\$333.2</b>	<b>\$349.6</b>	<b>(\$16.4)</b>	<b>-4.7%</b>

MMTOA cash receipts for September were \$6.7 million (4.7%) unfavorable and year-to-date receipts were unfavorable by \$6.7 million (0.9%). PBT receipts were slightly unfavorable for the month by \$0.5 million (1.5%), however, year-to-date collections were favorable by \$36.5 million (9.8%). September Payroll Mobility Tax (PMT) receipts were \$10.5 million (12.4%) favorable, and year-to-date collections were favorable by \$69.8 million (6.6%).

For-Hire-Vehicle Surcharge (FHV) receipts for the month were unfavorable by \$4.0 million (29.9%) and year-to-date collections were unfavorable by \$6.5 million (3.4%). MTA Aid receipts, which are transferred quarterly, were \$15.8 million (20.9%) unfavorable for the third quarter and \$15.8 (7.9%) unfavorable year-to-date.

## Real Estate Transaction Taxes

	YTD September 2020 (\$ in millions)				Month of September 2020 (\$ in millions)			
	Mid-Year		Diff	% Diff	Mid-Year		Diff	% Diff
	Actual	Forecast			Actual	Forecast		
MRT	\$336.9	\$290.3	\$46.6	16.1%	\$34.9	\$21.5	\$13.3	61.9%
NYC Urban Tax	296.6	296.1	0.5	0.2%	13.7	21.5	(7.8)	-36.4%
<b>Total</b>	<b>\$633.5</b>	<b>\$586.4</b>	<b>\$47.1</b>	<b>8.0%</b>	<b>\$48.5</b>	<b>\$43.0</b>	<b>\$5.5</b>	<b>12.9%</b>

Total real estate transaction taxes for September, which reflect transaction activity during the month of August, were \$5.5 million (12.9%) favorable to the Mid-Year Forecast, with the YTD variance favorable variance by \$47.1 million (8.0%). When compared with last year through September, real estate taxes were \$224.4 million (26.1%) lower; the Urban Tax was off last year's level by \$218.9 million, or 42.5%, while MRT was unfavorable compared with last year by \$5.4 million, or 1.6%.

**Regional Mortgage Recording Tax**<sup>4</sup> receipts for September were \$13.3 million, or 61.9%, favorable; MRT-1 was favorable by \$6.5 million, and MRT-2 receipts were favorable by \$6.8 million. YTD MRT receipts were unfavorable by \$46.6 million (16.1%), with MRT-1 receipts \$26.7 million unfavorable and MRT-2 receipts \$20.0 million favorable.

<sup>1</sup> PMT replacement funds, that are expected to total \$161.3 million for the year, are excluded from the results reported in this table.

<sup>2</sup> MTA Aid includes the License Fee, Vehicle Registration Fee, Taxi Fee and Automobile Rental Fee.

<sup>3</sup> For-Hire Vehicle Surcharge.

<sup>4</sup> Mortgage Recording Taxes consist of two separate taxes on mortgages recorded in the twelve-county region: MRT-1 is a tax on all mortgages, while MRT-2 is also imposed on residential real estate structures containing up to six dwelling units.

**New York City Urban Tax**<sup>5</sup> receipts for September were \$7.8 million, or 36.4%, unfavorable, and YTD Urban Tax receipts were \$0.5 million (0.2%) favorable. For September, the Real Property Transfer Tax (RPTT) portion of the Urban Tax was unfavorable by \$6.8 million, or 51.5%, while the MRT portion of the Urban Tax was \$1.0 million or 12.0% unfavorable. YTD, RPTT receipts were \$7.2 million (4.1%) unfavorable, while the MRT portion of the Urban Tax was \$7.7 million (6.5%) favorable.

### Capital Lockbox Funding Sources

	YTD September 2020 (\$ in millions)				Month of September 2020 (\$ in millions)			
	Mid-Year		Diff	% Diff	Mid-Year		Diff	% Diff
	Actual	Forecast			Actual	Forecast		
Mansion Tax <sup>6</sup>	\$141.5	\$154.6	(\$13.1)	-8.5%	\$10.9	\$15.6	(\$4.6)	-29.9%
Internet Sales Tax <sup>7</sup>	147.5	147.5	0.0	0.0%	34.2	24.2	10.0	41.4%
<b>Total</b>	<b>\$289.0</b>	<b>\$302.1</b>	<b>(\$13.1)</b>	<b>-4.3%</b>	<b>\$45.1</b>	<b>\$39.7</b>	<b>\$5.4</b>	<b>13.5%</b>

In September, Capital Lockbox revenues were \$5.4 million (13.5%) favorable, although year-to-date are \$13.1 million (4.3%) unfavorable. The 2020-2021 New York State Enacted Budget amended Public Authorities Law 553-j, to allow the MTA to use monies in the Capital Lockbox funds in 2020 and 2021 to offset decreases in revenue or increases in operating costs due “in whole or in part” to the State emergency disaster caused by COVID-19. The MTA will need to repay to the lockbox any amount used for operating purposes if sufficient funds are received from the federal government or from insurance due to COVID-19, but only after first re-paying any COVID-19 related public or private borrowings, draws on lines of credit, issuances of revenue anticipation notes, internal loans or OPEB Trust.

<sup>5</sup> New York City Urban Taxes are imposed on commercial property and apartment building transactions within New York City. The MRT component is imposed on mortgages exceeding \$500,000, and the Real Property Transfer Tax component is imposed on transfers exceeding \$500,000.

<sup>6</sup> The Real Property Transfer Tax Surcharge (the “Mansion Tax”) is an increase in the transfer tax on the sale of residential properties valued at \$25 million or more in New York City.

<sup>7</sup> Internet Marketplace Sales Tax receipts are captured through the elimination of the tax loophole that previously exempted third-party internet marketplace providers from collecting and remitting New York sales taxes on transactions conducted on their sites.

Real Estate Transaction Taxes Receipts (\$ in millions)

Mid-Year Forecast vs. Actual Receipts

2020 Mid-Year Forecast	2020	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD Sep
MRT-1	\$247.0	\$36.5	\$33.7	\$26.5	\$25.8	\$16.6	\$17.1	\$15.2	\$15.2	\$15.2	\$15.2	\$15.2	\$15.2	\$201.6
MRT-2	107.9	12.7	13.3	12.1	12.2	9.5	9.8	6.4	6.4	6.4	6.4	6.4	6.4	88.7
<b>Total MRT</b>	<b>\$354.9</b>	<b>\$49.2</b>	<b>\$47.0</b>	<b>\$38.6</b>	<b>\$37.9</b>	<b>\$26.1</b>	<b>\$26.9</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$290.3</b>
RPTT	\$216.5	\$36.3	\$32.1	\$22.2	\$35.8	\$6.6	\$4.0	\$13.2	\$13.2	\$13.2	\$13.2	\$13.2	\$13.2	\$176.8
MRT	143.9	24.2	26.2	14.6	15.3	7.0	7.3	8.2	8.2	8.2	8.2	8.2	8.2	119.3
<b>Total Urban Tax - NYCT 90% share</b>	<b>\$360.5</b>	<b>\$60.5</b>	<b>\$58.3</b>	<b>\$36.9</b>	<b>\$51.1</b>	<b>\$13.6</b>	<b>\$11.3</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$21.5</b>	<b>\$296.1</b>
<b>Total Real Estate Taxes</b>	<b>\$715.3</b>	<b>\$109.7</b>	<b>\$105.2</b>	<b>\$75.5</b>	<b>\$89.0</b>	<b>\$39.7</b>	<b>\$38.2</b>	<b>\$43.0</b>	<b>\$43.0</b>	<b>\$43.0</b>	<b>\$43.0</b>	<b>\$43.0</b>	<b>\$43.0</b>	<b>\$586.4</b>

2020 Monthly Actuals	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD Sep
MRT-1	\$36.5	\$33.7	\$26.5	\$25.8	\$16.6	\$17.6	\$24.5	\$25.5	\$21.7				\$228.2
MRT-2	12.7	13.3	12.1	12.2	9.5	9.6	13.0	13.2	13.2				108.7
<b>Total MRT</b>	<b>\$49.2</b>	<b>\$47.0</b>	<b>\$38.6</b>	<b>\$37.9</b>	<b>\$26.1</b>	<b>\$27.2</b>	<b>\$37.4</b>	<b>\$38.6</b>	<b>\$34.9</b>				<b>\$336.9</b>
RPTT	\$36.3	\$32.1	\$22.2	\$35.8	\$6.6	\$4.0	\$13.6	\$12.5	\$6.4				\$169.6
MRT	24.2	26.2	14.6	15.3	6.9	7.3	12.9	12.4	7.2				127.0
<b>Total Urban Tax - NYCT 90% share</b>	<b>\$60.5</b>	<b>\$58.3</b>	<b>\$36.9</b>	<b>\$51.1</b>	<b>\$13.5</b>	<b>\$11.3</b>	<b>\$26.5</b>	<b>\$24.8</b>	<b>\$13.7</b>				<b>\$296.6</b>
<b>Total Real Estate Taxes</b>	<b>\$109.7</b>	<b>\$105.2</b>	<b>\$75.5</b>	<b>\$89.0</b>	<b>\$39.6</b>	<b>\$38.5</b>	<b>\$63.9</b>	<b>\$63.4</b>	<b>\$48.5</b>				<b>\$633.5</b>

Variances	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD Sep
MRT-1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.5	\$9.3	\$10.3	\$6.5				\$26.7
MRT-2	0.0	0.0	0.0	0.0	0.0	(0.2)	6.6	6.8	6.8				20.0
<b>Total MRT</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.3</b>	<b>\$15.9</b>	<b>\$17.1</b>	<b>\$13.3</b>				<b>\$46.6</b>
RPTT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.4	(\$0.8)	(\$6.8)				(\$7.2)
MRT	0.0	0.0	0.0	0.0	(0.1)	0.0	4.7	4.1	(1.0)				7.7
<b>Total Urban Tax - NYCT 90% share</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$0.1)</b>	<b>\$0.0</b>	<b>\$5.0</b>	<b>\$3.4</b>	<b>(\$7.8)</b>				<b>\$0.5</b>
<b>Total Real Estate Taxes</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$0.1)</b>	<b>\$0.3</b>	<b>\$20.9</b>	<b>\$20.4</b>	<b>\$5.5</b>				<b>\$47.1</b>

MRT-1	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%	61.5%	68.0%	43.0%				13.2%
MRT-2	0.0%	0.0%	0.0%	0.0%	0.0%	-2.2%	103.4%	106.3%	107.0%				22.5%
<b>Total MRT</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>1.2%</b>	<b>73.9%</b>	<b>79.3%</b>	<b>61.9%</b>				<b>16.1%</b>
RPTT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.8%	-5.9%	-51.5%				-4.1%
MRT	0.0%	0.0%	0.0%	0.0%	-1.3%	0.0%	56.7%	50.2%	-12.0%				6.5%
<b>Total Urban Tax - NYCT 90% share</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.7%</b>	<b>0.0%</b>	<b>23.4%</b>	<b>15.6%</b>	<b>-36.4%</b>				<b>0.2%</b>
<b>Total Real Estate Taxes</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.2%</b>	<b>0.8%</b>	<b>48.7%</b>	<b>47.5%</b>	<b>12.9%</b>				<b>8.0%</b>

