

BUDGETWATCH

September 2017 Flash Report

(Forecast figures in this report, except for Summary of June Budgetwatch, refer to the 2017 Mid-Year Forecast.)

Summary of June Budgetwatch (reporting on operations through May and subsidies through June):

Overall, net results were favorable when compared with the Adopted Budget. Passenger revenues were \$39.6 unfavorable through May, reflecting adverse weather during the first quarter, particularly from Stella in March, as well as lower bus ridership at NYCT and MTA Bus. Commuter revenue was slightly unfavorable for both the month and YTD. Toll revenue was \$8 million below Budget, reflecting lower average toll due to higher E-ZPass usage. YTD expenses were \$154 million favorable, with much of the savings due to lower health benefit costs at NYCT and timing-related issues. Debt service costs were favorable due to lower than budgeted variable interest rates and a favorable \$32 million timing variance from 2016. With the exception of the real estate transaction taxes, which were unfavorable by \$84 million, subsidies were close to Budget. These trends were captured in the Mid-Year Forecast.

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

Agency forecasts include the projected revenue and cost impacts from the Amtrak Penn Station Emergency Mitigation.

Passenger revenues were \$6.4 million below the Mid-Year Forecast in August, increasing the unfavorable YTD variance to \$17.4 million, the result of low subway and bus ridership at NYCT and MTA Bus. Commuter revenue was favorable in August and is on target YTD. Toll revenue was favorable in August, but remains unfavorable YTD, reflecting a lower average toll due to higher E-ZPass usage.

Preliminary expenses in August were \$20 million favorable, which increased the YTD favorable variance to \$158 million (2.0%). While MTA-wide energy and health and welfare costs are driving some of this favorable result, much of the variance appears to be timing-related. Within the expense totals were overtime expenses for the month that were \$18.0 million, or 27.1%, unfavorable, while YTD overtime results were \$38.9 million, or 7.3%, unfavorable; NYCT overtime is mostly reflective of Subway Recovery Plan requirements. Debt Service costs were favorable for the month, and remain favorable YTD.

Subsidies through September were unfavorable by \$5.4 million; real estate transaction tax collections were \$12.0 million unfavorable and the remaining subsidies were favorable by \$6.6 million collectively. While real estate transaction taxes were on target for the month, weaker than expected Urban Tax revenue from New York City commercial real estate transaction activity has continued to fall short of forecasts.

Overall, preliminary net results were favorable for the month, and remain favorable YTD. However, favorable expense variances will reverse in time; the monthly unfavorable results for Passenger and Toll Revenues and for the Urban Tax continue to be a matter of concern.

Passenger and Toll Revenues

	YTD August 2017 (\$ in millions)				Month of August 2017 (\$ in millions)				
	Actual	Mid-Year Forecast	Diff	% Diff	Actual	Mid-Year Forecast	Diff	% Diff	
NYCT:					NYCT:				
Subway	\$2,267.7	\$2,278.0	(\$10.3)	-0.5%	Subway	\$292.2	\$295.8	(\$3.5)	-1.2%
Bus	633.0	637.7	(4.7)	-0.7%	Bus	82.5	84.8	(2.3)	-2.7%
Other	60.6	61.0	(0.4)	-0.7%	Other	7.6	7.8	(0.1)	-1.8%
NYCT	\$2,961.3	\$2,976.7	(\$15.4)	-0.5%	NYCT	\$382.4	\$388.4	(\$6.0)	-1.5%
MTA Bus	152.3	154.5	(2.2)	-1.4%	MTA Bus	17.8	19.7	(1.9)	-9.8%
LIRR	478.1	477.3	0.7	0.2%	LIRR	61.5	60.2	1.3	2.1%
MNR	481.4	482.0	(0.6)	-0.1%	MNR	62.8	62.6	0.2	0.4%
Sub-total	\$4,073.1	\$4,090.6	(\$17.4)	-0.4%	Sub-total	\$524.5	\$530.8	(\$6.4)	-1.2%
B&T	1,262.8	1,266.9	(4.1)	-0.3%	B&T	178.7	173.9	4.8	2.7%
Total	\$5,336.0	\$5,357.5	(\$21.5)	-0.4%	Total	\$703.2	\$704.8	(\$1.6)	-0.2%

August, **passenger revenues** were \$6.4 million, or 1.2%, unfavorable. NYCT and MTA Bus were unfavorable due to the continuing trend of lower-than-forecasted subway and bus ridership. At the commuter railroads, the LIRR was favorable due to higher ridership and MNR was on target. YTD results remain unfavorable; in addition to August results, the unfavorable YTD variance reflects weaker than expected subway and bus ridership, lower non-commutation ridership levels at MNR and favorable ridership trends at the LIRR. **Toll revenues** were favorable for the month due to higher traffic and higher-than-average tolls; the YTD result was unfavorable due to lower-than-forecasted average toll revenue resulting from higher-than-anticipated E-ZPass market share.

