

BUDGETWATCH

October 2018 Flash Report

Overall Latest Condition (reporting on operations through September and subsidies through October):

Passenger Revenues were slightly below the Mid-Year Forecast in September, marginally increasing the unfavorable YTD variance to \$12.4 million. For the month, both subways and buses exceeded their forecasts due primarily to a quarterly average fare adjustment for unlimited-ride MetroCards at NYCT; however, this was offset by unfavorable results at the Commuter Railroads and MTA Bus due to lower ridership. While YTD results continue to reflect lower ridership on subways and the Commuter Railroads, bus ridership remains favorable at NYCT and MTA Bus. Toll revenue was unfavorable for the month, reflecting lower average toll, but remains favorable YTD.

Preliminary Expenses in September were on target, with YTD expenses favorable by \$110.8 million. Agency-wide favorable timing variances and vacancy savings, coupled with higher overhead reimbursements from capital project activity, E-ZPass customer service center efficiency savings and lower non-payroll spending were partially offset by overages in overtime and increases in claim reserves. Debt Service costs were favorable for the month and YTD, resulting from refunding transactions and lower than budgeted variable rates.

Subsidies were unfavorable in October by \$3.1 million, decreasing YTD favorable results to \$4.1 million. Included in the YTD results are slightly unfavorable Payroll Mobility Tax (PMT) and Mortgage Recording Tax (MRT), and an unfavorable timing impact for MTA Aid; adjusted for timing, YTD subsidies would be favorable by about \$18 million. The Urban Tax was on target for October and remained \$31 million favorable YTD, while MRT receipts were \$7.6 million unfavorable, increasing the unfavorable YTD variance to \$8.9 million.

Overall, preliminary net results were on target for the month and remain favorable YTD. However, reversal of timing-related variances for expenses will offset some of the favorable results, while the MTA Aid catch-up will have a favorable impact. Passenger revenues for Subways and the Commuter Railroads continue to be of concern.

Passenger and Toll Revenues

YTD September 2018 (\$ in millions)					Month of September 2018 (\$ in millions)				
	Actual	Mid-Year Forecast	Diff	%Diff		Actual	Mid-Year Forecast	Diff	%Diff
NYCT:					NYCT:				
Subway	\$2,546.5	\$2,554.0	(\$7.5)	-0.3%	Subway	\$278.8	\$278.5	\$0.3	0.1%
Bus	699.0	697.4	1.7	0.2%	Bus	77.1	75.7	1.5	2.0%
Other	<u>73.7</u>	<u>72.7</u>	<u>1.0</u>	<u>1.4%</u>	Other	<u>8.3</u>	<u>8.0</u>	<u>0.3</u>	<u>3.9%</u>
NYCT	\$3,319.3	\$3,324.1	(\$4.8)	-0.1%	NYCT	\$364.2	\$362.1	\$2.1	0.6%
MTA Bus	163.3	162.4	0.9	0.6%	MTA Bus	17.2	17.9	(0.6)	-3.4%
LIRR	550.7	554.2	(3.5)	-0.6%	LIRR	62.0	62.8	(0.8)	-1.3%
MNR	<u>547.8</u>	<u>552.8</u>	<u>(5.1)</u>	<u>-0.9%</u>	MNR	<u>61.8</u>	<u>63.3</u>	<u>(1.5)</u>	<u>-2.4%</u>
Sub-total	\$4,581.0	\$4,593.5	(\$12.4)	-0.3%	Sub-total	\$505.2	\$506.1	(\$0.9)	-0.2%
B&T	<u>1,470.8</u>	<u>1,463.3</u>	<u>7.5</u>	<u>0.5%</u>	B&T	<u>164.7</u>	<u>166.3</u>	<u>(1.5)</u>	<u>-0.9%</u>
Total	\$6,051.9	\$6,056.8	(\$4.9)	-0.1%	Total	\$669.9	\$672.4	(\$2.4)	-0.4%

For the month, **passenger revenues** were unfavorable by \$0.9 million, or 0.2%. Lower ridership was responsible for unfavorable results at the Commuter railroads and MTA Bus, while NYCT was virtually on target due to favorable quarterly average fare adjustments associated with MetroCard unlimited-ride passes partly offset by the impact of lower ridership. YTD results were likewise unfavorable, reflecting the MetroCard average fare adjustment along with lower subway and Commuter Railroad ridership, marginally offset by higher bus ridership. **Toll revenues** were unfavorable for the month due to lower average tolls; the YTD result was favorable due to higher than anticipated traffic levels.

Total Operating Expenses before Non-Cash Liability Adjustments

YTD September 2018 (\$ in millions)					Month of September 2018 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	%Diff	Actual	Forecast	Diff	%Diff	
NYCT	\$6,351.6	\$6,341.9	(\$9.7)	-0.2%	NYCT	\$694.5	\$681.1	(\$13.4)	-2.0%
MTA Bus	584.0	599.2	15.2	2.5%	MTA Bus	68.6	67.3	(1.3)	-2.0%
LIRR	1,095.4	1,168.1	72.7	6.2%	LIRR	122.9	136.3	13.4	9.9%
MNR	986.3	992.3	5.9	0.6%	MNR	112.2	107.8	(4.4)	-4.1%
B&T	360.1	386.8	26.7	6.9%	B&T	49.4	54.2	4.8	8.9%
Total	\$9,377.4	\$9,488.3	\$110.8	1.2%	Total	\$1,047.6	\$1,046.7	(\$0.9)	-0.1%

Preliminary expenses for September were slightly higher than the Forecast. NYCT was unfavorable mostly due to higher overtime, fringe benefits, claims, and paratransit (increased demand for E-hail related trip activity), partly offset by higher reimbursable overhead credits (increased capital project activity), with offsets for lower payroll (vacancies) and maintenance expenses (timing-related). MNR was unfavorable due to higher FELA claims reserve requirements, materials & supplies, and electric power costs, partly offset by lower expenses for maintenance. MTA Bus was unfavorable mainly due to the timing of interagency labor billings, partly offset by lower expenses for maintenance and materials & supplies (timing-related). These results were mostly offset by vacancy-related savings at B&T and the LIRR as well as other favorable railroad-related variances resulting from lower requirements for FELA reserves and retirement taxes, higher reimbursable overhead credits (increased capital project activity), and lower materials & supplies and other business expenses (timing-related); partially offsetting these savings at the LIRR were higher costs for procured services.

YTD preliminary expenses were \$110.8 million, or 1.2% favorable. The LIRR was favorable by \$72.7 million mostly for the same reasons noted for the month. B&T was favorable by \$26.7 million primarily due to vacancies and greater savings associated with the Tolls by Mail Program administered by the E-ZPass Customer Service Center. MTA Bus was favorable by \$15.2 million, which reflects timing and revised assumptions for materials & supplies, maintenance, and professional service contract expenses. MNR was favorable by \$5.9 million mostly due to timing and revised assumptions for maintenance and professional service contracts, partially offset by higher labor costs. NYCT was unfavorable by \$9.7 million due to higher overtime, paratransit (increased E-hail related trip activity), materials & supplies, claims, and professional service contract expenses, partly offset by higher reimbursable overhead (increased capital project activity), and vacancy-related savings, and lower maintenance and energy costs.

Overtime

YTD September 2018 (\$ in millions)					Month of September 2018 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	%Diff	Actual	Forecast	Diff	%Diff	
NYCT	\$511.9	\$438.2	(\$73.8)	-16.8%	NYCT	\$52.1	\$40.9	(\$11.2)	-27.3%
MTA Bus	53.8	49.9	(3.9)	-7.9%	MTA Bus	6.1	5.1	(0.9)	-18.5%
LIRR	110.0	109.3	(0.8)	-0.7%	LIRR	11.5	11.3	(0.2)	-1.9%
MNR	73.6	71.7	(1.9)	-2.7%	MNR	7.5	7.6	0.2	2.2%
B&T	18.2	19.3	1.2	6.0%	B&T	1.9	2.3	0.4	16.1%
Total	\$767.5	\$688.3	(\$79.2)	-11.5%	Total	\$79.1	\$67.3	(\$11.8)	-17.5%

Preliminary overtime expenses for the month were unfavorable by \$11.8 million, or 17.5%. The overage at NYCT, which is under review, was due in part to work related to the Subway Action Plan (SAP). At MTA Bus, the unfavorable variance was chiefly due to the impact of traffic congestion and absentee coverage requirements, while at the LIRR the unfavorable variance was mainly due to higher maintenance. These results were partially offset by favorable variances at MNR and B&T due to lower Train & Engineering coverage requirements and scheduling efficiencies, respectively.

YTD preliminary overtime expenses were unfavorable by \$79.2 million or 11.5%, much of which was attributable to NYCT in support of the SAP, including work-related service delays and greater vacancy/absentee coverage. MTA Bus was unfavorable by 7.9% due to the same drivers as noted for the month. MNR was unfavorable by 2.7% primarily due to weather-related preparation and clean-up work, and payroll timing differences. B&T was 6.0% favorable due to timing and scheduling efficiencies.

Debt Service

Debt Service for September of \$213.5 million was \$8.1 million, or 3.7%, favorable mostly due to savings resulting from refunding transactions. YTD Debt Service expenses of \$1,955.6 million, which was \$8.4 million, or 0.4%, was mostly favorable due to saving from refunding transactions and lower than budgeted variable rates.

