

NJ TRANSIT

**BOARD ADMINISTRATION COMMITTEE MEETING
OPEN TO MEMBERS OF THE PUBLIC**

**TUESDAY, JULY 24, 2018
11:00 AM
ONE PENN PLAZA EAST
9TH FLOOR BOARD ROOM
NEWARK, NJ 07105**

**NJ TRANSIT BOARD
ADMINISTRATION COMMITTEE MEETING
OPEN TO MEMBERS OF THE PUBLIC**

**TUESDAY, JULY 24, 2018
11:00 AM – BOARD ROOM – 9TH FLOOR – NEWARK, NJ**

PUBLIC COMMENTS ON AGENDA (Two minutes per speaker)

STAFF REPORT

FINANCIAL UPDATES
(*PRESENTER: WILLIAM VIQUEIRA*)

FINANCIAL UPDATES



RESULTS OF OPERATIONS
AND
BUDGET VARIANCE ANALYSIS
FISCAL YEAR 2018

MONTH OF APRIL, 2018

NEW JERSEY TRANSIT CORPORATION
BUDGET-TO-ACTUAL COMPARISON AND VARIANCE ANALYSIS
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES
FOR THE FISCAL YEAR-TO-DATE ENDED APRIL 30, 2018

	Fiscal year-to-date		Variance	
	Actuals	Budget	\$	%
<u>Revenues</u>				
Passenger Revenue	\$798,924,660	\$840,191,742	(\$41,267,082)	(4.9)
Other Operating Revenue	78,624,863	78,057,900	566,963	0.7
State Operating Assistance	100,000,000	100,000,000	0	0.0
TTF Capital Maintenance	587,233	0	587,233	-
Other Grants and Reimbursements	803,549,697	800,286,342	3,263,355	0.4
Total Revenue	1,781,686,453	1,818,535,984	(36,849,531)	(2.0)
<u>Expenses</u>				
Labor	592,807,188	597,747,766	4,940,578	0.8
Fringe Benefits	473,454,933	470,835,129	(2,619,804)	(0.6)
Outside Services	119,531,884	121,480,731	1,948,847	1.6
Propulsion	36,961,015	37,608,945	647,930	1.7
Revenue Vehicle Fuel	45,173,660	48,078,181	2,904,521	6.0
Materials & Supplies	150,335,497	135,982,929	(14,352,568)	(10.6)
Utilities	37,464,127	39,609,985	2,145,858	5.4
Claims & Insurance	56,011,237	56,529,170	517,933	0.9
Purchased Transportation	202,893,271	201,204,803	(1,688,468)	(0.8)
Tolls, Trackage & Fees	70,543,677	70,797,814	254,137	0.4
Miscellaneous Expenses	32,250,709	38,660,531	6,409,822	16.6
Total Operating Expenses	1,817,427,198	1,818,535,984	1,108,786	0.1
Net Income/(Loss) From Operations	(35,740,745)	0	(35,740,745)	0.0
<u>Other Income (Expense):</u>				
Debt Cost Reimbursements	54,056,832	0	54,056,832	0.0
Debt Costs	(54,056,832)	0	(54,056,832)	0.0
Total Other Income (Expense)	0	0	0	0.0
Net Income/(Loss)	(\$35,740,745)	\$0	(\$35,740,745)	0.0

Overview:

The April year-to-date budget-to-actual variance totaled \$35.7 million which included \$21.9 million in lost revenue and expenses paid to date related to the Amtrak repairwork at New York Penn Station. The projected total cost for the Amtrak repairwork is \$25 million.

When adjusting for the repairwork paid to date, the net month ending variance is reduced to a negative \$13.8 million or 1.4%.

Revenue:

- Passenger revenue for the first ten months of fiscal year 2018 was \$41.3 million or 4.9% unfavorable to budget. Of this amount \$8.9 million was the result of Amtrak repairwork at New York Penn Station thereby resulting in a net passenger revenue loss of \$32.4 million or 3.9%.
- Overall, Rail passenger revenues were unfavorable by \$30.9 million (6.3%), Bus passenger revenues were unfavorable by \$9.7 million (3.0%) and Light Rail passenger revenue were unfavorable by \$0.7 million (3.5%).
- Year-over-year ridership decreased 4.5 million passengers or 2.1%. Rail ridership decreased 2.6%, Bus ridership decreased 1.9% and Light Rail ridership decreased 1.3%. Additional revenue and ridership statistics are presented in the Revenue and Ridership section at the end of this report.
- Other revenue was favorable to budget by \$0.6 million, or 0.7%. This was primarily the result of lower than anticipated parking revenue offset by greater than expected advertising revenue, Metro-North service revenue, and other non-transportation revenue.
- Other grants and reimbursements were favorable by \$3.3 million or 0.4%. This was the result of favorable operating grants.

Operating Expenses:

- Labor costs for the first ten months of fiscal year 2018 were favorable by \$4.9 million, or 0.8% Fringe benefit costs were unfavorable by \$2.6 million, or 0.6%.
- Outside services were favorable to budget by \$1.9 million, or 1.6%. This variance is comprised primarily of unfavorable project expenses of \$1.8 million, relating to station repairs, environmental compliance programs and data center costs, offset by favorable operating expenses associated with electronic equipment service and other maintenance services.
- Revenue vehicle fuel costs were favorable by \$2.9 million, or 6.0%. This favorable variance was due to lower than budgeted costs per gallon of fuel.

- Materials and supplies were unfavorable by \$14.4 million, or 10.6% of which \$12.5 million is reimbursable. Reimbursable expenses include ALP 45 Top Deck overhauls and the replacement of main inductors on Arrow III rail cars. Unfavorable operating expenses of \$1.9 million are comprised mainly of favorable expenses related to revenue vehicle materials and diesel service vehicle and lubricants of \$5.0 million, offset by unfavorable reconditioned parts and other materials and supplies totaling \$7.4 million.
- Utility costs were favorable by \$2.1 million, or 5.4%, due to lower than anticipated non-pulsion electricity costs and heating costs.
- Purchased transportation was unfavorable to budget by \$1.7 million, or 0.8% due to the payment of \$9.7 million in added Private Bus and Ferry service costs related to Amtrak repairwork at New York Penn Station and lower than expected Hudson Bergen Light Rail expenses.
- Tolls, Trackage and Miscellaneous costs were favorable by \$6.7 million, due primarily to lower than anticipated lease and rental expenses, credit card fees and other miscellaneous expenses.