Total Operating Expenses before Non-Cash Liability Adjustments

YTD August 2017 (\$ in millions)					Month of August 2017 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	%Diff	Actual	Forecast	Diff	%Diff	
NYCT	\$5,292.0	\$5,333.0	\$41.0	0.8%	NYCT	\$704.4	\$682.1	(\$22.3)	-3.3%
MTA Bus	449.7	481.6	31.9	6.6%	MTA Bus	39.6	64.2	24.6	38.4%
LIRR	953.6	1,009.0	55.4	5.5%	LIRR	131.4	140.5	9.2	6.5%
MNR	841.5	861.1	19.6	2.3%	MNR	106.1	113.1	6.9	6.1%
B&T	306.2	316.0	9.9	3.1%	B&T	44.0	45.5	1.5	3.3%
Total	\$7,842.9	\$8,000.7	\$157.8	2.0%	Total	\$1,025.5	\$1,045.5	\$20.0	1.9%

August expenses were favorable by \$20.0 million, or 1.9%. MTA Bus was \$24.6 million favorable due to the timing of billings, lower expenses for maintenance & other operating contracts, Select Bus Service and claims. The LIRR's favorable \$9.2 million variance was mainly due to lower labor expenses reflecting vacancies and fewer retirees, lower timing-related expenses for materials and supplies, and professional services, which were partly offset by higher claims. MNR was \$6.9 million favorable due mainly to the timing of contracted services, lower electric power rates and a favorable accounting adjustment for H&W to recognize lower projected enrollments and dental costs. B&T was favorable by \$1.5 million due to vacancies. NYCT was \$22.3 million unfavorable, mostly due to higher costs, including overtime, associated with the Subway Action Plan, higher health & welfare/OPEB, and materials and supplies expenses; these were partly offset by lower fuel, and maintenance and professional services expenses.

YTD preliminary expenses were \$157.8 million, or 2.0%, favorable. The LIRR was \$55.4 million favorable, mainly due to lower labor expenses attributable to vacancies and fewer retirees, lower timing-related expenses for materials and supplies, professional services, and maintenance and other business expenses due to a reduction to the bad debt reserve adjustment; these were partly offset by higher claims and electric power. NYCT was \$41.0 million favorable mainly due to lower rates for health & welfare/OPEB, favorable overhead credits, and lower expenses for maintenance and professional services, materials & supplies, paratransit, and energy; these were partly offset by higher costs in August (including overtime) for the Subway Action Plan, other fringe benefits, payroll, and other business expenses. MTA Bus was \$31.9 million favorable mainly due to the timing of billings, and lower expenses for maintenance and other operating contracts, Select Bus Service and claims. MNR was favorable by \$19.6 million, mainly due to the timing of contracted services and electric power rates. B&T was favorable by \$9.9 million, mainly due to vacancies and the timing of major maintenance projects.

Overtime

YTD August 2017 (\$ in millions)					Month of August 2017 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	%Diff	Actual	Forecast	Diff	%Diff	
NYCT	\$362.9	\$328.0	(\$34.8)	-10.6%	NYCT	\$55.5	\$38.7	(\$16.8)	-43.5%
MTA Bus	43.6	41.3	(2.3)	-5.5%	MTA Bus	5.9	4.8	(1.2)	-24.1%
LIRR	87.2	86.2	(1.0)	-1.1%	LIRR	12.9	12.5	(0.4)	-3.5%
MNR	62.0	61.8	(0.2)	-0.3%	MNR	8.0	8.4	0.4	4.6%
B&T	19.7	19.0	(0.7)	-3.7%	B&T	2.3	2.3	0.0	0.0%
Total	\$575.3	\$536.4	(\$38.9)	-7.3%	Total	\$84.6	\$66.6	(\$18.0)	-27.1%

Preliminary overtime expenses for the month were \$18.0 million, or 27.1%, unfavorable. NYCT's \$16.8 million unfavorable variance (43.5%) was due mainly to higher Subway Recovery Plan and other overtime requirements. MTA Bus was 24.1% unfavorable due to higher running time, higher maintenance, and lower availability. At the commuter railroads, the LIRR was 3.5% unfavorable due to higher maintenance and scheduled service coverage, while MNR was favorable by 4.6% due to higher staff availability reflecting a recently graduated conductor classes available for service coverage. YTD preliminary overtime results were unfavorable by \$38.9 million or 7.3%, due mainly to higher Subway Recovery Plan and other overtime requirements at NYCT. MTA Bus was unfavorable by 5.5% due to higher running time, higher maintenance, and lower

availability; the LIRR was unfavorable by 1.1% due to higher maintenance and scheduled service coverage; and MNR was on target.

Debt Service

Debt service expenses for August were \$225.2 million, which was \$11.5 million, or 4.9%, favorable primarily due to lower than budgeted variable interest rates and the timing of new money bond issuance. YTD debt service expenses of \$1,704.9 million were \$16.2 million, or 0.9%, favorable; the favorable variance resulted from lower than budgeted variable interest rates and timing of new money bond issuance.

State Dedicated Taxes and Fees

YTD September 2017 (\$ in millions)					Month of September 2017 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	%Diff		Actual	Forecast	Diff	%Diff
MMTOA	\$764.0	\$764.0	\$0.0	0.0%	MMTOA	\$147.5	\$147.5	\$0.0	0.0%
PBT	462.3	461.5	0.7	0.2%	PBT	45.0	47.9	(2.9)	-6.1%
PMT ¹	1,115.3	1,106.9	8.4	0.8%	PMT ¹	92.2	86.4	5.8	6.7%
MTA Aid ²	220.2	222.8	(2.6)	-1.2%	MTA Aid ²	80.0	82.6	(2.6)	-3.1%
Total	\$2,561.8	\$2,555.3	\$6.6	0.3%	Total	\$364.6	\$364.3	\$0.3	0.1%

MMTOA was on target for September, and remains on target YTD as well. Petroleum Business Tax (PBT) receipts were \$2.9 million (6.1%) unfavorable for September, reflecting the non-seasonal nature of PBT receipts as monthly forecasts are based on prior year experience; YTD receipts are on target.

Payroll Mobility Tax (PMT) collections were \$5.8 million (6.7%) favorable in September, and YTD were favorable by \$8.4 million (0.8%). YTD, MTA Aid was unfavorable by \$2.6 million (1.2%), reflecting a shortfall in the September quarterly payment.