State Dedicated Taxes and Fees

	YTD October 2018 (\$ in millions)				Month of October 2018 (\$ in millions)				
	Mid-Year				Mid-Year				
	Actual	Forecast	Diff	%Diff	Actual	Forecast	Diff	%Diff	
MMTOA	\$980.6	\$980.6	\$0.0	0.0%	MMTOA	\$198.0	\$198.0	\$0.0	0.0%
PBT	534.0	529.2	4.8	0.9%	PBT	64.7	62.0	2.7	4.4%
PMT ¹	1,233.9	1,242.5	(8.6)	-0.7%	PMT ¹	105.3	103.7	1.5	1.5%
MTA Aid ²	197.6	211.5	(13.9)	-6.6%	MTA Aid ²	0.0	0.0	0.0	0.0%
Total	\$2,946.1	\$2,963.8	(\$17.7)	-0.6%	Total	\$368.0	\$363.7	\$4.2	1.2%

The October and YTD MMTOA payments were on target with the forecasts. Petroleum Business Tax (PBT) receipts for October were \$2.7 million, or 4.4%, favorable, and YTD receipts were \$4.8 million, or 0.9%, favorable. Payroll Mobility Tax (PMT) collections for October were slightly better than the forecast and YTD results remained slightly unfavorable by \$8.6 million (0.7%). YTD MTA Aid receipts remained unfavorable by \$13.9 million (6.6%) due to timing, with the variance expected to be offset with the final quarterly payment in December.

Real Estate Transaction Taxes

	YTD October 2018 (\$ in millions)				Month of October 2018 (\$ in millions)				
	Mid-Year				Mid-Year				
	Actual	Forecast	Diff	%Diff	Actual	Forecast	Diff	%Diff	
MRT	\$363.6	\$372.5	(\$8.9)	-2.4%	MRT	\$32.0	\$39.6	(\$7.6)	-19.3%
NYC Urban	545.6	514.8	30.7	6.0%	NYC Urban	46.6	46.3	0.3	0.7%
Total	\$909.2	\$887.3	\$21.8	2.5%	Total	\$78.6	\$85.9	(\$7.3)	-8.5%

Total real estate transaction taxes for October were \$7.3 million (8.5%) unfavorable, reducing the favorable YTD variance to \$21.8 million (2.5%), as lower MRT collections were only partially offset by favorable Urban Taxes. Compared with last year through October, real estate taxes are \$40.7 million (4.7%) higher; Urban Tax is greater than last year's level by \$63.7 million (13.2%), while MRT is \$23.0 million (6.0%) below last year's level.

Regional Mortgage Recording Tax³ receipts for October were \$7.6 million (19.3%) unfavorable; MRT-1 was unfavorable by \$5.9 million, and MRT-2 receipts were unfavorable by \$1.7 million. YTD MRT receipts were unfavorable by \$8.9 million (2.4%), with MRT-1 receipts \$7.4 million unfavorable and MRT-2 receipts \$1.5 million unfavorable.

New York City Urban Tax⁴ receipts for October were \$0.3 million (0.7%) favorable, and YTD receipts were \$30.7 million (6.0%) favorable. October receipts for the Real Property Transfer Tax (RPTT) component were \$4.6 million (16.1%) favorable while receipts from the Mortgage Recording Tax (MRT) component were \$4.3 million (24.6%) unfavorable. YTD, RPTT receipts were \$32.2 million (9.6%) favorable and MRT receipts were \$1.5 million (0.8%) unfavorable, and reflect RPTT revenue of \$10.4 million from a single large transaction in August.

¹ PMT replacement funds, that are expected to total \$244.3 million for the year, are excluded from the results reported in this table.

² MTA Aid includes the License Fee, Vehicle Registration Fee, Taxi Fee and Automobile Rental Fee.

³ 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.

⁴ 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.

Real Estate Transaction Taxes Receipts (\$ in millions)

Mid-Year Forecast vs. Actual Receipts

2018 Mid-Year Forecast	2018	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Oct
MRT-1	\$316.4	\$25.1	\$28.0	\$21.0	\$22.6	\$24.9	\$29.3	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$27.6	\$261.2
MRT-2	135.4	11.0	11.5	9.3	10.2	9.8	11.2	12.1	12.1	12.1	12.1	12.1	12.1	111.3
Total MRT	\$451.7	\$36.1	\$39.6	\$30.3	\$32.8	\$34.7	\$40.5	\$39.6	\$39.6	\$39.6	\$39.6	\$39.6	\$39.6	\$372.5
RPTT	\$393.0	\$25.6	\$30.6	\$32.0	\$46.5	\$49.4	\$36.0	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$28.8	\$335.4
MRT	214.4	17.4	20.8	14.5	14.7	19.3	22.8	17.5	17.5	17.5	17.5	17.5	17.5	179.4
Total Urban Tax - NYCT 90% share	\$607.4	\$43.0	\$51.4	\$46.5	\$61.2	\$68.7	\$58.8	\$46.3	\$46.3	\$46.3	\$46.3	\$46.3	\$46.3	\$514.8
Total Real Estate Taxes	\$1,059.2	\$79.1	\$90.9	\$76.8	\$94.0	\$103.5	\$99.3	\$85.9	\$85.9	\$85.9	\$85.9	\$85.9	\$85.9	\$887.3

2018 Monthly Actuals	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Oct
MRT-1	\$25.1	\$28.0	\$21.0	\$22.6	\$24.9	\$29.2	\$23.1	\$31.1	\$27.1	\$21.6			\$253.8
MRT-2	11.0	11.5	9.3	10.2	9.8	11.2	10.8	12.4	13.2	10.4			109.8
Total MRT	\$36.1	\$39.6	\$30.3	\$32.8	\$34.7	\$40.3	\$33.8	\$43.5	\$40.4	\$32.0			\$363.6
RPTT	\$25.6	\$30.6	\$32.0	\$46.5	\$49.4	\$36.0	\$30.2	\$55.2	\$28.6	\$33.4			\$367.6
MRT	17.4	20.8	14.5	14.7	19.3	22.8	15.9	23.3	16.0	13.2			178.0
Total Urban Tax - NYCT 90% share	\$43.0	\$51.4	\$46.5	\$61.2	\$68.7	\$58.8	\$46.2	\$78.5	\$44.6	\$46.6			\$545.6
Total Real Estate Taxes	\$79.1	\$90.9	\$76.8	\$94.0	\$103.5	\$99.2	\$80.0	\$122.0	\$85.0	\$78.6			\$909.2

Variances	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Oct
MRT-1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$4.5)	\$3.5	(\$0.4)	(\$5.9)			(\$7.4)
MRT-2	0.0	0.0	0.0	0.0	0.0	0.0	(1.3)	0.3	1.2	(1.7)			(1.5)
Total MRT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$5.8)	\$3.9	\$0.8	(\$7.6)			(\$8.9)
RPTT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.4	\$26.4	(\$0.2)	\$4.6			\$32.2
MRT	0.0	0.0	0.0	0.0	0.0	0.0	(1.6)	5.9	(1.5)	(4.3)			(1.5)
Total Urban Tax - NYCT 90% share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	\$32.2	(\$1.7)	\$0.3			\$30.7
Total Real Estate Taxes	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$5.9)	\$36.1	(\$0.9)	(\$7.3)			\$21.8

MRT-1	0.0%	0.0%	0.0%	0.0%	0.0%	-0.4%	-16.2%	12.8%	-1.5%	-21.5%			-2.8%
MRT-2	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	-10.8%	2.8%	9.9%	-14.1%			-1.3%
Total MRT	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	-14.6%	9.8%	1.9%	-19.3%			-2.4%
RPTT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	91.5%	-0.7%	16.1%			9.6%
MRT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-9.0%	33.5%	-8.3%	-24.6%			-0.8%
Total Urban Tax - NYCT 90% share	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.3%	69.6%	-3.6%	0.7%			6.0%
Total Real Estate Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	-6.9%	42.0%	-1.0%	-8.5%			2.5%

Real Estate Transaction Taxes Receipts (\$ in millions)

2018 Receipts vs. 2017 Receipts

2017 Monthly Actuals	2016 Act	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	YTD Oct
MRT-1	\$321.9	\$32.6	\$26.7	\$23.0	\$25.1	\$23.5	\$28.0	\$29.0	\$25.0	\$31.4	\$24.8	\$25.9	\$26.9	\$269.1
MRT-2	139.5	12.2	11.8	10.2	11.7	10.7	11.2	12.1	11.8	14.0	11.9	11.2	10.8	117.5
Total MRT	\$461.4	\$44.8	\$38.6	\$33.1	\$36.8	\$34.2	\$39.2	\$41.2	\$36.7	\$45.4	\$36.6	\$37.0	\$37.7	\$386.6
RPTT	\$347.2	\$61.5	\$29.2	\$14.8	\$12.8	\$29.9	\$42.7	\$23.8	\$20.8	\$21.3	\$27.7	\$41.9	\$21.0	\$284.3
MRT	238.3	27.9	18.1	16.2	17.6	16.8	22.4	23.5	17.3	23.1	14.5	19.3	21.5	197.5
Total Urban Tax - NYCT 90% share	\$585.5	\$89.4	\$47.3	\$31.0	\$30.4	\$46.7	\$65.1	\$47.3	\$38.1	\$44.4	\$42.2	\$61.2	\$42.4	\$481.9
Total Real Estate Taxes	\$1,046.9	\$134.2	\$85.9	\$64.2	\$67.2	\$80.9	\$104.2	\$88.4	\$74.8	\$89.8	\$78.8	\$98.3	\$80.1	\$868.5

