

BUDGETWATCH

September 2013 Flash Report

(Forecast figures in this report, except the Summary of June Budgetwatch, refer to the 2013 Mid-Year Forecast)

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

Preliminary YTD results vs. the **Adopted Budget** were favorable, mostly due to favorable expense results (\$74.5 million), reflecting timing-related activity in OTPS expense categories. Favorable YTD debt service costs (\$3.0 million) reflect refunding savings and lower interest rates that were mostly offset by an advanced payment of TRB debt service. YTD passenger revenues were slightly unfavorable, continuing to reflect harsh winter weather and the residual impacts of Sandy; these impacts were partially offset by higher than expected NYCT ridership in April. Toll revenues for April and YTD were favorable due to traffic growth attributable to higher than expected NYC employment and lower than expected impacts from the toll increase. Combined real estate tax receipts were unfavorable in May (\$10.4 million unfavorable), reducing the favorable YTD variance to \$75.1 million. Offsetting much of the favorable variance in real estate taxes were lower subsidies; combined receipts of PMT, MTA Aid, PBT and MMTOA were \$66.1 million unfavorable YTD, some of which may be timing-related. *It should be noted that the trends (mostly-favorable) vs. budget described in this paragraph were captured in the Mid-Year Forecast (July Financial Plan).*

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

Overall YTD results were better than the **Mid-Year Forecast** due primarily to positive results from operations. Both operating revenues and expenses, for the month and YTD, were slightly favorable. YTD Debt service costs were slightly favorable. YTD subsidies in aggregate were on target as favorable real estate tax receipts were offset by lower PBT receipts.

Passenger and Toll Revenues

YTD July 2013 (\$ in millions)					Month of July 2013 (\$ in millions)				
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Diff</u>	<u>% Diff</u>		<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Diff</u>	<u>% Diff</u>
NYCT:					NYCT:				
Subway	\$1,723.0	\$1,716.5	\$6.5	0.4%	Subway	\$260.0	\$256.3	\$3.8	1.5%
Bus	539.9	539.4	0.5	0.1%	Bus	82.0	81.9	0.1	0.1%
Other	<u>39.6</u>	<u>40.0</u>	<u>(0.4)</u>	<u>-0.9%</u>	Other	<u>5.7</u>	<u>5.9</u>	<u>(0.2)</u>	<u>-3.1%</u>
NYCT	\$2,302.5	\$2,295.9	\$6.6	0.3%	NYCT	\$347.7	\$344.0	\$3.7	1.1%
LIRR	360.0	361.1	(1.1)	-0.3%	LIRR	57.3	57.4	(0.1)	-0.2%
MNR	<u>357.6</u>	<u>358.0</u>	<u>(0.3)</u>	<u>-0.1%</u>	MNR	<u>54.6</u>	<u>55.0</u>	<u>(0.4)</u>	<u>-0.7%</u>
Sub-total	\$3,020.2	\$3,015.0	\$5.2	0.2%	Sub-total	\$459.6	\$456.4	\$3.2	0.7%
B&T	<u>935.6</u>	<u>930.0</u>	<u>5.6</u>	<u>0.6%</u>	B&T	<u>147.0</u>	<u>142.6</u>	<u>4.4</u>	<u>3.1%</u>
Total	\$3,955.8	\$3,945.0	\$10.7	0.3%	Total	\$606.5	\$599.0	\$7.6	1.3%

For the month, passenger revenues were \$3.2 million, or 0.7%, better than the Mid-Year Forecast. NYCT was slightly favorable by 1.1%, mostly due to higher subway ridership, while MNR and the LIRR were slightly unfavorable by 0.7% and 0.2%, respectively, due to lower ridership. Toll revenues were favorable by 3.1% due to greater traffic and higher average tolls (yield). On a year-to-date basis, passenger revenues were favorable to the Mid-Year Forecast by \$5.2 million, or 0.2%. NYCT was favorable by 0.3% mainly due to higher subway ridership, while the LIRR and MNR were slightly unfavorable by 0.3% and 0.1%, respectively, due to lower ridership. Toll revenues were favorable by \$5.6 million, or 0.6%, due to higher levels and of traffic and yield.

Total Operating Expenses before Non-Cash Liability Adjustments

	YTD July 2013 (\$ in millions)				Month of July 2013 (\$ in millions)				
	Actual	Mid-Year Forecast	Diff	% Diff	Actual	Mid-Year Forecast	Diff	% Diff	
NYCT	\$4,283.5	\$4,300.9	\$17.3	0.4%	NYCT	\$1,224.8	\$1,221.5	(\$3.3)	-0.3%
LIRR	739.7	760.4	20.6	2.7%	LIRR	107.8	117.9	10.2	8.6%
MNR	596.1	600.6	4.5	0.8%	MNR	92.8	91.7	(1.1)	-1.2%
B&T	218.6	219.9	1.3	0.6%	B&T	30.7	32.3	1.6	4.9%
Total	\$5,838.0	\$5,881.7	\$43.8	0.7%	Total	\$1,456.0	\$1,463.4	\$7.4	0.5%

For the month, expenses were favorable to the Mid-Year Forecast by \$7.4 million or 0.5%. The LIRR was favorable by \$10.2 million, or 8.6%, due to lower non-labor expenses (\$8.1 million – mainly professional service contracts and maintenance and other operating contracts) and lower labor expenses (\$2.1 million – mostly fringe benefits, payroll and OPEB current payment). B&T was \$1.6 million favorable due to lower non-labor expenses (\$1.1 million – mostly maintenance and other operating contracts) and lower labor expenses (\$0.5 million – mostly overtime). NYCT was \$3.3 million unfavorable due to higher non-labor expenses (\$4.0 million – mainly professional services and claims) that were partially offset by lower labor expenses (\$0.7 million – mainly fringe benefits). MNR was unfavorable by \$1.1 million due to higher labor expenses (\$4.5 million – mostly overtime) mostly offset by lower non-labor expenses (\$3.4 million – mainly maintenance and other operating contracts, professional services, and electric power).