Real Estate Transaction Taxes

YTD September 2017 (\$ in millions)					Month of September 2017 (\$ in millions)				
	Mid-Year					Mid-Year			
	Actual	Forecast	Diff	%Diff		Actual	Forecast	Diff	%Diff
MRT	\$349.7	\$338.8	\$10.9	3.2%	MRT	\$45.1	\$37.4	\$7.8	20.7%
NYC Urban	439.7	462.5	(\$22.9)	-4.9%	NYC Urban	44.4	50.9	(\$6.5)	-12.8%
Total	\$789.4	\$801.4	(\$12.0)	-1.5%	Total	\$89.5	\$88.3	\$1.3	1.4%

Total real estate transaction taxes for September were \$1.3 million (1.4%) favorable, while the YTD variance was unfavorable by \$12.0 million (1.5%). Compared with last year through September, real estate taxes are \$196.4 million (19.9%) lower; Urban Tax is below last year's level by \$209.2 million (32.2%), while MRT is \$12.8 million (3.8%) above. Since the finalization of the Mid-Year Forecast, results have been mixed, with July and September essentially on target and August significantly unfavorable; however, during this period and throughout 2017, real estate transaction receipts have consistently reflected weakness in the real property transfer tax component of the Urban Tax.

Regional Mortgage Recording Tax³ receipts for September were \$7.8 million (20.7%) favorable; MRT-1 was favorable by \$5.9 million, and MRT-2 receipts were favorable by \$1.8 million. YTD MRT receipts were favorable by \$10.9 million (3.2%), with MRT-1 receipts \$9.3 million favorable and MRT-2 receipts \$1.6 million favorable.

New York City Urban Tax⁴ receipts for September were \$6.5 million (12.8%) unfavorable, and YTD Urban Tax receipts were \$22.9 million (4.9%) unfavorable due to low than expected real estate transaction activity. Compared with the Mid-Year Forecast, beginning with June the receipts for each month's Real Property Transfer Tax (RPTT) component of the

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.

Urban Tax have been unfavorable, and only partially offset by favorable receipts from the Mortgage Recording Tax (MRT) component of the Urban Tax. For September, RPTT receipts were unfavorable by \$13.9 million (39.5%) while MRT receipts were \$7.4 million (44.7%) favorable. YTD, RPTT receipts were \$39.8 million (13.4%) unfavorable, while MRT receipts were \$16.9 million (10.2%) favorable.

Real Estate Transaction Taxes Receipts (\$ in millions)

Mid-Year Forecast vs. Actual Receipts

2017 Mid-Year Forecast	2017	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 Sep
MRT-1	\$310.9	\$32.6	\$26.7	\$23.0	\$25.1	\$23.5	\$28.0	\$25.3	\$25.3	\$25.3	\$25.3	\$25.3	\$25.3	\$234.9
MRT-2	140.1	12.2	11.8	10.2	11.7	10.7	11.2	12.1	12.1	12.1	12.1	12.1	12.1	103.9
Total MRT	\$451.0	\$44.8	\$38.6	\$33.1	\$36.8	\$34.2	\$39.2	\$37.4	\$37.4	\$37.4	\$37.4	\$37.4	\$37.4	\$338.8
RPTT	\$402.0	\$61.5	\$29.2	\$14.8	\$12.8	\$29.9	\$42.7	\$35.2	\$35.2	\$35.2	\$35.2	\$35.2	\$35.2	\$296.4
MRT	213.1	27.9	18.1	16.2	17.6	16.8	22.4	15.7	15.7	15.7	15.7	15.7	15.7	166.1
Total Urban Tax - NYCT 90% share	\$615.1	\$89.4	\$47.3	\$31.0	\$30.4	\$46.7	\$65.1	\$50.9	\$50.9	\$50.9	\$50.9	\$50.9	\$50.9	\$462.5
Total Real Estate Taxes	\$1,066.1	\$134.2	\$85.9	\$64.2	\$67.2	\$80.9	\$104.2	\$88.3	\$88.3	\$88.3	\$88.3	\$88.3	\$88.3	\$801.4

2017 Monthly Actuals	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 Sep
MRT-1	\$32.6	\$26.7	\$23.0	\$25.1	\$23.5	\$28.0	\$29.0	\$25.0	\$31.2				\$244.2
MRT-2	12.2	11.8	10.2	11.7	10.7	11.2	12.1	11.8	13.9				105.6
Total MRT	\$44.8	\$38.6	\$33.1	\$36.8	\$34.2	\$39.2	\$41.2	\$36.7	\$45.1				\$349.7
RPTT	\$61.5	\$29.2	\$14.8	\$12.8	\$29.9	\$42.7	\$23.8	\$20.8	\$21.3				\$256.7
MRT	27.9	18.1	16.2	17.6	16.8	22.4	23.5	17.3	23.1				183.0
Total Urban Tax - NYCT 90% share	\$89.4	\$47.3	\$31.0	\$30.4	\$46.7	\$65.1	\$47.3	\$38.1	\$44.4				\$439.7
Total Real Estate Taxes	\$134.2	\$85.9	\$64.2	\$67.2	\$80.9	\$104.2	\$88.4	\$74.8	\$89.5				\$789.4