NJ TRANSIT CORPORATION

REVENUE REPORT

FOR THE MONTH AND FISCAL YEAR-TO-DATE APRIL 30, 2018

COMPARISON TO BUDGET

Current Month \$		Variance		Division	Fiscal Year to Date \$		Variance	
Actual	Budget	\$	%		Actual	Budget	\$	%
46,146,394	48,867,500	(2,721,106)	(5.57)	Rail Operations	461,917,820	492,835,000	(30,917,180)	(6.27)
31,561,199	33,031,265	(1,470,066)	(4.45)	Bus Operations (1)	318,412,440	328,096,742	(9,684,302)	(2.95)
1,931,761	2,000,000	(68,239)	(3.41)	Light Rail Operations (2)	18,594,400	19,260,000	(665,600)	(3.46)
79,639,354	83,898,765	(4,259,411)	(5.08)	NJ Transit Total	798,924,660	840,191,742	(41,267,082)	(4.91)

COMPARISON TO LAST YEAR

Current Month \$		Variance		Division	Fiscal Year to Date \$		Variance	
FY '18	FY '17	\$	%		FY '18	FY '17	\$	%
46,146,394	45,332,766	813,628	1.79	Rail Operations	461,917,820	481,093,467	(19,175,647)	(3.99)
31,561,199	31,375,067	186,132	0.59	Bus Operations (1)	318,412,440	320,007,501	(1,595,061)	(0.50)
1,931,761	1,885,483	46,278	2.45	Light Rail Operations (2)	18,594,400	19,001,076	(406,676)	(2.14)
79,639,354	78,593,316	1,046,038	1.33	NJ Transit Total	798,924,660	820,102,044	(21,177,384)	(2.58)

NOTES:

1. Includes service operated for NJ TRANSIT by Contract Carriers.
2. Light Rail Operations is comprised of HBLR, Newark Light Rail/City Subway and River LINE totals.

NJ TRANSIT CORPORATION

RIDERSHIP REPORT

FOR THE MONTH AND FISCAL YEAR-TO-DATE APRIL 30, 2018

COMPARISON TO LAST YEAR

Current Month		Variance		Division	Fiscal Year to Date		Variance	
FY '18	FY '17	#	%		FY '18	FY '17	#	%
1,847,494	1,782,714	64,780	3.63	Rail Ridership	18,050,197	18,750,032	(699,835)	(3.73)
818,364	795,333	23,031	2.90	M&E Lines	8,360,239	8,559,301	(199,062)	(2.33)
2,665,858	2,578,047	87,811	3.41	Main & Pascack Lines	26,410,436	27,309,333	(898,897)	(3.29)
				Total Hoboken Division				
2,604,070	2,561,503	42,567	1.66	Northeast Corridor Line	26,355,282	27,002,042	(646,760)	(2.40)
1,154,809	1,130,716	24,093	2.13	North Jersey Coast Line (1)	11,828,575	12,037,898	(209,323)	(1.74)
535,414	531,690	3,724	0.70	Raritan Valley Line	5,403,147	5,469,105	(65,958)	(1.21)
4,294,293	4,223,909	70,384	1.67	Total Newark Division	43,587,004	44,509,045	(922,041)	(2.07)
				Atlantic City Line	578,077	616,294	(38,217)	(6.20)
7,005,732	6,862,650	143,082	2.08	Total Rail Ridership	70,575,517	72,434,672	(1,859,155)	(2.57)
				Bus Ridership				
5,798,784	5,716,491	82,293	1.44	Northern Division	57,641,846	58,128,526	(486,680)	(0.84)
5,209,621	5,212,094	(2,473)	(0.05)	Central Division	52,100,543	53,200,646	(1,100,103)	(2.07)
1,494,127	1,549,353	(55,226)	(3.56)	Southern Division	15,331,574	16,124,853	(793,279)	(4.92)
12,502,532	12,477,938	24,594	0.20	Total Bus Ridership (2)	125,073,963	127,454,025	(2,380,062)	(1.87)
				Light Rail Ridership				
1,309,217	1,240,456	68,761	5.54	Hudson Bergen Light Rail	12,684,789	12,750,258	(65,469)	(0.51)
493,528	452,330	41,198	9.11	Newark Light Rail/City Subway	4,481,116	4,657,568	(176,452)	(3.79)
240,334	232,116	8,218	3.54	River LINE	2,219,810	2,233,417	(13,607)	(0.61)
2,043,079	1,924,902	118,177	6.14	Total Light Rail Ridership (3)	19,385,715	19,641,243	(255,528)	(1.30)
21,551,343	21,265,490	285,853	1.34	Total NJ Transit Ridership (4)	215,035,195	219,529,940	(4,494,745)	(2.05)

NOTES:

1. Includes Waterfront Connection Ridership.
2. Includes service operated for NJ TRANSIT by Contract Carriers.
3. Includes adjusted Light Rail Ridership totals for HBLR, Newark Light Rail/City Subway and River LINE as derived by the Market Analysis and Pricing Department utilizing sales and usage analytics.
4. Includes adjustments of prior period estimates to actuals for Rail and Bus Ridership.

April 2018 Passenger Ridership

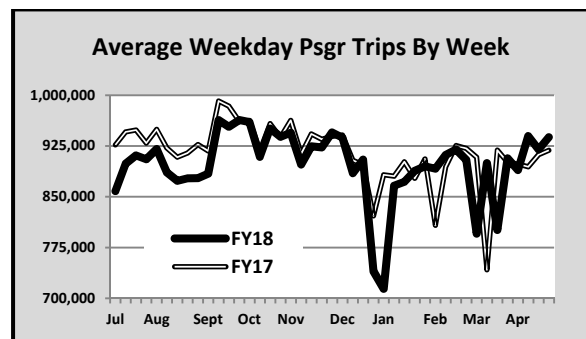
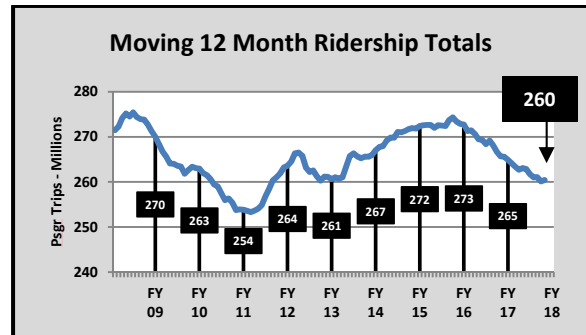
- April ridership was +1.3% above last year, in raw numbers.
 - Ridership was -0.5% lower than last year when factoring out calendar differences, major weather incidents and special events (*Adjusted Percent Change*).
 - Weekday travel was +1.8% higher than last year. The timing of Good Friday aided year-year trends, falling in March this year, April last year. The weeks surrounding Good Friday generally see lower ridership due to riders observing Good Friday as well as taking vacation time due to school breaks that often occur at this time.
 - Weekend ridership battled well below average temperatures early in the month, and high rider levels last year due to very warm and favorable weather conditions that had added riders then. Overall weekend travel was down -2.1% from last year.