Real Estate Transaction Taxes Receipts (\$ in millions)

2020 Receipts vs. 2019 Receipts

2019 Monthly Actuals	2019 Act	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	YTD Sep
MRT-1	\$328.3	\$32.8	\$31.5	\$19.2	\$20.7	\$26.8	\$22.8	\$34.7	\$28.8	\$28.0	\$29.3	\$30.1	\$23.8	\$245.1
MRT-2	133.4	10.6	10.6	8.5	9.0	10.1	10.1	11.0	13.3	14.0	12.1	13.0	11.1	97.2
Total MRT	\$461.7	\$43.4	\$42.1	\$27.7	\$29.7	\$36.8	\$32.9	\$45.7	\$42.1	\$41.9	\$41.4	\$43.1	\$34.9	\$342.4
RPTT	\$425.9	\$54.7	\$71.4	\$28.0	\$20.4	\$24.3	\$40.5	\$44.2	\$29.6	\$17.5	\$29.7	\$30.9	\$34.8	\$330.5
MRT	242.5	32.9	30.7	12.3	14.0	21.1	15.3	24.7	17.1	16.8	21.0	20.9	15.7	184.9
Total Urban Tax - NYCT 90% share	\$668.5	\$87.6	\$102.1	\$40.3	\$34.3	\$45.4	\$55.8	\$68.9	\$46.7	\$34.3	\$50.7	\$51.9	\$50.5	\$515.4
Total Real Estate Taxes	\$1,130.2	\$131.0	\$144.2	\$68.0	\$64.1	\$82.3	\$88.7	\$114.5	\$88.8	\$76.2	\$92.1	\$95.0	\$85.3	\$857.8

2020 Monthly Actuals	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD Sep
MRT-1	\$36.5	\$33.7	\$26.5	\$25.8	\$16.6	\$17.6	\$24.5	\$25.5	\$21.7				\$228.2
MRT-2	12.7	13.3	12.1	12.2	9.5	9.6	13.0	13.2	13.2				108.7
Total MRT	\$49.2	\$47.0	\$38.6	\$37.9	\$26.1	\$27.2	\$37.4	\$38.6	\$34.9				\$336.9
RPTT	\$36.3	\$32.1	\$22.2	\$35.8	\$6.6	\$4.0	\$13.6	\$12.5	\$6.4				\$169.6
MRT	24.2	26.2	14.6	15.3	6.9	7.3	12.9	12.4	7.2				127.0
Total Urban Tax - NYCT 90% share	\$60.5	\$58.3	\$36.9	\$51.1	\$13.5	\$11.3	\$26.5	\$24.8	\$13.7				\$296.6
Total Real Estate Taxes	\$109.7	\$105.2	\$75.5	\$89.0	\$39.6	\$38.5	\$63.9	\$63.4	\$48.5				\$633.5

Variiances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Sep
MRT-1	\$3.7	\$2.1	\$7.3	\$5.1	(\$10.2)	(\$5.2)	(\$10.2)	(\$3.3)	(\$6.3)				(\$16.9)
MRT-2	2.1	2.7	3.5	3.1	(0.5)	(0.6)	2.0	(0.2)	(0.8)				11.5
Total MRT	\$5.9	\$4.9	\$10.9	\$8.2	(\$10.8)	(\$5.7)	(\$8.2)	(\$3.5)	(\$7.1)				(\$5.4)
RPTT	(\$18.3)	(\$39.3)	(\$5.7)	\$15.4	(\$17.7)	(\$36.5)	(\$30.6)	(\$17.1)	(\$11.1)				(\$160.9)
MRT	(8.8)	(4.6)	2.3	1.4	(14.2)	(8.0)	(11.8)	(4.8)	(9.6)				(57.9)
Total Urban Tax - NYCT 90% share	(\$27.1)	(\$43.9)	(\$3.4)	\$16.8	(\$31.9)	(\$44.5)	(\$42.4)	(\$21.9)	(\$20.6)				(\$218.9)
Total Real Estate Taxes	(\$21.2)	(\$39.0)	\$7.5	\$25.0	(\$42.7)	(\$50.2)	(\$50.6)	(\$25.4)	(\$27.7)				(\$224.3)
MRT-1	11.3%	6.8%	38.2%	24.5%	-38.2%	-22.7%	-29.4%	-11.5%	-22.6%				-6.9%
MRT-2	20.2%	25.8%	41.4%	34.7%	-5.4%	-5.5%	17.9%	-1.3%	-5.5%				11.8%
Total MRT	13.5%	11.6%	39.2%	27.6%	-29.2%	-17.4%	-18.0%	-8.3%	-16.9%				-1.6%
RPTT	-33.5%	-55.1%	-20.5%	75.6%	-72.7%	-90.1%	-69.2%	-57.8%	-63.3%				-48.7%
MRT	-26.6%	-14.8%	18.8%	9.9%	-67.3%	-52.4%	-47.7%	-27.9%	-56.9%				-31.3%
Total Urban Tax - NYCT 90% share	-30.9%	-43.0%	-8.5%	48.9%	-70.2%	-79.8%	-61.5%	-46.9%	-60.2%				-42.5%
Total Real Estate Taxes	-16.2%	-27.0%	11.0%	39.0%	-51.9%	-56.6%	-44.2%	-28.6%	-36.3%				-26.1%

# All Agencies – Non-Reimbursable Overtime Variance

## Aug 2020 and YTD forecast vs. variance

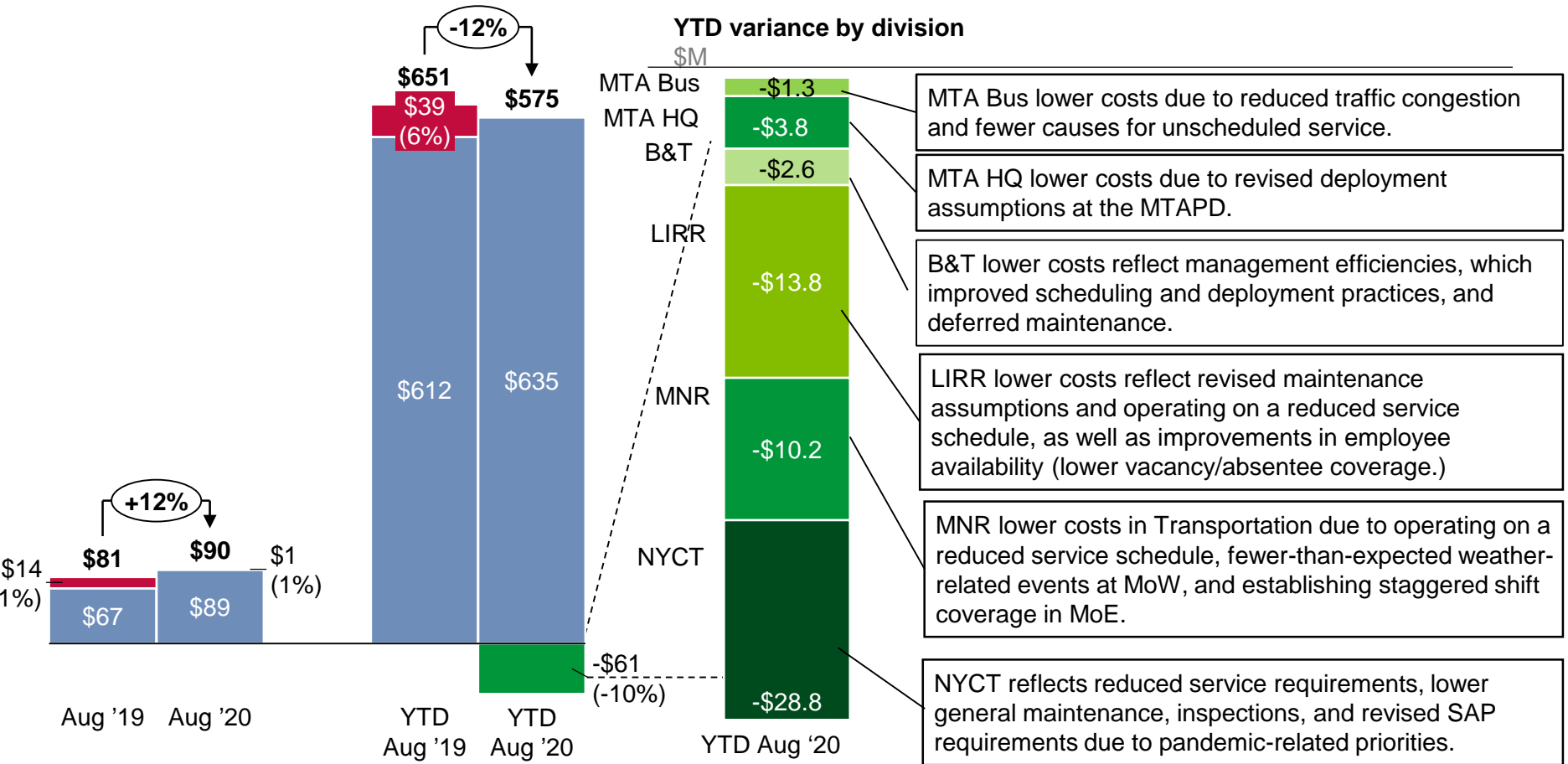
\$M

- Favorable
- Unfavorable
- Forecast

Annual forecast: \$992M

### Overview

- August topped the forecast by \$1M, or 1%, mainly at NYCT (Subways overnight closure supervision and vacancy backfill), partially offset by lower requirements at MNR (for train and engine crews), B&T (due to management efficiencies), and the LIRR (for programmatic maintenance and vacancy/absentee coverage).
- Favorable YTD variance of \$61M, or 10%, reflects Agency variances noted immediately below.



