



Metro-North Railroad

Financial Report

**MTA METRO-NORTH RAILROAD
APRIL 2013 FINANCIAL AND RIDERSHIP REPORT
EXECUTIVE SUMMARY**

Overall financial results through April 2013 continue to be favorable with a net operating deficit that is \$32.5 million lower than the Adopted Budget. Principal drivers include revenues that were \$6 million higher than projected primarily due to the earlier than projected \$11.3 million reimbursement from the FTA in April for Tropical Storm Sandy expenses (budgeted in December). This improvement was offset by lower passenger revenues of \$5.6 million as a result of lower ridership growth rates and the impact of the February snow storm. Overall operating expenses were 7.3% lower than the Adopted Budget due to vacant positions as well as timing in several non-payroll categories (Materials, Maintenance & Operating Contracts, and Professional Services). Capital program expenditures (and reimbursements) were \$10.9 million lower than Budget also due to revised timing of several projects (NH Shop Complex, Positive Train Control, and Track Program work).

Ridership

April YTD ridership of 26.7 million was 1.1% lower than 2012 and 2.8% below the Adopted Budget. YTD Ridership was lower than the Adopted Budget on all lines and across all ticket types. These results reflect the February snowstorm, the persistent effect of business office dislocations in lower Manhattan caused by Tropical Storm Sandy, and slower growth in non-commutation sales than had been projected for 2013.

East of Hudson

- April ridership of 7.0 million was 2.3% lower than the Adopted Budget and 0.5% lower than 2012.
- YTD ridership of 26.2 million was 2.6% lower than the Adopted Budget and 0.6% lower than 2012.
- Commutation ridership was 1.2% lower YTD but 0.7% higher for the month vs. the Adopted Budget.
- Non-commutation ridership for April was also lower than the Adopted Budget (4.7% YTD and 1.5% for the month).

West of Hudson

- April YTD ridership was 11.0% lower than the Adopted Budget due to the February snow storm, the impact of Tropical Storm Sandy on lower Manhattan, reduced Port Jervis and Pascack Valley Line service due to the persisting effects of Tropical Storm Irene, combined with the absence of full PATH service between Hoboken and the World Trade Center through January.

Revenue and Reimbursements

Total Revenue and Reimbursements of \$272.1 million through April was \$4.9 million, or 1.8% lower than the Adopted Budget:

- Farebox Revenue of \$195.4 million was \$5.6 million lower than Budget due to the lower ridership.
- Other Operating Revenue of \$27.8 million was \$11.6 million above the Adopted Budget due to the receipt of the Tropical Storm Sandy Emergency Relief Grants and \$0.3 million in GCT Revenue due to lower tenant service costs (timing) and higher event bookings.
- Capital and Other Reimbursements of \$48.9 million was \$10.9 million lower than the Adopted Budget due to scheduling changes in a number of projects.

Expenses

Total non-reimbursable and reimbursable expenses of \$481.3 million through April were \$37.4 million (7.2%) lower than the Adopted Budget:

- \$23.5 million was attributable to lower non-labor costs. These were primarily driven by timing of materials and contract service expenditures, lower electric power costs (both rate paid and consumption), and timing of capital projects.
- Total Labor costs (operating and capital) were \$6.6 million (2.3%) below the Adopted Budget due to vacancies, lower healthcare premiums, and minimal employee claims.

YTD Financial Performance Measures

- Adjusted Farebox Operating Ratio of 70.7% through April was 6.6 percentage points better than the Adopted Budget primarily due to lower operating expenses.
- Adjusted Cost per Passenger of \$12.24 for the period was \$0.57 lower than the Budget due to the net effect of lower expenses partially offset by lower ridership.
- Revenue per Passenger of \$7.53 for the period was on target to the Budget.

**MTA METRO-NORTH RAILROAD
APRIL 2013 FINANCIAL REPORT
YEAR-TO-DATE ACTUAL VERSUS ADOPTED BUDGET**

REVENUE

Total Revenue and reimbursements were \$4.9 million (1.8%) lower than the Adopted Budget through April:

- **Farebox Revenue** – year-to-date and the month were lower than the Adopted Budget by \$5.6 million (2.8%) and \$1.7 million (3.1%) respectively due to slower than projected ridership growth and ridership losses in February related to the snow storm.
- **Other Operating Revenue** – year-to-date and the month were higher than the Adopted Budget (\$11.6 million and \$11 million respectively) mainly due to the receipt of Tropical Storm Sandy Emergency Relief grants (\$11.3 million) and favorable GCT revenues from event bookings and the timing of tenant service costs.
- **Capital and Other Reimbursements** – YTD versus the Adopted Budget was \$10.9 million lower, and for the month \$0.7 million lower due to changes in the timing of several projects (NH Shop Complex, Positive Train Control, and Track Program work) which resulted in lower reimbursements.

EXPENSES

Total Expenses – Year-to-date expenses of \$481.3 million were \$37.4 million (7.2%) lower than the Adopted Budget. For the month, expenses were \$4.2 million (3.3%) lower than Budget.

Labor expenses (including fringes and overhead recoveries) were \$274.5 million YTD. This was \$6.6 million (2.3%) lower than the Adopted Budget primarily due to vacancies, favorable healthcare premiums and lower employee claim payments to date. For the month, labor expenses were \$1.9 million higher than the Adopted Budget due mainly to pension cost timing, Capital project timing, and overtime costs related to Sandy repair work that had been delayed until springtime.

Non-Labor Expenses

YTD non-labor expenses were \$107.1 million, \$23.5 million lower than the Adopted Budget and \$4.5 million lower for the month.

- **Electric Power** – \$2.5 million lower year-to-date due to both lower rates and consumption. For the month, expenses were \$0.6 million lower than the Adopted Budget.
- **Maintenance & Other Operating Contracts** – \$8.9 million lower than the Adopted Budget primarily due to timing of costs across a variety of operating categories (general repairs, police services, locomotive overhauls and utilities); capitalization of the GCT escalator repairs which had been budgeted as operating, and timing of reimbursable projects. For the month, expenses were \$1.3 million lower than the Adopted Budget.
- **Professional Services** – \$5.1 million below the Adopted Budget primarily due to the timing of expenses for IT related work, legal expenses, and bridge inspections. For the month, expenses were \$1.9 million lower than the Adopted Budget.
- **Materials & Supplies** – year-to-date expenditures were \$6.4 million below the Adopted Budget due to timing differences in the following reimbursable capital projects: NH Yard Component Change-out Shop, Positive Train Control, Mainline and GCT Turnouts, and the Danbury Branch Signal System. For the month, expenses were \$1.7 million lower than the Adopted Budget.
- **Other Business Expenses** – year-to-date expenses were on target to the Adopted Budget. For the month, expenses were \$0.5 million higher than the Adopted Budget primarily due to accounting adjustments and timing of CDOT capital project expenditures.
- **Depreciation and Other Non-Cash Liability Adjustments** – \$99.8 million year-to-date (\$24.8 million for the month) which was \$7.3 million lower than the Adopted Budget due to the timing of recording completed capital projects.