- Latest 12 months ridership has totaled 260.4 million passenger trips, -2.0% lower than the 12 months prior to that.

- Outside of arctic conditions around New Year's, the improvement in year-over-year weekday ridership trends has continued.
 - First twelve weeks of FY18, weekdays were -2.6% lower.
 - Next 13 weeks until the last week in December weekdays -0.7% off last year.
 - During late December and early January's extreme cold, weekday travel dropped -15% from last year.
 - Latest sixteen weeks in January, February, March and April, weekdays +0.2% higher than last year.

Passenger Ridership (millions)	April 2018	April 2017	Raw Percent Change	Adjusted Percent Change
Bus	12.5	12.5	+0.2%	(- 1.8%)
Rail	7.0	6.9	+2.1%	+0.1%
Light Rail	2.0	1.9	+6.1%	+6.1%
Total	21.6	21.3	+1.3%	(- 0.5%)

Passenger Ridership (millions)	Latest 12 Months This Year	Latest 12 Months Last Year	Percent Change
Bus	151.9	154.4	(- 1.6%)
Rail	85.1	87.4	(- 2.7%)
Light Rail	23.5	23.9	(- 1.7%)
Total	260.4	265.7	(- 2.0%)



Bus Ridership

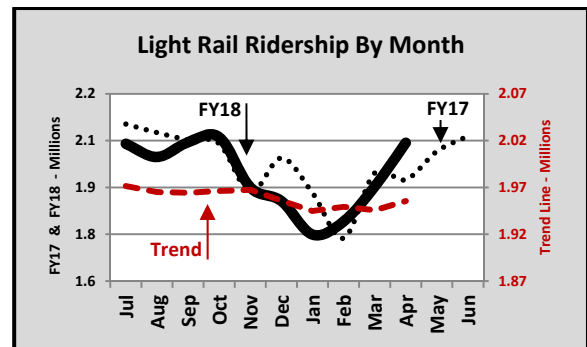
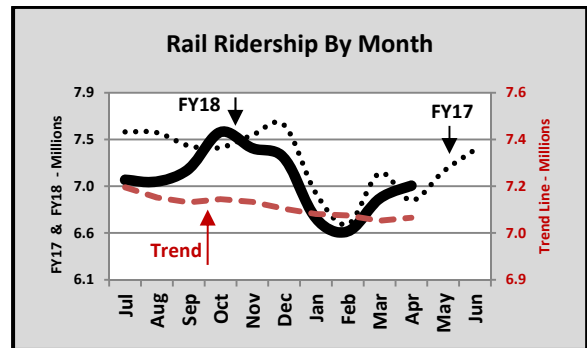
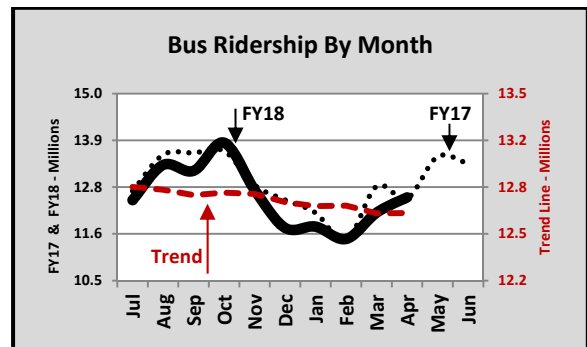
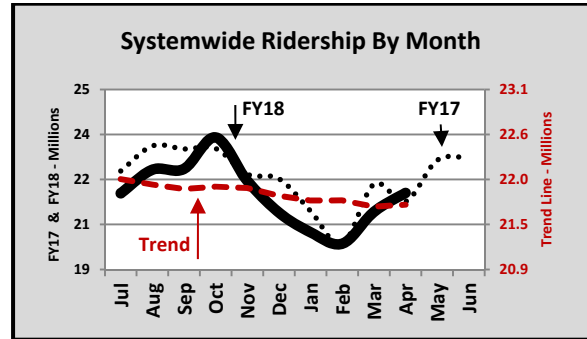
- April Bus ridership was +0.2 higher than last year, in raw numbers.
 - -1.8% lower than last April when adjusted for distortions caused by calendar differences, major weather incidents and special events.
 - Bus weekday ridership up +1.4%; weekends down -2.3% due to weather impacts.

Rail Ridership

- April Rail ridership +2.1% higher than last year, in raw numbers.
 - +0.1% higher than last April when adjusted for distortions.
 - Weekday travel +2.2%; weekends -6.0% lower than last year.

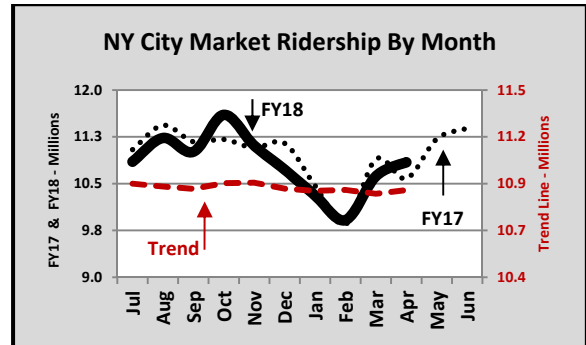
Light Rail Ridership

- April Light Rail ridership +6.1% above last year.
 - HBLR +5.5%
 - Newark Light Rail +9.1%
 - River LINE +3.5%
 - Average weekday travel +2.6% higher than last year; weekends +8.7% higher.



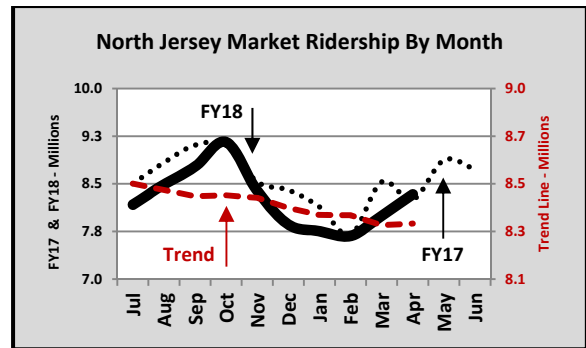
New York City Market Ridership

- April New York City Market ridership was +2.6% above last year.
- Rail trips were +2.8% greater than last April; Bus trips were +2.1% higher.
- Hoboken exhibited the brightest Rail year-year result at +9.7%; Newark Penn +4.7%; and NY Penn +1.3% above last April.
- NY Bus travel was strongest in the north and northeast corner of the state.
- Trend shows relatively stable New York City travel.