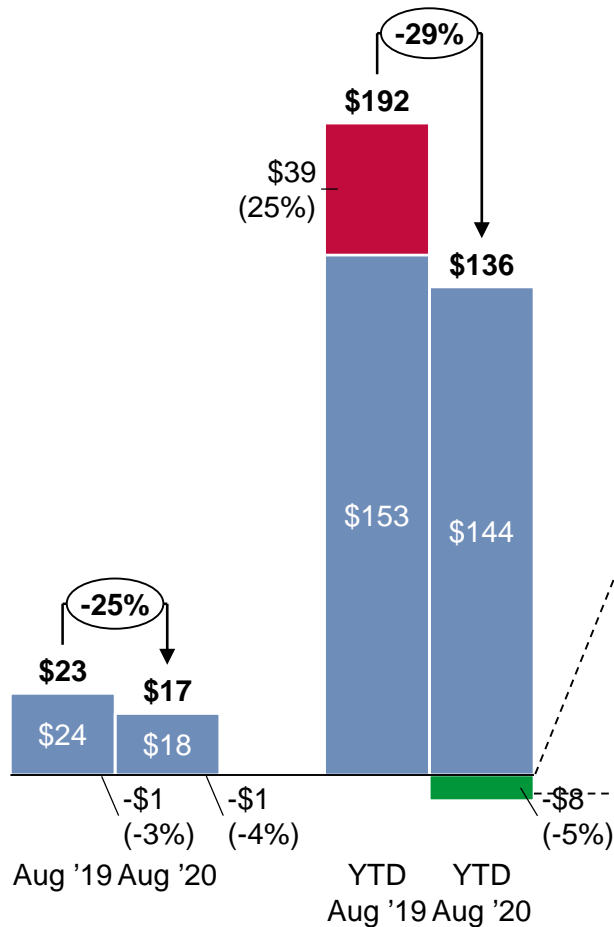
# All Agencies – Reimbursable Overtime Variance

## Aug 2020 and YTD forecast vs. variance

\$M

- Favorable
- Unfavorable
- Forecast

Annual forecast: \$217M

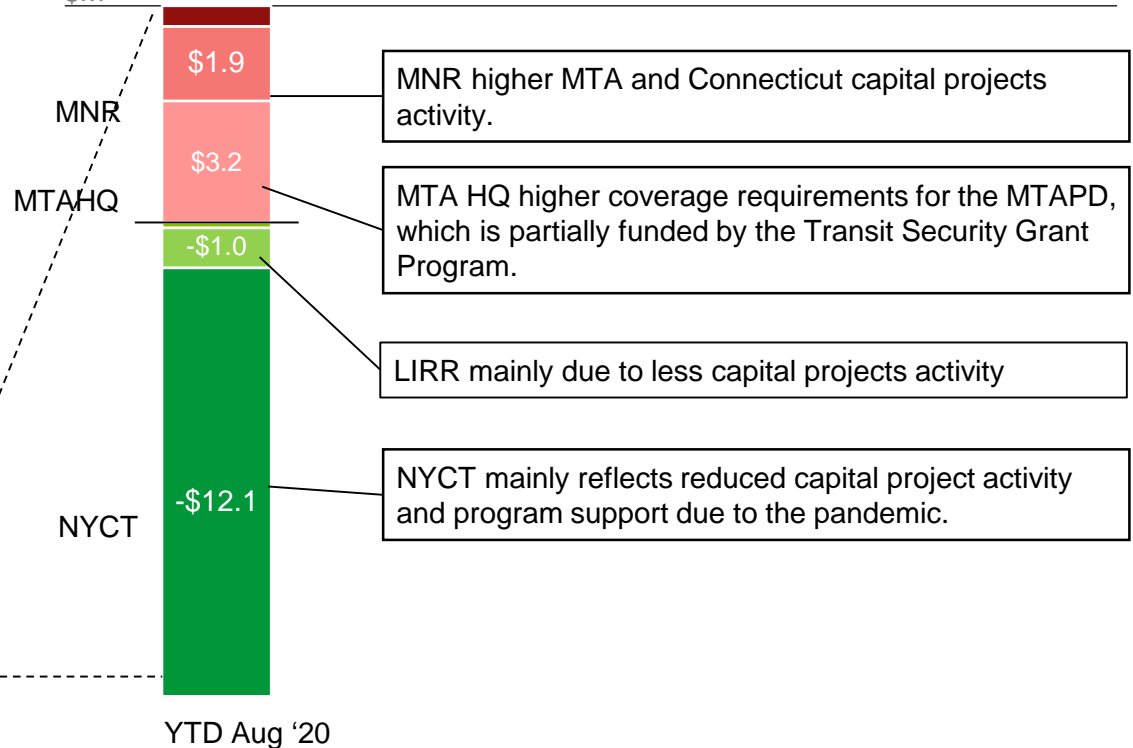


## Overview

- August costs were \$1M or 4% below forecast due mainly to lower capital project requirements at the LIRR, partially offset by higher MTAPD coverage at MTA HQ, which is partially funded by the Transit Security Grant Program.
- YTD costs were \$8M, or 5%, below forecast, and reflect Agency variances noted immediately below.

## YTD variance by division

\$M





# All Agencies – Total Overtime Variance

## Overview

### Aug 2020 and YTD forecast vs. variance

\$M

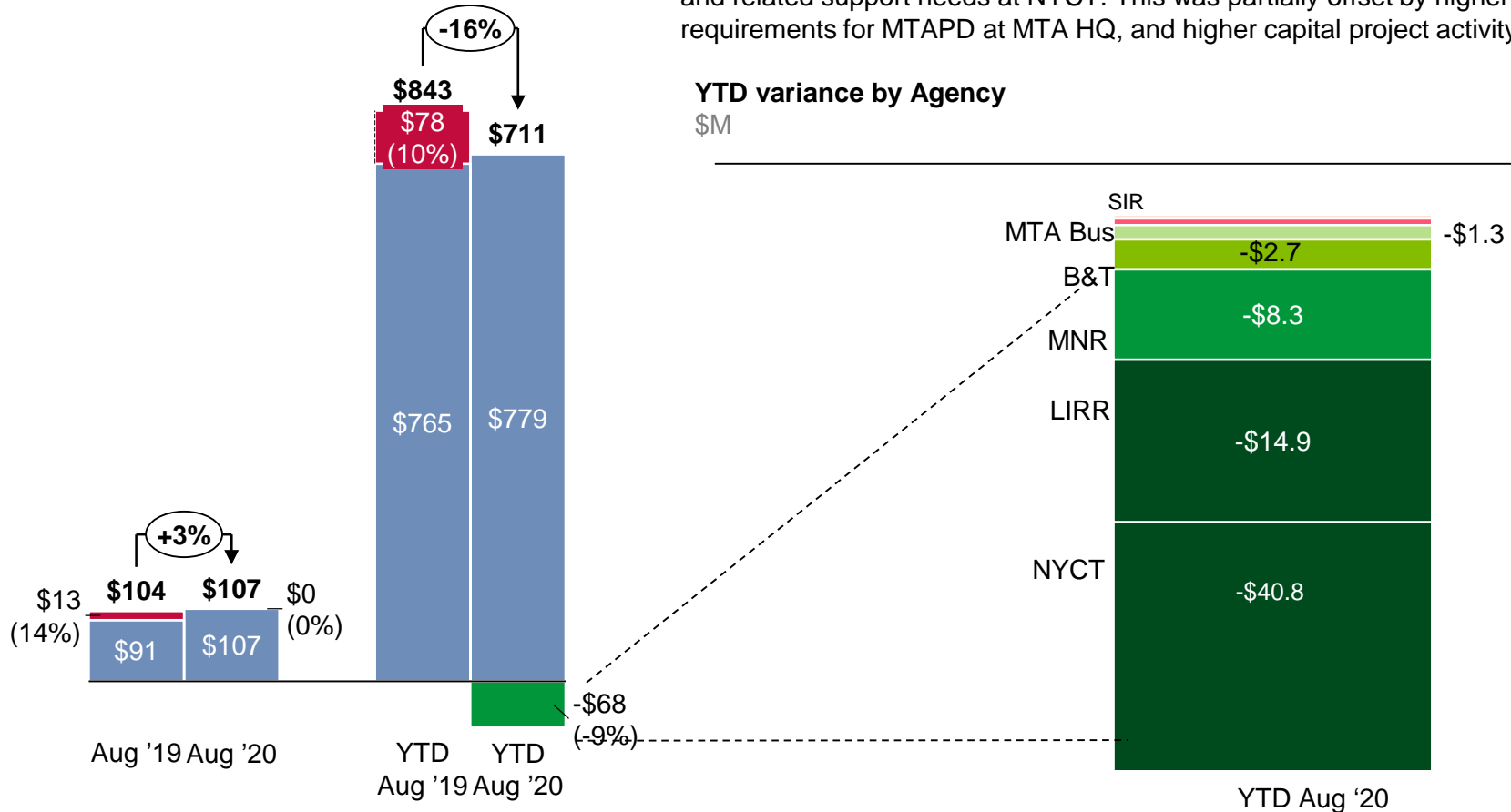
- Favorable
- Unfavorable
- Forecast

Annual forecast: \$1,209M

- August costs were \$0.2M above forecast, decreasing net YTD savings to \$68M.
- Major drivers of the favorable non-reimbursable YTD variance include: lower general maintenance, inspections, and SAP requirements at NYCT; lower maintenance requirements and vacancy/absentee coverage at the LIRR; favorable weather, staggered shifts, and revised crew requirements at MNR; lower requirements at B&T; and less traffic congestion and unscheduled service at MTA Bus.
- Favorable reimbursable YTD variance resulted solely from lower capital project activity and related support needs at NYCT. This was partially offset by higher coverage requirements for MTAPD at MTA HQ, and higher capital project activity at MNR.

### YTD variance by Agency

\$M



# BUDGETWATCH

## Regional Economy Report

### New York City Employment

#### Sectors with Year-over-Year Employment Gains

None

#### Sectors with Year-over-Year Employment Losses

- Construction, Mining, Natural Resources
- Financial Activities
- Information
- Manufacturing
- Professional & Business Service
- Transportation, Utilities
- Education & Health Services
- Government
- Leisure & Hospitality
- Other Service
- Trade