CASH DEFICIT

The Cash Deficit through April was \$44.6 million favorable to the Adopted Budget. This was primarily due to the net effect of \$45.8 million in lower actual cash disbursements, the \$11.3 million recovery of Hurricane Sandy expenses from the FTA and \$1.7 million in higher non-passenger revenue receipts, partly offset by \$ 14.2 million in lower passenger revenue and capital project reimbursements.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
April 2013
(\$ in millions)

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$53.371	\$51.702	(\$1.670)	(3.1)	\$0.000	\$0.000	\$0.000	-	\$53.371	\$51.702	(\$1.670)	(3.1)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	3.956	14.945	10.989	*	0.000	0.000	0.000	-	3.956	14.945	10.989	*
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	10.408	9.357	(1.051)	(10.1)	10.408	9.357	(1.051)	(10.1)
CDOT	0.000	0.000	0.000	-	5.665	6.183	0.518	9.1	5.665	6.183	0.518	9.1
Other	0.000	0.000	0.000	-	1.146	1.028	(0.118)	(10.3)	1.146	1.028	(0.118)	(10.3)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	17.220	16.568	(0.652)	(3.8)	17.220	16.568	(0.652)	(3.8)
Total Revenue/Receipts	\$57.327	\$66.647	\$9.320	16.3	\$17.220	\$16.568	(\$0.652)	(3.8)	\$74.547	\$83.215	\$8.668	11.6
Expenses												
<i>Labor:</i>												
Payroll	\$33.585	\$32.804	\$0.781	2.3	\$3.987	\$4.004	(\$0.017)	(0.4)	\$37.573	\$36.808	\$0.765	2.0
Overtime	3.933	4.528	(0.594)	(15.1)	1.560	2.106	(0.546)	(35.0)	5.493	6.634	(1.140)	(20.8)
Health and Welfare	8.422	8.936	(0.514)	(6.1)	1.411	1.430	(0.019)	(1.3)	9.833	10.366	(0.533)	(5.4)
OPEB Current Payment	1.583	1.798	(0.215)	(13.6)	0.000	0.000	0.000	-	1.583	1.798	(0.215)	(13.6)
Pensions	5.885	6.598	(0.713)	(12.1)	0.813	0.763	0.050	6.2	6.698	7.361	(0.663)	(9.9)
Other Fringe Benefits	7.607	7.537	0.070	0.9	0.928	1.140	(0.212)	(22.9)	8.535	8.677	(0.142)	(1.7)
Reimbursable Overhead	(3.820)	(4.017)	0.197	5.2	3.778	3.981	(0.204)	(5.4)	(0.042)	(0.036)	(0.006)	(14.7)
Total Labor	\$57.196	\$58.184	(\$0.988)	(1.7)	\$12.477	\$13.424	(\$0.947)	(7.6)	\$69.673	\$71.608	(\$1.935)	(2.8)
<i>Non-Labor:</i>												
Electric Power	\$6.786	\$6.146	\$0.639	9.4	\$0.000	\$0.006	(\$0.006)	-	\$6.786	\$6.152	\$0.634	9.3
Fuel	2.160	2.942	(0.782)	(36.2)	0.000	0.000	(0.000)	-	2.160	2.943	(0.782)	(36.2)
Insurance	0.997	0.979	0.018	1.8	0.423	0.345	0.078	18.5	1.420	1.323	0.096	6.8
Claims	0.054	(0.108)	0.162	*	0.000	0.000	0.000	-	0.054	(0.108)	0.162	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	7.628	6.756	0.873	11.4	1.385	0.987	0.397	28.7	9.013	7.743	1.270	14.1
Professional Service Contracts	2.372	1.341	1.031	43.5	0.934	0.059	0.875	93.7	3.306	1.399	1.907	57.7
Materials & Supplies	5.574	4.116	1.457	26.1	1.899	1.679	0.220	11.6	7.472	5.795	1.677	22.4
Other Business Expenses	1.825	2.323	(0.498)	(27.3)	0.102	0.068	0.034	33.3	1.927	2.392	(0.464)	(24.1)
Total Non-Labor	\$27.395	\$24.495	\$2.900	10.6	\$4.743	\$3.144	\$1.599	33.7	\$32.138	\$27.639	\$4.499	14.0
<i>Other Adjustments:</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$84.591	\$82.679	\$1.912	2.3	\$17.220	\$16.568	\$0.652	3.8	\$101.811	\$99.247	\$2.564	2.5
Depreciation	20.182	18.500	1.682	8.3	0.000	0.000	0.000	-	20.182	18.500	1.682	8.3
OPEB Obligation	6.339	6.339	(0.000)	0.0	0.000	0.000	0.000	-	6.339	6.339	(0.000)	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	\$111.113	\$107.519	\$3.594	3.2	\$17.220	\$16.568	\$0.652	3.8	\$128.333	\$124.087	\$4.246	3.3
Net Surplus/(Deficit)	(\$53.786)	(\$40.872)	\$12.914	24.0	\$0.000	\$0.000	\$0.000	-	(\$53.786)	(\$40.872)	\$12.914	24.0
<i>Cash Conversion Adjustments:</i>												
Depreciation	20.182	18.500	(1.682)	(8.3)	0.000	0.000	0.000	-	20.182	18.500	(1.682)	(8.3)
Operating/Capital	(2.446)	(0.225)	2.221	90.8	0.000	0.000	0.000	-	(2.446)	(0.225)	2.221	90.8
Other Cash Adjustments	7.042	14.468	7.426	*	0.000	0.000	0.000	-	7.042	14.468	7.426	*
Total Cash Conversion Adjustments	\$24.778	\$32.743	\$7.965	32.1	\$0.000	\$0.000	\$0.000	-	\$24.778	\$32.743	\$7.965	32.1
Net Cash Surplus/(Deficit)	(\$29.008)	(\$8.129)	\$20.879	72.0	\$0.000	\$0.000	\$0.000	-	(\$29.008)	(\$8.129)	\$20.879	72.0

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
April Year-To-Date
(\$ in millions)

