



**Metro-North Railroad**

# **Financial Report**

**MTA METRO-NORTH RAILROAD  
DECEMBER 2012 PRELIMINARY FINANCIAL AND RIDERSHIP REPORT  
EXECUTIVE SUMMARY**

Preliminary 2012 financial results were favorable as compared to the Final Estimate. Total operating revenues were slightly higher than the Final Estimate, resulting from higher GCT revenues from retail operations and digital advertising, offset by passenger revenue losses due to lower ridership over the last several months due to Tropical Storm Sandy. Operating expenditures (excluding non-cash expenses) were 3.5% lower than projected despite approximately \$8.5 million in Sandy-related emergency coverage and repair costs. Capital program expenditures (and reimbursements) were \$21.7 million (11.3%) lower than the Final Estimate due to management efforts to more efficiently perform project work and project timing.

**Ridership**

Total rail ridership was 7.0 million riders for the month and 83.0 million riders year-to-date.

**East of Hudson**

- Month of December ridership of 6.9 million was 3.3% lower than the Final Estimate due to ongoing effect of Tropical Storm Sandy. Compared to 2011, ridership for the month was 1.7% lower.
- December YTD ridership of 81.4 million was 2.0% lower than the Final Estimate due to the impact of Tropical Storm Sandy. Compared to 2011, year-to-date ridership was 0.9% higher.
- Commutation ridership was 2.2% lower year-to-date and 2.9% lower for the month vs. the Final Estimate. Compared to 2011, December year-to-date commutation ridership was 0.2% lower.
- Non-commutation ridership was 1.7% lower year-to-date and 3.8% lower for the month vs. the Final Estimate. Compared to 2011, December year-to-date non-commutation ridership was 1.8% lower.

**West of Hudson**

- Year-to-date ridership was 13.3% lower than the Final Estimate extensively due to the effects of Tropical Storm Sandy and to a lesser effect a slower than projected recovery of ridership losses following the three month suspension of Port Jervis Line service in 2011.

**Revenue**

- Total Revenue of \$810.4 million through December preliminary results was \$21.2 million (0.3%) lower than the Final Estimate.
- Fare Box Revenue of \$587.5 million year-to-date was \$2.6 million (0.4%) lower than the Final Estimate due to lower ridership from Tropical Storm Sandy and slower than forecasted ridership growth.
- Other Operating Revenue of \$52.0 million was \$3.0 million higher through December primarily due to higher GCT retail net revenue combined with higher advertising.
- Capital and Other Reimbursements of \$171.0 million was \$21.7 million lower through December due primarily to lower invoiced activity related to work efficiencies and timing differences in collections of capital project work.

**Expenses**

- Total Expenses of \$1,438.6 million through December preliminary results were \$77.5 million (5.1%) lower than the Final Estimate. Most of the under-run was primarily due to lower non payroll costs for non-reimbursable and reimbursable material and supplies usage, contract service costs, timing of Tropical Storm Sandy expenditures, and non-cash accruals for depreciation and OPEB obligation.
- Labor costs were \$3.5 million or 0.4% favorable vs. the Final Estimate primarily due to vacancies and reimbursable capital project work for several track and signal projects.

**Financial Performance Measures**

- Adjusted Farebox Operating Ratio of 67.9% through December preliminary results was 2.6% higher than the Final Estimate due to lower expenses.
- Adjusted Cost per Passenger of \$11.81 through December preliminary results was \$0.22 lower than projected also due to lower expense levels.
- Revenue per Passenger of \$7.31 for the year was on-target to the Final Estimate.

**MTA METRO-NORTH RAILROAD  
DECEMBER 2012 FINANCIAL REPORT  
PRELIMINARY (POST CLOSE-1) ACTUALS VS. FINAL ESTIMATE**

**REVENUE**

**Total Revenue** – \$21.2 million (2.6%) lower than the Final Estimate through December.

- **Fare Box Revenue** – \$2.6 million (0.4%) lower than the Final Estimate for the year primarily due to ridership losses from Tropical Storm Sandy and slower than projected ridership growth.
- **Other Operating Revenue** – year-to-date revenues were \$3.0 million higher than the Final Estimate primarily due to higher advertising revenue from GCT displays combined with higher GCT net retail revenues.
- **Capital and Other Reimbursements** – \$21.7 million (11.3%) lower than the Final Estimate due to lower project costs due management efficiencies in program work and timing differences/rescheduling in expenditures for various capital projects.