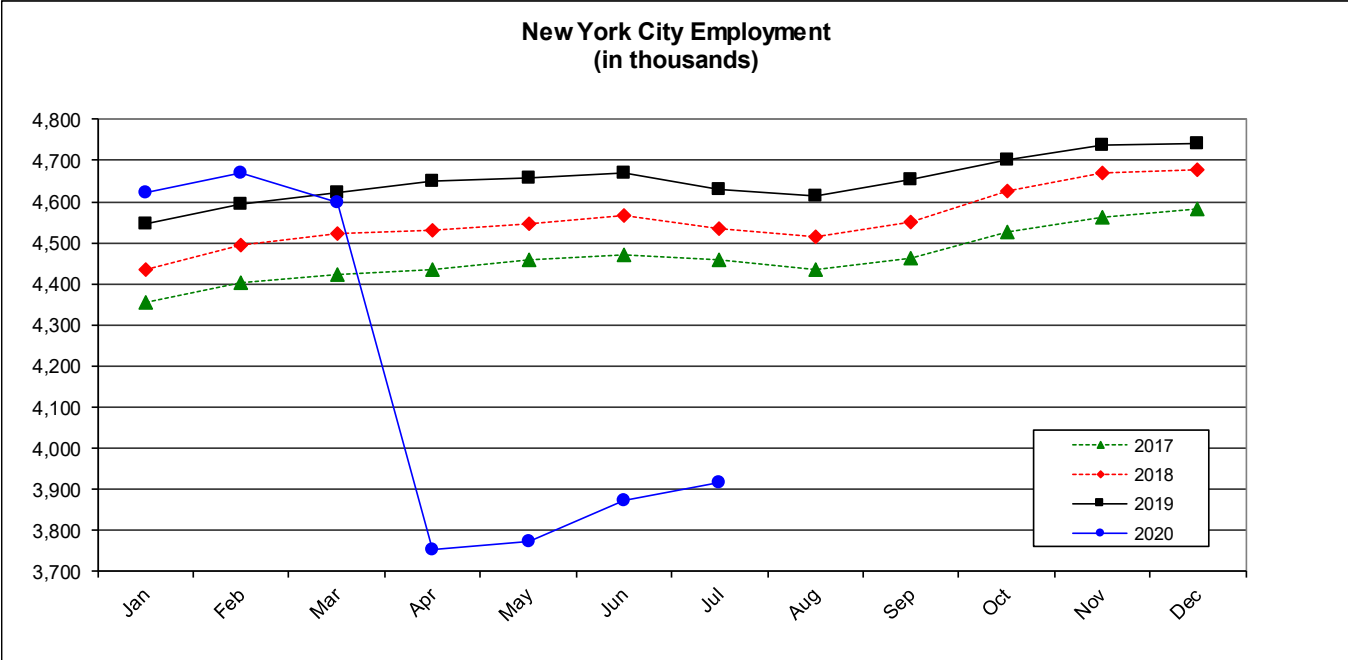
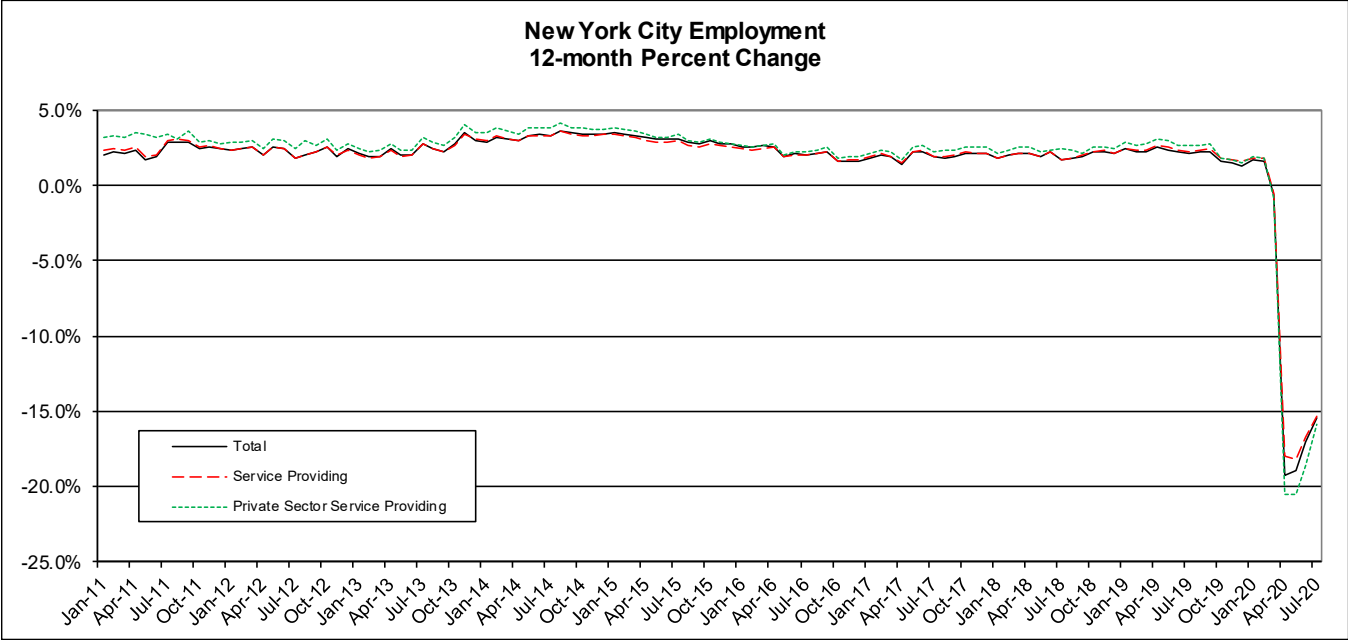
New York City Employment (in thousands)				Jul-20 versus			
	Prelim Jul-20	Revised Jun-20	Jul-19	Jun-20		Jul-19	
				Net	Pct	Net	Pct
<b>Total Employment</b>	<b>3,916.8</b>	<b>3,875.0</b>	<b>4,631.5</b>	<b>41.8</b>	<b>1.1%</b>	<b>(714.7)</b>	<b>-15.4%</b>
<b>Goods Producing</b>	<b>190.0</b>	<b>178.5</b>	<b>229.5</b>	<b>11.5</b>	<b>6.4%</b>	<b>(39.5)</b>	<b>-17.2%</b>
Construction, Mining, Nat Res	136.2	124.8	162.7	11.4	9.1%	(26.5)	-16.3%
Manufacturing	53.8	53.7	66.8	0.1	0.2%	(13.0)	-19.5%
<b>Service Providing</b>	<b>3,726.8</b>	<b>3,696.5</b>	<b>4,402.0</b>	<b>30.3</b>	<b>0.8%</b>	<b>(675.2)</b>	<b>-15.3%</b>
Transportation, Utilities	106.5	101.2	142.8	5.3	5.2%	(36.3)	-25.4%
Trade	417.7	392.7	483.6	25.0	6.4%	(65.9)	-13.6%
Information	200.4	198.8	213.4	1.6	0.8%	(13.0)	-6.1%
Financial Activities	456.3	453.9	490.9	2.4	0.5%	(34.6)	-7.0%
Professional & Business Svcs	692.4	684.3	802.7	8.1	1.2%	(110.3)	-13.7%
Education & Health Svcs	961.7	958.1	1,022.7	3.6	0.4%	(61.0)	-6.0%
Leisure & Hospitality	222.1	199.1	471.8	23.0	11.6%	(249.7)	-52.9%
Other Services	158.0	143.9	193.8	14.1	9.8%	(35.8)	-18.5%
Government	511.7	564.5	580.3	(52.8)	-9.4%	(68.6)	-11.8%

Preliminary July 2020 employment in New York City reflects the impact of the COVID-19 pandemic on employment levels, with a loss of 714,700 jobs (15.4%) when compared to last July's employment level. April marks the fifth consecutive month in which employment has declined over its level from one year earlier, after 119 consecutive months of increases ended with declines in March 2020. Decreases were significant across all sectors, but hardest hit were Leisure & Hospitality, down 294,700 jobs (52.9%), and Professional & Business Services, down 110,300 jobs (13.7%).

Employment in New York City's service-providing sectors decreased by 675,200 jobs (15.3%) over the July 2019 level; in February, year-over-year growth totaled 78,200 jobs (1.8%). Private-sector service-providing employment in New York City decreased by 606,600 jobs (15.9%), the fifth consecutive month of year-to-year decline after 120 consecutive months of increases ended in February.

# BUDGETWATCH

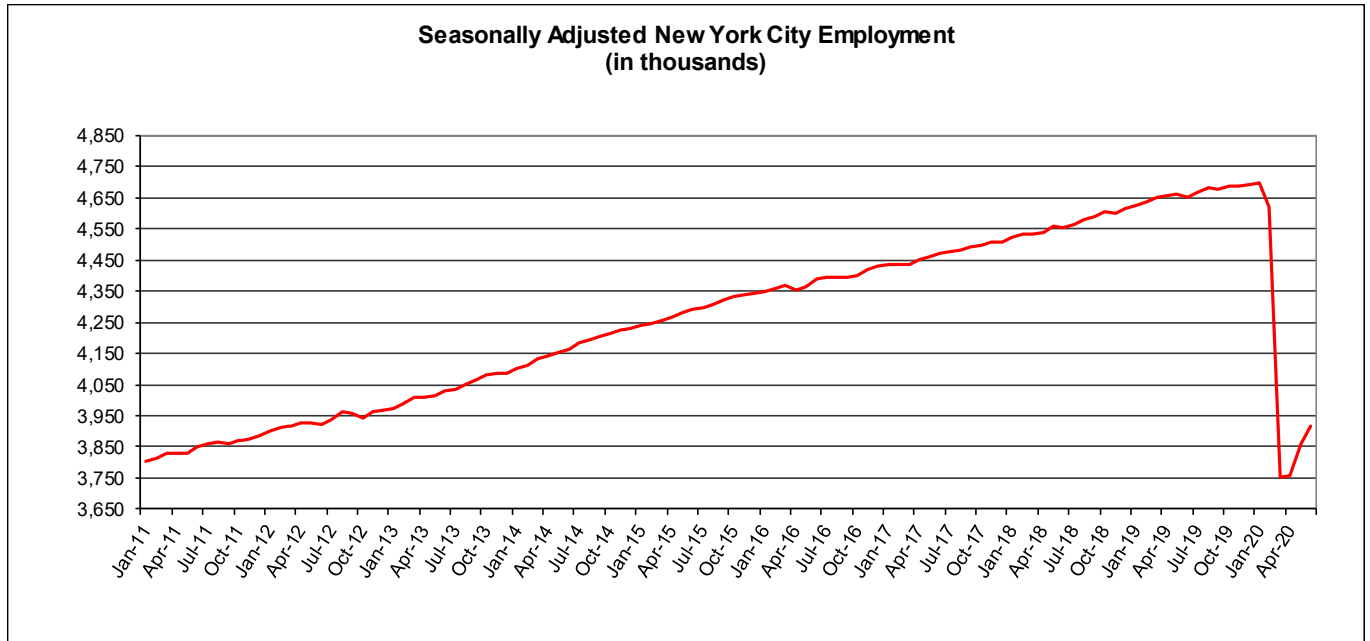
## Regional Economy Report



# BUDGETWATCH

## Regional Economy Report

In July 2020, seasonally adjusted New York City employment of 3.92 million was lower than in July 2019 by 734,400 jobs (15.79%); July seasonally adjusted employment was 56,000 jobs greater than last month, a 1.45% increase, the third monthly increase since employment bottomed in April.

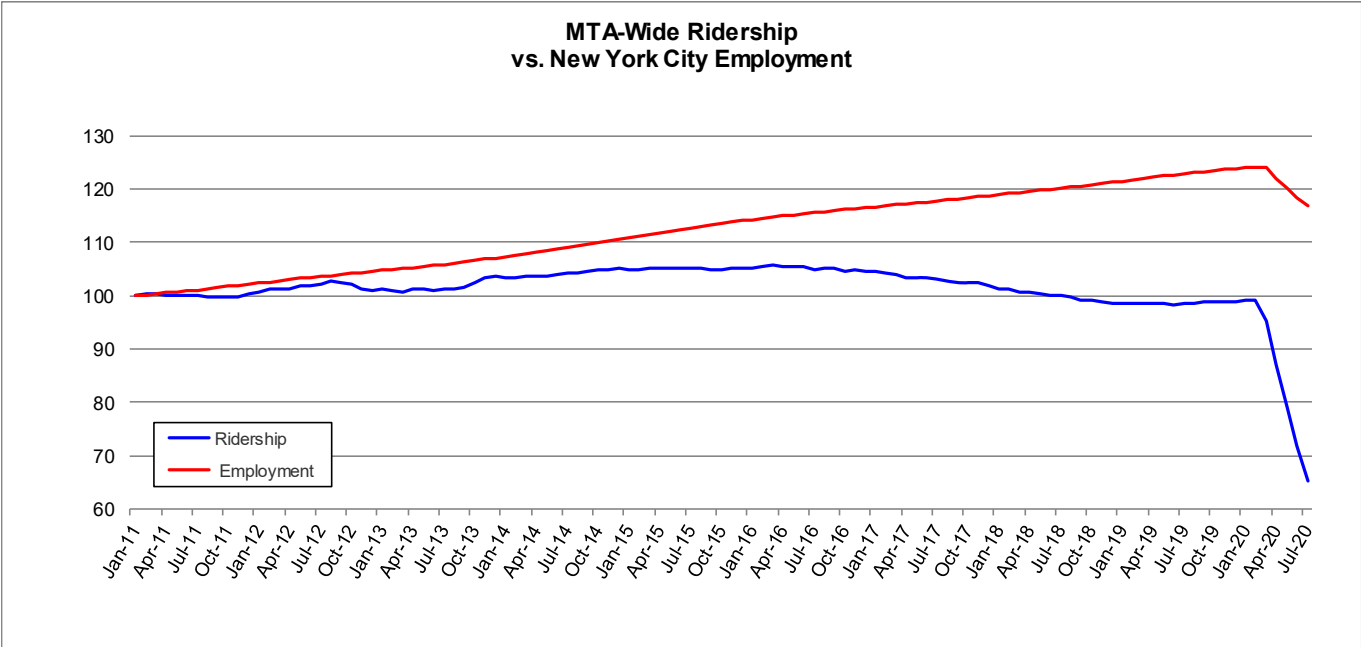


### Ridership and Employment

In December 2008, the twelve-month moving average for employment began to decline after increasing in 56 of the previous 59 months. For sixteen consecutive months – though March 2010 – the twelve-month moving average fell, and employment levels declined by 3%. Beginning with April 2010, the twelve-month employment average increased with no interruption for 119 consecutive months through February 2020. Considering the more recent period since January 2011, the twelve-month average for employment increased by 24.1% through February 2020, while the 12-month average MTA-wide ridership fell by 0.7%. Over the past five months, however, the impact of the COVID-19 pandemic has altered the trajectories of both, with employment standing at just 16.8% of the January 2011 level, while MTA-wide ridership is 34.8% below its January 2011 level.