2018 Monthly Actuals	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	YTD Oct
MRT-1	\$25.1	\$28.0	\$21.0	\$22.6	\$24.9	\$29.2	\$23.1	\$31.1	\$27.1	\$21.6			\$253.8
MRT-2	11.0	11.5	9.3	10.2	9.8	11.2	10.8	12.4	13.2	10.4			109.8
Total MRT	\$36.1	\$39.6	\$30.3	\$32.8	\$34.7	\$40.3	\$33.8	\$43.5	\$40.4	\$32.0			\$363.6
RPTT	\$25.6	\$30.6	\$32.0	\$46.5	\$49.4	\$36.0	\$30.2	\$55.2	\$28.6	\$33.4			\$367.6
MRT	17.4	20.8	14.5	14.7	19.3	22.8	15.9	23.3	16.0	13.2			178.0
Total Urban Tax - NYCT 90% share	\$43.0	\$51.4	\$46.5	\$61.2	\$68.7	\$58.8	\$46.2	\$78.5	\$44.6	\$46.6			\$545.6
Total Real Estate Taxes	\$79.1	\$90.9	\$76.8	\$94.0	\$103.5	\$99.2	\$80.0	\$122.0	\$85.0	\$78.6			\$909.2

Variiances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Oct
MRT-1	(\$7.5)	\$1.3	(\$1.9)	(\$2.5)	\$1.4	\$1.2	(\$5.9)	\$6.1	(\$4.2)	(\$3.1)			(\$15.3)
MRT-2	(1.2)	(0.3)	(0.9)	(1.5)	(0.9)	(0.0)	(1.4)	0.6	(0.8)	(1.5)			(7.8)
Total MRT	(\$8.6)	\$1.0	(\$2.8)	(\$4.0)	\$0.5	\$1.2	(\$7.3)	\$6.7	(\$5.0)	(\$4.7)			(\$23.0)
RPTT	(\$35.8)	\$1.4	\$17.2	\$33.7	\$19.5	(\$6.6)	\$6.5	\$34.4	\$7.3	\$5.8			\$83.3
MRT	(10.6)	2.6	(1.7)	(2.8)	2.5	0.4	(7.6)	6.0	(7.1)	(1.3)			(19.6)
Total Urban Tax - NYCT 90% share	(\$46.4)	\$4.0	\$15.4	\$30.9	\$22.0	(\$6.3)	(\$1.1)	\$40.4	\$0.3	\$4.4			\$63.7
Total Real Estate Taxes	(\$55.0)	\$5.0	\$12.6	\$26.9	\$22.5	(\$5.1)	(\$8.4)	\$47.2	(\$4.7)	(\$0.2)			\$40.7
MRT-1	-22.9%	4.9%	-8.4%	-10.1%	5.8%	4.2%	-20.4%	24.4%	-13.5%	-12.7%			-5.7%
MRT-2	-9.7%	-2.7%	-8.7%	-12.4%	-8.1%	0.0%	-11.5%	5.4%	-5.5%	-12.8%			-6.6%
Total MRT	-19.3%	2.5%	-8.5%	-10.8%	1.5%	3.0%	-17.8%	18.4%	-11.0%	-12.7%			-6.0%
RPTT	-58.3%	4.9%	115.9%	263.6%	65.1%	-15.6%	27.3%	165.5%	34.4%	20.8%			29.3%
MRT	-37.8%	14.4%	-10.6%	-16.2%	15.1%	1.7%	-32.3%	34.8%	-30.5%	-9.2%			-9.9%
Total Urban Tax - NYCT 90% share	-51.9%	8.5%	49.7%	101.6%	47.1%	-9.6%	-2.3%	106.0%	0.6%	10.5%			13.2%
Total Real Estate Taxes	-41.0%	5.8%	19.7%	40.0%	27.8%	-4.9%	-9.5%	63.0%	-5.3%	-0.3%			4.7%

BUDGETWATCH

Regional Economy Report

New York City Employment

Sectors with Year-over-Year Employment Gains

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

Sectors with Year-over-Year Employment Losses

- Manufacturing
- Government
- Information

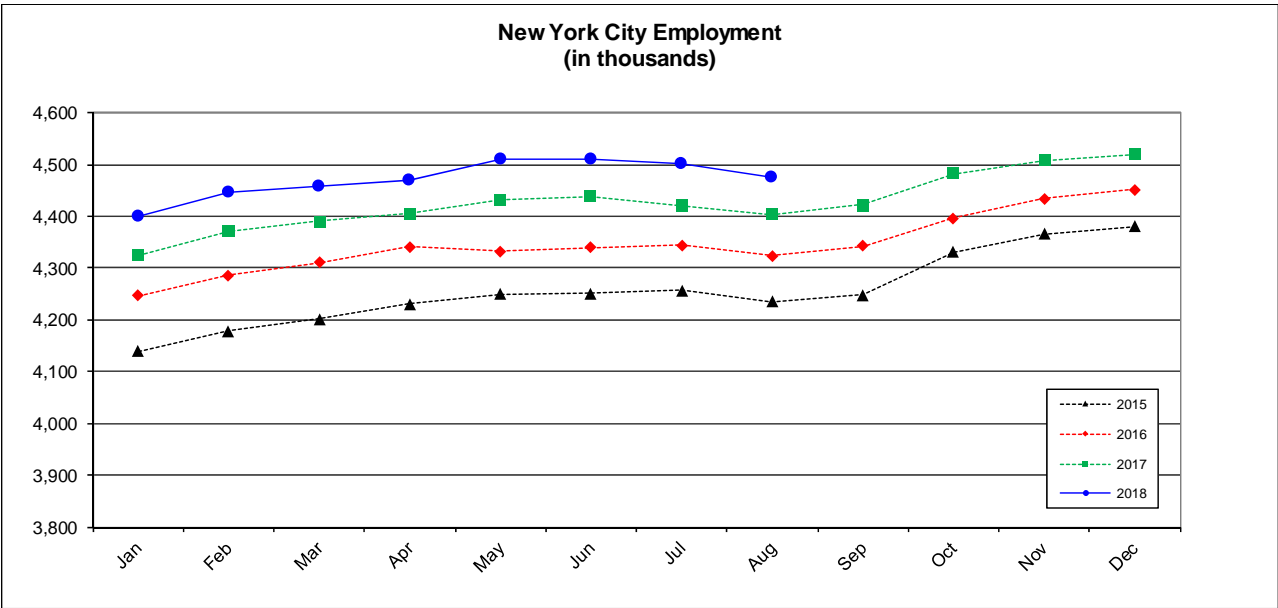
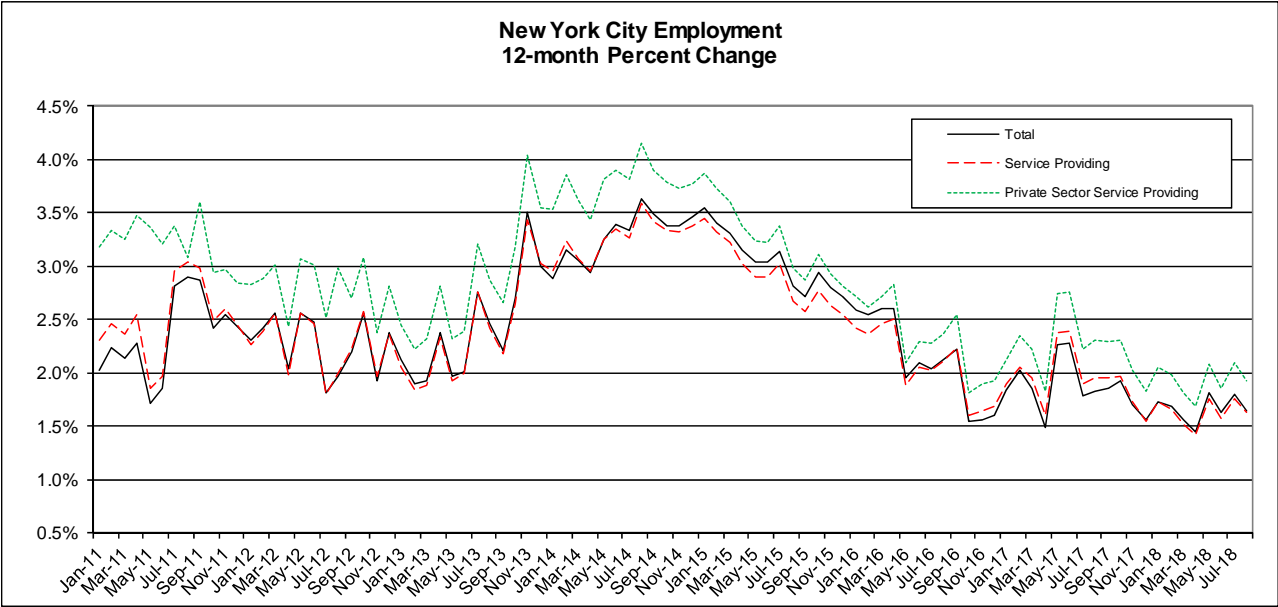
New York City Employment (in thousands)				Aug-18 versus			
	Prelim Aug-18	Revised Jul-18	Aug-17	Jul-18		Aug-17	
				Net	Pct	Net	Pct
Total Employment	4,475.8	4,501.2	4,403.5	(25.4)	-0.6%	72.3	1.6%
Goods Producing	230.7	231.7	226.4	(1.0)	-0.4%	4.3	1.9%
Construction, Mining, Nat Res	158.7	160.5	153.4	(1.8)	-1.1%	5.3	3.5%
Manufacturing	72.0	71.2	73.0	0.8	1.1%	(1.0)	-1.4%
Service Providing	4,245.1	4,269.5	4,177.1	(24.4)	-0.6%	68.0	1.6%
Transportation, Utilities	133.7	134.5	133.3	(0.8)	-0.6%	0.4	0.3%
Trade	498.6	502.4	491.3	(3.8)	-0.8%	7.3	1.5%
Information	196.5	194.2	199.8	2.3	1.2%	(3.3)	-1.7%
Financial Activities	477.4	479.9	477.3	(2.5)	-0.5%	0.1	0.0%
Professional & Business Svcs	758.5	761.7	747.4	(3.2)	-0.4%	11.1	1.5%
Education & Health Svcs	967.0	969.6	930.8	(2.6)	-0.3%	36.2	3.9%
Leisure & Hospitality	470.0	472.7	456.6	(2.7)	-0.6%	13.4	2.9%
Other Services	194.9	194.1	190.2	0.8	0.4%	4.7	2.5%
Government	548.5	560.4	550.4	(11.9)	-2.1%	(1.9)	-0.3%

