



Long Island Rail Road

Monthly Financial Report

**2012 FINAL ESTIMATE VS. PRELIMINARY
ACTUAL**

MTA LONG ISLAND RAIL ROAD

December Ridership and Financial Report

Executive Summary

Ridership

- During the month of December, total ridership was 6.9 million, which was 2.8% lower than December 2011 (adjusted for same number of work days) and 8.4% above the final estimate.
 - 2012 Total ridership through December was 81.8 million. This was 0.7% higher than 2011 (adjusted for same number of work days) and 1.4% lower than the 2012 final estimate.
 - Through December 2012, commutation ridership was 0.7% lower than 2011 (work day adjusted) and 2.8% lower than the 2012 final estimate.
 - Through December 2012, non-commutation ridership was 2.6% higher than 2011 and 0.5% above the final estimate.
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Revenues

- The actual fare box revenue loss due to Super Storm Sandy is estimated at \$14.3 million.
- Farebox revenue through December totaling \$581.4 million was \$(1.0) million below the final estimate due to lower ridership, partially offset by higher yield per passenger.
- Capital & Other Revenue of \$252.6 million was \$10.3 million higher than final estimate due to adjustments for prior period Right of Way leased line revenue, partially offset by lower material used on capital projects, the impact of Super Storm Sandy on project activity and timing of project activity.
- In summary, total LIRR revenue of \$833.9 million was \$9.3 million higher than the final estimate.

Expenses

- Super Storm Sandy has had an estimated operating budget impact of \$23.8 million, this covered all costs associated with storm preparation and recovery.
- Through December 2012, total expenses of \$1,832.7 million were \$23.6 million less than final estimate.
- Straight-time payroll spending was \$10.7 million less than final estimate due to the existence of vacant positions, lower retiree sick/vacation payouts and other accrual adjustments. At the end of December, 183 of 6,597 positions were vacant. These vacancies consisted primarily of management/supervisor positions.
- Year-end overtime hours worked was 16.5% higher than the adopted budget due to vacancy/absentee coverage, Super Storm Sandy and project activity.
- Year-end overtime hours worked was 6.9% lower than final estimate due to the timing of Super Storm Sandy overtime and lower maintenance overtime.
- Other variances include: materials not used (\$20.4 million) and the timing of various other expenses, partially offset by prior period traction power liabilities, an expense write-off associated with defective concrete ties and an increase in environmental remediation reserves.

Financial Performance Measures

- Through December, the Adjusted Farebox Operating Ratio was 59.8%, which is favorable to final estimate due to lower expenses and higher revenue.
- Through December, the Adjusted Cost per Passenger was \$13.14, which is on forecast.
- Through December, the Revenue per Passenger was \$7.14, which is higher than expected.

FINANCIAL REPORT
(\$ In Millions)
For the Month Ending December 31, 2012

REVENUE

Year-end **Total Revenues** (including Capital and Other Reimbursements) of \$833.9 were \$9.3 or 1.1% favorable to the final estimate.

- Year-end **Farebox Revenues** were \$(1.0) unfavorable to the final estimate due to lower ridership, partially offset by higher yield per passenger.
- Year-end **Other Operating Revenues** were \$24.7 favorable due to prior period Right of Way leased line revenue accruals.
- Year-end **Capital and Other Reimbursements** were \$(14.4) unfavorable to the final estimate due to timing of project activity and East Side Access material and lower capital activity due to Super Storm Sandy.

OPERATING EXPENSES

Year-end **Total Expenses** (including depreciation and other) of \$1,832.7 were favorable to the final estimate by \$23.6 or 1.3%.

Labor Expenses, \$23.1 favorable to the final estimate.

- **Payroll**, \$10.7 favorable (primarily vacant positions, lower sick/retiree payments and vacation pay and sick leave buyback accrual adjustments, partially offset by higher differential).
- **Overtime**, \$3.8 favorable (primarily timing of Super Storm Sandy related overtime and lower maintenance/modification overtime in the Maintenance of Equipment Department, partially offset by vacancy/absentee coverage for open jobs in Maintenance of Equipment due to higher than expected attrition, greater coverage needs in Station Operations and additional overtime in the annual track program and concrete tie replacement program).
- **Health & Welfare**, \$0.6 favorable (primarily vacant positions)
- **OPEB Current Payment**, \$4.3 favorable (lower rates and retirees).
- **Pension**, \$(3.4) unfavorable (latest actuarial estimate).
- **Other Fringe**, \$7.1 favorable (Primarily lower FELA Indemnity payments and Railroad Retirement Tax).

Non-Labor Expenses, \$6.2 favorable to the final estimate.

- **Electric Power**, \$(18.3) unfavorable (primarily prior period traction power adjustments).
- **Fuel**, \$1.0 favorable (primarily lower consumption).
- **Insurance**, \$0.5 favorable (Force Account Insurance).
- **Claims**, \$(2.3) unfavorable (higher public liability expense).
- **Maintenance and Other Operating Contracts**, \$9.1 favorable (primarily timing of vegetation management, communication, joint facility expense and various other maintenance contracts).
- **Professional Services**, \$1.4 favorable (primarily timing of MTA Chargebacks and various other professional service contracts, partially offset by higher IT hardware and software and expenses incidental to project work).
- **Materials and Supplies**, \$20.4 favorable (primarily lower project material, timing of rolling stock maintenance, miscellaneous inventory adjustments, and pool material reclaims).
- **Other Business Expenses**, \$(5.7) unfavorable (primarily write-off associated with defective concrete ties).