# BUDGETWATCH

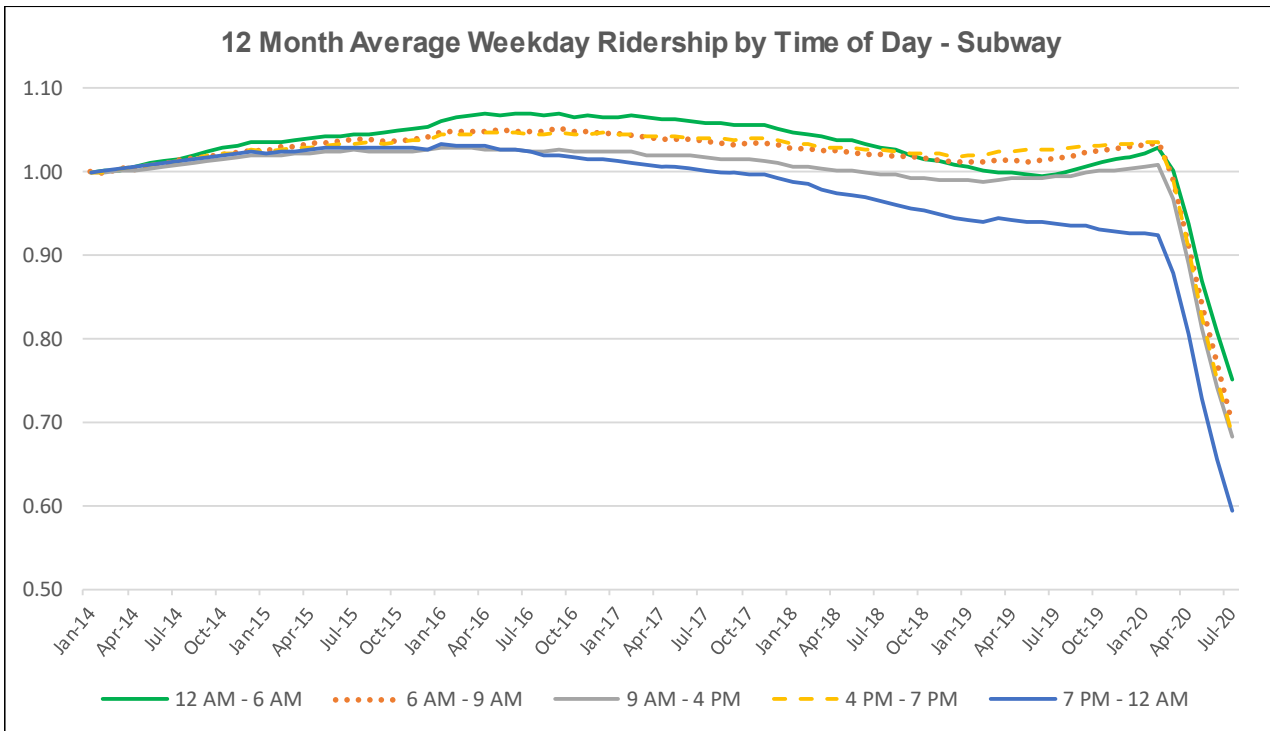
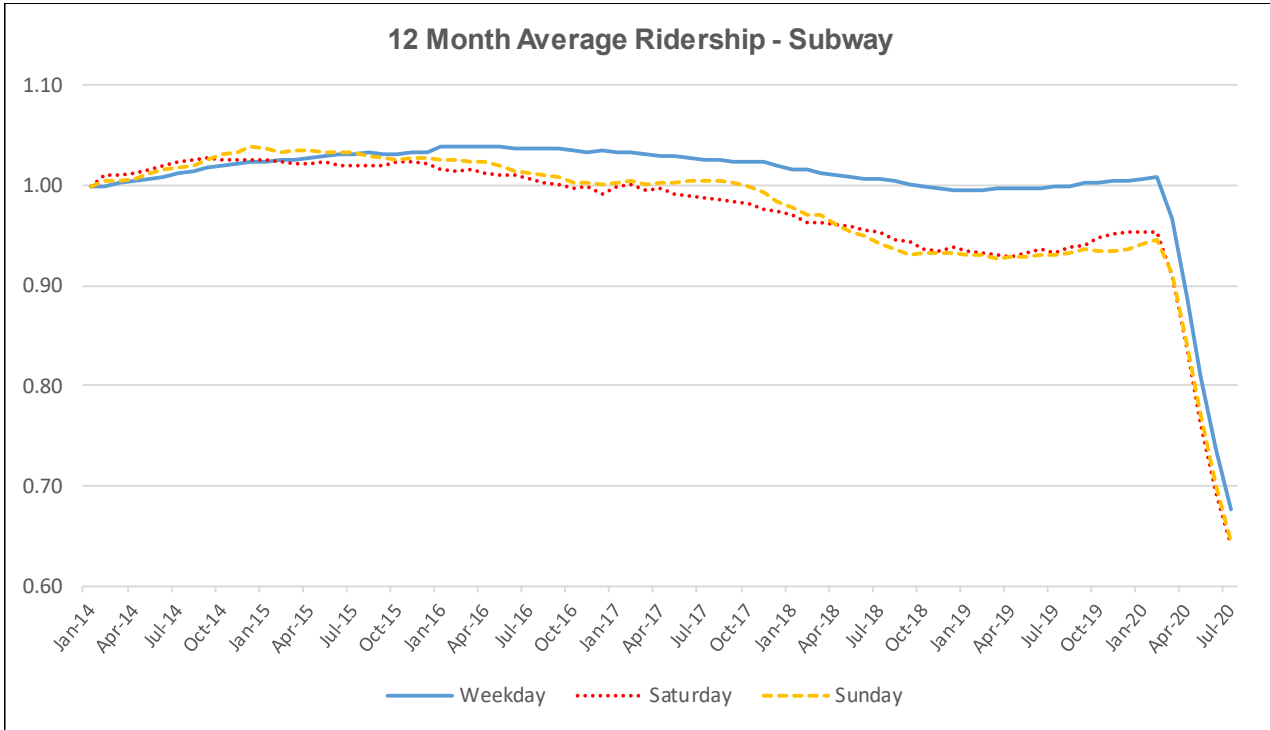
## Regional Economy Report



# BUDGETWATCH

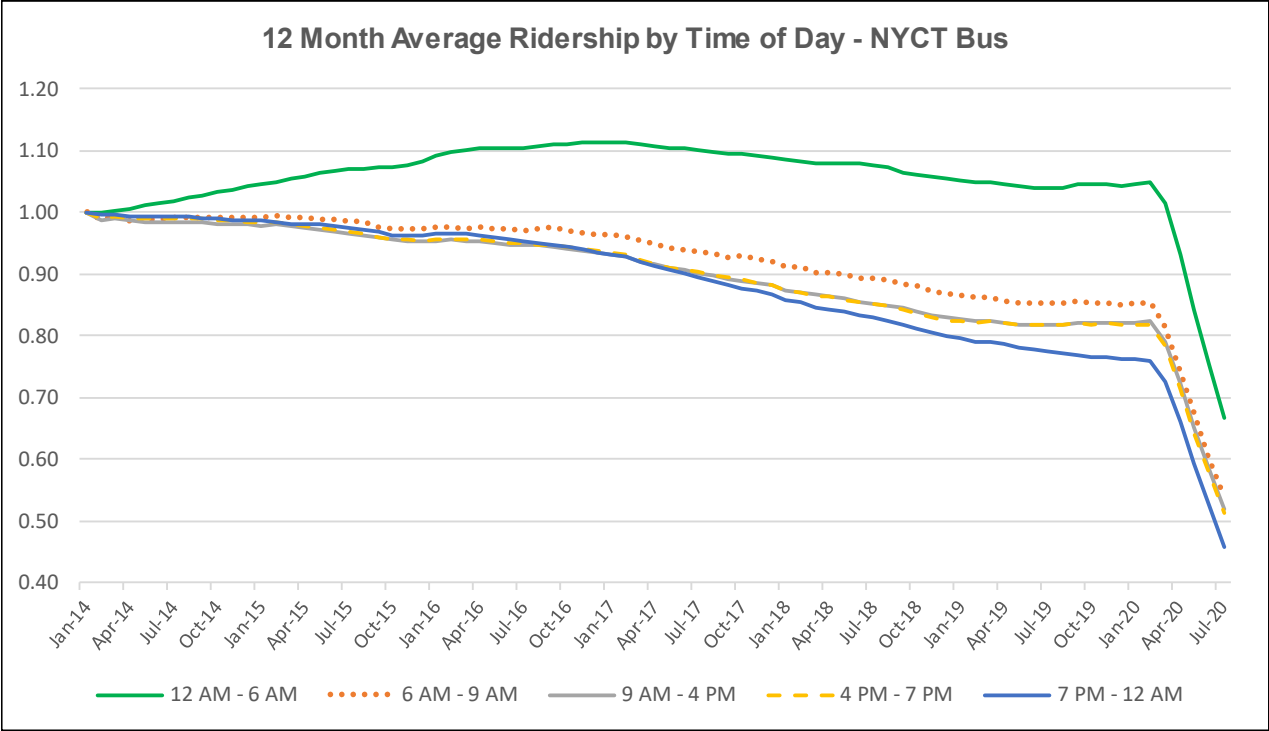
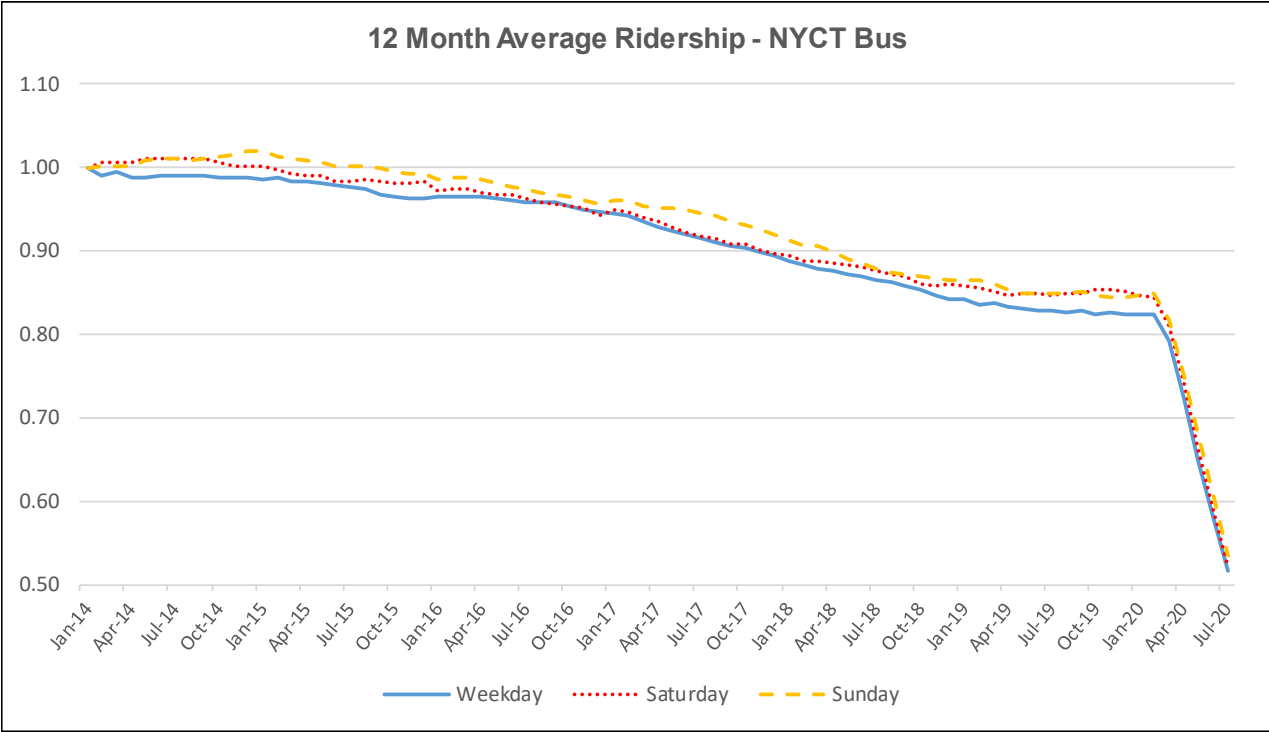
## Regional Economy Report

