



March 2010

Dear Customer,

As you may know, we face a \$300 million budget shortfall for the coming fiscal year that is forcing us to make many difficult choices. Please know that I wanted to make sure you saw first-hand the details regarding our fare and service change proposal.

Nothing we propose will, in any way, reduce our commitment to the safety and reliability of the service we provide.

These are extraordinary economic times and I understand that our proposals will be difficult for all. We are sensitive to the needs of those of you who rely on our service. That's why we are trimming personnel, executive salaries and operating costs, and implementing other cost-saving measures first, before turning to fare increases or service reductions.

I encourage you to read the details and share with us your ideas on how we can address our budget shortfall by either attending one of the 11 fare and service change hearings and meetings around New Jersey and New York, or by sending your comments through our website at www.njtransit.com/budget.

I look forward to getting your feedback and want to thank you in advance for your comments.

Sincerely,
James Weinstein

James Weinstein
Executive Director, NJ TRANSIT

NJ TRANSIT fare and service change proposal

NJ TRANSIT faces a daunting fiscal crisis. The agency has a nearly \$300 million budget shortfall due to several factors:

- ◆ One-time federal payments, including stimulus funding, have ended, and no further federal payments are forthcoming.
- ◆ Costs continue to rise for fuel, equipment parts and contractual obligations.
- ◆ The state cannot continue its historic level of NJ TRANSIT operating subsidy.
- ◆ NJ TRANSIT has experienced a ridership decline of nearly 40,000 people per day, or about 4.4 percent system-wide, which has reduced fare revenue.

NJ TRANSIT must balance its budget. It cannot ask the state for a bailout the state cannot afford to give – the state itself is facing an \$11 billion FY2011 deficit. As a result, we must make painful but unavoidable choices and have been examining every possible fiscal solution.

We would not ask you to pay more until we exhausted every practical internal cost-saving option. We have taken a step in that direction by:

- ◆ Reducing our workforce by more than 200 employees.
- ◆ Cutting executive salaries by 5 percent.
- ◆ Continuing a hiring and wage freeze.
- ◆ Cutting employee 401K contributions by one-third.
- ◆ Implementing an emergency spending freeze.

While we will continue to identify efficiencies, internal cuts cannot provide enough savings to close the fiscal gap. As a result, a fare hike and service cuts will have to be part of the solution. Our criteria has been to make intelligent adjustments, matching service with ridership demand, while always preserving safety and service reliability. The ultimate goal is to balance the budget while maintaining a strong system that will be positioned to respond when the economy, and ridership demand, returns.

Due to the size of the shortfall, the fare hike and service reductions will not be insignificant. However, the proposal below is not our final decision. Your comments are important to us and will be presented to the NJ TRANSIT Board of Directors prior to a final decision (more details can be found at www.njtransit.com/budget).

Public hearings/Information sessions

On March 25-27, NJ TRANSIT will host 11 public hearings and information sessions in New Jersey and New York, gathering customer comments on the corporation's fare and service proposal. Your comments can also be submitted online at www.njtransit.com/budget.

Fares (effective May 1)

- ◆ Local bus, Newark Light Rail, River LINE, Access Link and Bus Contract Carriers' fares would increase an average 25 percent, subject to rounding.
- ◆ Hudson-Bergen Light Rail fares would increase an average 25 percent, subject to rounding. Ten-trip discount tickets also would be eliminated.
- ◆ Rail fares would increase an average 25 percent, subject to rounding. Discounted off-peak roundtrip tickets would be eliminated.

Rail (effective no later than July 2010)

- ◆ Atlantic City Line – Train Nos. 4600 and 4609 (weekdays), and Nos. 4646, 4653, 4660 and 4665 (Saturday PM into Sunday AM) would be discontinued.
- ◆ Main/Bergen County Line – Train Nos. 1211, 1218, 1279 and 1282 would be discontinued on weekdays.
- ◆ Montclair-Boonton Lines – Train Nos. 244, 1024, 1025 and 1028 would be discontinued on weekdays. Trains 247 and 1029 would be replaced with a new train, No 1001.
- ◆ Morris & Essex Lines – Train Nos. 323, 348, 464, 465, 813, 870 and 873 would be discontinued on weekdays.