July YTD expenses were \$43.8 million, or 0.7%, favorable to the Mid-Year Forecast. NYCT was favorable by \$37.5 million due to lower labor expenses (\$24.8 million – mostly fringe benefits, salaries and wages, and reimbursable overhead partially offset by unfavorable overtime spending) partially offset by higher non-labor expenses (\$7.5 million – mainly professional services and claims, that were partially offset by favorable results for paratransit service contracts, electric power, and materials & supplies). The LIRR was favorable by \$17.3 million, or 0.4%, due to lower non-labor expenses (\$14.3 million – mostly professional service contracts, and maintenance and other operating contracts) and lower labor expenses (\$6.3 million – mostly fringe benefits). MNR was favorable by \$4.5 million, or 0.8%, due to lower non-labor expenses (\$12.2 million – mainly maintenance and other operating contracts, professional services, and electric power) partially offset by higher labor expenses (\$7.7 million – mostly overtime, fringe benefits, and reimbursable overhead). B&T was virtually on target.

Overtime

	YTD July 2013 (\$ in millions)				Month of July 2013 (\$ in millions)				
	Actual	Mid-Year Forecast	Diff	% Diff	Actual	Mid-Year Forecast	Diff	% Diff	
NYCT	\$217.6	\$211.3	(\$6.3)	-3.0%	NYCT	\$32.5	\$27.3	(\$5.2)	-19.1%
LIRR	53.8	52.6	(1.2)	-2.3%	LIRR	8.7	8.4	(0.3)	-4.0%
MNR	36.4	32.6	(3.8)	-11.7%	MNR	7.5	5.4	(2.1)	-39.0%
B&T	10.5	11.3	0.8	6.8%	B&T	1.4	1.9	0.5	25.0%
Total	\$318.2	\$307.7	(\$10.5)	-3.4%	Total	\$50.2	\$43.0	(\$7.2)	-16.7%

For the month, non-reimbursable overtime was unfavorable to the Mid-Year Forecast by \$7.2 million, or 16.7%. On a year-to-date basis, overtime was unfavorable by \$10.5 million, or 3.4%. AT NYCT, the YTD unfavorable results largely reflect additional bus unscheduled service, maintenance/vacancy coverage requirements and residual Sandy-related work. YTD overtime at MNR is primarily due to the acceleration of the Maintenance of Way Infrastructure Improvement Program and the CSX derailment. Unfavorable YTD overtime at LIRR reflects higher rates and unfavorable vacancy/absentee coverage.

Debt Service

Debt service costs for the month of July were \$192.3 million, which was \$12.7 million, or 6.2%, unfavorable to the Mid-Year Forecast due to the reversal of a prior timing variance related to the BAB subsidy. July YTD debt service costs were \$1,277.9 million, which was \$14.0 million, or 1.1%, favorable due to savings from lower-than-forecasted variable interest rates.

Payroll Mobility Tax (PMT) / MTA AID

YTD August 2013 (\$ in millions)					Month of August 2013 (\$ in millions)				
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Diff</u>	<u>% Diff</u>		<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Diff</u>	<u>% Diff</u>
PMT	\$884.6	\$886.6	(\$2.0)	-0.2%	PMT	\$112.2	\$109.0	\$3.2	2.9%
MTA Aid	148.2	148.2	\$0.0	0.0%	MTA Aid	0.0	0.0	\$0.0	0.0%
Total	\$1,032.8	\$1,034.8	(\$2.0)	-0.2%	Total	\$112.2	\$109.0	\$3.2	2.9%

Notes: 1) MTA Aid includes the License Fee, Vehicle Registration Fee, Taxi Fee, Automobile Rental Fee.
2) PMT replacement funds totaling \$310 million for the year, excluded from the results reported in this table, are projected to be received in five equal installments of \$62 million.

August Payroll Mobility Tax (PMT) receipts of \$112.2 million were \$3.2 million favorable compared with the Mid-Year Forecast. YTD receipts of \$884.6 million were slightly below target. Year-to-date MTA Aid receipts were on target.

State Dedicated Taxes

Petroleum Business Tax (PBT) receipts for September of \$59.9 million were \$1.4 million (2.4%) favorable, however year-to-date PBT receipts of \$456.2 million were unfavorable by \$13.7 million (2.9%). Monthly receipts have high variability and it remains unclear at this time if the unfavorable variance is real, timing-related, or some combination.

MMTOA receipts for September and year-to-date were on target with the Mid-Year Forecast.

Real Estate Transaction Taxes

YTD September 2013 (\$ in millions)					Month of September 2013 (\$ in millions)				
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Diff</u>	<u>% Diff</u>		<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Diff</u>	<u>% Diff</u>
MRT	\$264.9	\$252.2	\$12.6	5.0%	MRT	\$37.1	\$27.8	\$9.3	33.7%
NYC Urban	410.7	410.5	\$0.3	0.1%	NYC Urban	\$43.4	41.6	\$1.8	4.4%
Total	\$675.6	\$662.7	\$12.9	2.0%	Total	\$80.5	\$69.3	\$11.2	16.1%

Total real estate taxes for September of \$80.5 million were \$11.2 million (16.1%) higher-than-forecast, and the YTD results compare favorably with the Mid-Year Forecast by \$12.9 million (2.0%). The September results reflect better than expected receipts from both commercial and residential transactions.

Regional Mortgage Recording Tax¹ receipts for September were \$9.3 million or 33.7% above the Mid-Year Forecast; MRT-1 was \$5.9 million or 30.5% favorable and MRT-2 was \$3.4 million or 41.1% favorable. September MRT revenues were the highest in more than five years.

New York City Urban Tax² receipts for September were \$43.4 million, \$1.8 million (or 4.4%) above the Mid-Year Forecast. The MRT portion of the Urban Tax was \$17.8 million, favorable by \$7.1 million or 65.8%, while RPTT receipts of \$25.6 million were \$5.2 million (or 17%) unfavorable.

¹ Mortgage Recording Taxes consist of two separate taxes on all mortgages recorded in the twelve-county region: MRT-1 is a tax on both commercial and residential mortgages, while MRT-2 is imposed on residential real estate structures containing one to six dwelling units.

² New York City Urban Taxes are imposed on non-residential property and apartment building transactions within New York City that are valued at over \$500,000. The MRT component of the Urban Tax is imposed on mortgages of commercial property exceeding \$500,000, and the Real Property Transfer Tax component is imposed on the transfer of NYC commercial real properties valued over \$500K.