**EXPENSES**

**Total Expenses** – Year-to-date was \$77.5 million (5.1%) lower than the Final Estimate through December due primarily to lower non payroll costs for non-reimbursable and reimbursable material and supplies usage and contract service costs, timing of Tropical Storm Sandy expenditures, and non-cash accruals for depreciation and OPEB obligation .

**Labor expenses** (including fringes and overhead recoveries) were \$3.5 million (0.4%) lower than the Final Estimate for the year primarily due to vacancies, efficiencies in the scheduling of forces for reimbursable project work for several right-of-way track and signal projects and lower overtime costs.

**Non-Labor Expenses**

Total non-labor expenses were \$57.6 million lower than the Final Estimate for the year.

- **Electric Power** – \$3.2 million lower than the Final Estimate due to lower traction power prices and consumption
- **Fuel** – on target to the Final Estimate
- **Insurance** – Year-to-date, premiums were \$0.3 million lower than the Final Estimate.
- **Claims** – Anticipated year-end accrual entries will reduce the favorable variance to the Final Estimate.
- **Maintenance & Other Operating Contracts** – year-to-date expenditures were \$16.5 million lower vs. the Final Estimate due to rescheduled car disposals, lower expenses for facility and equipment maintenance contracts and vehicle repairs, timing of Tropical Storm Sandy expenditures as well as timing differences in reimbursable capital project activity.
- **Professional Services** – \$0.4 million higher than the Final Estimate due to timing of reimbursable capital project activity.
- **Materials & Supplies** – year-to-date expenditures were \$25.2 million below the Final Estimate due to timing differences in reimbursable capital project activity (primarily West Haven Station and track programs), lower rolling stock material usage and purchases associated with the replacement of the aging New Haven Line car fleet with new M-8 cars, and timing of Tropical Storm Sandy expenditures.
- **Other Business Expenses** – \$7.9 million lower than the Final Estimate primarily due to lower purchases for non-operating activity as well as timing of Tropical Storm Sandy expenditures.
- **Depreciation and Other Non Cash Liability Adjustments** - \$19.6 million below the Final Estimate due to lower OPEB obligation (\$9.8 million), lower capitalization of assets (\$7.2 million), and fewer projects requiring environmental remediation (\$2.6 million).

**CASH DEFICIT**

The Cash Deficit through December was \$59.8 million below the 2012 Final Estimate primarily due to the lower expenses noted above and the net effect of cost adjustments and timing differences in the payment of pension and OPEB contribution requirements.

**MTA METRO NORTH RAILROAD**  
**2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 1 ACTUAL**  
**DECEMBER YEAR-TO-DATE**  
**(\$ in millions)**