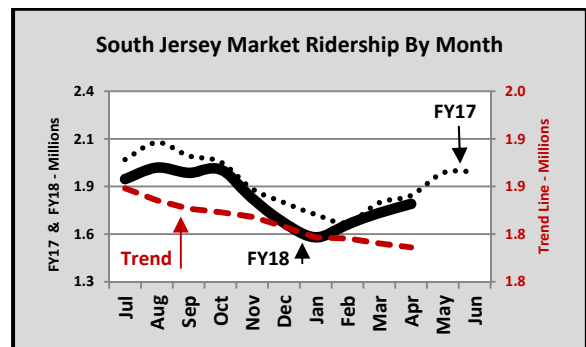
North Jersey Market Ridership

- April in-state North Jersey travel was +1.0% higher than last year.
- North Jersey Light Rail ridership +6.5% above last year; Rail -0.3%; Bus -0.4%.
- Trend shows declining ridership.



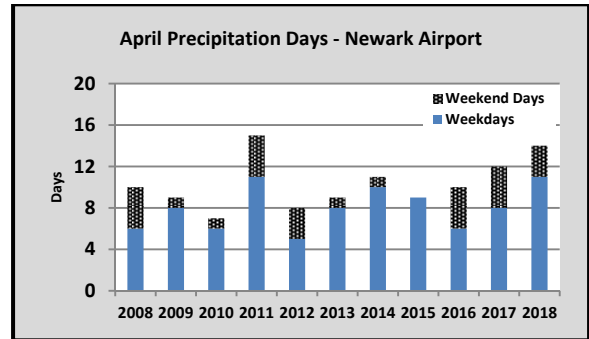
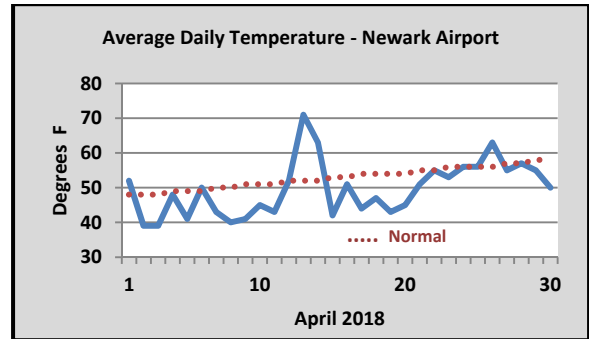
South Jersey Market Ridership

- April South Jersey ridership -2.7% below last year.
- South Jersey Light Rail ridership +3.6% above last year; declines at Rail and Bus.
- Trend shows diminishing South Jersey ridership since the 2nd quarter of fiscal year 2013.



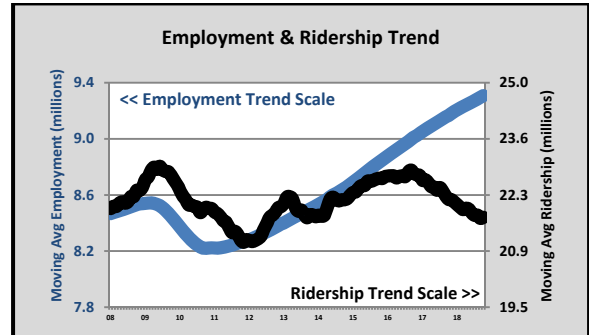
Weather

- A cool, wet month, with generally below average temperatures and above average precipitation.
- 5.85 inches of precipitation fell during April, +39% higher than normal.
- Snowfall totaled 5.0 inches; the spring sun angle and temperatures quickly melted the accumulated snow.
- Compared against last April, temperatures were cooler and conditions were much wetter.
 - April saw 14 days with precipitation; last year 12 days; past decade has averaged 10 April precip days.
 - April precipitation amount +68% higher than last year.



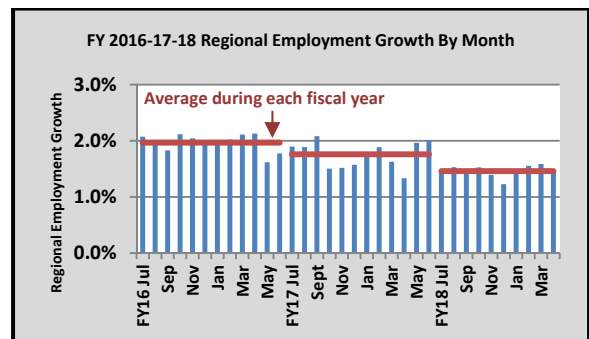
Calendar & Special Events

- There was one additional weekday and one less Saturday than last April. Easter occurred during April this year; last year both Good Friday and Easter fell in April.
- There were no MetLife Stadium events this month.



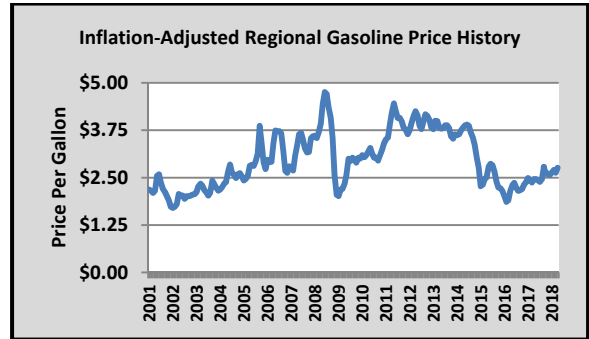
Economy

- Preliminary April employment data shows regional employment growth of +1.5%, in line with recent trends.
 - NY City +1.5%
 - New Jersey +1.4%
 - Philadelphia +1.9%
 - Region +1.5%
- Nationally, employment during April was +1.6% higher than last year.



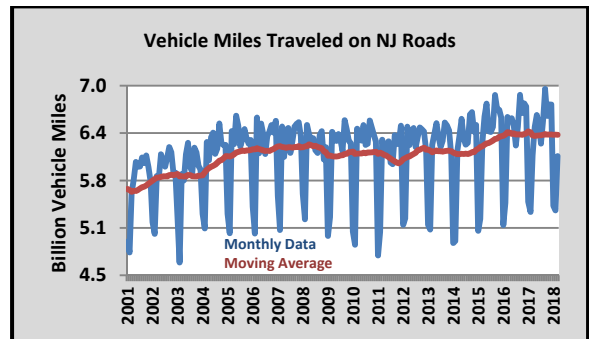
Gasoline Prices

- April regional gasoline prices were +12% higher than last April, though still -35% lower than six years ago.