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$201.001	\$195.414	(\$5.587)	(2.8)	\$0.000	\$0.000	\$0.000	-	\$201.001	\$195.414	(\$5.587)	(2.8)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	16.199	27.793	11.594	71.6	0.000	0.000	0.000	-	16.199	27.793	11.594	71.6
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	35.796	28.117	(7.680)	(21.5)	35.796	28.117	(7.680)	(21.5)
CDOT	0.000	0.000	0.000	-	20.319	18.067	(2.253)	(11.1)	20.319	18.067	(2.253)	(11.1)
Other	0.000	0.000	0.000	-	3.697	2.712	(0.985)	(26.6)	3.697	2.712	(0.985)	(26.6)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	59.812	48.895	(10.917)	(18.3)	59.812	48.895	(10.917)	(18.3)
Total Revenue/Receipts	\$217.200	\$223.207	\$6.006	2.8	\$59.812	\$48.895	(\$10.917)	(18.3)	\$277.012	\$272.102	(\$4.910)	(1.8)
Expenses												
<i>Labor:</i>												
Payroll	\$136.570	\$133.710	\$2.860	2.1	\$13.820	\$12.551	\$1.268	9.2	\$150.390	\$146.262	\$4.128	2.7
Overtime	18.448	18.678	(0.230)	(1.2)	4.945	5.745	(0.800)	(16.2)	23.393	24.423	(1.030)	(4.4)
Health and Welfare	34.675	32.868	1.807	5.2	4.719	4.144	0.575	12.2	39.394	37.011	2.383	6.0
OPEB Current Payment	6.333	6.518	(0.184)	(2.9)	0.000	0.000	0.000	-	6.333	6.518	(0.184)	(2.9)
Pensions	24.223	24.387	(0.164)	(0.7)	2.788	2.229	0.560	20.1	27.011	26.615	0.396	1.5
Other Fringe Benefits	31.529	30.397	1.132	3.6	3.132	3.484	(0.352)	(11.3)	34.661	33.881	0.780	2.2
Reimbursable Overhead	(12.368)	(11.874)	(0.493)	(4.0)	12.204	11.624	0.580	4.8	(0.164)	(0.251)	0.087	52.8
Total Labor	\$239.411	\$234.683	\$4.728	2.0	\$41.607	\$39.776	\$1.831	4.4	\$281.018	\$274.460	\$6.558	2.3
<i>Non-Labor:</i>												
Electric Power	\$29.362	\$26.869	\$2.494	8.5	\$0.000	\$0.017	(\$0.017)	-	\$29.362	\$26.885	\$2.477	8.4
Fuel	10.098	10.192	(0.093)	(0.9)	0.000	0.001	(0.001)	-	10.098	10.193	(0.094)	(0.9)
Insurance	3.960	3.830	0.130	3.3	1.307	1.027	0.280	21.4	5.266	4.857	0.409	7.8
Claims	0.227	(0.069)	0.296	*	0.000	0.000	0.000	-	0.227	(0.069)	0.296	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	31.760	25.199	6.561	20.7	5.266	2.958	2.307	43.8	37.025	28.157	8.869	24.0
Professional Service Contracts	8.539	4.679	3.860	45.2	2.779	1.500	1.279	46.0	11.318	6.179	5.139	45.4
Materials & Supplies	20.751	19.624	1.126	5.4	8.538	3.253	5.285	61.9	29.288	22.877	6.411	21.9
Other Business Expenses	7.677	7.645	0.032	0.4	0.317	0.363	(0.047)	(14.8)	7.994	8.009	(0.015)	(0.2)
Total Non-Labor	\$112.374	\$97.968	\$14.407	12.8	\$18.205	\$9.119	\$9.086	49.9	\$130.579	\$107.087	\$23.493	18.0
<i>Other Adjustments</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adj.s.	\$351.785	\$332.651	\$19.134	5.4	\$59.812	\$48.895	\$10.917	18.3	\$411.597	\$381.546	\$30.051	7.3
Depreciation	80.730	74.001	6.729	8.3	0.000	0.000	0.000	-	80.730	74.001	6.729	8.3
OPEB Obligation	25.358	25.358	(0.000)	0.0	0.000	0.000	0.000	-	25.358	25.358	(0.000)	0.0
Environmental Remediation	0.989	0.404	0.585	59.2	0.000	0.000	0.000	-	0.989	0.404	0.585	59.2
Total Expenses	\$458.861	\$432.413	\$26.448	5.8	\$59.812	\$48.895	\$10.917	18.3	\$518.673	\$481.309	\$37.365	7.2
Net Surplus/(Deficit)	(\$241.661)	(\$209.207)	\$32.454	13.4	\$0.000	\$0.000	\$0.000	-	(\$241.661)	(\$209.207)	\$32.454	13.4
<i>Cash Conversion Adjustments:</i>												
Depreciation	80.730	74.001	(6.729)	(8.3)	0.000	0.000	0.000	-	80.730	74.001	(6.729)	(8.3)
Operating/Capital	(9.022)	(2.578)	6.444	71.4	0.000	0.000	0.000	-	(9.022)	(2.578)	6.444	71.4
Other Cash Adjustments	38.694	51.156	12.462	32.2	0.000	0.000	0.000	-	38.694	51.156	12.462	32.2
Total Cash Conversion Adjustments	\$110.402	\$122.580	\$12.178	11.0	\$0.000	\$0.000	\$0.000	-	\$110.402	\$122.580	\$12.178	11.0
Net Cash Surplus/(Deficit)	(\$131.259)	(\$86.627)	\$44.632	34.0	\$0.000	\$0.000	\$0.000	-	(\$131.259)	(\$86.627)	\$44.632	34.0

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
APRIL 2013
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	\$10.989	*	Primarily reflects Tropical Storm Sandy Emergency Relief Grants (\$11.3 million), partly offset by seasonal timing differences in advertising revenue.	\$11.594	71.6%	Primarily reflects Tropical Storm Sandy Emergency Relief Grants (\$11.3 million) and higher net GCT revenues due to favorable event bookings partly offset by seasonal timing differences in advertising revenue.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$0.652)	(3.8%)	Lower reimbursements reflect scheduling changes in capital project expenditures.	(\$10.917)	(18.3%)	Lower reimbursements reflect scheduling changes in capital project expenditures.
PAYROLL	Reimb	(\$0.017)	(0.4%)	Reflects higher than projected activity on the Cyclical Track Program partially offset by the delay of Cos Cob West Substation.	\$1.268	9.2%	Reflects delays on the NH Rail Yard - Component Change Out Shop, Positive Train Control project, H & H Lines Power Improvements, Cos Cob West Substation and the CDOT Bridge & Catenary project and lower than projected activity on the M-8 NHL Purchase.
OVERTIME	Non-Reimb	(\$0.594)	(15.1%)	Increase reflects overtime requirements for service coverage.	(\$0.230)	(1.2%)	Reflects higher than projected activity on the Mainline High Speed Turnouts and the GCT T.O. /Switch Renewal.
	Reimb	(\$0.546)	(35.0%)	Reflects higher than projected activity on the Mainline High Speed Turnouts, C-29 project, Replace Timbers Undergrade Br., Danbury Branch Signal System and the GCT Emergency Generator.	(\$0.800)	(16.2%)	
HEALTH AND WELFARE	Non-Reimb	(\$0.514)	(6.1%)	Reflects an adjustment due to underaccrual of fringe costs.	\$1.807	5.2%	Primarily lower than projected premiums.
	Reimb	(\$0.019)	(1.3%)	Reflects higher project activity.	\$0.575	12.2%	Reflects lower project activity.
OPEB CURRENT PAYMENT	Non-Reimb	(\$0.215)	(13.6%)	Reflects an adjustment due to underaccrual of fringe costs.	(\$0.184)	(2.9%)	
PENSIONS	Non-Reimb	(\$0.713)	(12.1%)	Reflects an adjustment due to underaccrual of fringe costs.	(\$0.164)	(0.7%)	Reflects lower project activity.
	Reimb	\$0.050	6.2%	Reflects lower project activity.	\$0.560	20.1%	
OTHER FRINGE BENEFITS	Reimb	(\$0.212)	(22.9%)	Reflects rate differentials and project adjustments	(\$0.352)	(11.3%)	Reflects rate differentials and project adjustments