Preliminary August 2018 employment in New York City shows a gain of 72,300 jobs (1.8%) when compared to last August's employment level. This marks the 101st consecutive month in which employment has improved over its level from one year earlier. The Education & Health Services and the Leisure & Hospitality Services sectors experienced the greatest gains in the number of jobs among the major sectors, adding 36,200 and 13,400 jobs, respectively, over the past twelve months.

Employment in New York City's service-providing sectors increased by 68,000 jobs (1.6%) over the August 2017 level. Private-sector service-providing employment in New York City increased by 69,900 jobs (1.9%), the 102nd consecutive month of year-to-year improvement.

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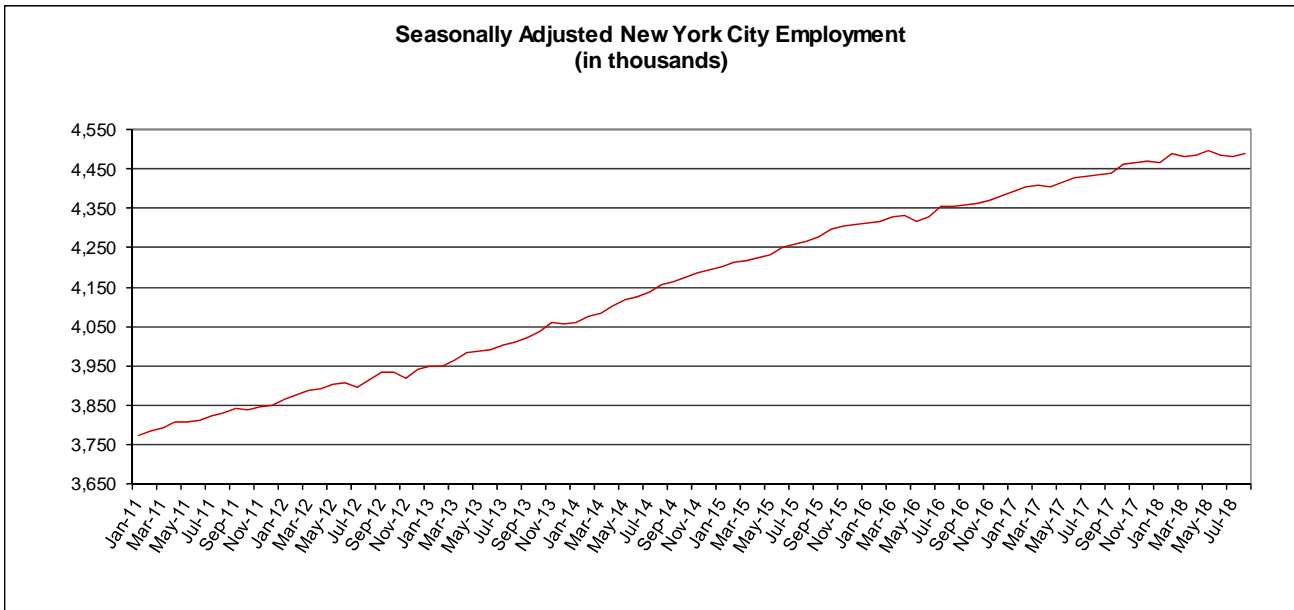
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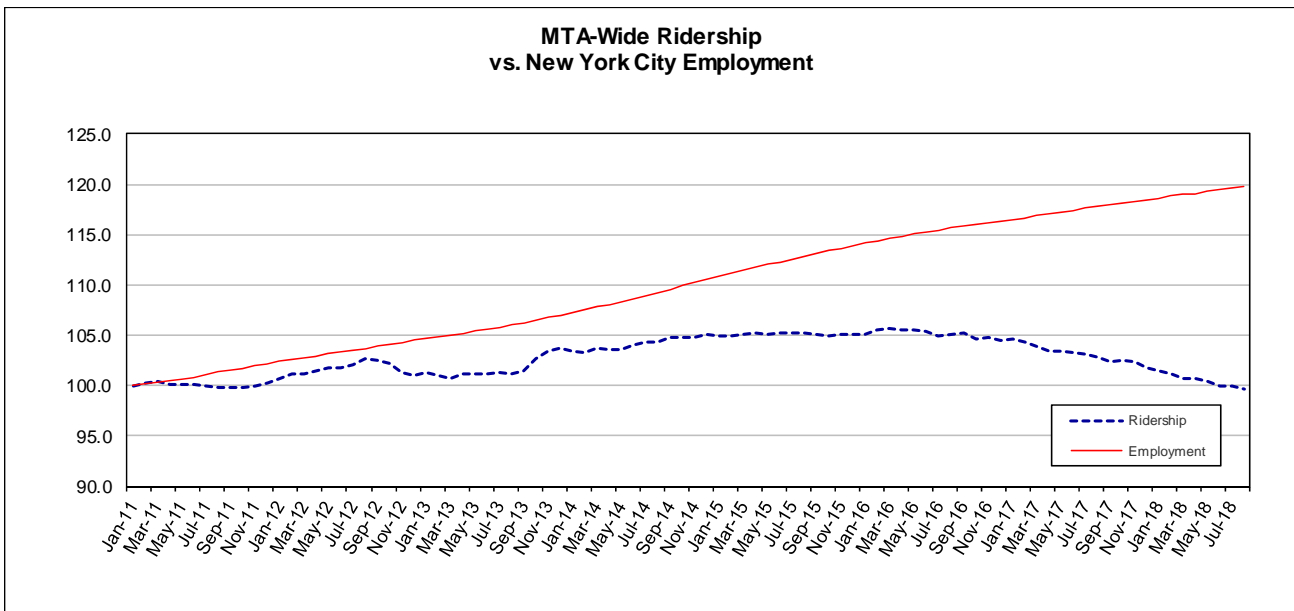
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In August 2018, seasonally adjusted New York City employment of 4.49 million was higher than in August 2017 by 53,000 jobs (1.19%), and was lower than the prior month by 5,100 jobs (0.11%).