Depreciation and Other, \$(5.7) unfavorable (primarily environmental remediation).

FAREBOX OPERATING RATIO

The year-end Farebox Operating Ratio was 47.0%, 1.7 percentage points below year-to-date November, and was 0.6 percentage points above the final estimate resulting from lower expenses. The adjusted year-end Farebox Operating Ratio was 59.8%. The adjusted Farebox Operating Ratio reflects the removal of the UAAL associated with the LIRR's closed pension plan and OPEB retiree expenses and the inclusion of Other Operating Revenue to reflect operational actions at the Rail Road.

MTA LONG ISLAND RAIL ROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
(\$ in millions)

NON-REIMBURSABLE	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Preliminary Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$570.727	\$582.329	\$581.372	\$10.645	1.9	(\$0.957)	(0.2)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	40.695	36.902	61.637	20.942	51.5	24.734	67.0
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	-	0.000	-
Total Revenue	\$611.422	\$619.232	\$643.009	\$31.587	5.2	\$23.777	3.8
Expenses							
Labor:							
Payroll	\$417.933	\$422.656	\$416.860	\$1.073	0.3	\$5.797	1.4
Overtime	73.071	95.272	90.276	(17.205)	(23.5)	4.996	5.2
Health and Welfare	93.301	88.142	87.859	5.442	5.8	0.283	0.3
OPEB Current Payment	60.940	59.105	54.844	6.096	10.0	4.261	7.2
Pensions	197.502	161.902	164.459	33.043	16.7	(2.557)	(1.6)
Other Fringe Benefits	105.062	105.057	98.646	6.416	6.1	6.411	6.1
Reimbursable Overhead	(28.669)	(25.559)	(22.511)	(6.158)	(21.5)	(3.048)	(11.9)
Total Labor Expenses	\$919.140	\$906.576	\$890.431	\$28.709	3.1	\$16.145	1.8
Non-Labor:							
Electric Power	\$105.472	\$90.641	\$108.883	(\$3.411)	(3.2)	(\$18.243)	(20.1)
Fuel	27.424	27.338	26.311	1.113	4.1	1.027	3.8
Insurance	16.204	15.621	15.617	0.587	3.6	0.004	0.0
Claims	3.401	3.400	5.663	(2.262)	(66.5)	(2.263)	(66.6)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	58.685	60.095	51.056	7.629	13.0	9.039	15.0
Professional Service Contracts	33.833	31.072	30.296	3.537	10.5	0.776	2.5
Materials & Supplies	101.840	103.160	88.782	13.058	12.8	14.378	13.9
Other Business Expenses	14.701	13.477	19.505	(4.804)	(32.7)	(6.028)	(44.7)
Total Non-Labor Expenses	\$361.560	\$344.804	\$346.114	\$15.446	4.3	(\$1.310)	(0.4)
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses Before Depreciation	\$1,280.700	\$1,251.379	\$1,236.545	\$44.155	3.4	\$14.835	1.2
Depreciation	\$317.060	\$317.917	\$317.539	(\$0.479)	(0.2)	\$0.378	0.1
Other Post Employee Benefits	77.250	79.662	80.154	(2.904)	(3.8)	(0.492)	(0.6)
Environmental Remediation	2.000	2.000	7.541	(5.541)	*	(5.541)	*
Total Expenses	\$1,677.010	\$1,650.958	\$1,641.779	\$35.231	2.1	\$9.180	0.6
Net Surplus/(Deficit) <i>(Excluding Subsidies and Debt Service)</i>	(\$1,065.588)	(\$1,031.727)	(\$998.770)	\$66.818	6.3	\$32.957	3.2
<i>Cash Depreciation Adjustments</i>							
Depreciation	317.060	317.917	317.539	\$0.479	0.2	(\$0.378)	(0.1)
Operating/Capital	(8.489)	(8.074)	(4.840)	3.649	43.0	3.234	40.1
Other Cash Adjustments	111.809	91.568	94.439	(17.370)	(15.5)	2.872	3.1
Total Cash Conversion Adjustments	\$420.380	\$401.411	\$407.138	(\$13.242)	(3.2)	\$5.727	1.4
Net Cash Surplus/(Deficit)	(\$645.208)	(\$630.316)	(\$591.632)	\$53.576	8.3	\$38.684	6.1

Totals may not add due to rounding

MTA LONG ISLAND RAIL ROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
(\$ in millions)