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
APRIL 2013
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
REIMBURSABLE OVERHEAD	Non-Reimb	\$0.197	5.2%	Reflects higher capital project activity for the following projects: Cyclical Track Program, Main Line High Speed Turnouts and NH Rail Yard - Component Change out Shop.	(\$0.493)	(4.0%)	
	Reimb	(\$0.204)	(5.4%)	Reflects higher project activity.	\$0.580	4.8%	Reflects lower project activity.
ELECTRIC POWER	Non-Reimb	\$0.639	9.4%	Primarily due to lower rates and consumption.	\$2.494	8.5%	Primarily due to lower rates and consumption.
FUEL	Non-Reim	(\$0.782)	(36.2%)	Primarily due to higher heating oil prices.	(\$0.001)	-	
INSURANCE	Reimb	\$0.078	18.5%	Reflects lower project activity.	\$0.280	21.4%	Reflects lower project activity.
CLAIMS	Non-Reimb	\$0.162	*	Primarily due to the timing of reimbursements for administrative fees from FMTAC.	\$0.296	*	Primarily due to the timing of reimbursements for administrative fees from FMTAC.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$0.873	11.4%	Reflects lower costs for maintenance contracts, GCT utilities, waste removal services and safety equipment and supplies.	\$6.561	20.7%	Reflects lower costs for maintenance contracts, GCT utilities, revenue vehicle repairs and MTA Police and the reclassification of GCT escalator repair project to operating capital.
	Reimb	\$0.397	28.7%	Reflects delay on the Positive Train Control partially offset by higher activity on the NHL- Tree Removal Program	\$2.307	43.8%	Reflects delay on the Positive Train Control Project.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$1.031	43.5%	Favorable variance reflects the timing of expenses for IT costs, legal expenses, bridge inspections, and outside training.	\$3.860	45.2%	Favorable variance reflects the timing of expenses for IT costs, legal expenses, advertising, bridge inspections, temporary services, medical services, and outside training.
	Reimb	\$0.875	93.7%	Reflects delays on Overhead Bridge Program - EOFH, NHL - EMU Fleet Replacement, NHL Signal System and the Replacement of Anchor Bridge Substations.	\$1.279	46.0%	Reflects delay on the NHL Signal System, Overhead Bridge Program - EofH, partially offset by higher activity on the Positive Train Control, Design Guard Booths at Stamford and East Bridgeport Yard and the Environmental Remediation.

MTA METRO-NORTH RAILROAD
ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
APRIL 2013
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
MATERIAL AND SUPPLIES	Non-Reimb	\$1.457	26.1%	Favorable variance reflects the timing differences in the purchase of GCT elevator and escalator monitoring equipment and lower usage of rolling stock parts and supplies.	\$1.126	5.4%	Favorable variance reflects the timing differences in the purchase of GCT elevator and escalator monitoring equipment and lower usage of rolling stock parts and supplies.
	Reimb	\$0.220	11.6%	Reflects delay on the Bronx Stations Capacity and the Positive Train Control and the timing of expenses on the Cyclical Track Program, C-28 and C-29 projects.	\$5.285	61.9%	Reflects delay on the NHL Rail Yard Component changeout Shop, MainLine High Speed Turnouts, Positive Train Control, PBX Equipment Upgrade, Bronx Stations Capacity IMP, Danbury Branch Signal System, Replace Repair Undergrade Bridge program and the 2013 Cyclical Track Program.
OTHER BUSINESS EXPENSES	Non-Reimb	(\$0.498)	(27.3%)	Primarily due to account receivable write-offs for CDOT capital project activity.	\$0.032	0.4%	
	Reimb	\$0.034	33.3%	Reflects insignificant variances on several other projects.	(\$0.047)	(14.8%)	Reflects higher activity on the Tarrytown Station Improvement and Monthly Ticket Hologram program.
DEPRECIATION	Non-Reimb	\$1.682	8.3%	Timing of capitalization of assets.	\$6.729	8.3%	Timing of capitalization of assets.
ENVIRONMENTAL REMEDIATION	Non-Reimb	\$0.000	-		\$0.585	59.2%	Primarily due to fewer projects requiring remediation.
OPERATING CAPITAL	Non-Reim	\$2.221	90.8%	Reflects lower activity during the period on the Locomotive Overhaul for 6 GP 35 Locos, Hudson Rail Link Bus Replacement, Repair Boring Machines - Harmon, Replace Windows & Roof @ Fleetwood, Ticket Vending Machines Upgrade and the NYPA Improvement Support program.	\$6.444	71.4%	Reflects lower activity during the period on the Purchase of a Production Switch Tamper, Locomotive Overhaul For 6 GP 35 Locos, Ticket Vending Machines Upgrade projects, Snowmelt Cabinets, Hudson Rail Link Bus Replacement, Repair Boring Machines - Harmon Shop, Vehicle Replacement - 2012 and the Replace Windows & Roof at Fleetwood.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
February Financial Plan - 2013 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	April						April Year-to-Date					
	Adopted Budget		Actuals		Var. - Fav./(Unfav)		Adopted Budget		Actuals		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME												
<u>Scheduled Service</u> ¹	32,249	\$1.8	46,341	\$2.4	(14,092)	(\$0.6)	156,161	\$8.7	163,950	\$8.5	(7,789)	\$0.2
					-43.7%	-33.8%					-5.0%	2.1%
<u>Unscheduled Service</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Programmatic/Routine Maintenance</u>	19,329	\$0.9	15,892	\$0.7	3,438	\$0.1	78,586	\$3.6	72,941	\$3.4	5,646	\$0.2
					17.8%	16.2%					7.2%	5.5%
<u>Unscheduled Maintenance</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Vacancy/Absentee Coverage</u> ²	17,135	\$0.7	15,660	\$0.7	1,475	\$0.1	66,209	\$2.9	58,968	\$2.6	7,241	\$0.3
					8.6%	7.6%					10.9%	9.5%
<u>Weather Emergencies</u>	8,727	\$0.4	10,825	\$0.5	(2,098)	(\$0.1)	60,573	\$2.9	66,260	\$3.1	(5,687)	(\$0.3)
					-24.0%	-22.1%					-9.4%	-9.3%
<u>Safety/Security/Law Enforcement</u> ³	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Other</u> ⁴	2,108	\$0.1	4,009	\$0.2	(1,901)	(\$0.1)	11,304	\$0.5	24,153	\$1.1	(12,849)	(\$0.6)
					-90.2%	-*					-*	-*
Subtotal	79,548	\$3.9	92,726	\$4.5	(13,178)	(\$0.6)	372,833	\$18.4	386,271	\$18.7	(13,438)	(\$0.2)
					-16.6%	-15.1%					-3.6%	-1.2%
REIMBURSABLE OVERTIME	32,340	\$1.6	43,391	\$2.1	(11,051)	(\$0.5)	103,292	\$4.9	117,463	\$5.7	(14,170)	(\$0.8)
					-34.2%	-35.0%					-13.7%	-16.2%
TOTAL OVERTIME	111,888	\$5.5	136,117	\$6.6	(24,229)	(\$1.1)	476,126	\$23.4	503,734	\$24.4	(27,608)	(\$1.0)
					-21.7%	-20.8%					-5.8%	-4.4%

Totals may not add due to rounding.