SCHEDULE I-A

**NON-REIMBURSABLE**

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$588.964	\$590.040	\$587.452	(\$1.512)	(0.3)	(\$2.588)	(0.4)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	43.902	48.962	51.993	8.091	18.4	3.031	6.2
MTA	0.000	0.000	0.000	0.000	-	0.000	-
CDOT	0.000	0.000	0.000	0.000	-	0.000	-
Other	0.000	0.000	0.000	0.000	-	0.000	-
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Revenue</b>	<b>\$632.866</b>	<b>\$639.002</b>	<b>\$639.445</b>	<b>\$6.579</b>	<b>1.0</b>	<b>\$0.443</b>	<b>0.0</b>
<b>Expenses</b>							
<b><u>Labor:</u></b>							
Payroll	\$406.393	\$403.616	\$401.015	\$5.378	1.3	\$2.601	0.6
Overtime	53.855	57.071	55.224	(1.369)	(2.5)	1.847	3.2
Health and Welfare	91.818	88.152	82.082	9.736	10.6	6.070	6.9
PEPB Current Payment	16.000	18.000	19.039	(3.039)	(19.0)	(1.039)	(5.8)
Pensions	66.394	62.697	67.234	(0.840)	(1.3)	(4.537)	(7.2)
Other Fringe Benefits	94.965	92.440	93.632	1.334	1.4	(1.192)	(1.3)
Reimbursable Overhead	(41.751)	(36.986)	(33.434)	(8.317)	(19.9)	(3.552)	(9.6)
<b>Total Labor Expenses</b>	<b>\$687.674</b>	<b>\$684.990</b>	<b>\$684.792</b>	<b>\$2.883</b>	<b>0.4</b>	<b>\$0.199</b>	<b>0.0</b>
<b><u>Non-Labor:</u></b>							
Electric Power	\$84.648	\$74.619	\$71.123	\$13.525	16.0	\$3.496	4.7
Fuel	28.229	28.318	28.290	(0.061)	(0.2)	0.028	0.0
Insurance	10.893	10.942	10.790	0.103	0.9	0.152	1.4
Claims	0.485	0.483	(1.138)	1.623	*	1.621	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	104.834	100.928	90.824	14.010	13.4	10.104	10.0
Professional Service Contracts	26.859	25.767	24.623	2.236	8.3	1.144	4.4
Materials & Supplies	73.332	73.632	60.158	13.174	18.0	13.474	18.3
Other Business Expenses	25.661	23.744	17.773	7.888	30.7	5.971	25.1
<b>Total Non-Labor Expenses</b>	<b>\$354.941</b>	<b>\$338.433</b>	<b>\$302.442</b>	<b>\$52.498</b>	<b>14.8</b>	<b>\$35.991</b>	<b>10.6</b>
<b><u>Other Expense Adjustments:</u></b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$1,042.615</b>	<b>\$1,023.423</b>	<b>\$987.234</b>	<b>\$55.381</b>	<b>5.3</b>	<b>\$36.189</b>	<b>3.5</b>
Depreciation	\$236.015	\$229.177	\$221.946	\$14.069	6.0	\$7.231	3.2
PEPB Obligation	59.997	68.044	58.283	1.714	2.9	9.761	14.3
Environmental Remediation	6.723	2.726	0.130	6.593	98.1	2.596	95.2
<b>Total Expenses</b>	<b>\$1,345.350</b>	<b>\$1,323.370</b>	<b>\$1,267.592</b>	<b>\$77.758</b>	<b>5.8</b>	<b>\$55.778</b>	<b>4.2</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$712.484)</b>	<b>(\$684.368)</b>	<b>(\$628.147)</b>	<b>\$84.337</b>	<b>11.8</b>	<b>\$56.221</b>	<b>8.2</b>
<b>Cash Conversion Adjustments:</b>							
Depreciation	\$236.015	\$229.177	\$221.946	(\$14.069)	(6.0)	(\$7.231)	(3.2)
Operating/Capital	(20.455)	(17.627)	(16.231)	4.224	20.7	1.396	7.9
Other Cash Adjustments	50.773	103.985	113.405	62.632	*	9.419	9.1
<b>Total Cash Conversion Adjustments</b>	<b>\$266.333</b>	<b>\$315.535</b>	<b>\$319.119</b>	<b>\$52.787</b>	<b>19.8</b>	<b>\$3.584</b>	<b>1.1</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$446.151)</b>	<b>(\$368.833)</b>	<b>(\$309.028)</b>	<b>\$137.123</b>	<b>30.7</b>	<b>\$59.805</b>	<b>16.2</b>

-- Results are preliminary and subject to audit review.  
-- Differences are due to rounding.