Variances	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 Sep
MRT-1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$3.7	(\$0.3)	\$5.9				\$9.3
MRT-2	0.0	0.0	0.0	0.0	0.0	0.0	0.1	(0.3)	1.8				1.6
Total MRT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$3.8	(\$0.6)	\$7.8				\$10.9
RPTT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$11.4)	(\$14.4)	(\$13.9)				(\$39.8)
MRT	0.0	0.0	0.0	0.0	0.0	0.0	7.8	1.7	7.4				16.9
Total Urban Tax - NYCT 90% share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$3.6)	(\$12.8)	(\$6.5)				(\$22.9)
Total Real Estate Taxes	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.2	(\$13.4)	\$1.3				(\$12.0)
MRT-1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	14.6%	-1.3%	23.4%				3.9%
MRT-2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	-2.5%	15.2%				1.6%
Total MRT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.1%	-1.7%	20.7%				3.2%
RPTT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-32.5%	-41.0%	-39.5%				-13.4%
MRT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	10.6%	47.4%				10.2%
Total Urban Tax - NYCT 90% share	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-7.1%	-25.1%	-12.8%				-4.9%
Total Real Estate Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	-15.2%	1.4%				-1.5%

Real Estate Transaction Taxes Receipts (\$ in millions)

2017 Receipts vs. 2016 Receipts

2016 Monthly Actuals	2016 Act	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	YTD Sep
MRT-1	\$327.1	\$29.6	\$24.6	\$28.1	\$29.9	\$25.6	\$27.2	\$27.0	\$25.0	\$26.7	\$32.3	\$26.4	\$24.6	\$243.7
MRT-2	128.4	10.6	8.9	9.2	11.1	9.9	9.3	11.1	10.7	12.4	13.1	11.1	11.0	93.2
Total MRT	\$455.5	\$40.2	\$33.5	\$37.3	\$41.0	\$35.6	\$36.5	\$38.1	\$35.8	\$39.0	\$45.4	\$37.5	\$35.6	\$336.9
RPTT	\$537.1	\$101.2	\$23.6	\$54.2	\$41.1	\$35.4	\$50.5	\$70.8	\$34.0	\$27.3	\$43.2	\$29.6	\$26.2	\$438.1
MRT	273.7	27.5	21.1	27.9	24.6	21.9	27.0	22.6	19.5	18.6	26.7	18.4	17.8	210.8
Total Urban Tax - NYCT 90% share	\$810.8	\$128.7	\$44.7	\$82.1	\$65.7	\$57.3	\$77.5	\$93.5	\$53.6	\$45.9	\$70.0	\$48.0	\$44.0	\$648.9
Total Real Estate Taxes	\$1,266.3	\$168.9	\$78.2	\$119.4	\$106.7	\$92.8	\$114.0	\$131.6	\$89.3	\$84.9	\$115.4	\$85.5	\$79.6	\$985.8

2017 Monthly Actuals	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 Sep
MRT-1	\$32.6	\$26.7	\$23.0	\$25.1	\$23.5	\$28.0	\$29.0	\$25.0	\$31.2				\$244.2
MRT-2	12.2	11.8	10.2	11.7	10.7	11.2	12.1	11.8	13.9				105.6
Total MRT	\$44.8	\$38.6	\$33.1	\$36.8	\$34.2	\$39.2	\$41.2	\$36.7	\$45.1				\$349.7
RPTT	\$61.5	\$29.2	\$14.8	\$12.8	\$29.9	\$42.7	\$23.8	\$20.8	\$21.3				\$256.7
MRT	27.9	18.1	16.2	17.6	16.8	22.4	23.5	17.3	23.1				183.0
Total Urban Tax - NYCT 90% share	\$89.4	\$47.3	\$31.0	\$30.4	\$46.7	\$65.1	\$47.3	\$38.1	\$44.4				\$439.7
Total Real Estate Taxes	\$134.2	\$85.9	\$64.2	\$67.2	\$80.9	\$104.2	\$88.4	\$74.8	\$89.5				\$789.4

Variances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Sep
MRT-1	\$3.0	\$2.1	(\$5.2)	(\$4.8)	(\$2.1)	\$0.8	\$2.0	(\$0.0)	\$4.6				\$0.4
MRT-2	1.6	3.0	1.0	0.6	0.7	1.8	1.0	1.0	1.5				12.3
Total MRT	\$4.6	\$5.1	(\$4.2)	(\$4.2)	(\$1.3)	\$2.7	\$3.0	\$1.0	\$6.1				\$12.8
RPTT	(\$39.8)	\$5.6	(\$39.4)	(\$28.3)	(\$5.5)	(\$7.8)	(\$47.1)	(\$13.2)	(\$6.0)				(\$181.5)
MRT	0.4	(3.0)	(11.7)	(7.0)	(5.1)	(4.6)	0.9	(2.2)	4.5				(27.8)
Total Urban Tax - NYCT 90% share	(\$39.3)	\$2.6	(\$51.1)	(\$35.3)	(\$10.5)	(\$12.4)	(\$46.2)	(\$15.5)	(\$1.5)				(\$209.2)
Total Real Estate Taxes	(\$34.7)	\$7.7	(\$55.3)	(\$39.5)	(\$11.9)	(\$9.8)	(\$43.2)	(\$14.5)	\$4.6				(\$196.4)
MRT-1	10.2%	8.6%	-18.4%	-16.0%	-8.1%	3.0%	7.4%	-0.2%	17.1%				0.2%
MRT-2	15.1%	33.8%	10.7%	5.3%	7.4%	19.8%	9.2%	9.5%	12.5%				13.2%
Total MRT	11.5%	15.3%	-11.2%	-10.2%	-3.8%	7.3%	7.9%	2.7%	15.6%				3.8%
RPTT	-39.3%	23.6%	-72.7%	-68.9%	-15.5%	-15.5%	-66.5%	-38.9%	-21.9%				-41.4%
MRT	1.5%	-14.1%	-41.9%	-28.5%	-23.2%	-17.0%	3.8%	-11.3%	24.1%				-13.2%
Total Urban Tax - NYCT 90% share	-30.6%	5.8%	-62.2%	-53.8%	-18.4%	-16.0%	-49.4%	-28.9%	-3.3%				-32.2%
Total Real Estate Taxes	-20.6%	9.8%	-46.3%	-37.0%	-12.8%	-8.6%	-32.8%	-16.2%	5.4%				-19.9%