(continued on back page)



- ◆ North Jersey Coast Line – Train Nos. 2306, 2309, 3517 and 3518 would be discontinued on weekdays.
- ◆ Northeast Corridor – Train Nos. 3171, 3801, 3868, 3916 and 3933 would be discontinued on weekdays.
- ◆ Pascack Valley Line – Train Nos. 1600 and 1639 would be discontinued or no longer serve New Jersey stations on weekdays.
- ◆ Raritan Valley Line – Train Nos. 5724 and 5903 would be discontinued on weekdays.

884, 890, 891, 966, 967, 970, 971, 973, 978, 979, 980, 981, 986, MCM1, MCM2, MCM3, MCM4, MCM5 and MCM7). Service on the No. 772 route would be discontinued on Saturdays and reduced on weekdays (effective July 2010).

Light Rail

- ◆ Hudson-Bergen Light Rail service frequencies would be reduced to every 30 minutes on weekdays after 8 p.m., and all weekend service would be eliminated between Tonnelle Avenue and Hoboken. Tonnelle Avenue to West Side Avenue service would continue to operate with a transfer available for Hoboken customers at Pavonia-Newport (effective August 2010).
- ◆ Newark Light Rail service frequencies would be reduced to every 25 minutes on Sundays (effective April 2010), and to every 30 minutes during off-peak hours on weekdays between Newark Penn and

Broad Street stations (effective June 2010).

- ◆ River LINE would eliminate 10 late night trains that operate between Entertainment Center and Pennsauken/Route 73 on weekdays and weekends except for special events and concerts, and would reduce select two-car trains to one car on weekdays (effective April 2010).

Please note: Where possible, stopping patterns of adjacent trains will be adjusted to accommodate customers.

Bus

- ◆ Bus route Nos. 68, 134 and 138 would be discontinued (effective no later than July 2010).
- ◆ Service frequency reductions would be implemented on 28 bus routes on weekdays, 25 bus routes on Saturdays and 17 bus routes on Sundays (effective April 2010).
- ◆ Some contract carrier and WHEELS services would be eliminated (Nos. 305, 423, 722, 742, 811, 822, 833, 835,

All public hearings and information sessions are accessible to persons with disabilities. Individuals requesting special assistance such as a sign language interpreter or other accommodation should contact the Public Hearing Office at (973) 491-7453 or TT (800) 772-2287.

For further information, visit www.njtransit.com/budget.

Online comments

This fare and service proposal is not final. Your comments are important to us. If you are unable to attend any of the public hearings or meetings, NJ TRANSIT is providing an extended period of time for written comments via our website.

Online comments will be accepted any time through 11:59 p.m., March 27. To submit your comments, go to www.njtransit.com/budget. You may also deliver written comments to any NJ TRANSIT Customer Service Office.

All comments will be provided to the NJ TRANSIT Board of Directors prior to making a final decision.

Public Meetings

NJ TRANSIT will host 11 public hearings and information sessions to gather comments on the recently announced fare and service changes.

March 25 (5:30 p.m.-8:30 p.m.)

PATERSON
Passaic County Comm. College - Theater
Ellison St. & Memorial Dr., Paterson, NJ

NEWARK
NJ TRANSIT Headquarters - Board Room
1 Penn Plaza East, Newark, NJ

TRENTON
Trenton Transit Center - Main Waiting Rm.
72 South Clinton Ave., Trenton, NJ

MANALAPAN
Monmouth County Library
Meeting Rooms 2 & 3
125 Symmes Dr., Manalapan, NJ

March 26 (5:30 p.m.-8:30 p.m.)

SECAUCUS
Frank R. Lautenberg Rail Station
County Rd. & County Ave., Secaucus, NJ

March 26 (5:30 p.m.-8:30 p.m.)

CAMDEN
City Hall - Council Chambers, 2nd Fl.
520 Market St., Camden, NJ

MORRISTOWN
Town Hall
Senior Community Center, 3rd Fl.
200 South St., Morristown, NJ

LONG BRANCH
Long Branch Middle School, Auditorium
350 Indiana Ave., Long Branch, NJ

NEW YORK
Port Authority Bus Terminal
Times Square Hall, 2nd Fl.
625 Eighth Ave., New York, NY

March 27 (1 p.m.-4 p.m.)

HACKENSACK
Bergen County Freeholders
Public Meeting Room, 5th Fl.
1 Bergen County Plaza, Hackensack, NJ

ATLANTIC CITY
Atlantic City Rail Terminal - Lobby
1 Atlantic City Expressway, Atlantic City, NJ