**MTA METRO NORTH RAILROAD**  
**2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 1 ACTUAL**  
**DECEMBER YEAR-TO-DATE**  
(\$ in millions)

SCHEDULE I-B

**REIMBURSABLE**

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	0.000	0.000	0.000	0.000	-	0.000	-
MTA	130.222	99.187	83.828	(46.394)	(35.6)	(15.359)	(15.5)
CDOT	70.262	83.940	76.290	6.028	8.6	(7.650)	(9.1)
Other	13.806	9.549	10.870	(2.936)	(21.3)	1.321	13.8
Capital and Other Reimbursements	214.290	192.676	170.988	(43.302)	(20.2)	(21.688)	(11.3)
<b>Total Revenue</b>	<b>\$214.290</b>	<b>\$192.676</b>	<b>\$170.988</b>	<b>(\$43.302)</b>	<b>(20.2)</b>	<b>(\$21.688)</b>	<b>(11.3)</b>
<b>Expenses</b>							
<b><u>Labor:</u></b>							
Payroll	\$47.151	\$42.152	\$39.724	\$7.427	15.8	\$2.428	5.8
Overtime	18.056	16.564	18.005	0.051	0.3	(1.441)	(8.7)
Health and Welfare	13.916	12.271	11.757	2.159	15.5	0.514	4.2
OPEB Current Payment	0.000	0.000	0.000	0.000	-	0.000	-
Pensions	9.338	7.273	6.731	2.607	27.9	0.542	7.4
Other Fringe Benefits	10.957	10.745	10.970	(0.013)	(0.1)	(0.224)	(2.1)
Reimbursable Overhead	41.460	36.309	34.815	6.645	16.0	1.494	4.1
<b>Total Labor Expenses</b>	<b>\$140.878</b>	<b>\$125.314</b>	<b>\$122.002</b>	<b>\$18.876</b>	<b>13.4</b>	<b>\$3.313</b>	<b>2.6</b>
<b><u>Non-Labor:</u></b>							
Electric Power	\$0.000	\$0.000	\$0.295	(\$0.295)	-	(\$0.295)	-
Fuel	0.000	0.000	0.002	(0.002)	-	(0.002)	-
Insurance	5.490	4.021	3.876	1.614	29.4	0.145	3.6
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	21.298	24.559	18.171	3.127	14.7	6.388	26.0
Professional Service Contracts	6.558	7.555	9.106	(2.548)	(38.9)	(1.550)	(20.5)
Materials & Supplies	37.050	28.304	16.565	20.485	55.3	11.739	41.5
Other Business Expenses	3.016	2.922	0.972	2.044	67.8	1.950	66.7
<b>Total Non-Labor Expenses</b>	<b>\$73.412</b>	<b>\$67.362</b>	<b>\$48.986</b>	<b>\$24.426</b>	<b>33.3</b>	<b>\$18.376</b>	<b>27.3</b>
<b><u>Other Expense Adjustments:</u></b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation</b>	<b>\$214.290</b>	<b>\$192.676</b>	<b>\$170.988</b>	<b>\$43.302</b>	<b>20.2</b>	<b>\$21.688</b>	<b>11.3</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
OPEB Obligation	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Expenses</b>	<b>\$214.290</b>	<b>\$192.676</b>	<b>\$170.988</b>	<b>\$43.302</b>	<b>20.2</b>	<b>\$21.688</b>	<b>11.3</b>
<b>Baseline Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>*</b>	<b>(\$0.000)</b>	<b>-</b>
<b>Cash Conversion Adjustments:</b>							
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	-
<b>Total Cash Conversion Adjustments</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>100.0</b>	<b>\$0.000</b>	<b>-</b>

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO NORTH RAILROAD**  
**2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 1 ACTUAL**  
**DECEMBER YEAR-TO-DATE**  
(\$ in millions)