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Preliminary Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
REIMBURSABLE							
Revenue							
Farebox Revenue							
Vehicle Toll Revenue							
Other Operating Revenue							
Capital and Other Reimbursements	211.500	205.368	190.936	(20.564)	(9.7)	(14.432)	(7.0)
Total Revenue	\$211.500	\$205.368	\$190.936	(\$20.564)	(9.7)	(\$14.432)	(7.0)
Expenses							
Labor:							
Payroll	\$71.548	\$66.836	\$61.956	\$9.592	13.4	\$4.880	7.3
Overtime	9.568	12.091	13.239	(3.671)	(38.4)	(1.148)	(9.5)
Health and Welfare	12.274	12.104	11.782	0.492	4.0	0.322	2.7
OPEB Current Payment	0.000	0.000	0.000	0.000	-	0.000	-
Pensions	18.586	21.198	22.043	(3.457)	(18.6)	(0.845)	(4.0)
Other Fringe Benefits	14.783	14.192	13.539	1.244	8.4	0.653	4.6
Reimbursable Overhead	28.669	25.559	22.511	6.158	21.5	3.048	11.9
Total Labor Expenses	\$155.428	\$151.980	\$145.069	\$10.359	6.7	\$6.911	4.5
Non-Labor:							
Electric Power	\$0.000	\$0.145	\$0.193	(\$0.193)	-	(\$0.048)	(33.1)
Fuel	0.000	0.000	0.000	0.000	-	0.000	-
Insurance	4.983	4.186	3.646	1.337	26.8	0.540	12.9
Claims	0.000	0.000	0.000	0.000	-	0.000	-
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	9.094	12.424	12.345	(3.251)	(35.7)	0.079	0.6
Professional Service Contracts	2.748	2.052	1.470	1.278	46.5	0.582	28.3
Materials & Supplies	39.169	33.694	27.645	11.524	29.4	6.049	18.0
Other Business Expenses	0.078	0.887	0.568	(0.490)	*	0.319	36.0
Total Non-Labor Expenses	\$56.072	\$53.388	\$45.867	\$10.205	18.2	\$7.521	14.1
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses Before Depreciation	\$211.500	\$205.368	\$190.936	\$20.564	9.7	\$14.432	7.0
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Other Post Employee Benefits	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.000	0.000	-	0.000	-
Total Expenses	\$211.500	\$205.368	\$190.936	\$20.564	9.7	\$14.432	7.0
Net Surplus/(Deficit)							
<i>(Excluding Subsidies and Debt Service)</i>	\$0.000	\$0.000	(\$0.000)	(\$0.000)	-	(\$0.000)	-
<i>Cash Depreciation Adjustments</i>							
Depreciation	0.000	0.000	0.000	\$0.000	-	\$0.000	-
Operating/Capital	0.000	0.000	0.000	0.000	-	0.000	-
Other Cash Adjustments	0.000	0.000	0.000	0.000	-	0.000	-
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	(\$0.000)	-	(\$0.000)	-

Totals may not add due to rounding

MTA LONG ISLAND RAIL ROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
(\$ in millions)

NON-REIMBURSABLE/ REIMBURSABLE	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Preliminary Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$570.727	\$582.329	\$581.372	\$10.645	1.9	(\$0.957)	(0.2)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	40.695	36.902	61.637	20.942	51.5	24.734	67.0
Capital and Other Reimbursements	211.500	205.368	190.936	(20.564)	(9.7)	(14.432)	(7.0)
Total Revenue	\$822.922	\$824.600	\$833.944	\$11.022	1.3	\$9.344	1.1
Expenses							
Labor:							
Payroll	\$489.481	\$489.492	\$478.815	\$10.666	2.2	\$10.677	2.2
Overtime	82.639	107.363	103.515	(20.876)	(25.3)	3.848	3.6
Health and Welfare	105.575	100.246	99.641	5.934	5.6	0.606	0.6
OPEB Current Payment	60.940	59.105	54.844	6.096	10.0	4.261	7.2
Pensions	216.088	183.100	186.501	29.587	13.7	(3.401)	(1.9)
Other Fringe Benefits	119.845	119.249	112.184	7.661	6.4	7.065	5.9
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenses	\$1,074.568	\$1,058.556	\$1,035.500	\$39.068	3.6	\$23.056	2.2
Non-Labor:							
Electric Power	\$105.472	\$90.786	\$109.076	(\$3.604)	(3.4)	(\$18.291)	(20.1)
Fuel	27.424	27.338	26.311	1.113	4.1	1.027	3.8
Insurance	21.187	19.807	19.263	1.924	9.1	0.544	2.7
Claims	3.401	3.400	5.663	(2.262)	(66.5)	(2.263)	(66.6)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	67.779	72.519	63.401	4.378	6.5	9.118	12.6
Professional Service Contracts	36.581	33.124	31.766	4.815	13.2	1.358	4.1
Materials & Supplies	141.009	136.854	116.427	24.582	17.4	20.427	14.9
Other Business Expenses	14.779	14.364	20.073	(5.294)	(35.8)	(5.709)	(39.7)
Total Non-Labor Expenses	\$417.632	\$398.192	\$391.980	\$25.652	6.1	\$6.211	1.6
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Total Expenses Before Depreciation	\$1,492.200	\$1,456.747	\$1,427.480	\$64.720	4.3	\$29.267	2.0
Depreciation	\$317.060	\$317.917	\$317.539	(\$0.479)	(0.2)	\$0.378	0.1
Other Post Employee Benefits	77.250	79.662	80.154	(2.904)	(3.8)	(0.492)	(0.6)
Environmental Remediation	2.000	2.000	7.541	(5.541)	*	(5.541)	*
Total Expenses	\$1,888.510	\$1,856.326	\$1,832.714	\$55.796	3.0	\$23.612	1.3
Net Surplus/(Deficit) <i>(Excluding Subsidies and Debt Service)</i>	(\$1,065.588)	(\$1,031.727)	(\$998.770)	\$66.818	6.3	\$32.957	3.2
<i>Cash Depreciation Adjustments</i>							
Depreciation	317.060	317.917	317.539	\$0.479	0.2	(\$0.378)	(0.1)
Operating/Capital	(8.489)	(8.074)	(4.840)	3.649	43.0	3.234	40.1
Other Cash Adjustments	111.809	91.568	94.439	(17.370)	(15.5)	2.872	3.1
Total Cash Conversion Adjustments	\$420.380	\$401.411	\$407.138	(\$13.242)	(3.2)	\$5.727	1.4
Net Cash Surplus/(Deficit)	(\$645.208)	(\$630.316)	(\$591.632)	\$53.576	8.3	\$38.684	6.1