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

² Excludes T&E crew coverage (included in Scheduled Service category)

³ Not Applicable

⁴ Reflects overtime for Customer Service and Material Management Depts as well as other administrative functions. Also reflects timing differences related to payroll and calendar cutoff dates.

MTA METRO-NORTH RAILROAD
February Financial Plan - 2013 Adopted Budget
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	April			April Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u> ¹	(14,092)	(\$0.6)	Increased overtime required for service coverage partly offset by lower than budgeted train and engine crew overtime rates.	(7,789)	\$0.2	Increased overtime required for service coverage partly offset by lower than budgeted train and engine crew overtime rates.
	-43.7%	-33.8%		-5.0%	2.1%	
<u>Unscheduled Service</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Programmatic/Routine Maintenance</u>	3,438	\$0.1		5,646	\$0.2	Better than anticipated rolling stock performance resulted in lower overtime requirements for car fleet maintenance (fewer traction motor failures due to a modification to component parts, change in maintenance cycle for older NHL car fleet and mild March weather). Also, fewer right-of-way maintenance needs led to favorable results.
	17.8%	16.2%		7.2%	5.5%	
<u>Unscheduled Maintenance</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Vacancy/Absentee Coverage</u> ²	1,475	\$0.1		7,241	\$0.3	
	8.6%	7.6%		10.9%	9.5%	
<u>Weather Emergencies</u>	(2,098)	(\$0.1)		(5,687)	(\$0.3)	
	-24.0%	-22.1%		-9.4%	-9.3%	
Safety/Security/Law Enforcement ³	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Other</u> ⁴	(1,901)	(\$0.1)	Reflects timing differences related to payroll and calendar cutoff dates.	(12,849)	(\$0.6)	Reflects timing differences related to payroll and calendar cutoff dates.
	-90.2%	*		*	*	
Subtotal	(13,178)	(\$0.6)		(13,438)	(\$0.2)	
	-16.6%	-15.1%		-3.6%	-1.2%	
REIMBURSABLE OVERTIME						
	(11,051)	(\$0.5)	Reflects track availability constraints for turnout replacement/upgrades on the main lines in New York and for tie replacement, track surfacing, and turnout installation on the New Haven Line in Connecticut.	(14,170)	(\$0.8)	Reflects track availability constraints for turnout replacement/upgrades in GCT and on the main lines in New York, and for tie replacement, track surfacing, and turnout installation on the New Haven Line in Connecticut.
	-34.2%	-35.0%		-13.7%	-16.2%	
TOTAL OVERTIME	(24,229)	(\$1.1)		(27,608)	(\$1.0)	

NOTE: Percentages are based on each type of Overtime and not on Total Overtime.

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

² Excludes T&E crew coverage (included in Scheduled Service category)

³ Not Applicable

⁴ Reflects overtime for Customer Service and Material Management Depts. as well as other administrative functions. Also reflects timing differences related to payroll and calendar cutoff dates.

MTA METRO-NORTH RAILROAD
2013 Overtime Report
Overtime Legend

REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS

<u>Type</u>	<u>Definition</u>
<i>Scheduled Service</i>	Crew book/Regular Run/Shift hours (above 8 hours) required by train crews, bus/tower/block operators, transportation supervisors/dispatchers, fare sales and collection, Train & Engineers, as well as non-transportation workers whose work is directly related to providing service (includes coverage for holidays).
<i>Unscheduled Service</i>	Service coverage resulting from extraordinary events not related to weather, such as injuries, mechanical breakdowns, unusual traffic, tour length, late tour relief, and other requirements that arise that are non-absence related.
<i>Programmatic/Routine Maintenance</i>	<i>Program Maintenance</i> work for which overtime is planned (e.g. Railroad Tie Replacement, Sperry Rail Testing, Running Board Replacement Programs). This also includes <i>Routine Maintenance</i> work for which OT has been planned, as well as all other maintenance <u>not resulting from extraordinary events</u> , including running repairs. Program/Routine maintenance work is usually performed during hours that are deemed more practical in order to minimize service disruptions, and includes contractual scheduled pay over 8 hours.
<i>Unscheduled Maintenance</i>	Resulting from an <u>extraordinary event</u> (not weather-related) requiring the use of unplanned maintenance to perform repairs on trains, buses, subway and bus stations, depots, tracks and administrative and other facilities, including derailments, tour length and weekend coverage.
<i>Vacancy/Absentee Coverage</i>	Provides coverage for an absent employee or a vacant position.
<i>Weather Emergencies</i>	Coverage necessitated by extreme weather conditions (e.g. snow, flooding, hurricane, and tornadoes), as well as preparatory and residual costs.
<i>Safety/Security/Law Enforcement</i>	Coverage required to provide additional customer & employee protection and to secure MTA fleet facilities, transportation routes, and security training.
<i>Other</i>	Includes overtime coverage for clerical, administrative positions that are eligible for overtime.
<i>Reimbursable Overtime</i>	Overtime incurred to support projects that are reimbursed from the MTA Capital Program and other funding sources.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