Real Estate Transaction Taxes Receipts (\$ in millions)

2013 Receipts vs. 2012 Receipts

2012 Monthly Actuals	2012 Act	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	YTD Sep
MRT-1	\$187.4	\$13.9	\$14.7	\$11.7	\$15.2	\$14.4	\$16.0	\$16.8	\$16.1	\$17.7	\$16.5	\$14.9	\$19.4	\$136.5
MRT-2	92.5	6.8	7.1	6.4	7.3	7.0	7.8	8.3	8.5	9.3	8.1	8.3	7.5	68.6
Total MRT	\$279.8	\$20.7	\$21.8	\$18.2	\$22.5	\$21.4	\$23.7	\$25.1	\$24.6	\$27.0	\$24.7	\$23.2	\$26.9	\$205.1
RPTT	\$290.1	\$22.8	\$24.0	\$24.1	\$24.1	\$20.4	\$19.8	\$24.6	\$26.9	\$20.5	\$22.4	\$26.7	\$33.7	\$207.2
MRT	116.6	9.0	9.3	5.9	10.0	8.9	9.7	10.8	8.8	9.5	9.7	7.4	17.6	81.9
Total Urban Tax - NYCT 90% share	\$406.7	\$31.8	\$33.4	\$30.0	\$34.1	\$29.3	\$29.5	\$35.3	\$35.7	\$30.1	\$32.1	\$34.1	\$51.3	\$289.1
Total Real Estate Taxes	\$686.5	\$52.6	\$55.1	\$48.1	\$56.6	\$50.7	\$53.2	\$60.4	\$60.3	\$57.1	\$56.8	\$57.3	\$78.2	\$494.2

2013 Monthly Actuals	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD Sep
MRT-1	\$20.5	\$24.6	\$16.0	\$18.7	\$18.1	\$21.4	\$16.9	\$22.9	\$25.4				\$184.8
MRT-2	7.9	8.6	7.6	7.9	8.1	9.4	8.4	10.5	11.7				80.1
Total MRT	\$28.5	\$33.2	\$23.6	\$26.6	\$26.2	\$30.8	\$25.4	\$33.4	\$37.1				\$264.9
RPTT	\$44.9	\$56.8	\$14.5	\$42.4	\$13.1	\$17.5	\$19.9	\$35.4	\$25.6				\$269.9
MRT	18.5	23.6	10.1	14.8	13.2	16.4	10.2	16.2	17.8				140.8
Total Urban Tax - NYCT 90% share	\$63.3	\$80.4	\$24.6	\$57.1	\$26.3	\$33.9	\$30.1	\$51.6	\$43.4				\$410.7
Total Real Estate Taxes	\$91.8	\$113.6	\$48.2	\$83.7	\$52.5	\$64.7	\$55.5	\$85.0	\$80.5				\$675.6

Variances	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Sep
MRT-1	\$6.6	\$10.0	\$4.3	\$3.5	\$3.8	\$5.5	\$0.1	\$6.8	\$7.7				\$48.3
MRT-2	1.1	1.5	1.2	0.6	1.0	1.6	0.2	2.0	2.4				11.5
Total MRT	\$7.7	\$11.5	\$5.5	\$4.1	\$4.8	\$7.1	\$0.3	\$8.8	\$10.1				\$59.8
RPTT	\$22.1	\$32.7	(\$9.6)	\$18.3	(\$7.3)	(\$2.3)	(\$4.7)	\$8.4	\$5.1				\$62.7
MRT	9.4	14.3	4.2	4.8	4.3	6.7	(0.5)	7.4	8.3				58.9
Total Urban Tax - NYCT 90% share	\$31.5	\$47.0	(\$5.4)	\$23.1	(\$2.9)	\$4.4	(\$5.3)	\$15.8	\$13.3				\$121.6
Total Real Estate Taxes	\$39.3	\$58.5	\$0.1	\$27.2	\$1.8	\$11.5	(\$5.0)	\$24.7	\$23.4				\$181.4
MRT-1	47.4%	67.8%	36.7%	23.1%	26.1%	34.4%	0.8%	42.3%	43.5%				35.4%
MRT-2	16.5%	21.4%	18.0%	7.9%	14.6%	20.5%	1.9%	23.7%	25.2%				16.8%
Total MRT	37.3%	52.7%	30.1%	18.2%	22.3%	29.9%	1.2%	35.9%	37.2%				29.2%
RPTT	96.9%	136.1%	-39.8%	75.9%	-35.7%	-11.8%	-19.2%	31.4%	24.7%				30.2%
MRT	104.6%	153.0%	70.8%	47.9%	49.1%	69.7%	-5.0%	84.0%	86.8%				71.9%
Total Urban Tax - NYCT 90% share	99.1%	140.8%	-17.9%	67.7%	-10.1%	15.0%	-14.9%	44.3%	44.3%				42.1%
Total Real Estate Taxes	74.7%	106.0%	0.2%	48.0%	3.6%	21.6%	-8.2%	40.9%	40.9%				36.7%

Real Estate Transaction Taxes Receipts (\$ in millions)

Mid-Year Forecast vs. Actual Receipts

2013 Mid-Year Forecast	2013	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD Sep
MRT-1	\$236.3	\$20.5	\$24.6	\$16.0	\$18.7	\$18.1	\$21.4	\$19.5	\$19.5	\$19.5	\$19.5	\$19.5	\$19.5	\$177.9
MRT-2	99.2	7.9	8.6	7.6	7.9	8.1	9.4	8.3	8.3	8.3	8.3	8.3	8.3	74.3
Total MRT	\$335.5	\$28.5	\$33.2	\$23.6	\$26.6	\$26.2	\$30.8	\$27.8	\$27.8	\$27.8	\$27.8	\$27.8	\$27.8	\$252.2
RPTT	\$374.2	\$44.9	\$56.8	\$14.5	\$42.4	\$13.1	\$17.5	\$30.8	\$30.8	\$30.8	\$30.8	\$30.8	\$30.8	\$281.6
MRT	161.0	18.5	23.6	10.1	14.8	13.2	16.4	10.7	10.7	10.7	10.7	10.7	10.7	128.8
Total Urban Tax - NYCT 90% share	\$535.2	\$63.3	\$80.4	\$24.6	\$57.1	\$26.3	\$33.9	\$41.6	\$41.6	\$41.6	\$41.6	\$41.6	\$41.6	\$410.5
Total Real Estate Taxes	\$870.684	\$91.8	\$113.6	\$48.2	\$83.7	\$52.5	\$64.7	\$69.3	\$69.3	\$69.3	\$69.3	\$69.3	\$69.3	\$662.7