Totals may not add due to rounding

MTA LONG ISLAND RAIL ROAD
Explanation of Variances Between 2012 Final Estimate and Preliminary Actual
December 2012 Year To Date

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%	
Revenue				
Farebox Revenue	Non Reimb.	(\$0.957)	-0.2%	Lower ridership \$(8.034), partially offset by higher yield per passenger \$7.077.
Other Operating Revenue	Non Reimb.	\$24.734	67.0%	Higher rental revenue primarily due to prior period Right of Way leased line revenue adjustments.
Capital and Other Reimbursements	Reimb.	(\$14.432)	-7.0%	Primarily due to the timing of project activity, the impact of Super Storm Sandy on project activity and East Side Access material.
Expenses				
Payroll	Non Reimb.	\$5.797	1.4%	Primarily lower retiree payments, rates, vacation pay accrual/reversals, work rule payments and vacant positions, partially offset by Engineering workforce performing more maintenance activity than project and higher differential payments.
	Reimb.	\$4.880	7.3%	
Overtime	Non Reimb.	\$4.996	5.2%	Primarily due to timing of weather-related overtime and lower rolling stock maintenance overtime.
	Reimb.	(\$1.148)	-9.5%	Primarily due to the timing of project activity.
Health & Welfare	Non Reimb.	\$0.283	0.3%	Primarily vacant positions.
	Reimb.	\$0.322	2.7%	Primarily due to the timing of project activity.
OPEB Current Payment	Non Reimb.	\$4.261	7.2%	Lower rates and fewer retirees/beneficiaries.
Pension	Non Reimb.	(\$2.557)	-1.6%	Higher based on latest actuarial estimate and the estimated percentage of pension allocated to reimbursable was over-estimated.
	Reimb.	(\$0.845)	-4.0%	Higher based on latest actuarial estimate, partially offset by the estimated percentage of pension allocated to reimbursable was over-estimated.
Other Fringe Benefits	Non Reimb.	\$6.411	6.1%	Primarily lower FELA Indemnity payments and Railroad Retirement taxes.
	Reimb.	\$0.653	4.6%	Primarily due to the timing of project activity.
Electric Power	Non Reimb.	(\$18.243)	-20.1%	Accrual of prior period liabilities, partially offset by lower rates and consumption.
	Reimb.	(\$0.048)	-33.1%	VD Yard.
Fuel	Non Reimb.	\$1.027	3.8%	Primarily due to lower consumption.
Insurance	Non Reimb.	\$0.004	0.0%	Force Account Insurance associated with project activity.
	Reimb.	\$0.540	12.9%	
Claims	Non Reimb.	(\$2.263)	-66.6%	Increase reserves.

MTA LONG ISLAND RAIL ROAD
Explanation of Variances Between 2012 Final Estimate and Preliminary Actual
December 2012 Year To Date

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%	
Maintenance and Other Operating Contracts	Non Reimb.	\$9.039	15.0%	Primarily due to timing of utilities, environmental services, joint facilities, vegetation management, toilet servicing, telecommunication services, parking facility maintenance and lower Engineering maintenance activities due to Sandy, partially offset by higher emergency busing expenses.
	Reimb.	\$0.079	0.6%	Primarily due to the timing of project activity.
Professional Service Contracts	Non Reimb.	\$0.776	2.5%	Timing of MTA Chargebacks and other professional service contracts, partially offset by capital planning studies charged to operating.
	Reimb.	\$0.582	28.3%	Primarily due to the timing of project activity.
Materials & Supplies	Non Reimb.	\$14.378	13.9%	Timing of corporate inventory adjustments, pool material reclaims greater than charge-outs, lower usage of running repair material in the Support Shops, delayed fleet modifications, lower usage of running repair material in MU Car Shop and delayed purchase of bench test equipment, partially offset by the timing of charges for various Engineering materials and higher charge-outs of sundry items and vendor repair/return items.
	Reimb.	\$6.049	18.0%	Primarily due to the timing of project activity.
Other Business Expenses	Non Reimb.	(\$6.028)	-44.7%	Primarily write-offs associated with defective concrete ties and higher bad debt expenses, partially offset by lower metro mobility tax, employee expenses, credit /debit card fees and office supplies.
	Reimb.	\$0.319	36.0%	Primarily due to the timing of project activity.
Depreciation	Non Reimb.	\$0.378	0.1%	Primarily timing.
Other Post Employment Benefits	Non Reimb.	(0.492)	-0.6%	Higher GASB adjustment to reflect the value associated with unfunded accrued liability for post employment benefits.
Environmental Remediation	Non Reimb.	(5.541)	*	Higher than originally estimated reserve for environmental remediation.