SCHEDULE I-C

NON-REIMBURSABLE/ REIMBURSABLE	2012			Favorable/(Unfavorable) Variance			
			Actual	2012 Adopted Budget		Final Estimate	
	Adopted Budget	Final Estimate		\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$588.964	\$590.040	\$587.452	(\$1.512)	(0.3)	(\$2.588)	(0.4)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	43.902	48.962	51.993	8.091	18.4	3.031	6.2
MTA	130.222	99.187	83.828	(46.394)	(35.6)	(15.359)	(15.5)
CDOT	70.262	83.940	76.290	6.028	8.6	(7.650)	(9.1)
Other	13.806	9.549	10.870	(2.936)	(21.3)	1.321	13.8
Capital and Other Reimbursements	214.290	192.676	170.988	(43.302)	(20.2)	(21.688)	(11.3)
<b>Total Revenue</b>	<b>\$847.156</b>	<b>\$831.678</b>	<b>\$810.433</b>	<b>(\$36.724)</b>	<b>(4.3)</b>	<b>(\$21.245)</b>	<b>(2.6)</b>
<b>Expenses</b>							
<b>Labor:</b>							
Payroll	\$453.544	\$445.768	\$440.739	\$12.805	2.8	\$5.030	1.1
Overtime	71.911	73.635	73.229	(1.318)	(1.8)	0.406	0.6
Health and Welfare	105.734	100.423	93.839	11.895	11.2	6.584	6.6
OPEB Current Payment	16.000	18.000	19.039	(3.039)	(19.0)	(1.039)	(5.8)
Pensions	75.733	69.970	73.965	1.767	2.3	(3.995)	(5.7)
Other Fringe Benefits	105.922	103.185	104.601	1.321	1.2	(1.416)	(1.4)
Reimbursable Overhead	(0.292)	(0.677)	1.381	(1.672)	*	(2.058)	*
<b>Total Labor Expenses</b>	<b>\$828.552</b>	<b>\$810.305</b>	<b>\$806.793</b>	<b>\$21.759</b>	<b>2.6</b>	<b>\$3.511</b>	<b>0.4</b>
<b>Non-Labor:</b>							
Electric Power	\$84.648	\$74.619	\$71.418	\$13.230	15.6	\$3.201	4.3
Fuel	28.23	28.32	28.29	(0.06)	(0.2)	0.027	0.0
Insurance	16.383	14.963	14.666	1.717	10.5	0.297	2.0
Claims	0.485	0.483	(1.138)	1.623	*	1.621	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	126.132	125.487	108.995	17.137	13.6	16.493	13.1
Professional Service Contracts	33.417	33.322	33.729	(0.312)	(0.9)	(0.406)	(1.2)
Materials & Supplies	110.382	101.936	76.723	33.659	30.5	25.213	24.7
Other Business Expenses	28.677	26.666	18.745	9.932	34.6	7.921	29.7
<b>Total Non-Labor Expenses</b>	<b>\$428.353</b>	<b>\$405.795</b>	<b>\$351.429</b>	<b>\$90.092</b>	<b>21.0</b>	<b>\$57.594</b>	<b>14.2</b>
<b>Other Expense Adjustments:</b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation and GASB Adj.</b>	<b>\$1,256.905</b>	<b>\$1,216.099</b>	<b>\$1,158.222</b>	<b>\$111.851</b>	<b>8.9</b>	<b>\$61.105</b>	<b>5.0</b>
Depreciation	\$236.015	\$229.177	\$221.946	\$14.069	6.0	\$7.231	3.2
OPEB Obligation	59.997	68.044	58.283	1.714	2.9	9.761	14.3
Environmental Remediation	6.723	2.726	0.130	6.593	98.1	2.596	95.2
<b>Total Expenses</b>	<b>\$1,559.640</b>	<b>\$1,516.046</b>	<b>\$1,438.580</b>	<b>\$121.060</b>	<b>7.8</b>	<b>\$77.466</b>	<b>5.1</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$712.484)</b>	<b>(\$684.368)</b>	<b>(\$628.147)</b>	<b>\$84.336</b>	<b>11.8</b>	<b>\$56.221</b>	<b>8.2</b>
<b>Cash Conversion Adjustments:</b>							
Depreciation	\$236.015	\$229.177	\$221.946	(\$14.069)	(6.0)	(\$7.231)	(3.2)
Operating/Capital	(20.455)	(17.627)	(16.231)	4.224	20.7	1.396	7.9
Other Cash Adjustments	50.773	103.985	113.405	62.632	*	9.419	9.1
<b>Total Cash Conversion Adjustments</b>	<b>266.333</b>	<b>315.535</b>	<b>319.119</b>	<b>\$52.787</b>	<b>19.8</b>	<b>\$3.584</b>	<b>1.1</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$446.151)</b>	<b>(\$368.833)</b>	<b>(\$309.028)</b>	<b>\$137.123</b>	<b>30.7</b>	<b>\$59.805</b>	<b>16.2</b>