2013 Monthly Actuals	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD Sep
MRT-1	\$20.5	\$24.6	\$16.0	\$18.7	\$18.1	\$21.4	\$16.9	\$22.9	\$25.4				\$184.8
MRT-2	7.9	8.6	7.6	7.9	8.1	9.4	8.4	10.5	11.7				80.1
Total MRT	\$28.5	\$33.2	\$23.6	\$26.6	\$26.2	\$30.8	\$25.4	\$33.4	\$37.1				\$264.9
RPTT	\$44.9	\$56.8	\$14.5	\$42.4	\$13.1	\$17.5	\$19.9	\$35.4	\$25.6				\$269.9
MRT	18.5	23.6	10.1	14.8	13.2	16.4	10.2	16.2	17.8				140.8
Total Urban Tax - NYCT 90% share	\$63.3	\$80.4	\$24.6	\$57.1	\$26.3	\$33.9	\$30.1	\$51.6	\$43.4				\$410.7
Total Real Estate Taxes	\$91.8	\$113.6	\$48.2	\$83.7	\$52.5	\$64.7	\$55.5	\$85.0	\$80.5				\$675.6

Variances	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD Sep
MRT-1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$2.5)	\$3.5	\$5.9				\$6.9
MRT-2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	2.2	3.4				5.8
Total MRT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$2.4)	\$5.7	\$9.3				\$12.6
RPTT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$11.0)	\$4.5	(\$5.2)				(\$11.7)
MRT	0.0	0.0	0.0	0.0	0.0	0.0	(0.5)	5.4	7.1				12.0
Total Urban Tax - NYCT 90% share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$11.5)	\$10.0	\$1.8				\$0.3
Total Real Estate Taxes	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$13.9)	\$15.6	\$11.2				\$12.9

MRT-1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-12.9%	17.8%	30.5%				3.9%
MRT-2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	26.5%	41.1%				7.8%
Total MRT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-8.5%	20.4%	33.7%				5.0%
RPTT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-35.6%	14.7%	-17.0%				-4.2%
MRT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.8%	50.6%	65.8%				9.3%
Total Urban Tax - NYCT 90% share	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-27.7%	24.0%	4.4%				0.1%
Total Real Estate Taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-20.0%	22.5%	16.1%				2.0%

September 2013 BudgetWatch Regional Economy

New York City Employment

Sectors with Employment Gains in July 2013 Compared to July 2012

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



Sectors with Employment Losses in July 2013 Compared to July 2012

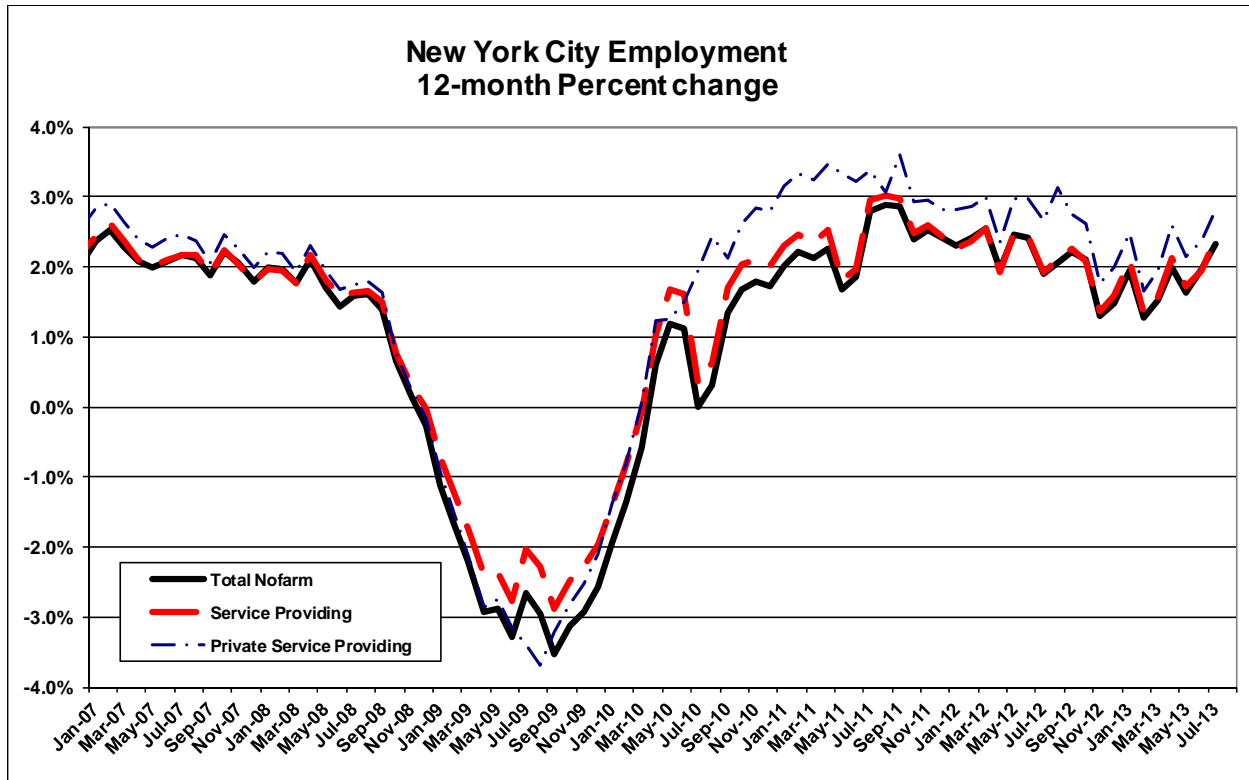
- Manufacturing
- Information
- Transportation, Utilities