MTA LONG ISLAND RAIL ROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Preliminary Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
Receipts							
Farebox Revenue	\$599.727	\$610.457	\$606.767	\$7.040	1.2	(\$3.690)	(0.6)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	52.037	91.392	38.286	(13.751)	(26.4)	(53.106)	(58.1)
Capital and Other Reimbursements	248.228	209.391	207.070	(41.158)	(16.6)	(2.321)	(1.1)
Total Receipts	\$899.992	\$911.240	\$852.122	(\$47.870)	(5.3)	(\$59.118)	(6.5)
Expenditures							
Labor:							
Payroll	\$487.220	\$486.115	\$476.980	\$10.240	2.1	\$9.135	1.9
Overtime	82.639	107.363	102.957	(20.318)	(24.6)	4.406	4.1
Health and Welfare	105.575	100.246	99.888	5.687	5.4	0.358	0.4
OPEB Current Payment	60.940	59.105	54.752	6.188	10.2	4.353	7.4
Pensions	216.088	183.100	187.173	28.915	13.4	(4.073)	(2.2)
Other Fringe Benefits	122.263	122.249	103.975	18.288	15.0	18.274	14.9
GASB Account	8.003	10.010	10.010	(2.007)	(25.1)	0.000	0.0
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenditures	\$1,082.728	\$1,068.188	\$1,035.734	\$46.994	4.3	\$32.454	3.0
Non-Labor:							
Electric Power	\$116.024	\$130.003	\$84.058	\$31.966	27.6	\$45.945	35.3
Fuel	29.913	30.978	27.475	2.438	8.1	3.503	11.3
Insurance	19.740	25.189	26.528	(6.788)	(34.4)	(1.339)	(5.3)
Claims	3.132	2.934	7.142	(4.010)	*	(4.208)	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	76.715	85.075	77.095	(0.380)	(0.5)	7.980	9.4
Professional Service Contracts	34.000	32.350	23.406	10.594	31.2	8.944	27.6
Materials & Supplies	139.587	125.765	123.795	15.792	11.3	1.970	1.6
Other Business Expenses	14.361	14.074	11.038	3.323	23.1	3.036	21.6
Total Non-Labor Expenditures	\$433.472	\$446.368	\$380.537	\$52.935	12.2	\$65.831	14.7
Other Expense Adjustments:							
B&T Capital Transfer				\$0.000	-	\$0.000	-
General Reserve				0.000	-	0.000	-
Interagency Subsidy				0.000	-	0.000	-
Other	29.000	27.000	25.684	3.316	11.4	1.316	4.9
Total Other Expenditure Adjustments	\$29.000	\$27.000	\$25.684	\$3.316	11.4	\$1.316	4.9
Total Expenditures	\$1,545.200	\$1,541.556	\$1,441.955	\$103.245	6.7	\$99.601	6.5
Cash Timing and Availability Adjustment	0.000	0.000	(1.799)	(1.799)	-	(1.799)	-
Operating Cash Deficit	(\$645.208)	(\$630.316)	(\$591.632)	\$53.576	8.3	\$38.684	6.1

Totals may not add due to rounding

MTA LONG ISLAND RAIL ROAD
Explanation of Variances Between 2012 Final Estimate and Preliminary Actual Cash Basis
December 2012 Year-to-Date

Generic Revenue or Expense Category	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%	
Receipts			
Farebox Revenue	(\$3.690)	(0.6)	Lower ridership \$(8.034), Metrocard/AirTrain sales \$(2.012) and advance sales impact \$(0.721), partially offset by higher yields \$7.077.
Other Operating Revenue	(\$53.106)	(58.1)	Primarily the non-collection of 2004-2012 Right of Way leased line fees settlement, and the timing of rental, advertising, miscellaneous and intercompany receivables.
Capital and Other Reimbursements	(\$2.321)	(1.1)	Timing of activity and reimbursement for capital and other reimbursements.
Expenditures			
Labor:			
Payroll	\$9.135	1.9	Primarily lower retiree payments, lower rates, lower work rule payments and vacant positions.
Overtime	\$4.406	4.1	Primarily due to timing of weather-related overtime and lower rolling stock maintenance overtime, partially offset by higher project overtime.
Health and Welfare	\$0.358	0.4	
OPEB Current Payment	\$4.353	7.4	Lower retiree payments.
Pensions	(\$4.073)	(2.2)	Latest actuarial estimate.
Other Fringe Benefits	\$18.274	14.9	Primarily lower FELA Claim and Railroad Retirement Tax payments, partially offset by higher payments for meals and Railroad Unemployment Insurance.
Non-Labor:			
Electric	\$45.945	35.3	Primarily the delayed traction power vendor settlement, lower rates, unread meters, and lower wayside payments.
Fuel	\$3.503	11.3	Primarily lower revenue fuel consumption and the timing of non-revenue payments.
Insurance	(\$1.339)	(5.3)	Timing of payments.
Claims	(\$4.208)	*	Higher claim payments.
Maintenance and Other Operating Contracts	\$7.980	9.4	Primarily the timing of and payment for maintenance services.
Professional Service Contracts	\$8.944	27.6	Primarily the timing of professional service contracts and the timing of and lower MTA Chargeback payments.
Material and Supplies	\$1.970	1.6	Timing of material payments.
Other Business Expenses	\$3.036	21.6	Primarily the timing of and lower payments for employee expenses, office supplies, credit card fees, and metro mobility tax.
Other Expenditure Adjustments	\$1.316	4.9	Lower Metrocard/AirTrain pass through payments.