The following ridership and vehicular traffic trend graphs depict 12-month averages; for example, the January 2014 data point is the average of February 2013 to January 2014, and the February 2014 data point is the average of March 2013 to February 2014, providing a visual representation of trends over time. Further, data have been standardized to 1.0, allowing for an easier comparison of trends on a single graph.



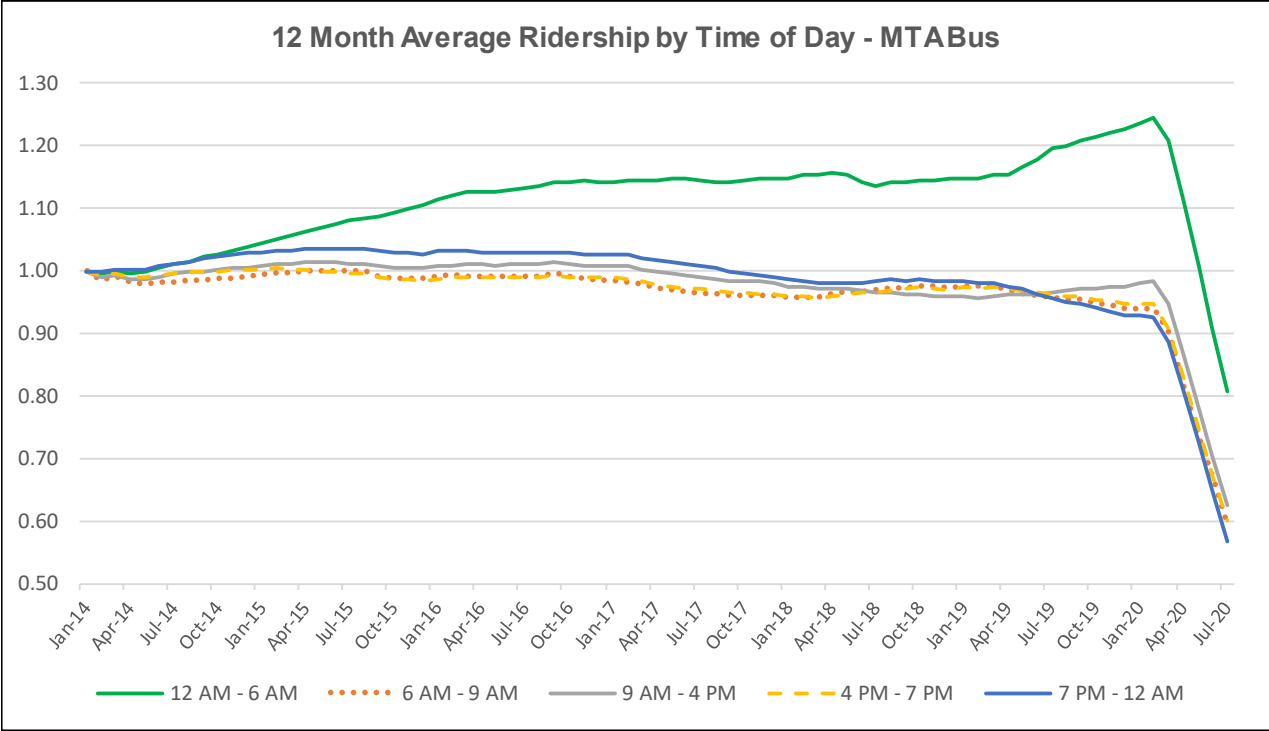
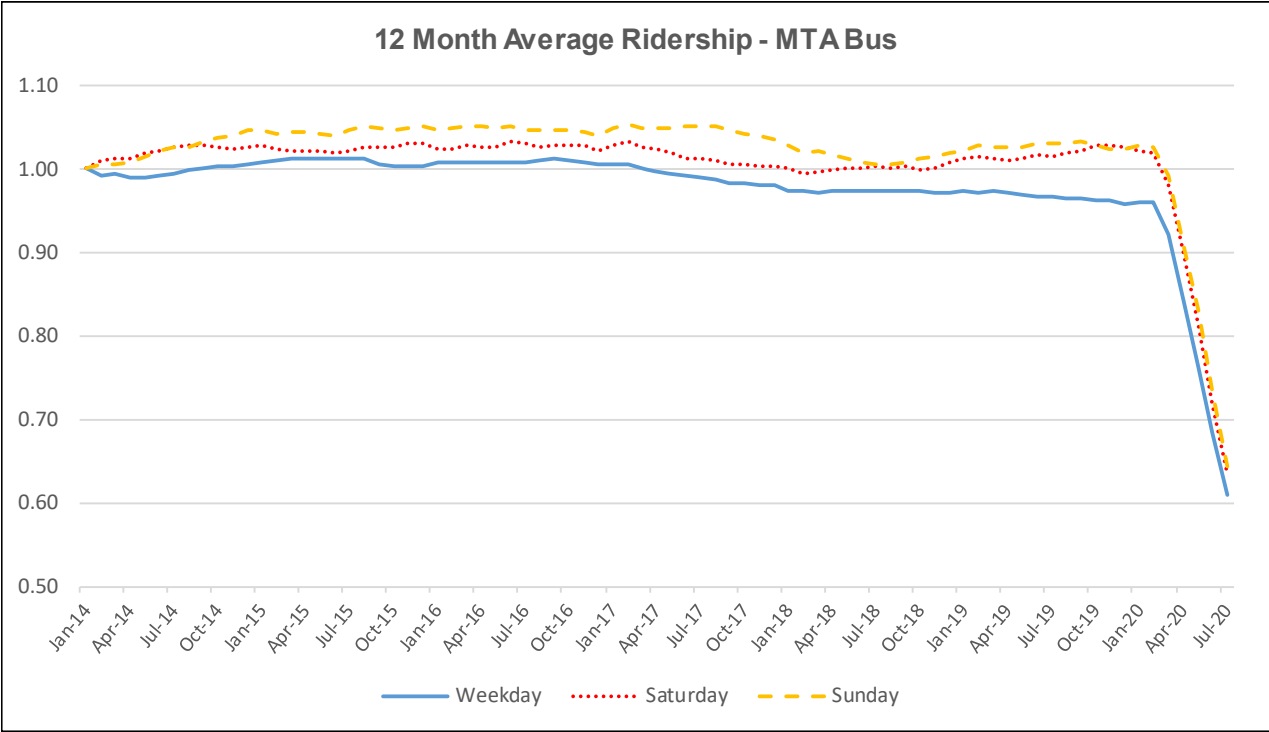
# BUDGETWATCH