Vehicle Miles Traveled (VMT) on New Jersey Roads

- March New Jersey VMT (latest data available) as calculated by the USDOT Federal Highway Administration was -0.2% lower than one year earlier.
- During the past 12 months NJ VMT has been +0.1% higher than the 12 months before that.
- NJ VMT peaked during the 12 months ended in January 2017; current levels are -0.7% off that all-time 12 month peak.



~end



RESULTS OF OPERATIONS
AND
BUDGET VARIANCE ANALYSIS
FISCAL YEAR 2018

MONTH OF MAY, 2018

NEW JERSEY TRANSIT CORPORATION
BUDGET-TO-ACTUAL COMPARISON AND VARIANCE ANALYSIS
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES
FOR THE FISCAL YEAR-TO-DATE ENDED MAY 31, 2018

	Fiscal year-to-date		Variance	
	Actuals	Budget	\$	%
<u>Revenues</u>				
Passenger Revenue	\$882,566,547	\$926,058,835	(\$43,492,288)	(4.7)
Other Operating Revenue	85,768,942	85,739,000	29,942	0.0
State Operating Assistance	110,000,000	110,000,000	0	0.0
TTF Capital Maintenance	587,233	0	587,233	-
Other Grants and Reimbursements	889,293,766	885,818,296	3,475,470	0.4
Total Revenue	1,968,216,488	2,007,616,131	(39,399,643)	(2.0)
<u>Expenses</u>				
Labor	655,442,082	660,680,522	5,238,440	0.8
Fringe Benefits	523,801,591	520,423,153	(3,378,438)	(0.6)
Outside Services	134,685,162	133,825,132	(860,030)	(0.6)
Propulsion	40,561,902	41,374,615	812,713	2.0
Revenue Vehicle Fuel	49,977,602	53,017,396	3,039,794	5.7
Materials & Supplies	160,979,032	151,112,648	(9,866,384)	(6.5)
Utilities	40,642,046	42,815,330	2,173,284	5.1
Claims & Insurance	61,755,580	62,331,997	576,417	0.9
Purchased Transportation	222,043,716	221,324,890	(718,826)	(0.3)
Tolls, Trackage & Fees	77,574,830	77,930,423	355,593	0.5
Miscellaneous Expenses	36,597,392	42,780,025	6,182,633	14.5
Total Operating Expenses	2,004,060,935	2,007,616,131	3,555,196	0.2
Net Income/(Loss) From Operations	(35,844,447)	0	(35,844,447)	0.0
<u>Other Income (Expense):</u>				
Debt Cost Reimbursements	54,056,832	0	54,056,832	0.0
Debt Costs	(54,056,832)	0	(54,056,832)	0.0
Total Other Income (Expense)	0	0	0	0.0
Net Income/(Loss)	(\$35,844,447)	\$0	(\$35,844,447)	0.0

Overview:

The May year-to-date budget-to-actual variance totaled \$35.8 million which included \$21.9 million in lost revenue and expenses paid to date related to the Amtrak repairwork at New York Penn Station. The projected total cost for the Amtrak repairwork is \$25 million.

When adjusting for the repairwork paid to date, the net month ending variance is reduced to a negative \$13.9 million or 1.4%.

Revenue:

- Passenger revenue for the first eleven months of fiscal year 2018 was \$43.5 million or 4.7% unfavorable to budget. Of this amount \$8.9 million was the result of Amtrak repairwork at New York Penn Station thereby resulting in a net passenger revenue loss of \$34.6 million or 3.7%.
- Overall, Rail passenger revenues were unfavorable by \$32.7 million (6.0%), Bus passenger revenues were unfavorable by \$10.2 million (2.8%) and Light Rail passenger revenue were unfavorable by \$0.6 million (3.0%).
- Year-over-year ridership decreased 4.1 million passengers or 1.7%. Rail ridership decreased 2.1%, Bus ridership decreased 1.7% and Light Rail ridership decreased 0.2%. Additional revenue and ridership statistics are presented in the Revenue and Ridership section at the end of this report.
- Other revenue was slightly favorable to budget. This was primarily the result of greater than anticipated Metro-North service revenue, advertising revenue and a clean energy rebate, offset by lower than anticipated parking revenue due to a prior year billing adjustment.
- Other grants and reimbursements were favorable by \$3.5 million or 0.4%. This was the result of favorable operating grant revenue.

Operating Expenses:

- Labor costs for the first eleven months of fiscal year 2018 were favorable by \$5.2 million, or 0.8% Fringe benefit costs were unfavorable by \$3.4 million, or 0.6%.
- Outside services were unfavorable to budget by \$0.9 million, or 0.6%. This variance is comprised primarily of unfavorable project expenses of \$4.9 million, relating to station repairs, environmental compliance programs and data center costs, offset by favorable operating expenses associated with electronic equipment service and other contracted maintenance services.
- Revenue vehicle fuel costs were favorable by \$3.0 million, or 5.7%. This favorable variance was due to lower than budgeted costs per gallon of fuel.

- Materials and supplies were unfavorable by \$9.9 million, or 6.5% of which \$10.1 million is reimbursable. Reimbursable expenses include ALP 45 Top Deck overhauls and the replacement of main inductors on Arrow III rail cars. Unfavorable operating costs for reconditioned parts and diesel service vehicle supplies and lubricants were offset by lower than expected costs for revenue vehicle materials.
- Utility costs were favorable by \$2.2 million, or 5.1%, due to lower than anticipated non-propulsion electricity costs and heating costs.
- Purchased transportation was unfavorable to budget by \$0.7 million, or 0.3% due to the payment of \$9.7 million in added Private Bus and Ferry service costs related to Amtrak repairwork at New York Penn Station and lower than expected Hudson Bergen Light Rail and Access Link (ADA) service costs.
- Tolls, Trackage and Miscellaneous costs were favorable by \$6.5 million, due primarily to lower than anticipated lease and rental expenses, credit card fees and other miscellaneous expenses.