MTA LONG ISLAND RAIL ROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PRELIMINARY ACTUAL
CASH CONVERSION (CASH FLOW ADJUSTMENTS)
(\$ in millions)

	2012			Favorable/(Unfavorable) Variance			
	Adopted	Final	Preliminary	2012 Adopted Budget		Final Estimate	
	<u>Budget</u>	<u>Estimate</u>	<u>Actual</u>	\$	%	\$	%
Receipts							
Farebox Revenue	\$29.000	\$28.128	\$25.395	(\$3.605)	(12.4)	(\$2.733)	(9.7)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	11.342	54.490	(23.351)	(34.693)	*	(77.841)	*
Capital and Other Reimbursements	36.728	4.023	16.134	(20.594)	(56.1)	12.111	*
Total Receipts	\$77.070	\$86.640	\$18.178	(\$58.892)	(76.4)	(\$68.462)	(79.0)
Expenditures							
Labor:							
Payroll	\$2.261	\$3.377	\$1.835	(\$0.426)	(18.8)	(\$1.542)	(45.7)
Overtime	0.000	0.000	0.558	0.558	-	0.558	-
Health and Welfare	0.000	0.000	(0.247)	(0.247)	-	(0.247)	*
OPEB Current Payment	0.000	0.000	0.092	0.092	-	0.092	-
Pensions	0.000	0.000	(0.672)	(0.672)	-	(0.672)	-
Other Fringe Benefits	(2.418)	(3.000)	8.209	10.627	*	11.209	*
GASB Account	(8.003)	(10.010)	(10.010)	(2.007)	(25.1)	0.000	0.0
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenditures	(\$8.160)	(\$9.632)	(\$0.234)	\$7.926	97.1	\$9.398	97.6
Non-Labor:							
Electric Power	(\$10.552)	(\$39.217)	\$25.018	\$35.570	*	\$64.236	*
Fuel	(2.489)	(3.640)	(1.165)	1.324	53.2	2.475	68.0
Insurance	1.447	(5.382)	(7.265)	(8.712)	*	(1.883)	(35.0)
Claims	0.269	0.466	(1.479)	(1.748)	*	(1.945)	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	(8.936)	(12.556)	(13.694)	(4.758)	(53.2)	(1.138)	(9.1)
Professional Service Contracts	2.581	0.774	8.360	5.779	*	7.586	*
Materials & Supplies	1.422	11.089	(7.367)	(8.789)	*	(18.456)	*
Other Business Expenses	0.418	0.290	9.035	8.617	*	8.745	*
Total Non-Labor Expenditures	(\$15.840)	(\$48.176)	\$11.443	\$27.283	*	\$59.620	*
Other Expense Adjustments:							
B&T Capital Transfer	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
General Reserve	0.000	0.000	0.000	0.000	-	0.000	-
Interagency Subsidy	0.000	0.000	0.000	0.000	-	0.000	-
Other	(29.000)	(27.000)	(25.684)	3.316	11.4	1.316	4.9
Total Other Expenditure Adjustments	(\$29.000)	(\$27.000)	(\$25.684)	\$3.316	11.4	\$1.316	4.9
Total Expenditures Before Depreciation	(\$53.000)	(\$84.809)	(\$14.475)	\$38.525	72.7	\$70.334	82.9
Depreciation	\$317.060	\$317.917	\$317.539	\$0.479	0.2	(\$0.378)	(0.1)
Other Post Employee Benefits	77.250	79.662	80.154	2.904	3.8	0.492	0.6
Environmental Remediation	2.000	2.000	7.541	5.541	*	5.541	*
Total Expenditures	\$343.310	\$314.770	\$390.759	\$47.449	13.8	\$75.989	24.1
Cash Timing and Availability Adjustment	0.000	0.000	(1.799)	(1.799)	-	(1.799)	-
Baseline Total Cash Conversion Adjustments	\$420.380	\$401.411	\$407.138	(\$13.242)	(3.2)	\$5.727	1.4