BUDGETWATCH

Regional Economy Report

New York City Employment

Sectors with Year-over-Year Employment Gains

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

Sectors with Year-over-Year Employment Losses

- Manufacturing
- Information
- Trade

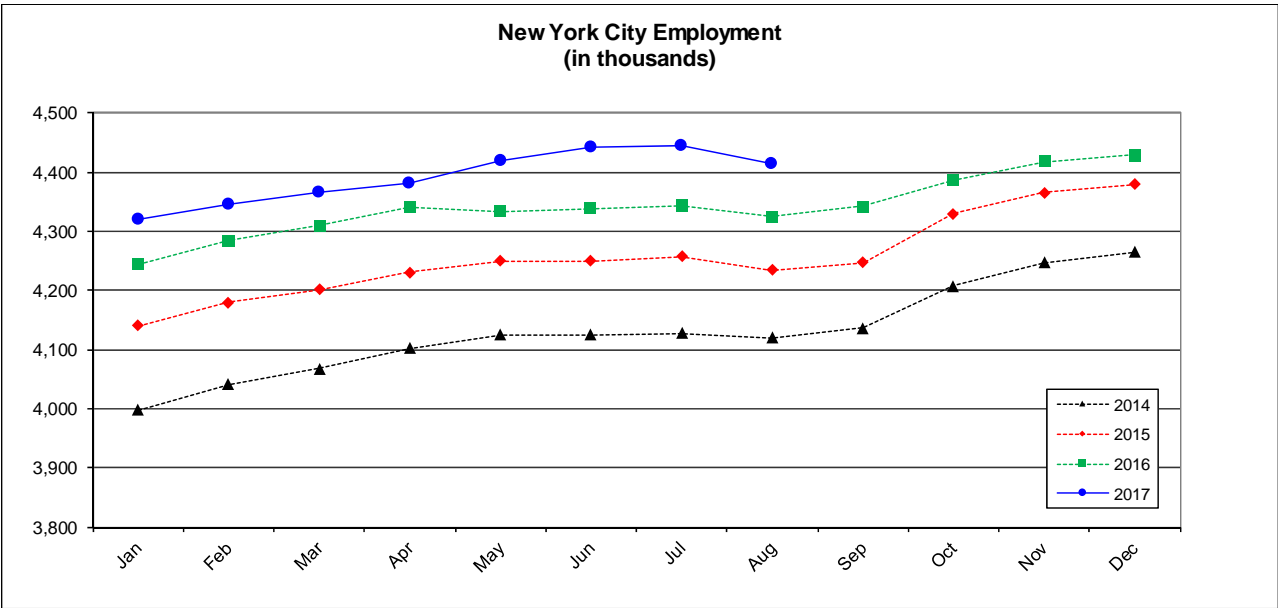
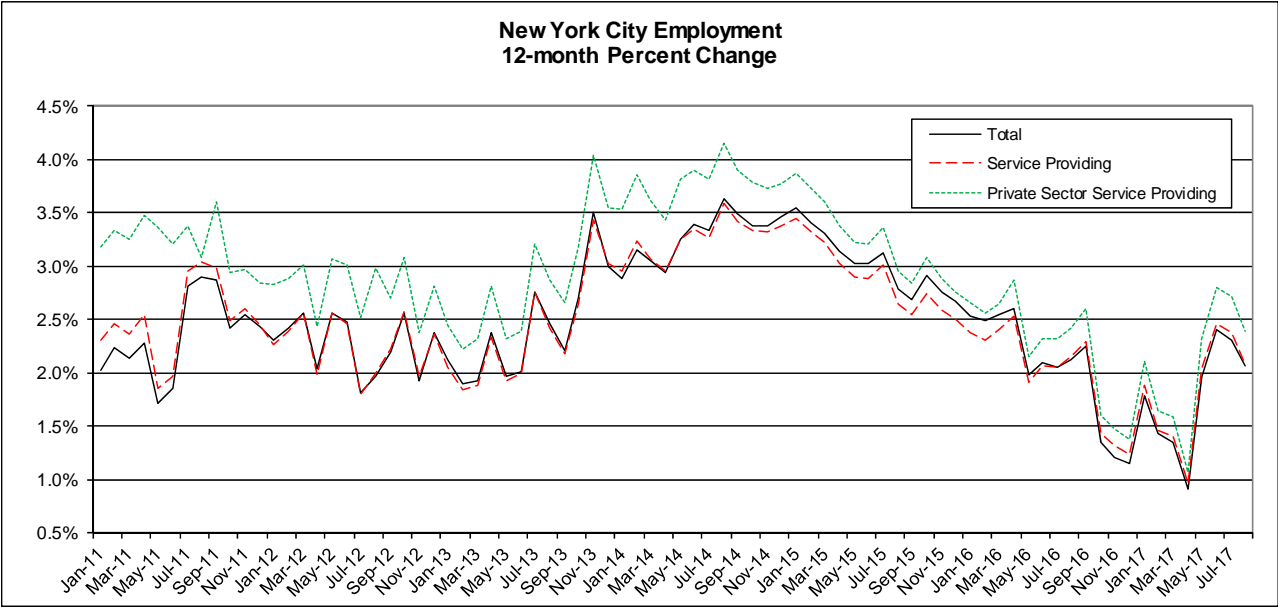
New York City Employment (in thousands)				Aug-17 versus			
	Prelim Aug-17	Revised Jul-17	Aug-16	Jul-17		Aug-16	
				Net	Pct	Net	Pct
Total Employment	4,413.5	4,444.2	4,324.0	(30.7)	-0.7%	89.5	2.1%
Goods Producing	230.6	228.0	226.5	2.6	1.1%	4.1	1.8%
Construction, Mining, Nat Res	155.7	154.1	150.6	1.6	1.0%	5.1	3.4%
Manufacturing	74.9	73.9	75.9	1.0	1.4%	(1.0)	-1.3%
Service Providing	4,182.9	4,216.2	4,097.5	(33.3)	-0.8%	85.4	2.1%
Transportation, Utilities	133.1	133.3	128.2	(0.2)	-0.2%	4.9	3.8%
Trade	481.9	485.0	491.9	(3.1)	-0.6%	(10.0)	-2.0%
Information	192.6	190.9	197.6	1.7	0.9%	(5.0)	-2.5%
Financial Activities	477.8	481.0	473.5	(3.2)	-0.7%	4.3	0.9%
Professional & Business Svcs	756.1	758.4	729.0	(2.3)	-0.3%	27.1	3.7%
Education & Health Svcs	941.0	950.4	898.6	(9.4)	-1.0%	42.4	4.7%
Leisure & Hospitality	457.3	459.9	439.6	(2.6)	-0.6%	17.7	4.0%
Other Services	190.6	192.7	187.1	(2.1)	-1.1%	3.5	1.9%
Government	552.5	564.6	552.0	(12.1)	-2.1%	0.5	0.1%