NJ TRANSIT CORPORATION

REVENUE REPORT

FOR THE MONTH AND FISCAL YEAR-TO-DATE MAY 31, 2018

COMPARISON TO BUDGET

Current Month \$		Variance		Division	Fiscal Year to Date \$		Variance	
Actual	Budget	\$	%		Actual	Budget	\$	%
48,807,928	50,593,700	(1,785,772)	(3.53)	Rail Operations	510,725,748	543,428,700	(32,702,952)	(6.02)
32,787,354	33,253,393	(466,039)	(1.40)	Bus Operations (1)	351,199,794	361,350,135	(10,150,341)	(2.81)
2,046,605	2,020,000	26,605	1.32	Light Rail Operations (2)	20,641,005	21,280,000	(638,995)	(3.00)
83,641,887	85,867,093	(2,225,206)	(2.59)	NJ Transit Total	882,566,547	926,058,835	(43,492,288)	(4.70)

COMPARISON TO LAST YEAR

Current Month \$		Variance		Division	Fiscal Year to Date \$		Variance	
FY '18	FY '17	\$	%		FY '18	FY '17	\$	%
48,807,928	47,382,443	1,425,485	3.01	Rail Operations	510,725,748	528,475,910	(17,750,162)	(3.36)
32,787,354	32,864,452	(77,098)	(0.23)	Bus Operations (1)	351,199,794	352,871,953	(1,672,159)	(0.47)
2,046,605	1,919,178	127,427	6.64	Light Rail Operations (2)	20,641,005	20,920,254	(279,249)	(1.33)
83,641,887	82,166,073	1,475,814	1.80	NJ Transit Total	882,566,547	902,268,117	(19,701,570)	(2.18)

NOTES:

1. Includes service operated for NJ TRANSIT by Contract Carriers.
2. Light Rail Operations is comprised of HBLR, Newark Light Rail/City Subway and River LINE totals.

NJ TRANSIT CORPORATION

RIDERSHIP REPORT

FOR THE MONTH AND FISCAL YEAR-TO-DATE MAY 31, 2018

COMPARISON TO LAST YEAR

<i>Current Month</i>		<i>Variance</i>		<i>Division</i>	<i>Fiscal Year to Date</i>		<i>Variance</i>	
FY '18	FY '17	#	%		FY '18	FY '17	#	%
				Rail Ridership				
1,928,533	1,867,516	61,017	3.27	M&E Lines	19,978,730	20,617,548	(638,818)	(3.10)
851,703	828,833	22,870	2.76	Main & Pascack Lines	9,211,942	9,388,134	(176,192)	(1.88)
2,780,236	2,696,349	83,887	3.11	Total Hoboken Division	29,190,672	30,005,682	(815,010)	(2.72)
2,715,645	2,648,029	67,616	2.55	Northeast Corridor Line	29,070,927	29,650,071	(579,144)	(1.95)
1,234,339	1,191,341	42,998	3.61	North Jersey Coast Line (1)	13,062,914	13,229,239	(166,325)	(1.26)
547,682	544,913	2,769	0.51	Raritan Valley Line	5,950,829	6,014,018	(63,189)	(1.05)
4,497,666	4,384,283	113,383	2.59	Total Newark Division	48,084,670	48,893,328	(808,658)	(1.65)
49,000	60,476	(11,476)	(18.98)	Atlantic City Line	627,077	676,770	(49,693)	(7.34)
7,326,902	7,141,108	185,794	2.60	Total Rail Ridership	77,902,419	79,575,780	(1,673,361)	(2.10)
				Bus Ridership				
6,225,003	6,191,216	33,787	0.55	Northern Division	63,866,849	64,319,742	(452,893)	(0.70)
5,620,891	5,654,679	(33,788)	(0.60)	Central Division	57,721,434	58,855,325	(1,133,891)	(1.93)
1,619,011	1,636,796	(17,785)	(1.09)	Southern Division	16,950,585	17,761,649	(811,064)	(4.57)
13,464,905	13,482,691	(17,786)	(0.13)	Total Bus Ridership (2)	138,538,868	140,936,716	(2,397,848)	(1.70)
				Light Rail Ridership				
1,487,874	1,316,380	171,494	13.03	Hudson Bergen Light Rail	14,172,663	14,066,638	106,025	0.75
489,906	451,190	38,716	8.58	Newark Light Rail/City Subway	4,971,022	5,108,758	(137,736)	(2.70)
255,602	248,075	7,527	3.03	River LINE	2,475,412	2,481,492	(6,080)	(0.25)
2,233,382	2,015,645	217,737	10.80	Total Light Rail Ridership (3)	21,619,097	21,656,888	(37,791)	(0.17)
23,025,189	22,639,444	385,745	1.70	Total NJ Transit Ridership (4)	238,060,384	242,169,384	(4,109,000)	(1.70)

NOTES:

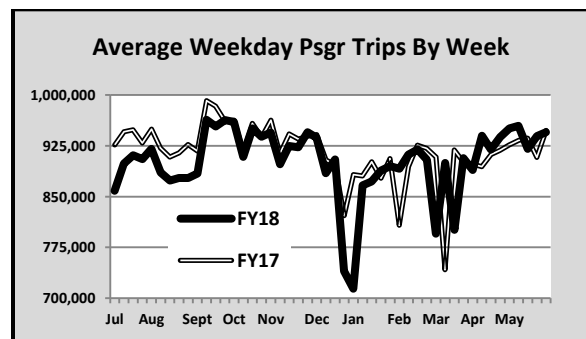
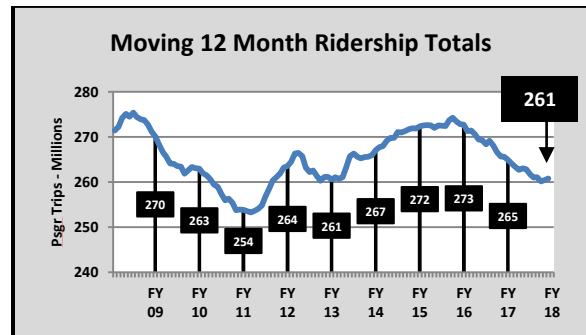
1. Includes Waterfront Connection Ridership.
2. Includes service operated for NJ TRANSIT by Contract Carriers.
3. Includes adjusted Light Rail Ridership totals for HBLR, Newark Light Rail/City Subway and River LINE as derived by the Market Analysis and Pricing Department utilizing sales and usage analytics.
4. Includes adjustments of prior period estimates to actuals for Rail and Bus Ridership.

May 2018 Passenger Ridership

- May ridership was +1.7% above last year, in raw numbers.
 - Ridership was +1.3% higher than last year when factoring out calendar differences, major weather incidents and special events (*Adjusted Percent Change*).
 - Rider levels last year were in the midst of a declining trend, largely brought about by NY Penn service issues. Between last February and last June ridership had fallen at an annualized rate of -4.8%.
 - Weekday travel averaged +1.3% higher than last year. Three of the month's five weeks showed weekday gains, continuing the improvement seen during FY 2018.
 - Weekend ridership was +0.3% above last year. While the first two weekends of the month experienced a +7.4% increase over last year, poor weather on the last two weekends brought the overall average down to +0.3%.
- Latest 12 months ridership has totaled 260.8 million passenger trips, -1.8% lower than the 12 months prior to that.
- The improvement in year-over-year weekday ridership trends has continued.
 - First twelve weeks of FY18, weekdays were -2.6% lower.
 - Next thirteen weeks until the last week in December weekdays -0.7% off last year.
 - During late December and early January's extreme cold, weekday travel temporarily dropped -15% from last year.
 - Sixteen weeks in January, February, March and April, weekdays +0.2% above last year.
 - Latest five weeks in May +1.3% higher.