Totals may not add due to rounding

MTA LONG ISLAND RAIL ROAD
Preliminary 2012 Overtime Results
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	2012 Adopted Budget		2012 Final Estimate		Preliminary Actual		2012 Adopted Budget vs. Actuals		2012 Final Estimate vs. Actuals	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
	Var. - Fav/(Unfav)		Var. - Fav/(Unfav)		Var. - Fav/(Unfav)		Var. - Fav/(Unfav)		Var. - Fav/(Unfav)	
NON-REIMBURSABLE OVERTIME										
<u>Scheduled Service</u> ¹	386,022	\$18.007	367,803	\$18.637	368,502	\$18.549	17,519 4.5%	(\$0.541) -3.0%	(699) -0.2%	\$0.089 0.5%
<u>Unscheduled Service</u>	119,813	6.218	112,597	5.889	118,803	6.250	1,010 0.8%	(0.033) -0.5%	(6,206) -5.5%	(0.362) -6.1%
<u>Programmatic/Routine Maintenance</u>	490,989	22.696	485,729	22.284	446,894	20.803	44,094 9.0%	1.893 8.3%	38,834 8.0%	1.481 6.6%
<u>Unscheduled Maintenance</u>	6,500	0.299	6,404	0.287	8,612	0.385	(2,112) -32.5%	(0.086) -28.8%	(2,208) -34.5%	(0.098) -34.0%
<u>Vacancy/Absentee Coverage</u>	488,948	22.278	669,202	32.315	677,853	32.415	(188,906) -38.6%	(10.137) -45.5%	(8,652) -1.3%	(0.100) -0.3%
<u>Weather Emergencies</u>	59,209	2.818	305,239	13.776	153,600	8.497	(94,391) *	(5.679) *	151,640 49.7%	5.279 38.3%
<u>Safety/Security/Law Enforcement</u> ²	-	-	-	-	-	-	-	\$0.000	-	\$0.000
<u>All Other</u> ³	17,789	0.755	17,538	2.085	17,791	3.378	(3) 0.0%	(2.623) *	(254) -1.4%	(1.293) -62.0%
TOTAL NON-REIMBURSABLE OVERTIME	1,569,268	\$73.071	1,964,511	\$95.272	1,792,056	\$90.276	(222,787)	(\$17.205)	172,455	\$4.996
REIMBURSABLE OVERTIME	189,137	\$9.568	234,658	\$12.091	256,116	\$13.239	(66,979)	(\$3.671)	(21,458)	(\$1.148)
TOTAL OVERTIME	1,758,405	\$82.639	2,199,169	\$107.363	2,048,172	\$103.515	(289,767)	(\$20.876)	150,996	\$3.848
							-16.5%	-25.3%	6.9%	3.6%

1 Includes Service Delay, Tour Length and Holiday overtime.

2 Not Applicable

3 Reflects overtime for customer service, material management, other administrative functions and technical adjustments.

* Exceeds 100%

MTA LONG ISLAND RAIL ROAD
Preliminary 2012 Overtime Results
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	Var. - Fav./(Unfav)		December 2012 Year-to-Date
	Hours	\$	Explanations
NON-REIMBURSABLE OVERTIME			
<u>Scheduled Service</u> ¹	(699) -0.2%	\$0.089 0.5%	
<u>Unscheduled Service</u>	(6,206) -5.5%	(\$0.362) -6.1%	Due to unforeseen operational issues which require the use of additional overtime.
<u>Programmatic/Routine Maintenance</u>	38,834 8.0%	\$1.481 6.6%	Due to Maintenance of Equipment aggressive management oversight and M7 10 year Truck Delay.
<u>Unscheduled Maintenance</u>	(2,208) -34.5%	(\$0.098) -34.0%	Greater emergencies/derailments due to the Hillside derailment, Atlantic Terminal derailment, and a significant number of broken rails as well as a higher than normal number of defective insulated joints.
<u>Vacancy/Absentee Coverage</u>	(8,652) -1.3%	(\$0.100) -0.3%	Due to craft and foreman position vacancies in Maintenance of Equipment Department, coverage in the signal department, and lower than forecasted availability in Customer Service.
<u>Weather Emergencies</u>	151,640 49.7%	\$5.279 38.3%	Timing of Overtime related to Super storm Sandy.
<u>Safety/Security/Law Enforcement</u> ²	-	\$0.000	
<u>All Other</u> ³	(254) *	(\$1.293) -62.0%	Due to variance between actual and forecasted wage rates.
Subtotal	8.8%	5.2%	
REIMBURSABLE OVERTIME	(21,458) -9.1%	(\$1.148) -9.5%	Overrun due to Annual Track Program project schedule requirements, East-Side Access, and Concrete Tie Replacement Program.
TOTAL OVERTIME	150,996 6.9%	\$3.848 3.6%	

1 Includes Service Delay, Tour Length and Holiday overtime.

2 Not Applicable

3 Reflects overtime for customer service, material management, other administrative functions and technical adjustments.

* Exceeds 100%

METROPOLITAN TRANSPORTATION AUTHORITY - LONG ISLAND RAIL ROAD
2012 Overtime Reporting
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 LONG ISLAND RAIL ROAD
2012 Final Estimate vs. Preliminary Actual
Total Full-Time Positions & FTEs by Function and Department
December 2012

	Final Estimate	Actual	Favorable (Unfavorable) Variance	Reason For Variance
Administration				
Executive VP	3	5	(2)	
Labor Relations	11	11	0	
Procurement & Logistics (excl. Stores)	84	79	5	
Human Resources	31	29	2	
Sr VP Administration	2	2	0	
Strategic Investments	35	26	9	
President	4	4	0	
VP & CFO/Pensions	8	8	0	
Information Technology	160	153	7	
Controller	41	39	2	
Management & Budget	18	18	0	
Process Re-Engineering	7	6	1	
VP - East Side Access & Special Projects	27	23	4	
Market Dev. & Public Affairs	59	56	3	
Gen. Counsel & Secretary	30	31	(1)	
Diversity Management	1	1	0	
System Safety/Training	69	69	0	
Security	6	6	0	
Sr VP Operations/Serv. Planning	24	18	6	
Total Administration	620	584	36	
Operations				
Train Operations	1,936	1,868	68	
Customer Service	293	286	7	
Total Operations	2,229	2,154	75	
Maintenance				
Engineering	1,550	1,516	34	
Equipment	1,978	1,948	30	
Procurement (Stores)	93	91	2	
Total Maintenance	3,621	3,555	66	
Engineering/Capital				
Department of Project Management	127	121	6	
Total Engineering/Capital	127	121	6	
Baseline Total Positions	6,597	6,414	183	
<i>Non-Reimbursable</i>	6,053	5,960	93	NON-REIMBURSABLE POSITIONS - Favorable 93 positions primarily due to vacant management/supervisory positions, Station Appearance Maintainers and Car Appearance Maintainers.
<i>Reimbursable</i>	544	454	90	REIMBURSABLE POSITIONS - Favorable 90 positions primarily due to timing of project activity.
Total Full-Time	6,597	6,414	183	
Total Full-Time-Equivalents	0	0	0	