SCHEDULE III

	April 2013				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
<u>Receipts</u>								
Farebox Receipts	\$54.047	\$53.579	(\$0.468)	(0.9)	\$203.584	\$199.153	(\$4.431)	(2.2)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	5.297	18.471	13.174	*	21.343	34.346	13.003	60.9
<i>Capital & Other Reimbursements:</i>								
MTA	7.937	6.839	(1.098)	(13.8)	37.127	23.415	(13.712)	(36.9)
CDOT	5.491	2.948	(2.543)	(46.3)	20.082	15.813	(4.269)	(21.3)
Other	1.009	5.363	4.354	*	3.261	11.491	8.230	*
Total Capital and Other Reimbursements	14.437	15.150	0.713	4.9	60.470	50.719	(9.751)	(16.1)
Total Receipts	\$73.781	\$87.200	\$13.419	18.2	\$285.397	\$284.218	(\$1.179)	(0.4)
<u>Expenditures</u>								
<i>Labor:</i>								
Payroll	\$34.974	\$36.137	(\$1.163)	(3.3)	\$149.885	\$145.032	\$4.853	3.2
Overtime	5.581	5.659	(0.078)	(1.4)	23.237	24.903	(1.666)	(7.2)
Health and Welfare	10.293	6.441	3.852	37.4	41.314	33.554	7.760	18.8
OPEB Current Payment	1.583	1.619	(0.036)	(2.3)	6.333	6.338	(0.005)	(0.1)
Pensions	6.837	6.975	(0.138)	(2.0)	10.679	11.270	(0.591)	(5.5)
Other Fringe Benefits	8.678	8.315	0.363	4.2	36.669	35.786	0.883	2.4
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor	\$67.946	\$65.146	\$2.800	4.1	\$268.117	\$256.883	\$11.234	4.2
<i>Non-Labor:</i>								
Electric Power	\$6.969	\$6.574	\$0.395	5.7	\$30.100	\$22.922	\$7.178	23.8
Fuel	1.860	2.295	(0.435)	(23.4)	8.899	8.256	0.643	7.2
Insurance	0.000	1.353	(1.353)	-	4.678	4.679	(0.001)	(0.0)
Claims	0.057	0.077	(0.020)	(35.1)	0.228	0.301	(0.073)	(32.0)
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	9.909	6.554	3.355	33.9	41.355	26.788	14.567	35.2
Professional Service Contracts	2.980	1.478	1.502	50.4	11.078	7.835	3.243	29.3
Materials & Supplies	8.155	7.549	0.606	7.4	33.030	26.621	6.409	19.4
Other Business Expenditures	4.613	4.303	0.310	6.7	17.971	16.560	1.411	7.9
Total Non-Labor	\$34.543	\$30.183	\$4.360	12.6	\$147.339	\$113.962	\$33.377	22.7
<i>Other Adjustments:</i>								
Other	0.300	0.000	0.300	100.0	1.200	0.000	1.200	100.0
Other Post Employment Benefits	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.300	\$0.000	\$0.300	100.0	\$1.200	\$0.000	\$1.200	100.0
Total Expenditures	\$102.789	\$95.329	\$7.460	7.3	\$416.656	\$370.845	\$45.811	11.0
Net Cash Deficit (excludes Opening Cash Balance)	(\$29.008)	(\$8.129)	\$20.879	72.0	(\$131.259)	(\$86.627)	\$44.632	34.0
<u>Subsidies</u>								
MTA	22.343	9.155	(13.188)	(59.0)	96.346	82.480	(13.866)	(14.4)
CDOT	6.665	21.265	14.600	*	34.913	28.978	(5.935)	(17.0)
Total Subsidies	\$29.008	\$30.420	\$1.412	4.9	\$131.259	\$111.458	(\$19.801)	(15.1)
Cash Timing and Availability Adjustment	\$0.000	(\$0.721)	(\$0.721)	-	\$0.000	(\$3.344)	(\$3.344)	-

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
(\$ in millions)

Generic Receipt or Expense Category	April, 2013			Year-To-Date as of April 30, 2013		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
OTHER REVENUE	13.174	*	Recovery for Tropical Storm Sandy, as well as a timing difference for Amtrak receipts, and higher net GCT LaSalle retail revenues.	13.003	60.9%	Recovery for Tropical Storm Sandy, as well as a higher net GCT revenues mostly due to payment timing differences for MTA-LaSalle expenses, partially offset by lower parking, advertising, and miscellaneous receipts in the period.
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(1.098)	(13.8%)	Lower project activity, partially offset by a timing difference in receipts.	(13.712)	(36.9%)	Lower project activity for the period.
CDOT	(2.543)	(46.3%)	Receipt timing difference.	(4.269)	(21.3%)	Lower project activity, as well as timing difference in receipts.
OTHER	4.354	*	Primarily to due higher advances for Tappan Zee Bridge project and other advances.	8.230	*	Primarily due to cash timing difference for prior period activity (Primarily GCT Vault), as well as higher advances for Tappan Zee Bridge project.
PAYROLL	(1.163)	(3.3%)	Payment timing difference.	4.853	3.2%	Primarily due to higher vacancies and lower capital project activity.
OVERTIME				(1.666)	(7.2%)	Higher overtime requirements primarily due to increase level of weather emergency coverage, as well as higher capital project activity.
HEALTH & WELFARE	3.852	37.4%	Lower NYSHIP/Empire Plan payments, as well as payment timing for dental/vision care.	7.760	18.8%	Lower NYSHIP/Empire Plan payments for the period.
PENSIONS				(0.591)	(5.5%)	Higher pension contribution for the period.
ELECTRIC POWER	0.395	5.7%	Primarily due to net payment timing differences for Traction and Non Traction Power.	7.178	23.8%	Payment timing to New York Power Authority, as well as lower usage and price on both Harlem/Hudson and New Haven lines.
FUEL	(0.435)	(23.4%)	Higher payments in the month for both Revenue Vehicle Diesel Fuel and Non-Revenue Fuel (Gasoline and Heating Fuel).	0.643	7.2%	Lower payments for Revenue Vehicle Diesel Fuel due to lower usage and timing difference in payment, partially offset by higher Non-Revenue Fuel payments.

* Variance exceeds 100%

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 BUDGET
CASH RECEIPTS AND EXPENDITURES
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS
(\$ in millions)

Generic Receipt or Expense Category	April, 2013			Year-To-Date as of April 30, 2013		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
INSURANCE	(1.353)	-	Payment timing for station liability and automobile premiums.			
CLAIMS	(0.020)	(35.1%)	Nothing material to report.	(0.073)	(32.0%)	Nothing material to report.
MAINTENANCE & OTHER OPERATING CONTRACTS	3.355	33.9%	Lower capital project activity (Positive Train Control, GP35 Locomotive Overhauls, Hudson Rail Link Bus Replacement, Harmon Shop Boring Machine Repair) as well as payment timing for real estate rentals, and other maintenance services, partially offset by higher payments in the month for escalator/elevator maintenance, steam utility, non-revenue vehicle repairs, ferry service, and facility maintenance & repairs.	14.567	35.2%	Timing in payments for capital project activity (Danbury Branch Signal, Positive Train Control, purchase of Production Tamper, GP35 Locomotive Overhaul, NHL relay protection, and various others), as well as lower occupancy costs, and lower miscellaneous contractual services.
PROFESSIONAL SERVICE CONTRACTS	1.502	50.4%	Timing difference for IT hardware and consulting services, engineering services, as well as lower capital project expenditures (Overhead Bridge Programs, NHL MU Fleet Replacement, NHL Signal System, and others).	3.243	29.3%	Timing difference for BSC payments, engineering services, legal fees, I.T. hardware, data services, advertising, and capital project expenditures.
MATERIALS & SUPPLIES	0.606	7.4%	Lower escalator repair components, lower propulsion, carbody, cab signal/ATC components, and various other.	6.409	19.4%	Payment timing difference for capital projects (Positive Train Control, Bronx Station Capacity Improvements, PBX equipment upgrade, snow melter cabinets, and others), as well as propulsion/power material, carbody material, and various other material purchases.
OTHER BUSINESS EXPENSES	0.310	6.7%	Primarily due to lower capital project activity, and lower NJT subsidy payments.	1.411	7.9%	Primarily lower spending (timing) on capital projects, as well as lower metro-card pass-through payments.
MTA SUBSIDY RECEIPTS	(13.188)	(59.0%)	Lower subsidy draw due a lower net cash deficit in the month and higher CDOT subsidy payments (timing), partially offset by the change in available bank balance.	(13.866)	(14.4%)	Lower subsidy draw due a lower net cash deficit in the period, partially offset by the change in available bank balance, and lower CDOT subsidy payments.
CDOT SUBSIDY RECEIPTS	14.600	*	Payment timing differences.	(5.935)	(17.0%)	Lower payments primarily due to credits for actual to estimate billing for the period.
TOTAL SUBSIDY RECEIPTS	1.412	4.9%		(19.801)	(15.1%)	