## Regional Economy Report



# BUDGETWATCH

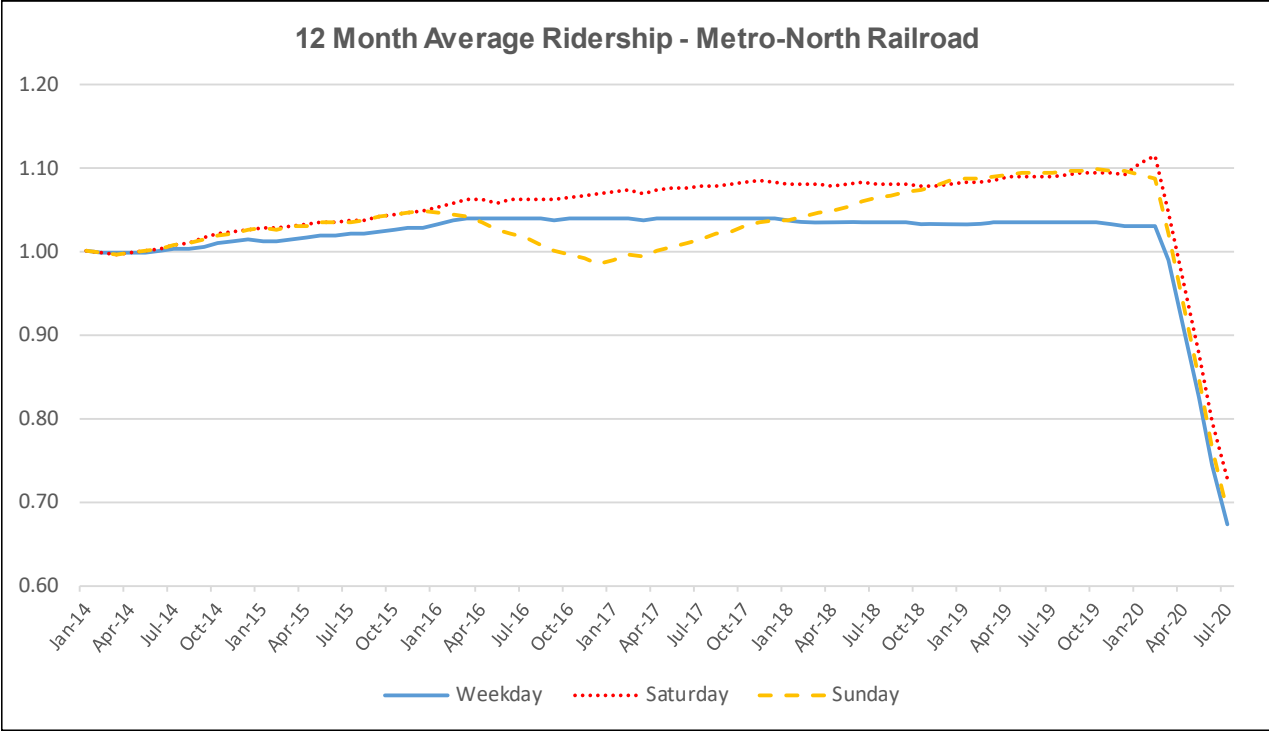
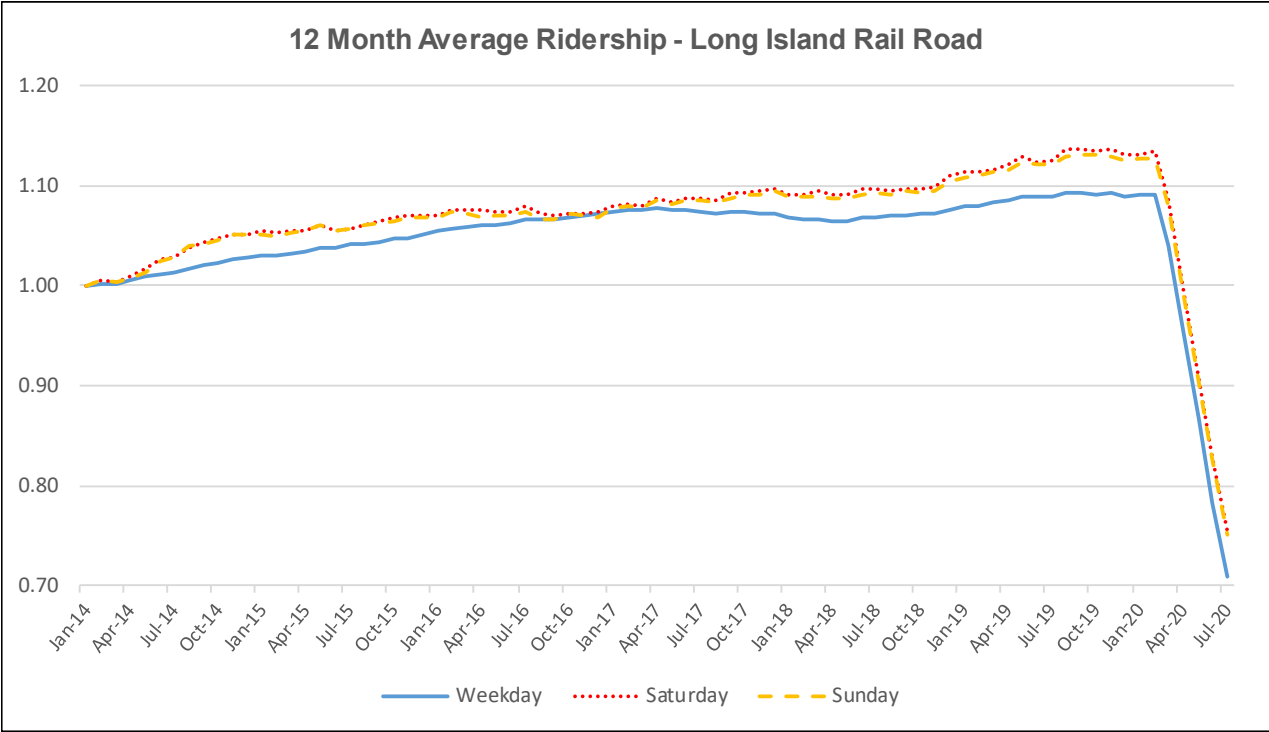
## Regional Economy Report





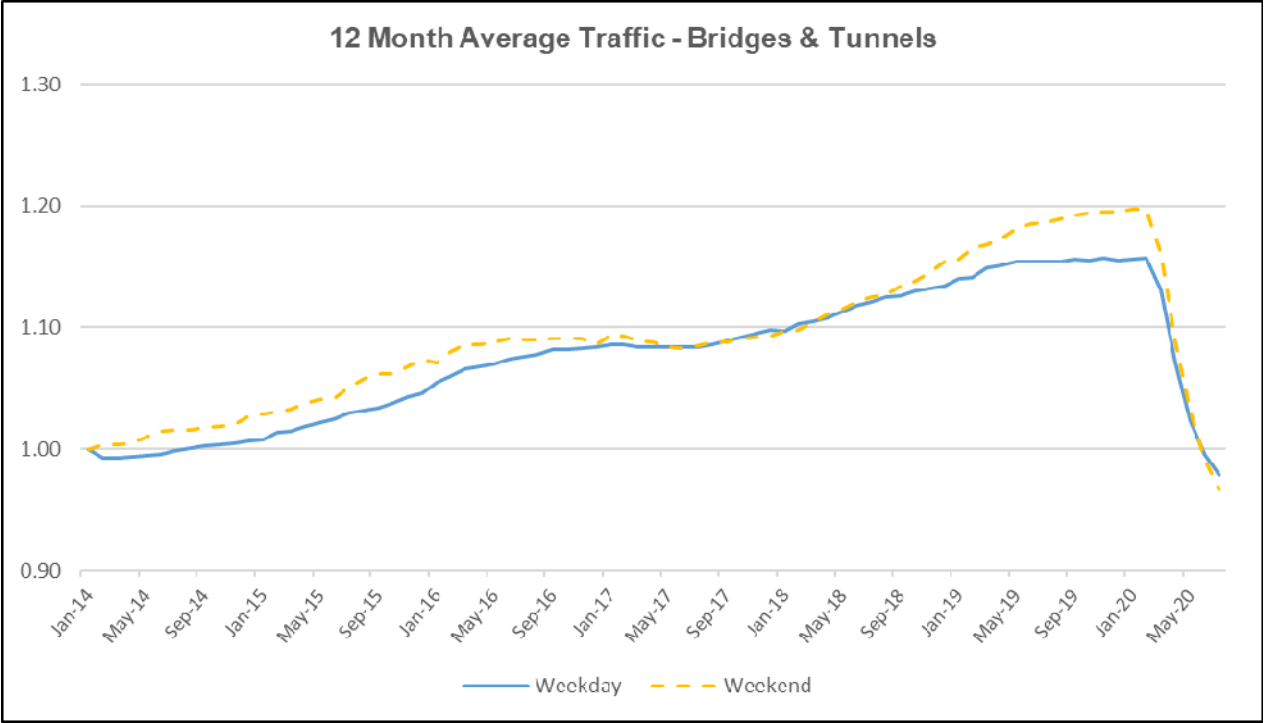
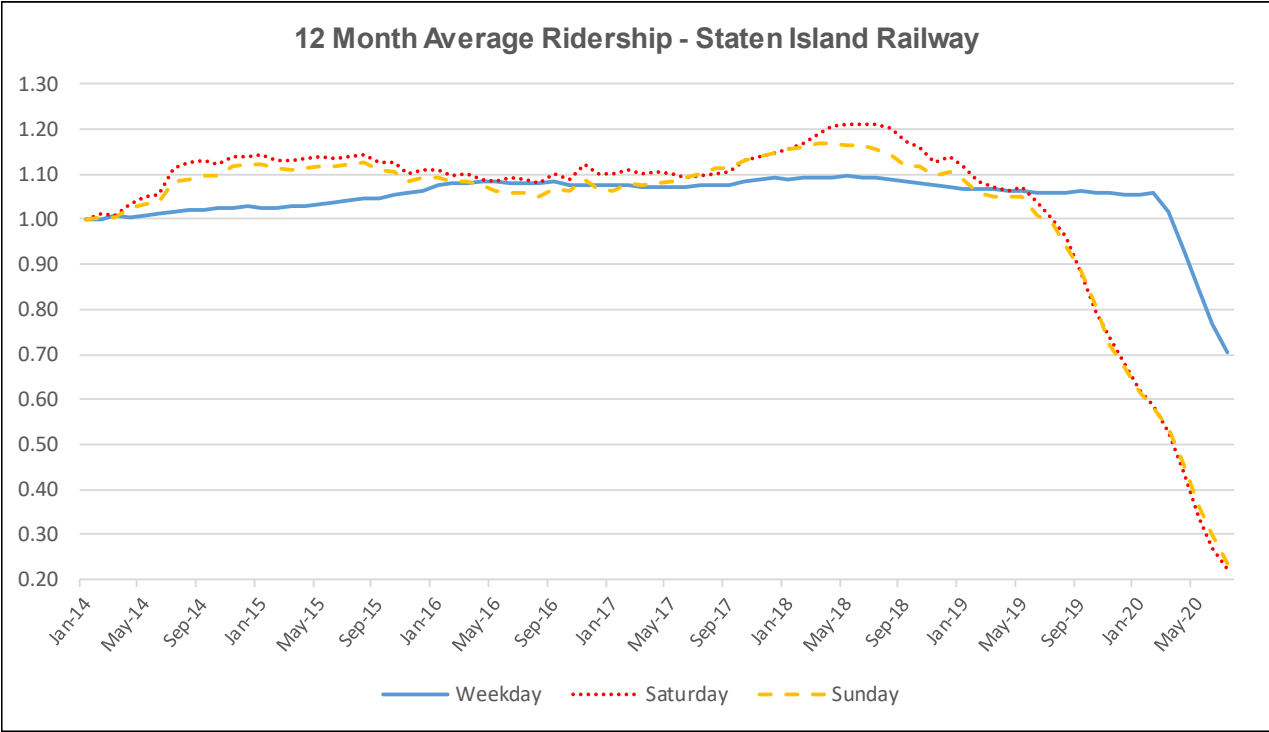
# BUDGETWATCH

## Regional Economy Report



# BUDGETWATCH

## Regional Economy Report



# BUDGETWATCH

## Regional Economy Report

### Consumer Price Index

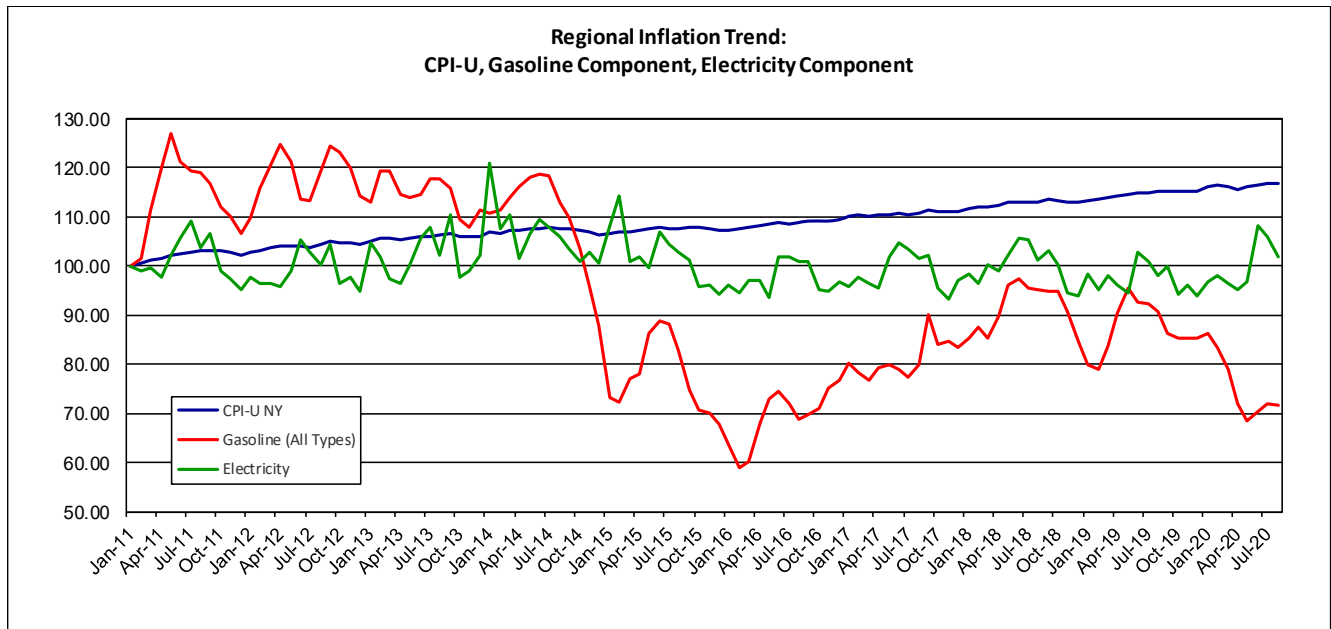
#### Goods Reporting Month-over-Month Price Increases