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO-NORTH RAILROAD**  
**2012 MODIFIED ADOPTED BUDGET AND FINAL ESTIMATE VS. ACTUAL**  
**DECEMBER YEAR-TO-DATE (PC-1)**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET, FINAL ESTIMATE AND ACTUAL RESULTS**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**(\$ in millions)**

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Year to Date vs. Adopted Budget			Year to Date vs. Final Estimate		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	\$8.091	18.4%	Higher net GCT retail revenue due to the rescheduling of the GCT Trainshed project and lower tenant service costs and higher advertising revenue.	\$3.031	6.2%	Higher advertising revenue and higher net GCT retail revenue.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$43.302)	(20.2%)	Lower reimbursements reflect scheduling changes in capital project expenditures and lower project costs due to workforce utilization efficiencies.	(\$21.688)	(11.3%)	Lower reimbursements reflect scheduling changes in capital project expenditures and lower project costs due to workforce utilization efficiencies.
PAYROLL	Reimb	\$7.427	15.8%	Lower than projected activity during the period on the GCT Fire Life Safety, Cyclical Track Program 2012, PT Jervis Reconstruction Phase 2, PTC, M-8 Purchase, Misc I&C H&H, delays and vacancies in the C-29 and Capital Administration and a prior period correction on the EIS & Engineering project.	\$2.428	5.8%	Lower than projected activity during the period due to vacancies and lower activity on the following projects due to management efficiencies in workforce utilization and rescheduling of project work: Mainline High Speed Turnouts, NHL Waterbury Branch - CWR Replace., delays and vacancies in Cap Admin., C-29 Track Program, Cos Cob West Substation, Cyclical Track Program and the Replace Timbers Undergrade Bridge.
OVERTIME	Reimb	\$0.051	0.3%		(\$1.441)	(8.7%)	Reflects higher activity during the period on the West Haven Station, NHL - Waterbury Branch CWR Replacement, Danbury Branch Signal System and the Misc. I&C H&H.
HEALTH AND WELFARE	Non-Reimb	\$9.736	10.6%	Lower cost reflects lower healthcare premiums and fewer paid positions.	\$6.070	6.9%	Reflects vacancies as well lower incremental fringe costs related to Tropical Storm Sandy labor costs.
	Reimb	\$2.159	15.5%	Reflects lower project activity.	\$0.514	4.2%	Reflects lower project activity.
OPEB CURRENT PAYMENT	Non-Reimb	(\$3.039)	(19.0%)	Reflects larger than expected number of retirees receiving healthcare premiums.	(\$1.039)	(5.8%)	Reflects larger than expected number of retirees receiving healthcare premiums.
PENSIONS	Non-Reimb	(\$0.840)	(1.3%)		(\$4.537)	(7.2%)	Unfavorable variance reflects updated actuarial estimates and incremental costs related to Tropical Storm Sandy pension expenses forecast in Health & Welfare category.
	Reimb	\$2.607	27.9%	Reflects lower project allocation.	\$0.542	7.4%	Reflects rate differential related to final pension cost adjustment.