* Variance exceeds 100%

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

	April 2013				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
<u>Receipts</u>								
Farebox Revenue	\$0.676	\$1.877	\$1.202	*	\$2.583	\$3.739	\$1.156	44.8
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.341	3.526	2.185	*	5.144	6.553	1.409	27.4
<i>Capital & Other Reimbursements:</i>		0.000			0.000	0.000		
MTA	(2.471)	(2.518)	(0.047)	(1.9)	1.331	(4.702)	(6.032)	*
CDOT	(0.174)	(3.235)	(3.061)	*	(0.237)	(2.254)	(2.016)	*
Other	(0.137)	4.335	4.472	*	(0.436)	8.779	9.215	*
Total Capital and Other Reimbursements	(2.783)	(1.418)	1.365	49.0	0.658	1.824	1.166	*
Total Revenue/Receipts	(\$0.766)	\$3.985	\$4.751	*	\$8.385	\$12.116	\$3.731	44.5
<u>Expenditures</u>								
<i>Labor:</i>								
Payroll	\$2.599	\$0.671	(\$1.928)	(74.2)	\$0.505	\$1.230	\$0.725	*
Overtime	(0.088)	0.975	1.062	*	0.156	(0.480)	(0.636)	*
Health and Welfare	(0.460)	3.925	4.385	*	(1.920)	3.457	5.377	*
OPEB Current Payment	0.000	0.179	0.000		0.000	0.180	0.180	-
Pensions	(0.139)	0.386	0.525	*	16.332	15.345	(0.987)	(6.0)
Other Fringe Benefits	(0.143)	0.362	0.505	*	(2.008)	(1.905)	0.103	5.1
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.042)	(0.036)	0.006	14.7	(0.164)	(0.251)	(0.087)	(52.8)
Total Labor	\$1.727	\$6.462	\$4.735	*	\$12.901	\$17.577	\$4.676	36.2
<i>Non-Labor:</i>								
Electric Power	(\$0.183)	(\$0.422)	(\$0.239)	*	(\$0.738)	\$3.963	\$4.701	*
Fuel	0.300	0.648	0.347	*	1.199	1.937	0.737	61.5
Insurance	1.420	(0.030)	(1.449)	*	0.588	0.178	(0.410)	(69.8)
Claims	(0.003)	(0.185)	(0.182)	*	(0.001)	(0.370)	(0.369)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	(0.896)	1.189	2.085	*	(4.330)	1.369	5.698	*
Professional Service Contracts	0.326	(0.079)	(0.405)	*	0.240	(1.656)	(1.896)	*
Materials & Supplies	(0.683)	(1.754)	(1.071)	*	(3.742)	(3.744)	(0.002)	0.0
Other Business Expenses	(2.686)	(1.911)	0.774	28.8	(9.977)	(8.551)	1.426	14.3
Total Non-Labor	(\$2.405)	(\$2.544)	(\$0.139)	(5.8)	(\$16.760)	(\$6.875)	\$9.884	59.0
<i>Other Adjustments:</i>								
Other	(0.300)	0.000	0.300	100.0	(1.200)	0.000	1.200	100.0
Total Other Adjustments	(\$0.300)	\$0.000	\$0.300	100.0	(\$1.200)	\$0.000	\$1.200	100.0
Total Expenditures Adjustments before Non-Cash Liability Adjs.	(\$0.978)	\$3.918	\$4.896	*	(\$5.059)	\$10.701	\$15.760	*
Depreciation	20.182	18.500	(1.682)	(8.3)	80.730	74.001	(6.729)	(8.3)
OPEB Obligation	6.339	6.339	0.000	0.0	25.358	25.358	0.000	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.989	0.404	(0.585)	59.2
Total Expenditures Adjustments	\$25.544	\$28.758	\$3.214	12.6	\$102.017	\$110.464	\$8.446	8.3
Total Cash Conversion Adjustments	\$24.778	\$32.743	\$7.965	32.1	\$110.402	\$122.580	\$12.178	11.0

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
UTILIZATION
(in millions)

	<u>Month of April</u>		<u>Variance</u>		<u>Year-to-Date April</u>		<u>Variance</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Fav (Unfav)</u> <u>Amount</u>	<u>%</u>	<u>Budget</u>	<u>Actual</u>	<u>Fav (Unfav)</u> <u>Amount</u>	<u>%</u>
<u>Farebox Revenue</u>								
Harlem Line	\$16.070	\$15.507	(\$0.563)	-3.5	\$60.431	\$58.804	(\$1.627)	-2.7
Hudson Line	\$11.783	\$11.381	(\$0.402)	-3.4	\$43.398	\$42.332	(\$1.066)	-2.5
New Haven Line	\$25.467	\$24.774	(\$0.693)	-2.7	\$96.962	\$94.123	(\$2.839)	-2.9
Total Farebox Revenue	\$53.320	\$51.662 ⁽¹⁾	(\$1.659)	-3.1	\$200.791	\$195.259 ⁽¹⁾	(\$5.532)	-2.8
<u>Ridership</u>								
Harlem Line	2.341	2.287	(0.054)	-2.3	8.936	8.711	(0.225)	-2.5
Hudson Line	1.394	1.355	(0.039)	-2.8	5.201	5.074	(0.127)	-2.4
New Haven Line	3.402	3.332	(0.071)	-2.1	12.817	12.460	(0.358)	-2.8
Total Ridership East of Hudson	7.137	6.973	(0.164)	-2.3	26.954	26.244	(0.710)	-2.6
West of Hudson	0.145	0.133	(0.012)	-8.5	0.558	0.496	(0.062)	-11.0
Total Ridership	7.282	7.106	(0.176)	-2.4	27.512	26.741	(0.771)	-2.8

(1) Excludes West of Hudson Mail & Ride revenue totaling \$0.040 million for the month and \$0.155 million year-to-date.

East of Hudson:

Year-to-date ridership was 26.2 million, 2.6% lower than Budget and 0.6% lower than 2012 reflecting the impact of the February snowstorm, business office dislocations in lower Manhattan caused by Tropical Storm Sandy, as well as a slower than projected growth in non-commutation sales. For the month, ridership of 7.0 million was 2.3% lower than budget and 0.5% lower than April 2012 .

Commutation ridership was 1.2% lower year-to-date and 0.7% higher for the month vs. budget. Compared to 2012, April year-to-date commutation ridership was flat. Non-commutation ridership was 4.7% below budget year-to-date and 1.5% lower than 2012. For the month, non-commutation ridership was 6.5% lower than budget and 3.5% worse than 2012.

West of Hudson:

West of Hudson ridership was 8.5% lower for the month and 11.0% lower year-to-date vs. 2013 Adopted Budget reflecting the impact of the February snowstorm, as well as the residual impact of Tropical Storm Sandy on both lower Manhattan employment Port Jervis and Pascack Valley Line service levels, and the absence of full of PATH service between Hoboken and the World Trade Center until the end of January.