Ridership and Employment

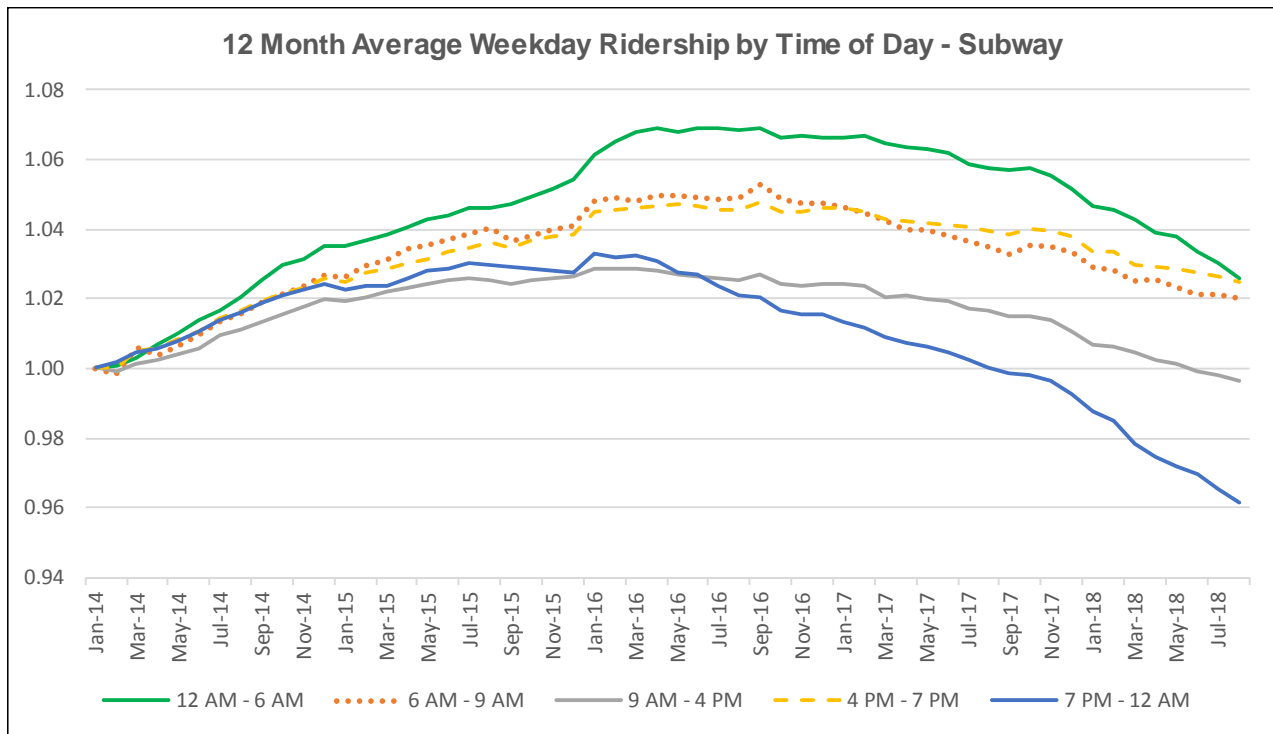
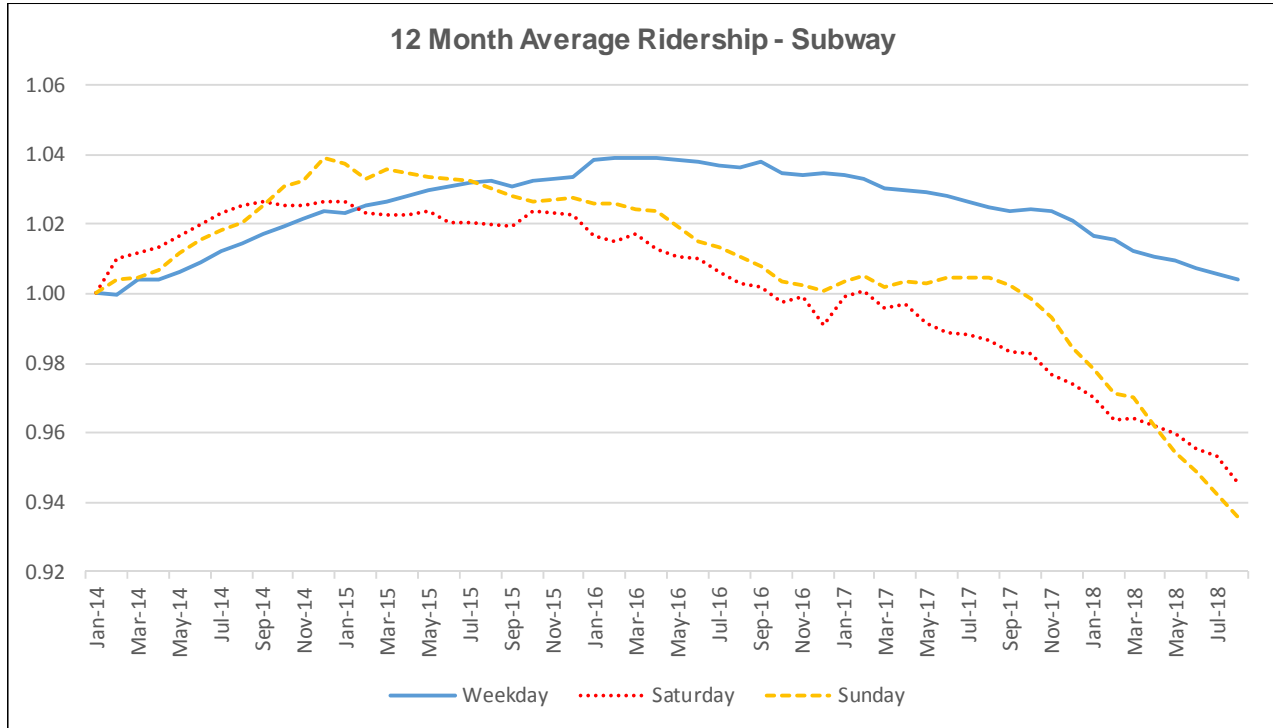
In December 2008, the twelve-month moving average for employment began to decline after increasing in 56 of the previous 59 months. For sixteen consecutive months – though March 2010 – the twelve-month moving average fell, and employment levels declined by 3%. Since then, the twelve-month employment average has increased with almost no interruption. Considering the more recent period since January 2011, the twelve-month average for employment has increased by 19.8% through August 2018, while the 12-month average MTA-wide ridership has fallen by 0.3%. The twelve-month average for ridership in August 2018 was 3.1% lower than one year earlier.



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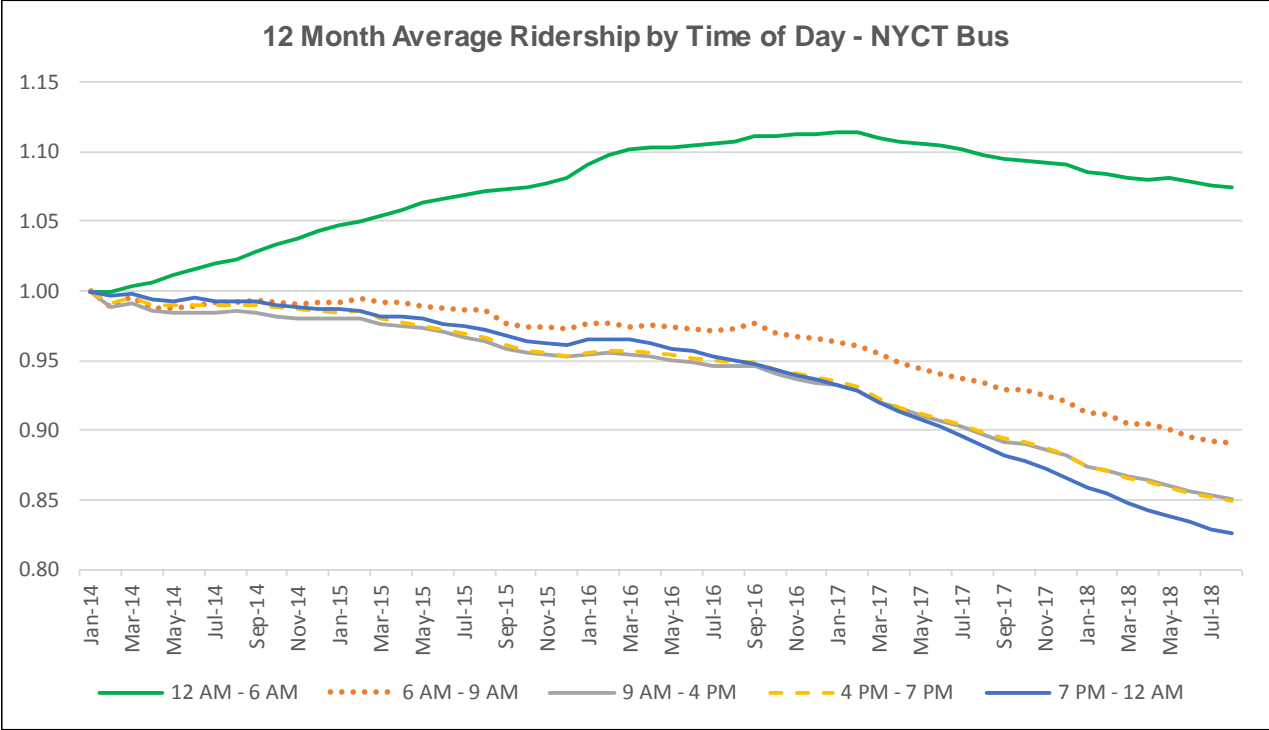
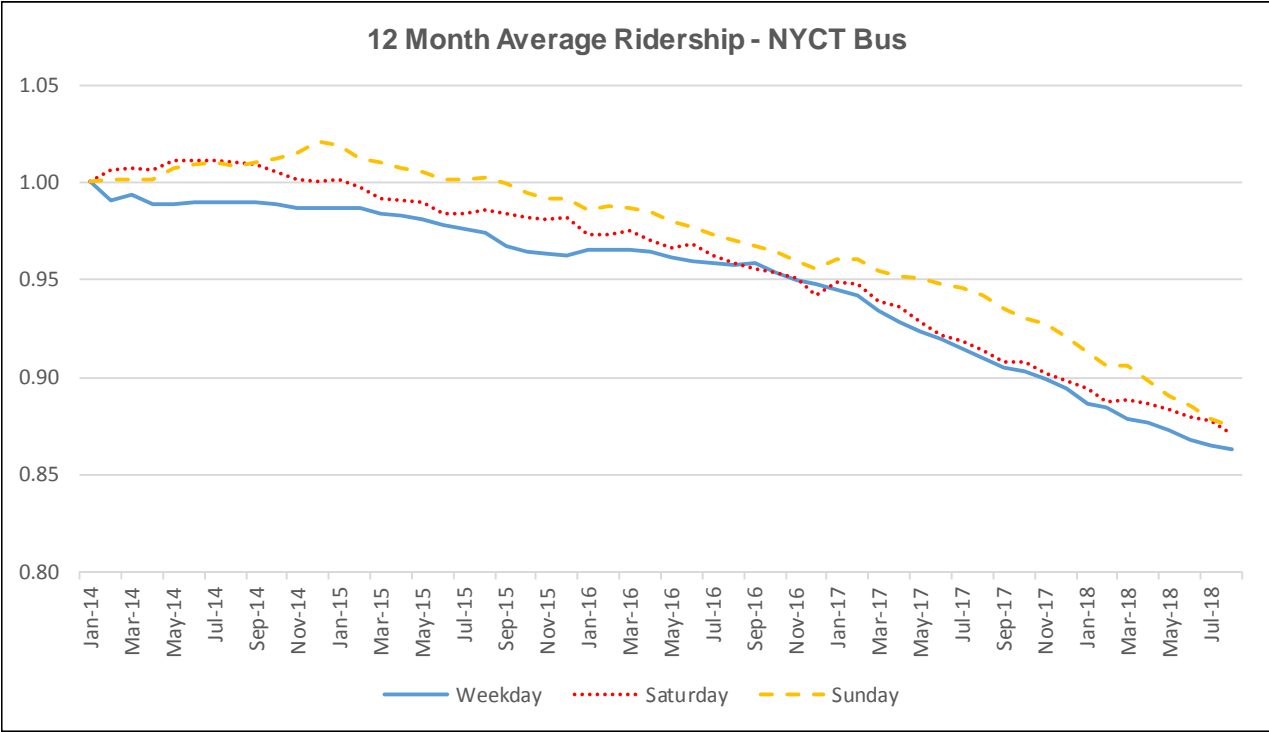
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The following ridership trend graphs depict 12-month averages; for example, the January 2014 data point is the average of February 2013 to January 2014, and the February 2014 data point is the average of March 2013 to February 2014, providing a visual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