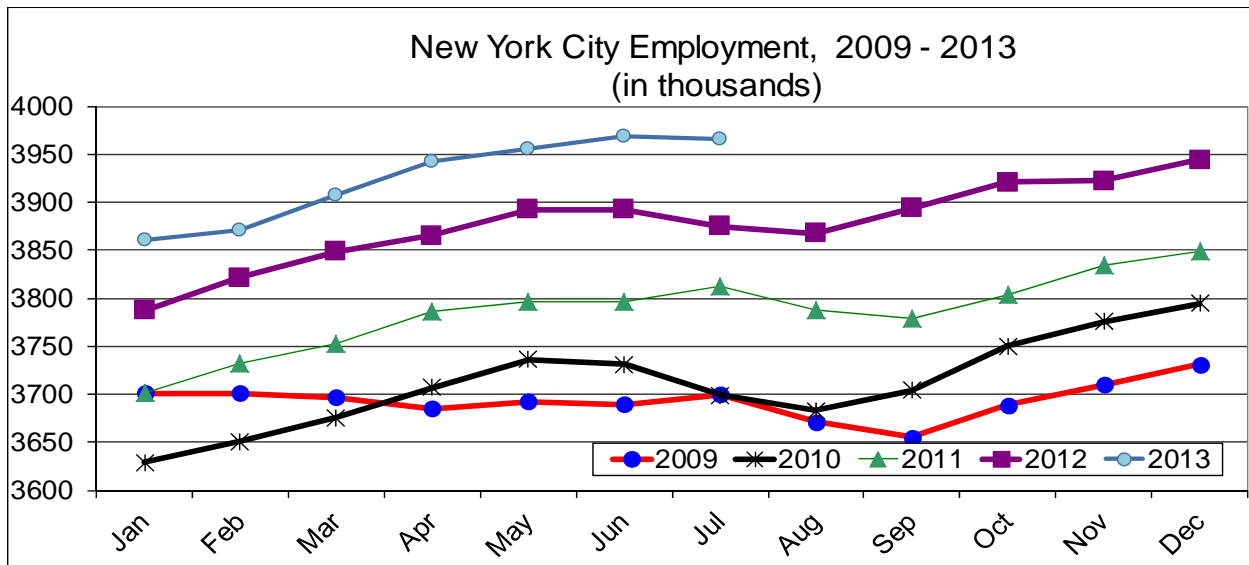
New York City Employment (in thousands)	Prelim Jul-13	Revised Jun-13	Jul-12	Gain / (Loss) Jul-13 versus			
				Jun-13		Jul-12	
				Net	Percent	Net	Percent
Total Employment	3965.1	3968.4	3874.9	(3.3)	-0.1%	90.2	2.3%
Goods Producing	196.2	197.5	194.6	(1.3)	-0.7%	1.6	0.8%
Construction, Mining, Nat Res	122.4	122.3	118.0	0.1	0.1%	4.4	3.7%
Manufacturing	73.8	75.2	76.6	(1.4)	-1.9%	(2.8)	-3.7%
Service Producing	3768.9	3770.9	3680.3	(2.0)	-0.1%	88.6	2.4%
Transportation, Utilities	121.0	122.9	112.2	(1.9)	-1.5%	8.8	7.8%
Trade	477.4	478.0	465.5	(0.6)	-0.1%	11.9	2.6%
Information	175.1	174.1	178.2	1.0	0.6%	(3.1)	-1.7%
Financial Activities	448.2	443.1	444.8	5.1	1.2%	3.4	0.8%
Education & Health Svcs	637.8	641.3	624.8	(3.5)	-0.5%	13.0	2.1%
Professional & Business Svcs	792.0	811.2	761.9	(19.2)	-2.4%	30.1	4.0%
Leisure & Hospitality	384.3	381.7	367.9	2.6	0.7%	16.4	4.5%
Other Services	177.4	179.0	169.8	(1.6)	-0.9%	7.6	4.5%
Government	555.7	539.6	555.2	16.1	3.0%	0.5	0.1%

Preliminary July 2013 employment in New York City shows a gain of 90.2 thousand jobs (an increase of 2.3%) compared to last July's employment level. July marks the thirty-sixth month in a row with higher employment than one year earlier. The Professional and Business Services sector experienced the greatest gains among the major sectors, adding 30,100 jobs over the past twelve months; and growth was also strong in both the Leisure and Hospitality sector and the Education and Health Services sector, which together added 29,400 jobs.