MTA METRO-NORTH RAILROAD
2013 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
April 30, 2013

<u>Department</u>	<u>2013 Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Administration			
President	3	3	-
Labor Relations	9	7	2
Safety	22	18	4
COS/Corporate & Public Affairs	16	15	1
Legal	18	16	2
Claims Services	14	13	1
Environmental Compliance & Svce	7	7	0
VP Administration	3	3	-
VP Human Resources	3	3	0
Human Resources	30	31	(1)
Training	47	43	4
Employee Relations & Diversity	4	4	-
VP Planning	2	2	-
Operations Planning & Analysis	17	16	1
Capital Planning & Programming	15	13	2
Business Development, Facilities & Mktg (1)	22	21	1
Long Range Planning	8	7	1
VP Finance & Information Systems	2	1	1
Controller	78	78	0
Information Technology & Project Mgmt	96	80	16
Budget	20	19	1
Customer Service (2) (3)	45	41	4
Procurement & Material Mgmt (4)	40	29	11
Total Administration	521	470	51
Operations			
Operations Administration	60	47	13
Operations Services	1,792	1,764	28
Customer Service (2) (3)	233	226	7
Business Development, Facilities & Mktg (1)	38	36	2
Metro-North West	26	30	(4)
Total Operations	2,149	2,103	46
Maintenance			
GCT	370	359	11
Maintenance of Equipment	1,301	1,276	25
Maintenance of Way	1,654	1,637	17
Procurement & Material Mgmt (4)	120	126	(6)
Total Maintenance	3,444	3,397	47
Engineering/Capital			
Construction Management	40	35	5
Engineering & Design	60	57	3
Total Engineering/Capital	100	92	8
Total Positions	6,214	6,062	151
Non-Reimbursable	5,502	5,590	(88)
Reimbursable	712	472	240
Total Full-Time	6,213	6,061	151
Total Full-Time-Equivalents (of part-time positions)	1	1	-

(1) Business Development, Facilities and Marketing includes administrative positions and operations positions for Commissary services.

(2) Customer Service positions includes administrative positions for Customer Info. Center and operations positions for Ticket Selling & Station Cleaning functions.

(3) Includes 2 part-time positions equal to 1 FTE.

(4) Procurement & Material Management positions includes maintenance positions for material distribution/storeroom functions and administrative positions for Contracts Mgmt, Purchasing, and Procurement Administration functions.

MTA METRO-NORTH RAILROAD
2013 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
April 30, 2013

FUNCTION/OCCUPATION	2013 Budget	Actual	Favorable (Unfavorable) Variance
Administration (1)			
Managers/Supervisors	184	161	23
Professional, Technical, Clerical	337	309	28
Operational Hourlies	-	-	-
Total Administration	521	470	51
Operations (1)			
Managers/Supervisors	155	137	18
Professional, Technical, Clerical	231	225	7
Operational Hourlies	1,763	1,741	21
Total Operations	2,149	2,103	46
Maintenance (1)			
Managers/Supervisors	513	484	29
Professional, Technical, Clerical	478	484	(7)
Operational Hourlies	2,453	2,429	24
Total Maintenance	3,444	3,397	47
Engineering/Capital			
Managers/Supervisors	48	37	11
Professional, Technical, Clerical	52	55	(3)
Operational Hourlies	-	-	-
Total Engineering/Capital	100	92	8
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	900	819	81
Professional, Technical, Clerical	1,098	1,073	25
Operational Hourlies	4,216	4,170	46
Total Positions	6,214	6,062	152

Notes

(1) Reflects allocation of Customer Service, Business Development and Procurement & Material Management functions between Administration, Operations and Maintenance categories.

**MTA METRO-NORTH RAILROAD
2013 ADOPTED BUDGET VS. ACTUALS**

April 30, 2013

Agency-wide (Non-Reimbursable and Reimbursable)	2013 Budget	Actual	Favorable (Unfavorable) Variance	Explanation of Variances
<i>Functional Classification:</i>				
Operations (1)	2,149	2,103	46	Reflects vacancies in operation and customer services staffing (Ticket Sellers and Service Attendant positions)
Maintenance (1)	3,444	3,397	47	Reflects vacancies in Maintenance of Way positions (trackmen, vehicle & machine operators, signalman and maintainers, electricians, and building maintenance forces) and Maintenance of Equipment carmen and electricians.
Administration (1)	521	470	51	Reflects timing differences in hiring IT, and Procurement personnel.
Engineering / Capital	100	92	8	
Total Agency-wide Headcount	6,214	6,062	151	
Non-Reimbursable	5,502	5,590	(88)	
Reimbursable	712	472	240	

Notes

(1) Reflects allocation of Customer Service, Business Development and Procurement & Material Management functions between Administration, Operations and Maintenance categories.

MTA METRO-NORTH RAILROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
MONTHLY PERFORMANCE INDICATORS *
APRIL 2013

	MONTH			VARIANCE	
	2013	BUDGET	2012	BUDGET	2012
Farebox Operating Ratio					
Standard ⁽¹⁾	64.9%	63.8%	64.8%	1.1%	0.1%
Adjusted ^{(2) (4)}	86.3%	71.0%	72.4%	15.3%	13.9%
Cost per Passenger					
Standard ⁽¹⁾	\$11.57	\$11.86	\$11.09	\$0.29	(\$0.48)
Adjusted ⁽²⁾	\$11.36	\$11.69	\$10.91	\$0.33	(\$0.45)
Passenger Revenue/Passenger ⁽³⁾	\$7.50	\$7.56	\$7.19	(\$0.06)	\$0.31
	YEAR-TO-DATE			VARIANCE	
	2013	BUDGET	2012	BUDGET	2012
Farebox Operating Ratio					
Standard ⁽¹⁾	60.5%	58.0%	61.1%	2.5%	-0.6%
Adjusted ^{(2) (4)}	70.7%	64.1%	68.1%	6.6%	2.6%
Cost per Passenger					
Standard ⁽¹⁾	\$12.46	\$13.01	\$11.79	\$0.55	(\$0.67)
Adjusted ⁽²⁾	\$12.24	\$12.81	\$11.61	\$0.57	(\$0.63)
Passenger Revenue/Passenger ⁽³⁾	\$7.53	\$7.54	\$7.21	(\$0.01)	\$0.32

(1) Standard Farebox Operating Ratio and Cost Per Passenger indicators reflect MTA-wide adopted calculations that exclude non-cash liability adjustments: Depreciation, Other Post Employment Benefits, Environmental Remediation (GASB-49), and the NHL share of MTA Police and Business Service Center costs.

(2) Adjusted Fare Operating Ratio and Cost Per Passenger indicators have been adjusted for comparability between Metro-North and the LIRR and are being presented only at the railroad operating committees. These adjustments are not being used MTA-wide. Adjustments have been made to reflect all operating revenues and significant financial impacts that are outside management's control. These adjustments include: Inclusion of Other Operating Revenue, Removal of OPEB retiree expenses, and Inclusion of estimated farebox revenue from an equalization of the Connecticut fare structure.

(3) Includes Bar Car Services.

(4) Actuals for the Adjusted Performance Indicator calculation include \$11.3 million in Hurricane Sandy revenue recoveries from the FTA that were budgeted later in the year. Excluding this adjustment the adjusted FOR would be 72.3% in April and the 67.3% year-to-date..

* Includes East and West of Hudson revenues and expenses.