Preliminary August 2017 employment in New York City shows a gain of 89,500 jobs (2.1%) when compared to last August's employment level. This marks the eighty-ninth consecutive month in which employment has improved over its level from one year earlier. The Education & Health Services and the Professional & Business Services sectors experienced the greatest gains in the number of jobs among the major sectors, adding 42,200 and 27,100 jobs, respectively, over the past twelve months.

Employment in New York City's service-providing sectors increased by 85,400 jobs (2.1%) over the August 2016 level. Private-sector service-providing employment in New York City increased by 84,900 jobs (2.4%), the ninetieth consecutive month of year-to-year improvement.

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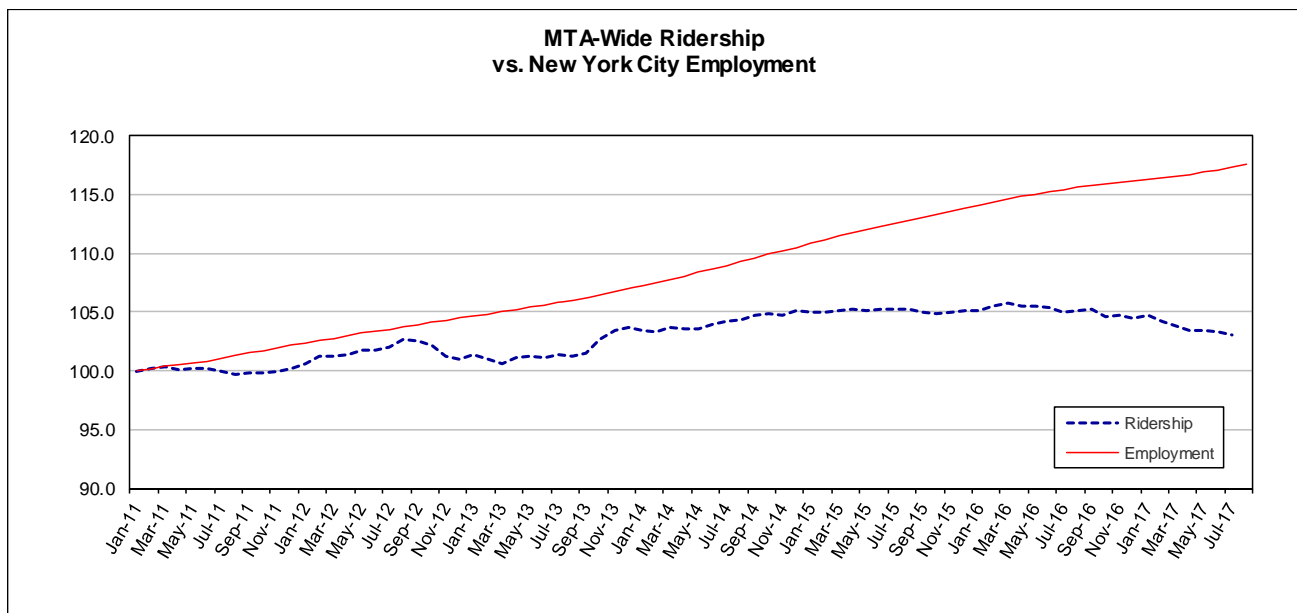
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In August, seasonally adjusted New York City employment of 4.43 million was higher than in August 2016 by 73,200 jobs (1.68%), and was higher than last month by 1,200 jobs (0.03%).



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, while the twelve-month average for employment has increased by 17.5% through August 2017, the 12-month average MTA-wide ridership has grown by 3.1% through July 2017.¹ The twelve-month average for ridership in July 2017 was 1.8% lower than one year earlier.



¹ August ridership was not available at the time of writing. Twelve-month average employment increased by 17.3% through July 2017.