- Apparel
- Medical Care
- Food

#### Goods Reporting Month-over-Month Price Declines

- Electricity
- Transportation
- Gasoline

	Aug-20 versus						
				Jul-20		Aug-19	
	Aug-20	Jul-20	Aug-19	Net	Pct	Net	Pct
<b>Regional CPI-U</b>	<b>283.48</b>	<b>283.62</b>	<b>279.43</b>	(0.15)	-0.1%	4.05	1.4%
Medical Care Component	539.80	539.19	516.14	0.62	0.1%	23.66	4.6%
Electricity Component	185.85	193.78	179.31	(7.93)	-4.1%	6.54	3.6%
Gasoline (all grades) Component	177.65	178.66	224.96	(1.01)	-0.6%	(47.31)	-21.0%
<b>National CPI-U</b>	<b>259.92</b>	<b>259.10</b>	<b>256.56</b>	0.82	0.3%	3.36	1.3%

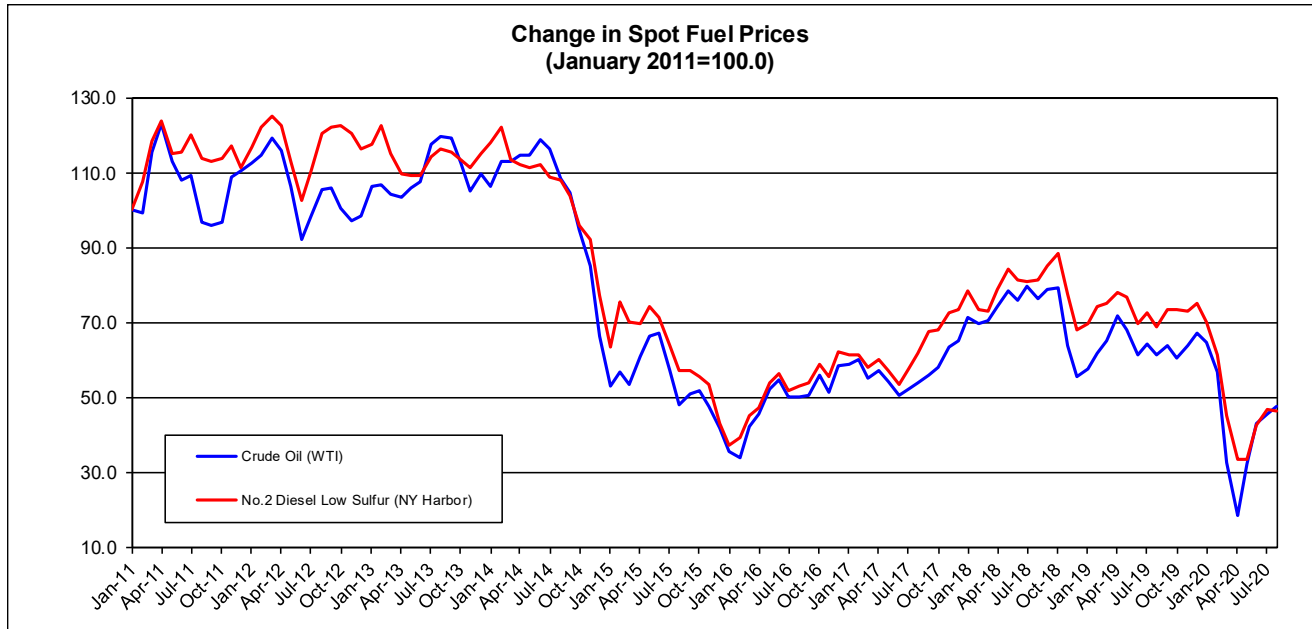


# BUDGETWATCH

## Regional Economy Report

### Fuel Prices

Fuel - Spot Prices <i>NY Harbor, except Crude Oil (WTI)</i>	Latest Price:			Aug-20 versus		
	8/31/20	Aug-20	Jul-20	Aug-19	Jul-20	Aug-19
Crude Oil (\$/bbl)	42.61	42.34	40.71	54.81	4.0%	-22.8%
Conventional Regular Gasoline (\$/gal)	1.24	1.25	1.22	1.69	2.3%	-26.3%
Low Sulfur No.2 Diesel Fuel (\$/gal)	1.19	1.23	1.24	1.82	-1.1%	-32.8%
No.2 Heating Oil (\$/gal)	1.14	1.18	1.19	1.80	-0.6%	-34.3%



# BUDGETWATCH

## Regional Economy Report

Nassau, Suffolk Employment (in thousands)				Jul-20 versus			
	Prelim	Revised	Jul-19	Jun-20		Jul-19	
	Jul-20	Jun-20		Net	Percent	Net	Percent
<b>Total Employment</b>	<b>1,191.3</b>	<b>1,175.6</b>	<b>1,364.8</b>	<b>15.7</b>	<b>1.3%</b>	<b>-173.5</b>	<b>-12.7%</b>
<b>Goods Producing</b>	<b>144.0</b>	<b>140.2</b>	<b>158.2</b>	<b>3.8</b>	<b>2.7%</b>	<b>-14.2</b>	<b>-9.0%</b>
Construction, Mining, Nat Res	80.8	78.1	86.8	2.7	3.5%	-6.0	-6.9%
Manufacturing	63.2	62.1	71.4	1.1	1.8%	-8.2	-11.5%
<b>Service Providing</b>	<b>1,047.3</b>	<b>1,035.4</b>	<b>1,206.6</b>	<b>11.9</b>	<b>1.1%</b>	<b>-159.3</b>	<b>-13.2%</b>
Transportation, Utilities	30.5	30.9	40.8	-0.4	-1.3%	-10.3	-25.2%
Trade	207.6	200.3	228.5	7.3	3.6%	-20.9	-9.1%
Information	14.5	14.4	15.7	0.1	0.7%	-1.2	-7.6%
Financial Activities	65.9	65.9	70.6	0.0	0.0%	-4.7	-6.7%
Professional & Business Svcs	156.9	155.5	175.7	1.4	0.9%	-18.8	-10.7%
Education & Health Svcs	249.1	246.9	277.2	2.2	0.9%	-28.1	-10.1%
Leisure & Hospitality	93.7	75.6	145.8	18.1	23.9%	-52.1	-35.7%
Other Services	55.1	54.4	60.4	0.7	1.3%	-5.3	-8.8%
Government	174.0	191.5	191.9	-17.5	-9.1%	-17.9	-9.3%

Orange, Rockland, Westchester Employment (in thousands)				Jul-20 versus			
	Prelim	Revised	Jul-19	Jun-20		Jul-19	
	Jul-20	Jun-20		Net	Percent	Net	Percent
<b>Total Employment</b>	<b>631.5</b>	<b>624.2</b>	<b>740.4</b>	<b>7.3</b>	<b>1.2%</b>	<b>-108.9</b>	<b>-14.7%</b>
<b>Goods Producing</b>	<b>65.8</b>	<b>65.2</b>	<b>76.6</b>	<b>0.6</b>	<b>0.9%</b>	<b>-10.8</b>	<b>-14.1%</b>
Construction, Mining, Nat Res	39.6	39.0	47.0	0.6	1.5%	-7.4	-15.7%
Manufacturing	26.2	26.2	29.6	0.0	0.0%	-3.4	-11.5%
<b>Service Providing</b>	<b>565.7</b>	<b>559.0</b>	<b>663.8</b>	<b>6.7</b>	<b>1.2%</b>	<b>-98.1</b>	<b>-14.8%</b>
Transportation, Utilities	21.1	21.1	24.8	0.0	0.0%	-3.7	-14.9%
Trade	101.9	98.8	113.2	3.1	3.1%	-11.3	-10.0%
Information	11.3	11.5	11.8	-0.2	-1.7%	-0.5	-4.2%
Financial Activities	36.4	36.2	38.3	0.2	0.6%	-1.9	-5.0%
Professional & Business Svcs	84.8	85.8	97.4	-1.0	-1.2%	-12.6	-12.9%
Education & Health Svcs	151.7	150.3	158.0	1.4	0.9%	-6.3	-4.0%
Leisure & Hospitality	38.7	31.5	74.7	7.2	22.9%	-36.0	-48.2%
Other Services	24.3	20.9	32.8	3.4	16.3%	-8.5	-25.9%
Government	95.5	102.9	112.8	-7.4	-7.2%	-17.3	-15.3%

Dutchess, Putnam Employment (in thousands)				Jul-20 versus			
	Prelim	Revised	Jul-19	Jun-20		Jul-19	
	Jul-20	Jun-20		Net	Percent	Net	Percent
<b>Total Employment</b>	<b>130.9</b>	<b>129.8</b>	<b>149.1</b>	<b>1.1</b>	<b>0.8%</b>	<b>-18.2</b>	<b>-12.2%</b>
<b>Goods Producing</b>	<b>18.3</b>	<b>18.1</b>	<b>18.1</b>	<b>0.2</b>	<b>1.1%</b>	<b>0.2</b>	<b>1.1%</b>
Construction, Mining, Nat Res	10.0	9.8	9.0	0.2	2.0%	1.0	11.1%
Manufacturing	8.3	8.3	9.1	0.0	0.0%	-0.8	-8.8%
<b>Service Providing</b>	<b>112.6</b>	<b>111.7</b>	<b>131.0</b>	<b>0.9</b>	<b>0.8%</b>	<b>-18.4</b>	<b>-14.0%</b>
Transportation, Utilities	3.4	3.4	4.1	0.0	0.0%	-0.7	-17.1%
Trade	18.8	18.3	20.2	0.5	2.7%	-1.4	-6.9%
Information	1.8	1.8	1.9	0.0	0.0%	-0.1	-5.3%
Financial Activities	5.0	4.9	5.1	0.1	2.0%	-0.1	-2.0%
Professional & Business Svcs	11.5	11.9	13.7	-0.4	-3.4%	-2.2	-16.1%
Education & Health Svcs	33.7	33.6	36.7	0.1	0.3%	-3.0	-8.2%
Leisure & Hospitality	9.8	7.9	17.2	1.9	24.1%	-7.4	-43.0%
Other Services	5.9	5.4	6.8	0.5	9.3%	-0.9	-13.2%
Government	22.7	24.5	25.3	-1.8	-7.3%	-2.6	-10.3%

# BUDGETWATCH

## Regional Economy Report