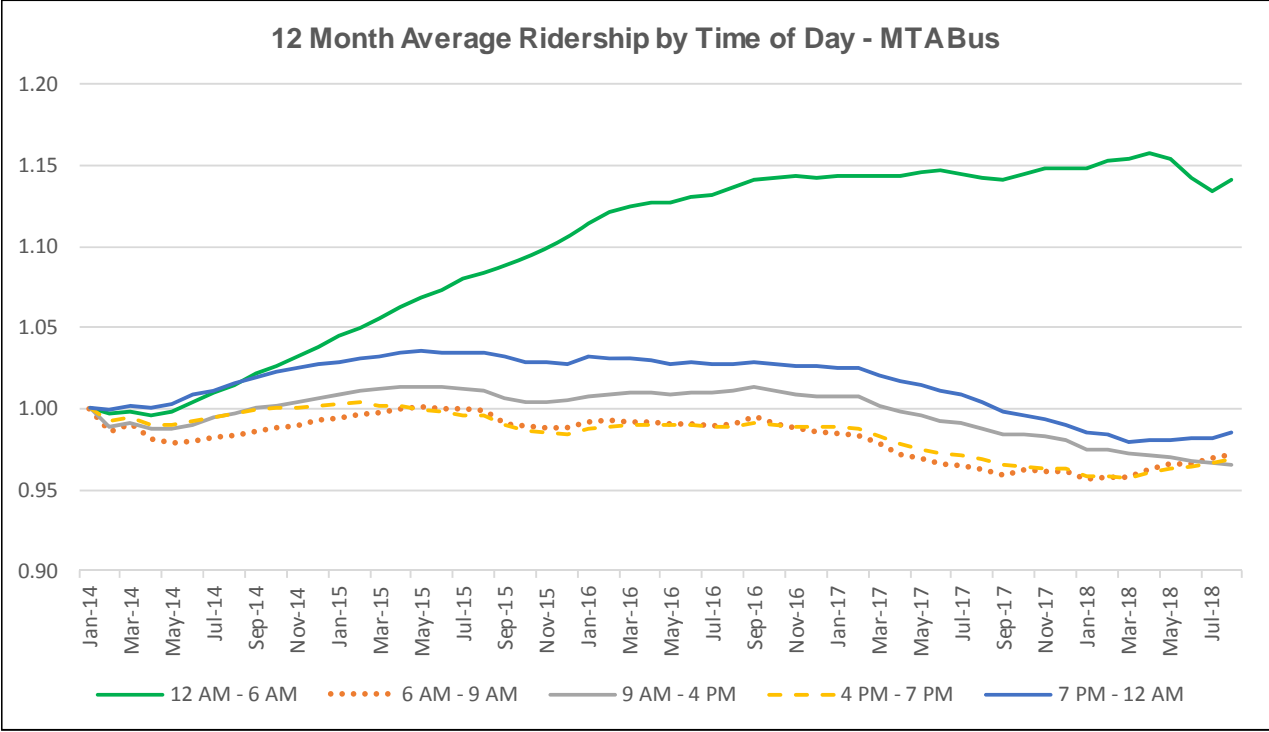
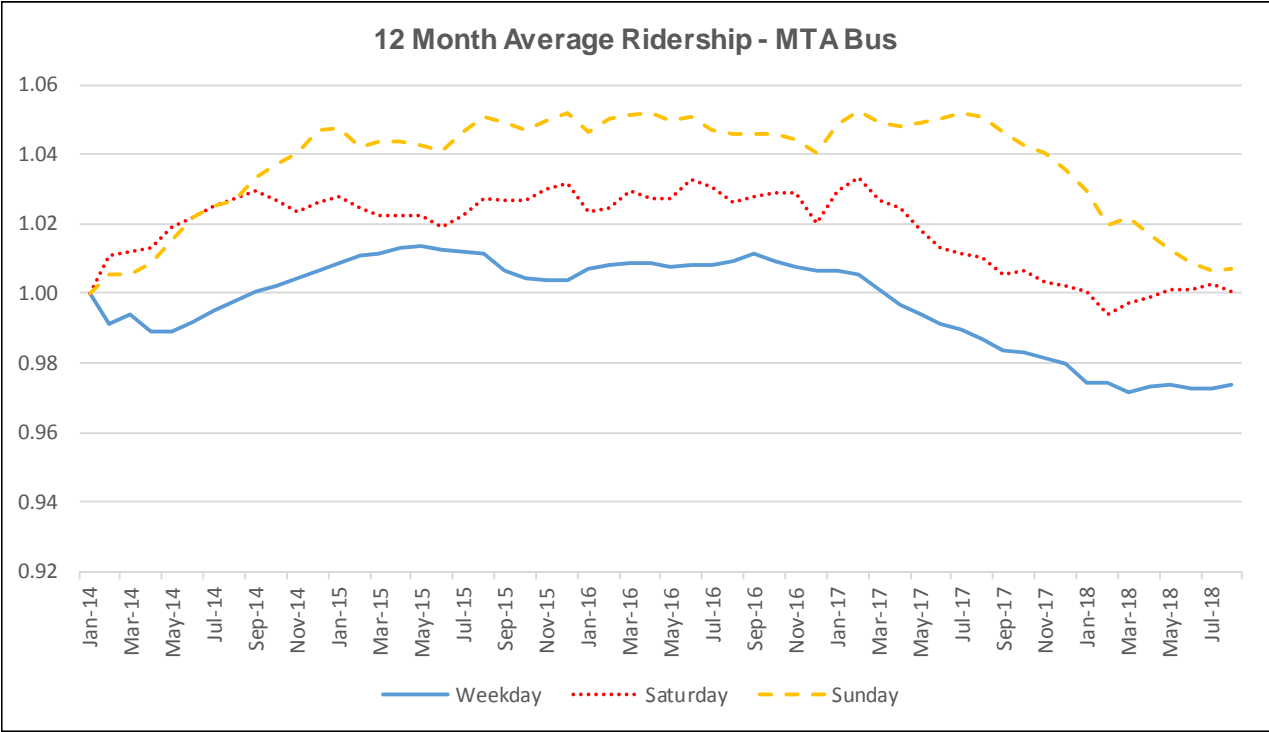
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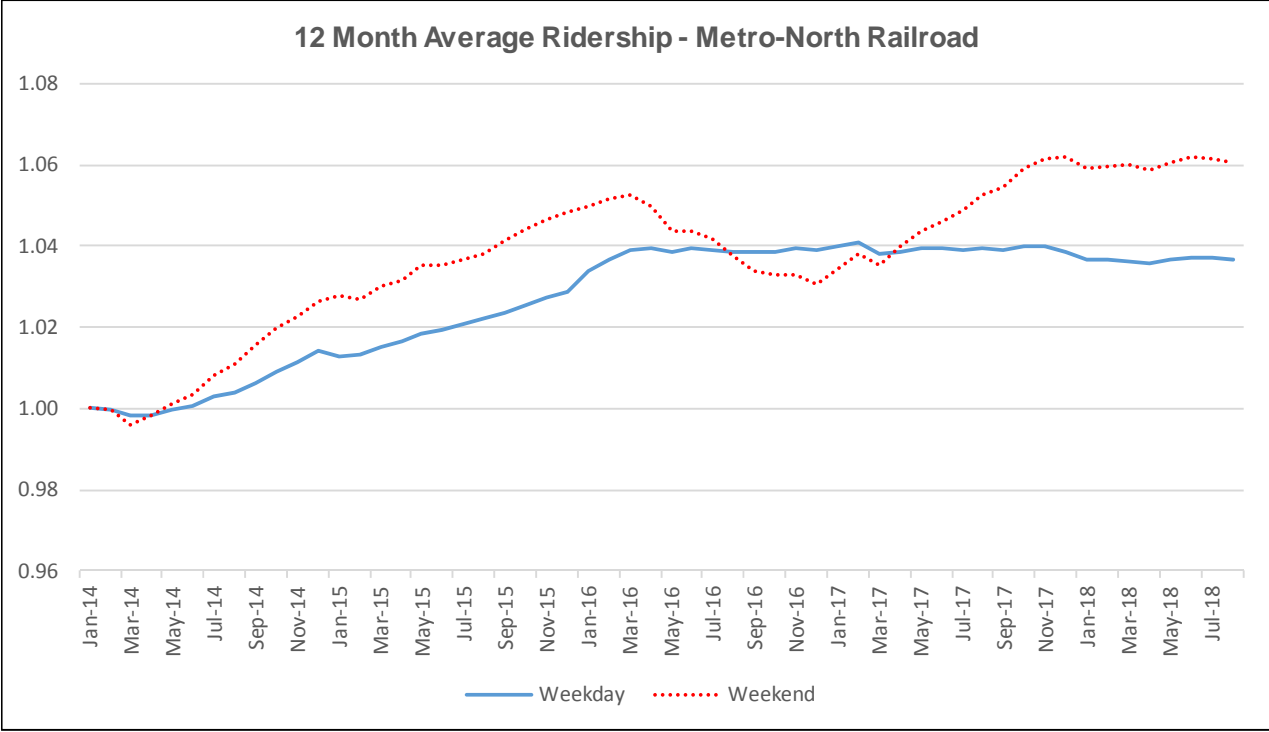
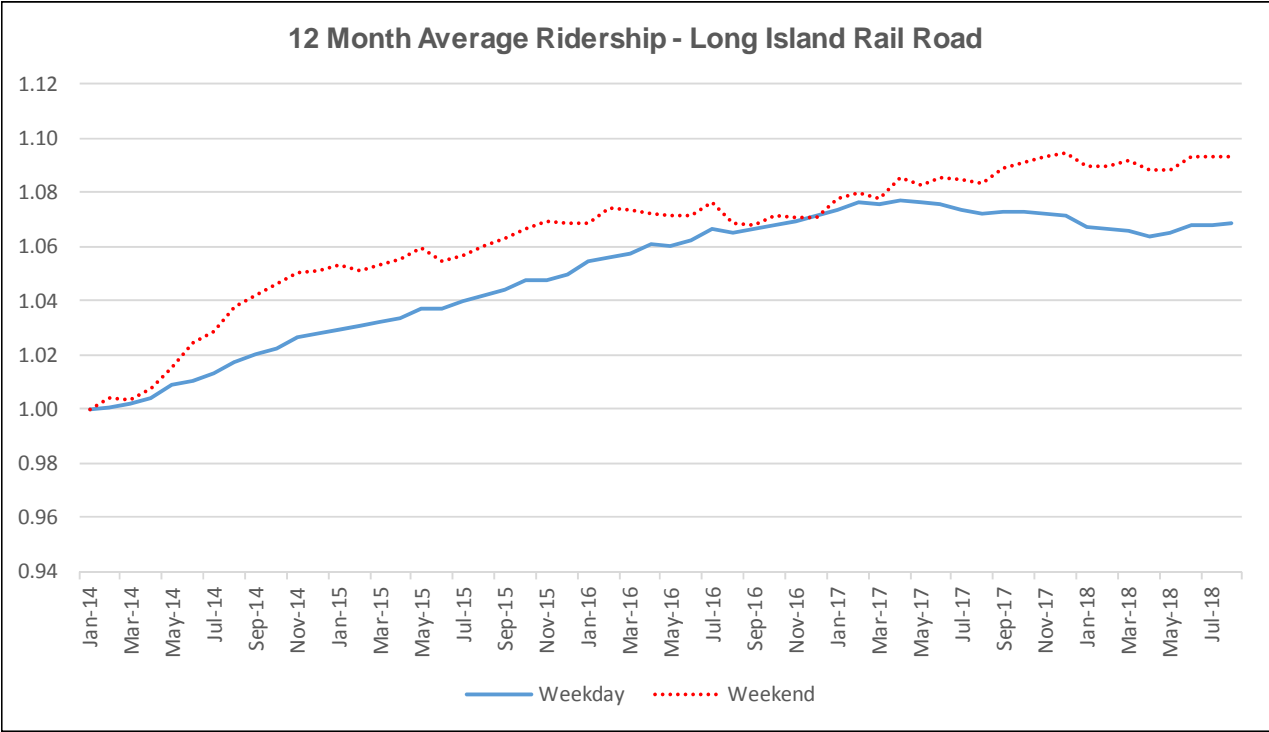
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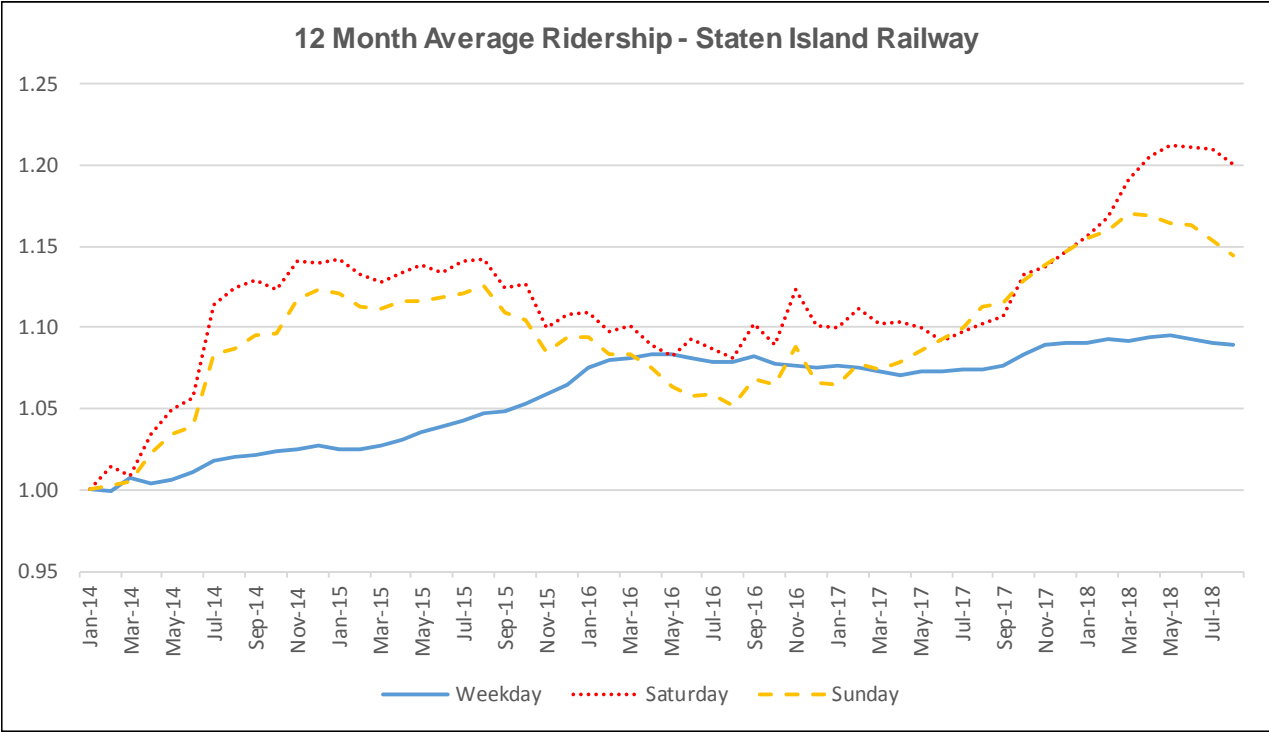
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Consumer Price Index