MTA LONG ISLAND RAIL ROAD
2012 Final Estimate vs. Preliminary Actual
Total Positions by Function and Occupational Group
December 2012

	Final Estimate	Actual	Favorable (unfavorable) Variance	Reason For Variance
Administration				
Managers/Supervisors	310	281	29	
Professional, Technical, Clerical	310	303	7	
Operational Hourlies	0	0	0	
Total Administration	620	584	36	
Operations				
Managers/Supervisors	329	298	31	
Professional, Technical, Clerical	162	160	2	
Operational Hourlies	1,738	1,696	42	
Total Operations	2,229	2,154	75	
Maintenance				
Managers/Supervisors	688	639	49	
Professional, Technical, Clerical	272	255	17	
Operational Hourlies	2,661	2,661	0	
Total Maintenance	3,621	3,555	66	
Engineering/Capital				
Managers/Supervisors	106	97	9	
Professional, Technical, Clerical	21	24	(3)	
Operational Hourlies	0	0	0	
Total Engineering/Capital	127	121	6	
Baseline Total Positions				
Managers/Supervisors	1,433	1,315	118	
Professional, Technical, Clerical	765	742	23	
Operational Hourlies	4,399	4,357	42	
Total Baseline	6,597	6,414	183	

MTA LONG ISLAND RAIL ROAD
2012 FEBRUARY ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL (December Preliminary)
UTILIZATION
(in millions)

	Year-to-Date as of December 2012			Variance Favorable/(Unfavorable)			
	Budget	Final Estimate	Actual (Prelim)	vs. Budget		vs. Final Estimate	
				\$	%	\$	%
Farebox Revenue							
Monthly	\$286.284	\$290.393	\$286.572	\$0.288	0.1	(\$3.820)	(1.3)
Weekly	13.483	14.416	15.446	1.963	14.6	1.030	7.1
Total Commutation	\$299.768	\$304.809	\$302.019	\$2.251	0.8	(\$2.790)	(0.9)
One Way Full	\$70.941	\$73.668	\$73.862	\$2.921	4.1	\$0.195	0.3
One Way Off Peak	141.391	143.557	144.580	3.189	2.3	1.023	0.7
All Other	58.627	60.295	60.910	2.283	3.9	0.615	1.0
Total Non Commutation	\$270.959	\$277.520	\$279.353	\$8.394	3.1	\$1.833	0.7
Total Farebox Revenue	\$570.727	\$582.329	\$581.372	10.645	1.9	(\$0.957)	(0.2)
Ridership							
Monthly	45.642	46.402	44.965	(0.677)	(1.5)	(1.437)	(3.1)
Weekly	1.611	1.717	1.823	0.212	13.2	0.106	6.2
Total Commutation	47.252	48.119	46.788	(0.465)	(1.0)	(1.331)	(2.8)
One Way Full	7.518	7.935	7.904	0.386	5.1	(0.031)	(0.4)
One Way Off Peak	17.166	17.392	17.514	0.348	2.0	0.122	0.7
All Other	9.041	9.452	9.548	0.508	5.6	0.097	1.0
Total Non Commutation	33.724	34.778	34.966	1.242	3.7	0.187	0.5
Total Ridership	80.977	82.897	81.754 ⁽¹⁾	0.777	1.0	(1.144)	(1.4)

(1) Includes estimated loss of 519.204 rides due to Super Storm Sandy (October/November).

MTA LONG ISLAND RAIL ROAD
2012 FINAL ESTIMATE vs PRELIMINARY ACTUALS
MONTHLY PERFORMANCE INDICATORS
December 2012

	<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
	<u>2012</u>	<u>Final Forecast</u>	<u>2011</u>	<u>vs. Forecast</u>	<u>vs. 2011</u>
Farebox Operating Ratio					
Standard ⁽¹⁾	47.0%	46.4%	50.5%	0.6%	-3.5%
Adjusted ⁽²⁾	59.8%	56.8%	61.3%	3.0%	-1.5%
Cost Per Passenger					
Standard ⁽¹⁾	\$15.18	\$15.19	\$14.03	\$0.01	(\$1.15)
Adjusted ⁽²⁾	\$13.14	\$13.15	\$12.19	\$0.01	(\$0.95)
Passenger Revenue/Passenger ⁽³⁾	\$7.14	\$7.05	\$7.08	\$0.09	\$0.06

(1) The 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 and Environmental Remediation (GASB-49).

(2) Adjusted Fare Box Operating Ratio and Cost Per Passenger indicators have been adjusted for comparability between the Long Island Rail Road and Metro-North Railroad 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 revenue and significant financial impacts that are outside management's control. These adjustments include: Inclusion of Other Operating Revenue, Removal of OPEB Current Payment expenses for retirees, and Removal of the UAAL associated with the LIRR's closed pension plan.

(3) Passenger Revenue/Passenger includes Bar Car Services