September 2013 BudgetWatch Regional Economy

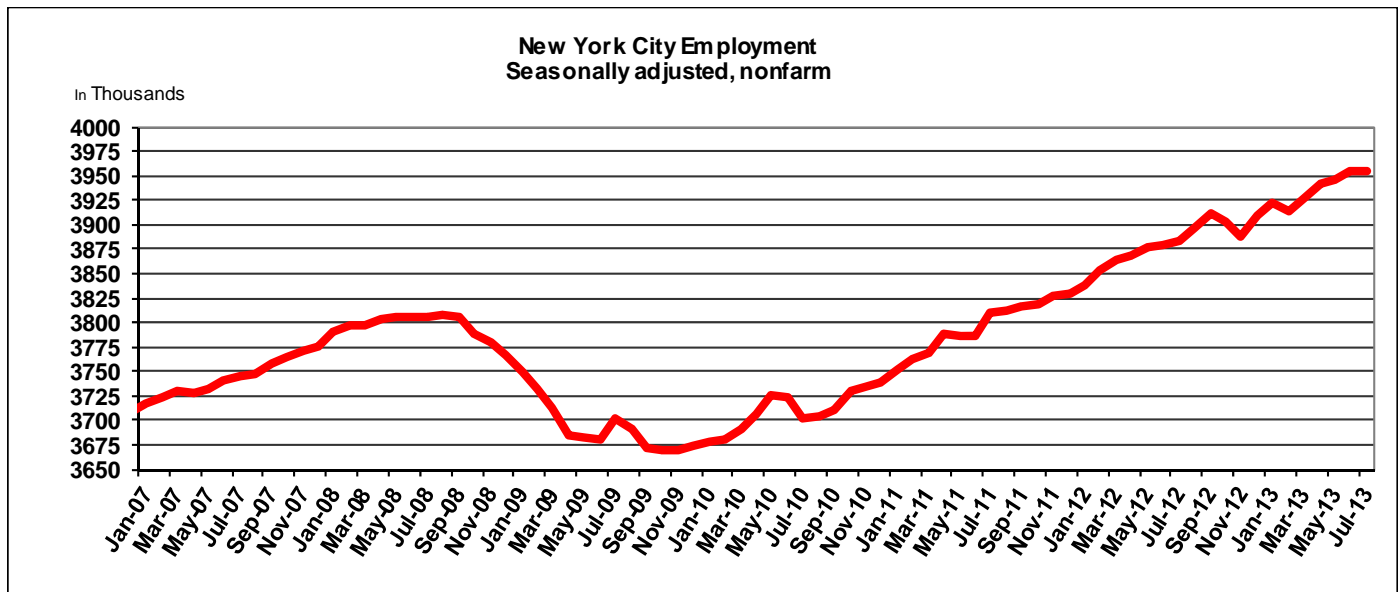


Employment in New York City’s service-producing sectors increased by 88.6 thousand jobs, an increase of 2.4% over the July 2012 level. Private-sector service-providing employment in New York City increased by 88.1 thousand jobs, 2.8% higher than the level of one year ago, and July marks the fortieth month in a row with an annual increase greater than 1%.



September 2013 BudgetWatch

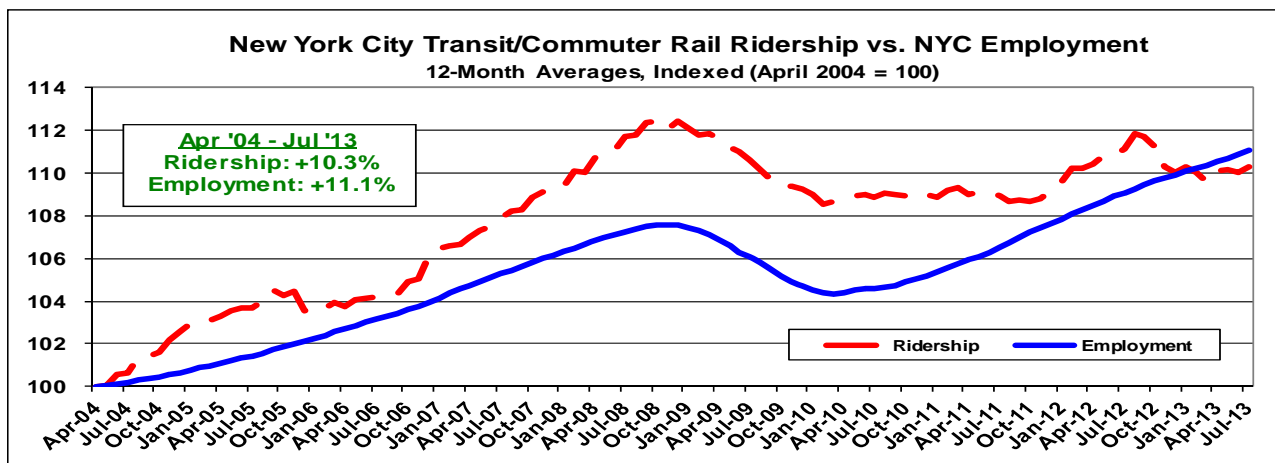
Regional Economy



Seasonally adjusted New York City employment in July was higher than in July 2012 by 71.3 thousand jobs (up 1.8%), virtually unchanged from June. Since September 2009, when seasonally adjusted employment reached a recessionary low-point, New York City has added 282 thousand jobs, an increase of 7.7%.

Ridership and Employment

In April 2004, the twelve-month moving average for employment began to increase after 35 consecutive months of declines from May 2001 through March 2004. Employment levels rose through November 2008, and then declined for 16 months through March 2010. The twelve-month employment average (through July 2013) has increased for thirty-six consecutive months, and is now 11.1% higher than the April 2004 level. Annualized (12-month average) New York City Transit/Commuter Rail ridership has grown to 10.3% above the April 2004 level. The twelve-month average for ridership in July was lower than in July 2012 by less than 1%.