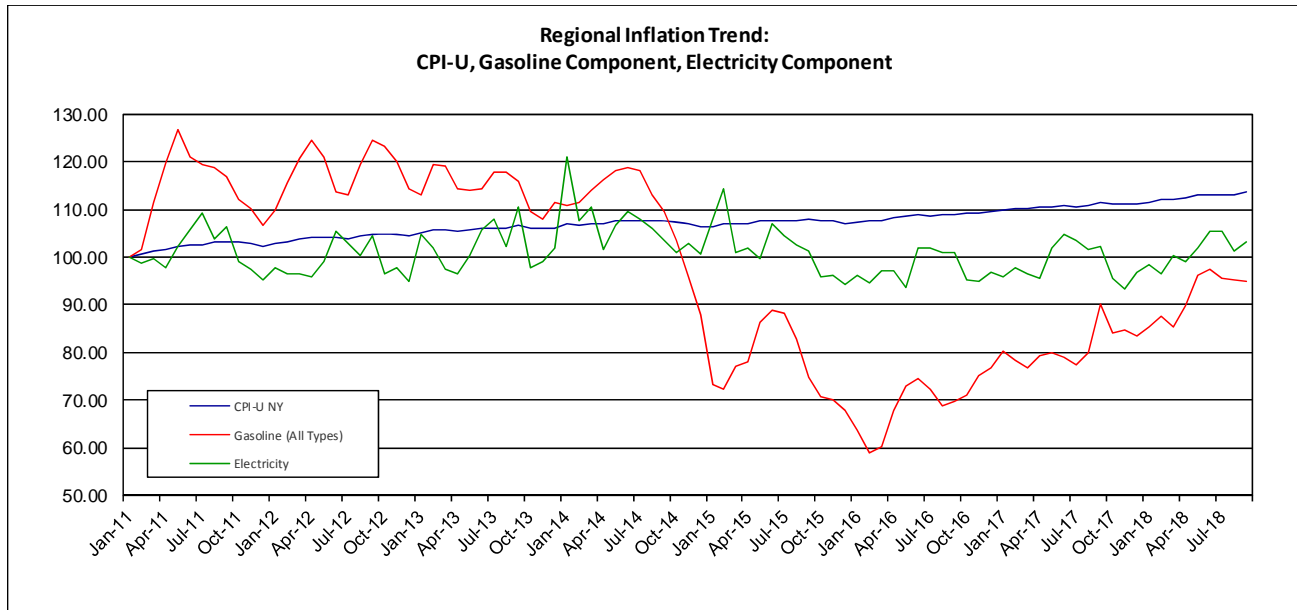
Goods Reporting Month-over-Month Price Increases