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Consumer Price Index

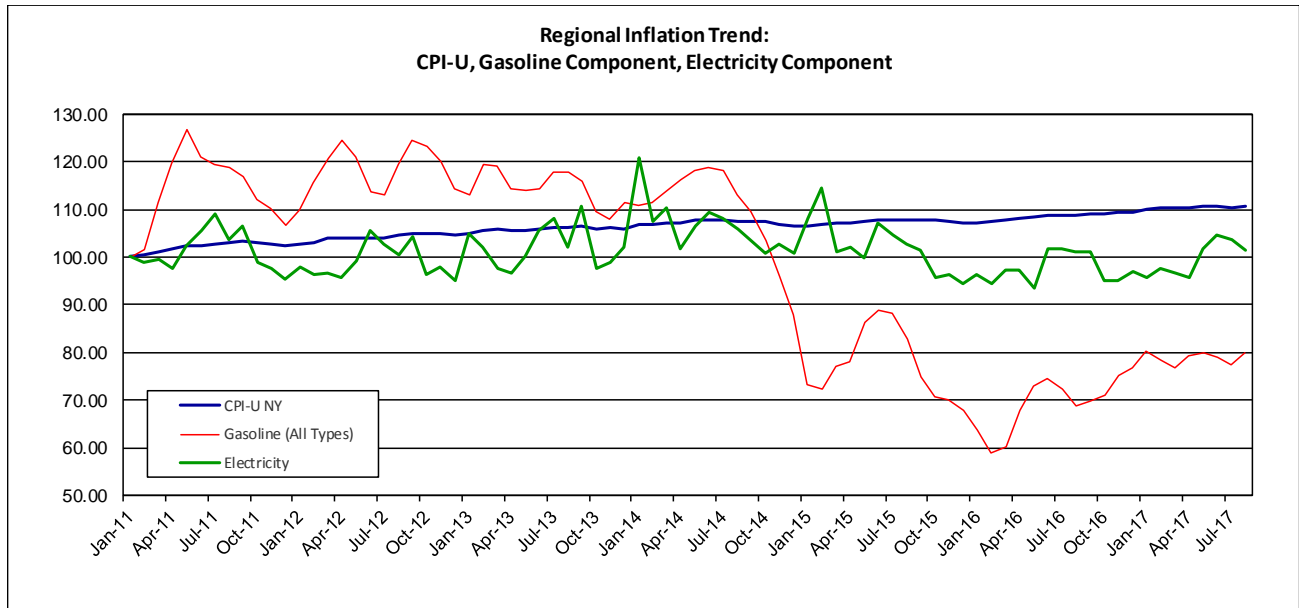
Goods Reporting Month-over-Month Price Increases

- Food
- Apparel
- Transportation
- Gasoline

Goods Reporting Month-over-Month Price Declines

- Medical Care
- Electricity

	Aug-17 versus						
				Jul-17		Aug-16	
	Aug-17	Jul-17	Aug-16	Net	Pct	Net	Pct
Regional CPI-U	268.66	268.05	264.16	0.61	0.2%	4.50	1.7%
Medical Care Component	476.32	476.76	469.39	(0.44)	-0.1%	6.93	1.5%
Electricity Component	185.42	189.16	184.40	(3.74)	-2.0%	1.03	0.6%
Gasoline (all grades) Component	198.24	192.37	171.03	5.87	3.1%	27.21	15.9%
National CPI-U	245.52	244.79	240.85	0.73	0.3%	4.67	1.9%

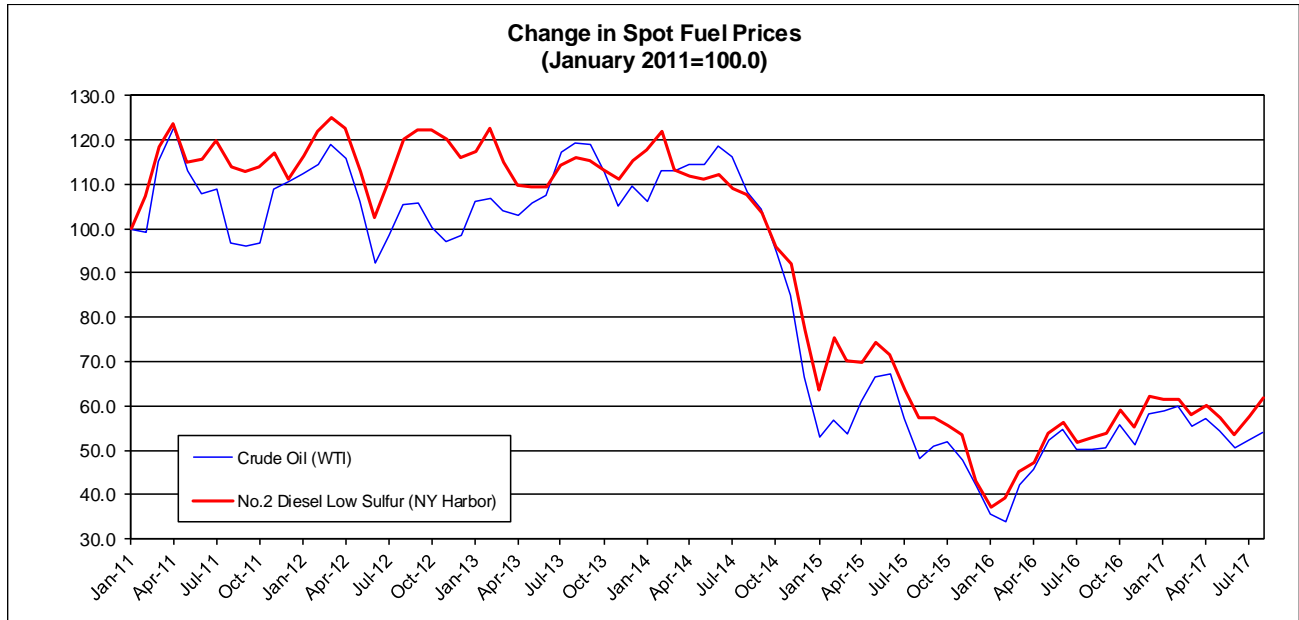


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Fuel Prices

Fuel - Spot Prices <i>NY Harbor, except Crude Oil (WTI)</i>	Latest Price:			Aug-17 versus		
	9/11/17	Aug-17	Jul-17	Aug-16	Jul-17	Aug-16
Crude Oil (\$/bbl)	48.06	48.04	46.63	44.72	3.0%	7.4%
Conventional Regular Gasoline (\$/gal)	1.97	1.69	1.56	1.38	8.1%	22.4%
Low Sulfur No.2 Diesel Fuel (\$/gal)	1.75	1.63	1.52	1.40	7.2%	16.6%
No.2 Heating Oil (\$/gal)	1.66	1.52	1.42	1.33	6.7%	14.6%