Passenger Ridership (millions)	May 2018	May 2017	Raw Percent Change	Adjusted Percent Change
Bus	13.5	13.5	(-0.1%)	(- 0.6%)
Rail	7.3	7.1	+2.6%	+2.3%
Light Rail	2.2	2.0	+10.8%	+10.8%
Total	23.0	22.6	+1.7%	+1.3%

Passenger Ridership (millions)	Latest 12 Months This Year	Latest 12 Months Last Year	Percent Change
Bus	151.9	154.5	(- 1.7%)
Rail	85.3	87.3	(- 2.3%)
Light Rail	23.7	23.8	(- 0.6%)
Total	260.8	265.6	(- 1.8%)



Bus Ridership

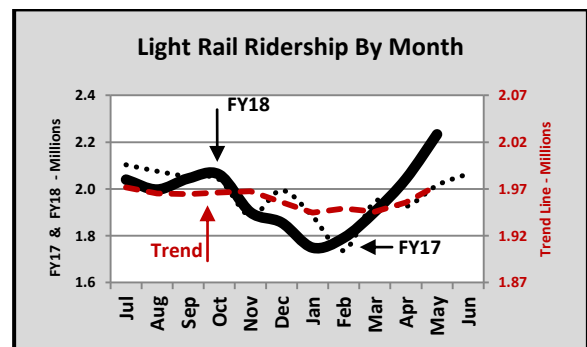
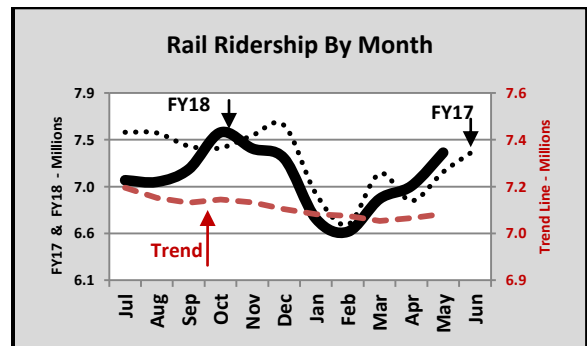
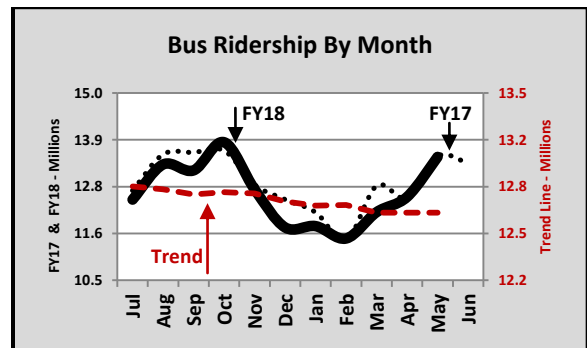
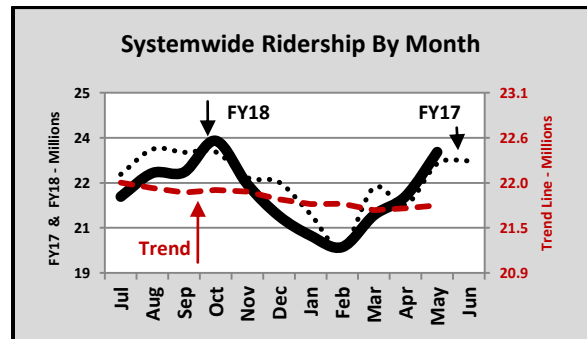
- May Bus ridership was -0.1% lower than last year, in raw numbers.
 - -0.6% lower than last May when adjusted for distortions caused by calendar differences, major weather incidents and special events.
 - Bus weekday ridership down -0.4%; weekends down -2.4% due to weather impacts.

Rail Ridership

- May Rail ridership +2.6% higher than last year, in raw numbers.
 - +2.3% higher than last May when adjusted for distortions.
 - Rail ridership last year at this time was falling due to NY Penn delays; NY Penn ridership this May was +3.1% higher than last May.
 - Weekday travel higher by +3.0%; weekends + 1.2% higher than last year.

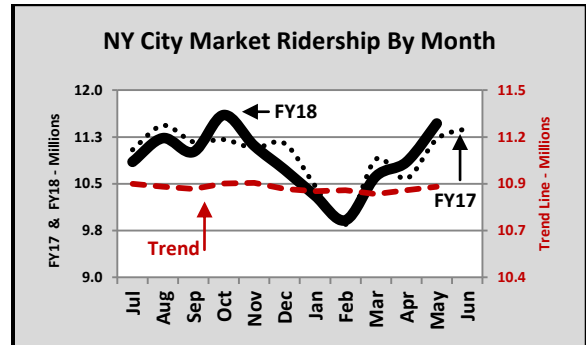
Light Rail Ridership

- May Light Rail ridership +10.8% above last year.
 - HBLR +13.0%
 - Newark Light Rail +8.6%
 - River LINE +3.1%
 - Average weekday travel +10.0% higher than last year; weekends +14.7% higher.



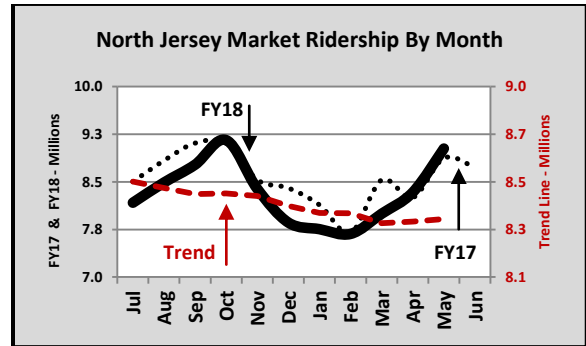
New York City Market Ridership

- May New York City Market ridership was +2.2% above last year.
- Rail trips were +3.1% greater than last May; Bus trips were +1.2% higher.
- Hoboken exhibited the brightest Rail year-year result at +6.6%; Newark Penn +0.7%; and NY Penn +3.1% above last May.
- NY Bus travel was strongest in the north and northeast corner of the state.
- Trend shows relatively stable New York City travel.