- Food
- Medical Care
- Apparel
- Electricity

Goods Reporting Month-over-Month Price Declines

- Transportation
- Gasoline

				Sep-18 versus			
	Sep-18	Aug-18	Sep-17	Aug-18		Sep-17	
				Net	Pct	Net	Pct
Regional CPI-U	275.46	274.44	270.06	1.01	0.4%	5.40	2.0%
Medical Care Component	491.88	484.88	476.54	7.01	1.4%	15.34	3.2%
Electricity Component	188.23	185.08	186.55	3.15	1.7%	1.69	0.9%
Gasoline (all grades) Component	235.28	236.02	223.70	(0.74)	-0.3%	11.58	5.2%
National CPI-U	252.44	252.15	246.82	0.29	0.1%	5.62	2.3%

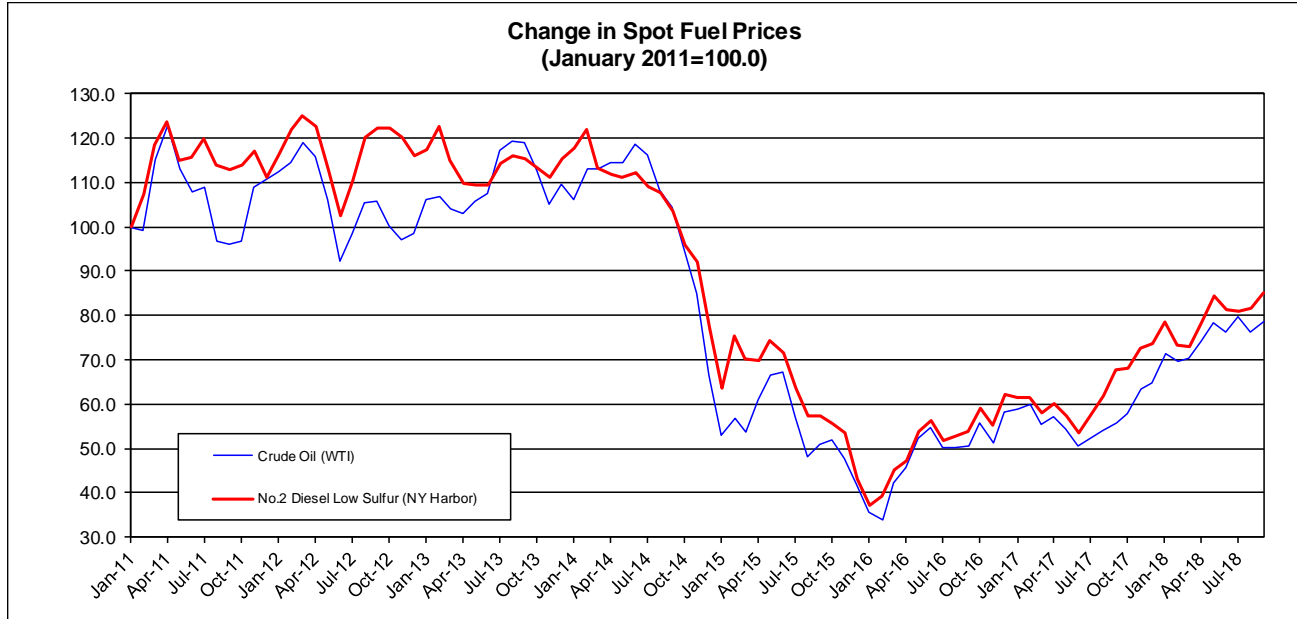


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Fuel Prices

Fuel - Spot Prices <i>NY Harbor, except Crude Oil (WTI)</i>	Latest Price:			Sep-18 versus		
	10/9/18	Sep-18	Aug-18	Sep-17	Aug-18	Sep-17
Crude Oil (\$/bbl)	74.95	70.23	68.06	49.82	3.2%	41.0%
Conventional Regular Gasoline (\$/gal)	2.16	2.09	2.08	1.87	0.8%	12.1%
Low Sulfur No.2 Diesel Fuel (\$/gal)	2.42	2.25	2.15	1.79	4.6%	25.7%
No.2 Heating Oil (\$/gal)	2.40	2.23	2.13	1.71	4.7%	30.3%



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Nassau, Suffolk Employment (in thousands)				Aug-18 versus			
	Prelim Aug-18	Revised Jul-18	Aug-17	Jul-18		Aug-17	
				Net	Percent	Net	Percent
Total Employment	1,364.0	1,369.1	1,348.8	-5.1	-0.4%	15.2	1.1%
Goods Producing	161.0	160.7	155.9	0.3	0.2%	5.1	3.3%
Construction, Mining, Nat Res	91.1	90.4	83.9	0.7	0.8%	7.2	8.6%
Manufacturing	69.9	70.3	72.0	-0.4	-0.6%	-2.1	-2.9%
Service Providing	1,203.0	1,208.4	1,192.9	-5.4	-0.4%	10.1	0.8%
Transportation, Utilities	39.8	42.1	39.1	-2.3	-5.5%	0.7	1.8%
Trade	234.7	235.0	235.0	-0.3	-0.1%	-0.3	-0.1%
Information	17.9	17.9	18.6	0.0	0.0%	-0.7	-3.8%
Financial Activities	71.7	70.9	73.1	0.8	1.1%	-1.4	-1.9%
Professional & Business Svcs	180.4	181.1	178.9	-0.7	-0.4%	1.5	0.8%
Education & Health Svcs	264.2	263.2	259.9	1.0	0.4%	4.3	1.7%
Leisure & Hospitality	147.9	148.6	142.9	-0.7	-0.5%	5.0	3.5%
Other Services	61.5	60.7	60.7	0.8	1.3%	0.8	1.3%
Government	184.9	188.9	184.7	-4.0	-2.1%	0.2	0.1%

Orange, Rockland, Westchester Employment (in thousands)				Aug-18 versus			
	Prelim Aug-18	Revised Jul-18	Aug-17	Jul-18		Aug-17	
				Net	Percent	Net	Percent
Total Employment	730.2	737.9	722.0	-7.7	-1.0%	8.2	1.1%
Goods Producing	72.3	72.2	71.5	0.1	0.1%	0.8	1.1%
Construction, Mining, Nat Res	43.8	43.7	42.6	0.1	0.2%	1.2	2.8%
Manufacturing	28.5	28.5	28.9	0.0	0.0%	-0.4	-1.4%
Service Providing	657.9	665.7	650.5	-7.8	-1.2%	7.4	1.1%
Transportation, Utilities	24.1	24.2	23.9	-0.1	-0.4%	0.2	0.8%
Trade	115.9	116.2	117.2	-0.3	-0.3%	-1.3	-1.1%
Information	11.5	11.5	12.0	0.0	0.0%	-0.5	-4.2%
Financial Activities	38.0	38.3	38.2	-0.3	-0.8%	-0.2	-0.5%
Professional & Business Svcs	98.3	98.6	94.8	-0.3	-0.3%	3.5	3.7%
Education & Health Svcs	152.1	153.3	147.6	-1.2	-0.8%	4.5	3.0%
Leisure & Hospitality	71.2	74.8	72.2	-3.6	-4.8%	-1.0	-1.4%
Other Services	32.6	32.7	31.8	-0.1	-0.3%	0.8	2.5%
Government	114.2	116.1	112.8	-1.9	-1.6%	1.4	1.2%

Dutchess, Putnam Employment (in thousands)				Aug-18 versus			
	Prelim Aug-18	Revised Jul-18	Aug-17	Jul-18		Aug-17	
				Net	Percent	Net	Percent
Total Employment	148.6	149.2	147.6	-0.6	-0.4%	1.0	0.7%
Goods Producing	18.0	18.0	18.0	0.0	0.0%	0.0	0.0%
Construction, Mining, Nat Res	8.7	8.7	8.4	0.0	0.0%	0.3	3.6%
Manufacturing	9.3	9.3	9.6	0.0	0.0%	-0.3	-3.1%
Service Providing	130.6	131.2	129.6	-0.6	-0.5%	1.0	0.8%
Transportation, Utilities	4.2	4.2	4.2	0.0	0.0%	0.0	0.0%
Trade	20.0	20.2	20.4	-0.2	-1.0%	-0.4	-2.0%
Information	1.9	1.9	1.9	0.0	0.0%	0.0	0.0%
Financial Activities	4.8	4.9	4.9	-0.1	-2.0%	-0.1	-2.0%
Professional & Business Svcs	12.6	12.5	12.8	0.1	0.8%	-0.2	-1.6%
Education & Health Svcs	37.8	37.7	35.9	0.1	0.3%	1.9	5.3%
Leisure & Hospitality	16.7	16.8	17.2	-0.1	-0.6%	-0.5	-2.9%
Other Services	7.3	7.3	7.0	0.0	0.0%	0.3	4.3%
Government	25.3	25.7	25.3	-0.4	-1.6%	0.0	0.0%

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