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Nassau, Suffolk Employment (in thousands)				Aug-17 versus			
	Prelim Aug-17	Revised Jul-17	Aug-16	Jul-17		Aug-16	
				Net	Percent	Net	Percent
Total Employment	1,343.3	1,357.0	1,336.7	-13.7	-1.0%	6.6	0.5%
Goods Producing	149.9	152.2	153.2	-2.3	-1.5%	-3.3	-2.2%
Construction, Mining, Nat Res	79.7	82.1	81.2	-2.4	-2.9%	-1.5	-1.8%
Manufacturing	70.2	70.1	72.0	0.1	0.1%	-1.8	-2.5%
Service Providing	1,193.4	1,204.8	1,183.5	-11.4	-0.9%	9.9	0.8%
Transportation, Utilities	40.2	40.4	39.2	-0.2	-0.5%	1.0	2.6%
Trade	233.0	233.8	234.5	-0.8	-0.3%	-1.5	-0.6%
Information	18.8	19.3	19.2	-0.5	-2.6%	-0.4	-2.1%
Financial Activities	72.2	73.0	73.2	-0.8	-1.1%	-1.0	-1.4%
Professional & Business Svcs	179.2	180.6	179.2	-1.4	-0.8%	0.0	0.0%
Education & Health Svcs	263.7	264.6	256.9	-0.9	-0.3%	6.8	2.6%
Leisure & Hospitality	141.3	142.8	137.5	-1.5	-1.1%	3.8	2.8%
Other Services	59.1	59.9	58.9	-0.8	-1.3%	0.2	0.3%
Government	185.9	190.4	184.9	-4.5	-2.4%	1.0	0.5%

Orange, Rockland, Westchester Employment (in thousands)				Aug-17 versus			
	Prelim Aug-17	Revised Jul-17	Aug-16	Jul-17		Aug-16	
				Net	Percent	Net	Percent
Total Employment	726.2	732.4	712.2	-6.2	-0.8%	14.0	2.0%
Goods Producing	68.2	68.4	71.2	-0.2	-0.3%	-3.0	-4.2%
Construction, Mining, Nat Res	39.1	39.3	41.6	-0.2	-0.5%	-2.5	-6.0%
Manufacturing	29.1	29.1	29.6	0.0	0.0%	-0.5	-1.7%
Service Providing	658.0	664.0	641.0	-6.0	-0.9%	17.0	2.7%
Transportation, Utilities	24.7	24.4	23.1	0.3	1.2%	1.6	6.9%
Trade	119.6	120.7	117.8	-1.1	-0.9%	1.8	1.5%
Information	12.7	12.8	13.2	-0.1	-0.8%	-0.5	-3.8%
Financial Activities	38.4	38.3	38.0	0.1	0.3%	0.4	1.1%
Professional & Business Svcs	95.5	95.5	92.6	0.0	0.0%	2.9	3.1%
Education & Health Svcs	150.8	151.3	143.7	-0.5	-0.3%	7.1	4.9%
Leisure & Hospitality	70.0	73.1	69.2	-3.1	-4.2%	0.8	1.2%
Other Services	34.0	33.6	31.8	0.4	1.2%	2.2	6.9%
Government	112.3	114.3	111.6	-2.0	-1.7%	0.7	0.6%

Dutchess, Putnam Employment (in thousands)				Aug-17 versus			
	Prelim Aug-17	Revised Jul-17	Aug-16	Jul-17		Aug-16	
				Net	Percent	Net	Percent
Total Employment	147.7	148.3	145.3	-0.6	-0.4%	2.4	1.7%
Goods Producing	18.7	18.8	18.5	-0.1	-0.5%	0.2	1.1%
Construction, Mining, Nat Res	8.9	9.0	8.4	-0.1	-1.1%	0.5	6.0%
Manufacturing	9.8	9.8	10.1	0.0	0.0%	-0.3	-3.0%
Service Providing	129.0	129.5	126.8	-0.5	-0.4%	2.2	1.7%
Transportation, Utilities	4.4	4.2	4.2	0.2	4.8%	0.2	4.8%
Trade	20.0	20.2	20.4	-0.2	-1.0%	-0.4	-2.0%
Information	1.8	1.9	2.0	-0.1	-5.3%	-0.2	-10.0%
Financial Activities	4.8	4.8	4.8	0.0	0.0%	0.0	0.0%
Professional & Business Svcs	11.8	11.8	11.9	0.0	0.0%	-0.1	-0.8%
Education & Health Svcs	36.3	36.1	35.1	0.2	0.6%	1.2	3.4%
Leisure & Hospitality	17.3	17.5	16.1	-0.2	-1.1%	1.2	7.5%
Other Services	7.2	7.3	6.9	-0.1	-1.4%	0.3	4.3%
Government	25.4	25.7	25.4	-0.3	-1.2%	0.0	0.0%

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