September 2013 BudgetWatch Regional Economy

Consumer Price Index

Goods Reporting Price Increases in July 2013 Compared to June 2013

- Transportation
- Electricity
- Gasoline

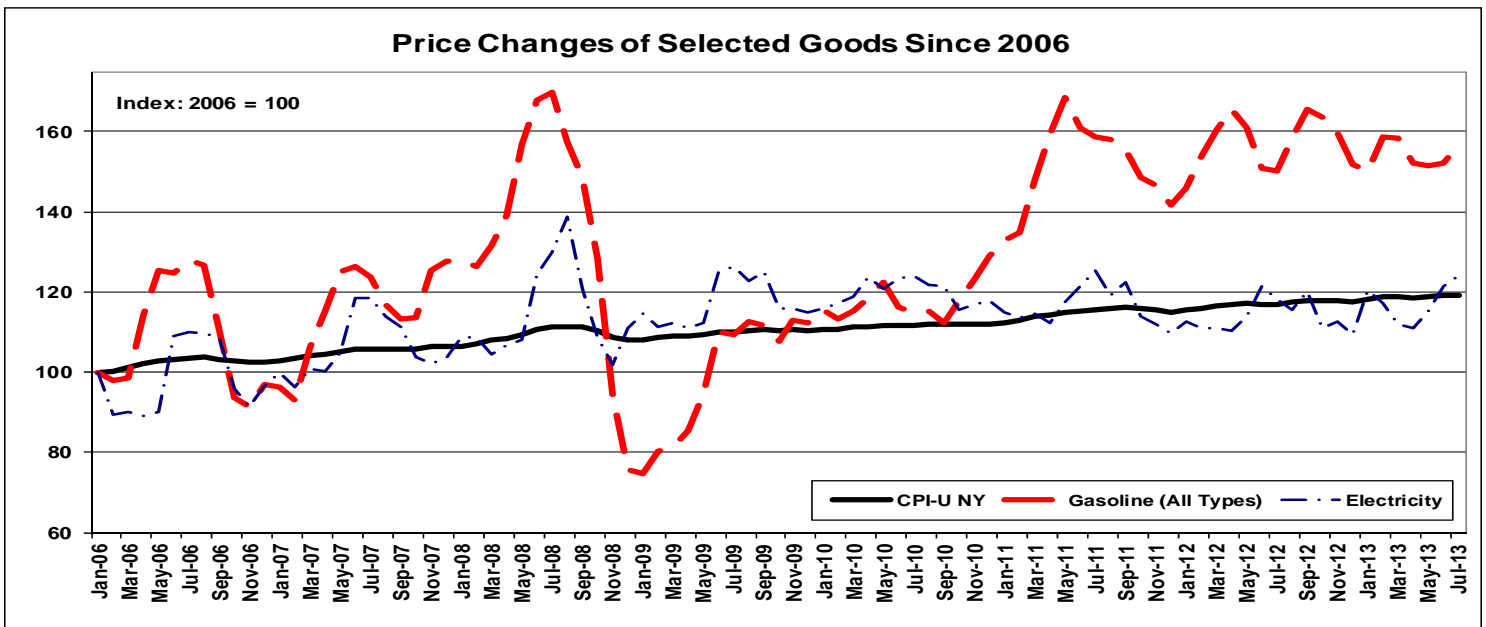


Goods Reporting Price Declines in July 2013 Compared to June 2013

- Food
- Apparel
- Medical Care
- Transportation

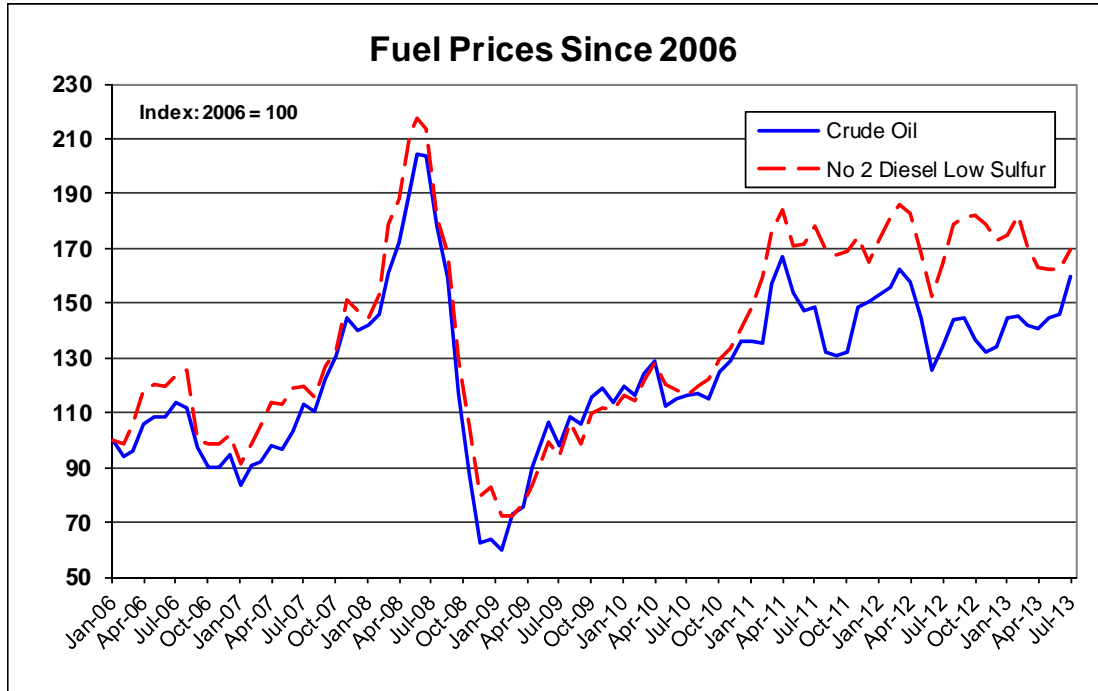


NY-NJ-CT Consumer Price Index All Urban Consumers (CPI-U)	Jul-13	Jun-13	Jul-12	Increase / (Decrease) Jul-13 vs			
				Jun-13		Jul-12	
				Net	Percent	Net	Percent
				Regional CPI-U	257.3	256.9	252.0
Medical Care Component	426.4	426.6	413.6	-0.1	0.0%	12.9	3.1%
Electricity Component	197.2	192.9	187.8	4.3	2.2%	9.4	5.0%
Gasoline (all grades) Component	292.4	284.1	280.8	8.4	2.9%	11.6	4.1%
National CPI-U	233.6	233.5	229.1	0.1	0.0%	4.5	2.0%