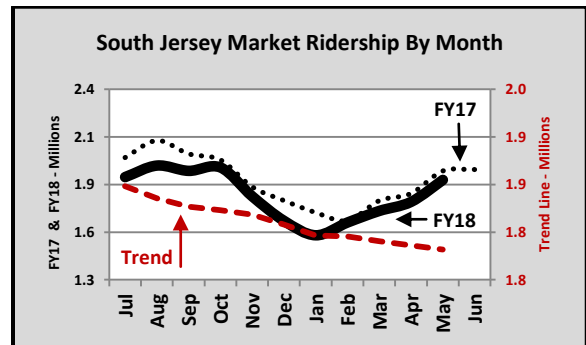
North Jersey Market Ridership

- May in-state North Jersey travel was +1.7% higher than last year.
- North Jersey Light Rail ridership +11.9% above last year; Rail -1.1%; Bus - 1.0%.
- Trend shows declining ridership, though the past three months have been stable.



South Jersey Market Ridership

- May South Jersey ridership -2.7% below last year.
- South Jersey Light Rail ridership +3.1% above last year; declines at Rail and Bus.
- Trend shows diminishing South Jersey ridership since the 2nd quarter of fiscal year 2013.



Weather

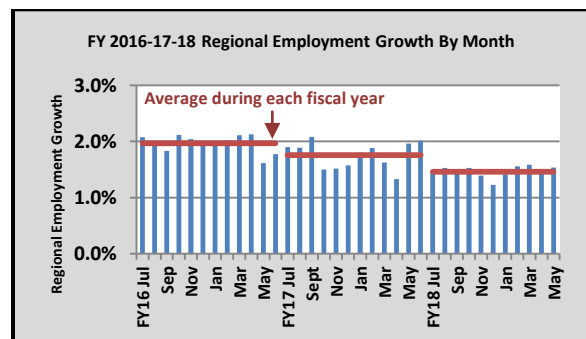
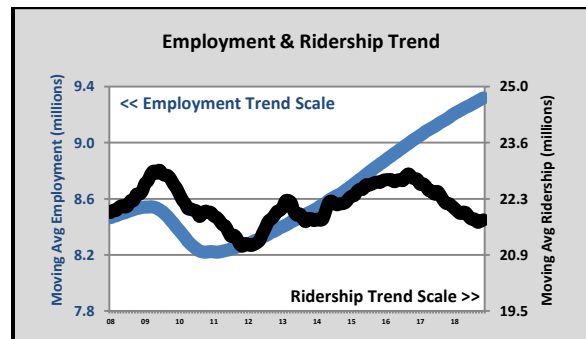
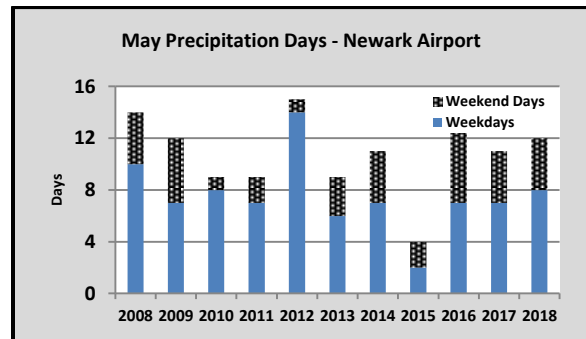
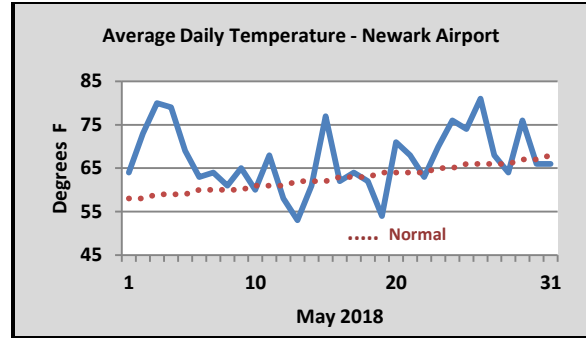
- A seasonally warm month, with generally above average temperatures and slightly below average precipitation.
- 3.8 inches of precipitation fell during May, -8% below normal.
- Compared against last May, temperatures were almost the same and conditions were much drier.
 - May saw 12 days with precipitation; last year 11 days. May had just 2 days getting over 0.50% of precipitation compared to 6 days last year.
 - May precipitation amount -48% lower than last year.

Calendar & Special Events

- Both last year and this year May had 4 Saturdays and 4 Sundays, 1 holiday and 22 weekdays.
- There were no MetLife Stadium events this month.

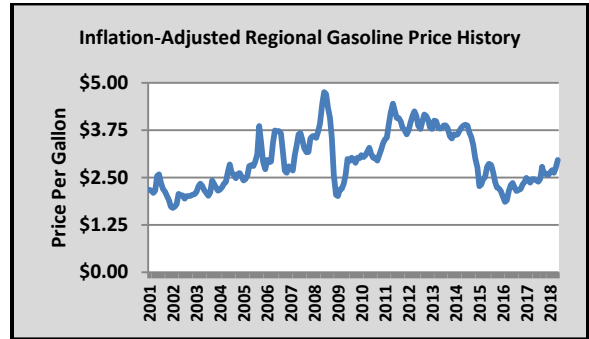
Economy

- Preliminary May employment data shows regional employment growth of +1.5%, in line with recent trends.
 - NY City +1.7%
 - New Jersey +1.3%
 - Philadelphia +1.6%
 - Region +1.5%
- Nationally, employment during May was +1.6% higher than last year.



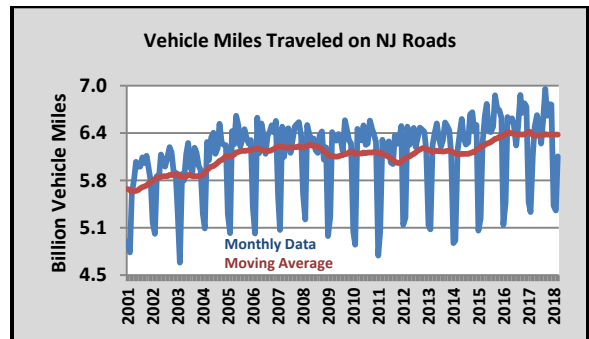
Gasoline Prices

- May regional gasoline prices were +20.7% higher than last May, though still -28% lower than six years ago.



Vehicle Miles Traveled (VMT) on New Jersey Roads

- March New Jersey VMT (latest data available) as calculated by the USDOT Federal Highway Administration was -0.2% lower than one year earlier.
- During the past 12 months NJ VMT has been +0.1% higher than the 12 months before that.
- NJ VMT peaked during the 12 months ended in January 2017; current levels are -0.7% off that all-time 12 month peak.



~end