September 2013 BudgetWatch Regional Economy

Fuel Prices



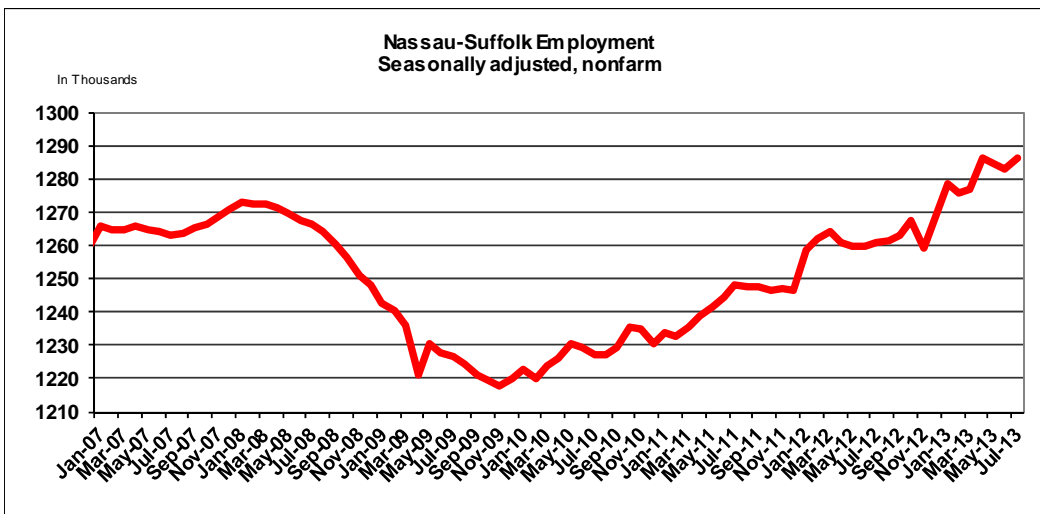
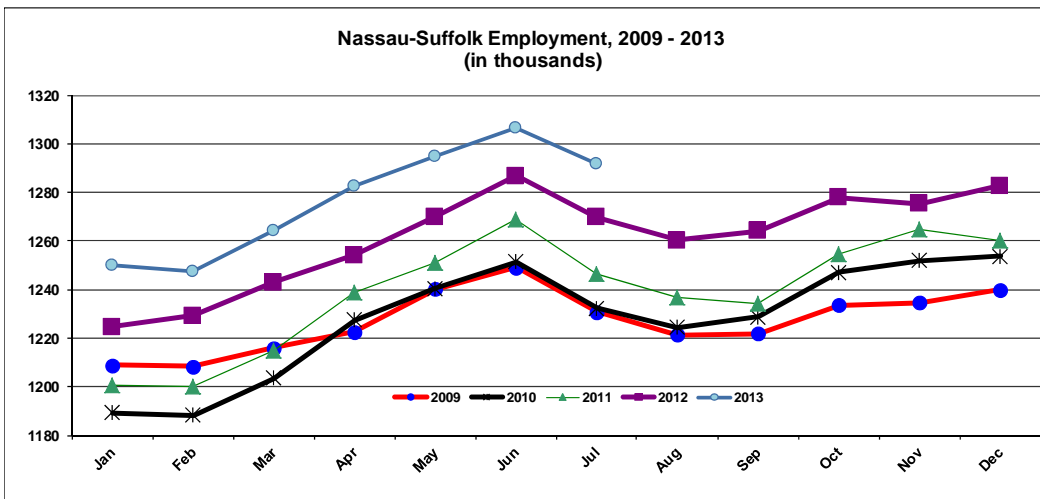
NOTE: Latest Crude Oil and No.2 Diesel Low Sulfur prices: Sept. 5, 2013

Fuel Prices New York Spot Prices	Sep. 5, 2013	Most Recent Quarter			Jul-12	Change, Apr '13 vs.		
		Jul-13	Jun-13	May-13		Jun-13	May-13	Jul-12
Crude Oil *	104.67	104.67	95.77	94.51	87.9	9.3%	10.8%	19.1%
Conventional Regular Gasoline **	2.92	2.92	2.74	2.74	2.75	6.7%	6.6%	6.4%
Low Sulfur No.2 Diesel Fuel **	3.02	3.02	2.89	2.89	2.92	4.4%	4.5%	3.3%
No.2 Heating Oil **	2.89	2.89	2.75	2.74	2.81	4.8%	5.3%	2.6%

*\$ per barrel, ** \$ per gallon

September 2013 BudgetWatch Regional Economy

Nassau & Suffolk Employment (in thousands)	Gain / (Loss) Jul-13 versus						
	Prelim Jul-13	Revised Jun-13	Jul-12	Jun-13		Jul-12	
				Net	Percent	Net	Percent
Total Employment	1291.5	1306.4	1269.8	(14.9)	-1.1%	21.7	1.7%
Goods Producing	139.8	139.1	138.4	0.7	0.5%	1.4	1.0%
Construction, Mining, Nat Res	68.4	66.7	64.3	1.7	2.5%	4.1	6.4%
Manufacturing	71.4	72.4	74.1	(1.0)	-1.4%	(2.7)	-3.6%
Service Producing	1151.7	1167.3	1131.4	(15.6)	-1.3%	20.3	1.8%
Transportation, Utilities	35.0	40.8	34.8	(5.8)	-14.2%	0.2	0.6%
Trade	232.8	231.0	226.4	1.8	0.8%	6.4	2.8%
Information	23.6	23.5	24.1	0.1	0.4%	(0.5)	-2.1%
Financial Activities	73.2	72.4	72.8	0.8	1.1%	0.4	0.5%
Education & Health Svcs	174.2	173.4	166.1	0.8	0.5%	8.1	4.9%
Professional & Business Svcs	236.7	241.1	233.1	(4.4)	-1.8%	3.6	1.5%
Leisure & Hospitality	131.5	127.4	125.6	4.1	3.2%	5.9	4.7%
Other Services	54.9	54.8	55.2	0.1	0.2%	(0.3)	-0.5%
Government	189.8	202.9	193.3	(13.1)	-6.5%	(3.5)	-1.8%



September 2013 BudgetWatch

Regional Economy

(in thousands)	Putnam, Rockland & Westchester Employment							Gain / (Loss)	
	Prelim Jul-13	Revised Jun-13	Jul-12	Jun-13		Jul-12		Jul-13 versus	
				Net	Percent	Net	Percent	Net	Percent
Total Employment	578.3	578.6	570.6	(0.3)	-0.1%	7.7	1.3%		
Goods Producing	54.7	54.8	54.7	(0.1)	-0.2%	0.0	0.0%		
Construction, Mining, Nat Res	30.6	30.5	29.8	0.1	0.3%	0.8	2.7%		
Manufacturing	24.1	24.3	24.9	(0.2)	-0.8%	(0.8)	-3.2%		
Service Producing	523.6	523.8	515.9	(0.2)	0.0%	7.7	1.5%		
Transportation, Utilities	17.2	18.4	15.3	(1.2)	-6.5%	1.9	12.4%		
Trade	90.2	91.4	88.6	(1.2)	-1.3%	1.6	1.8%		
Information	12.7	12.8	13.6	(0.1)	-0.8%	(0.9)	-6.6%		
Financial Activities	34.3	33.8	33.8	0.5	1.5%	0.5	1.5%		
Education & Health Svcs	75.7	75.3	75.0	0.4	0.5%	0.7	0.9%		
Professional & Business Svcs	118.3	118.6	116.0	(0.3)	-0.3%	2.3	2.0%		
Leisure & Hospitality	57.4	55.1	55.4	2.3	4.2%	2.0	3.6%		
Other Services	26.3	26.4	25.7	(0.1)	-0.4%	0.6	2.3%		
Government	91.5	92.0	92.5	(0.5)	-0.5%	(1.0)	-1.1%		