**MTA METRO-NORTH RAILROAD**  
**2012 MODIFIED ADOPTED BUDGET AND FINAL ESTIMATE VS. ACTUAL**  
**DECEMBER YEAR-TO-DATE (PC-1)**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET, FINAL ESTIMATE AND ACTUAL RESULTS**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Year to Date vs. Adopted Budget			Year to Date vs. Final Estimate		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
REIMBURSABLE OVERHEAD	Non-Reimb	(\$8.317)	(19.9%)	Reflects lower capital project activity for: Danbury Branch Signal System West Haven Station, CDOT C29 Track Program, East of Hudson Overhead Bridge Program, Bronx Station Capacity, and West of Hudson Track Program.	(\$3.552)	(9.6%)	Reflects lower capital project activity for: West Haven Station, NH Component Change-out Shop, West of Hudson Track Program, Design Guard Booths at Stamford and East Bridgeport, and PBX Equipment upgrade.
	Reimb	\$6.645	16.0%	Reflects lower project activity during the period.	\$1.494	4.1%	Reflects lower project activity during the period.
ELECTRIC POWER	Non-Reimb	\$13.525	16.0%	Reflects a \$2.2 million credit for East Side Access electricity originally charged to GCT and lower traction power costs due to lower prices and consumption.	\$3.496	4.7%	
INSURANCE	Reimb	\$1.614	29.4%	Reflects lower project activity.	\$0.145	3.6%	Reflects lower project activity.
CLAIMS	Non-Reimb	\$1.623	*	The favorable variance reflects the timing of accruals, but will be on budget by final close.	\$1.621	*	The favorable variance reflects the timing of accruals, but will be on forecast by final close.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$14.010	13.4%	Favorable variance reflects scheduling changes in locomotive overhaul and lower costs for maintenance services, overhauls costs, M-2 car disposals and office space charges.	\$10.104	10.0%	Lower YTD expenditures reflect scheduling changes and lower costs for maintenance services, M-2 car disposals, office space charges, MTA Police services, and timing differences for Tropical Storm Sandy expenditures.
	Reimb	\$3.127	14.7%	Reflects lower than budgeted expenses on the West of Hudson Track Program, and for Engineering on the Overhead Bridge Program, partially offset by busing requirements on the Waterbury Branch Bridge repair.	\$6.388	26.0%	Reflects lower than forecasted expenses on the West of Hudson Track Program, Cos Cob West Substation, Guard Booths at Stamford & East Bridgeport , and delay in recording current year ferry service costs.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$2.236	8.3%	Favorable variance reflects lower expenditures for IT costs, hardware, legal expenses, medical services, and training.	\$1.144	4.4%	Favorable variance reflects lower expenditures for IT hardware, training, legal expenses, medical services and position advertising, partially offset by higher expenses for bridge inspections.
	Reimb	(\$2.548)	(38.9%)	Reflects higher than budgeted expenses on the West Haven Station and radio Frequency Rebanding, partially offset by delivery delays of the NHL EMU Fleet Replacement.	(\$1.550)	(20.5%)	Reflects higher than forecasted expenses on the West Haven Station and Radio Frequency Rebanding, partially offset by delays on the Replace Overhead Bridge Designs and NHL EMU Fleet Replacement.



**MTA METRO-NORTH RAILROAD**  
**2012 MODIFIED ADOPTED BUDGET AND FINAL ESTIMATE VS. ACTUAL**  
**DECEMBER YEAR-TO-DATE (PC-1)**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET, FINAL ESTIMATE AND ACTUAL RESULTS**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Year to Date vs. Adopted Budget			Year to Date vs. Final Estimate		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
MATERIAL AND SUPPLIES	Non-Reimb	\$13.174	18.0%	Primarily due to maintenance efficiencies that reduce rolling-stock part consumption and lower car body materials (seat replacement).	\$13.474	18.3%	Primarily due to maintenance efficiencies that reduce rolling-stock part consumption, lower car body materials and timing differences for Tropical Storm Sandy expenditures.
	Reimb	\$20.485	55.3%	Reflects lower than budgeted expenses on the Danbury Branch Signal System, West Haven Station, Replace Fiber/C&S Cables, Cyclical Track Program and the delay in the Bronx Stations/Capacity Imp, NH Rail Yard - Component Change Out Shop, Replace 3rd Rail Brackets PA Tunnel and the C-29 Track program.	\$11.739	41.5%	Reflects lower than forecasted expenses on the West Haven Station, Replace Fiber/C&S Cables Mainline/High Speed Turnouts and Cyclical Track Program and the delay of activity on the following projects: NH Rail Yard - Component Change Out Shop, NHL - Waterbury Branch - CWR Replacement MP 2 - MP 8 and the Radio Frequency Rebanding.
OTHER BUSINESS EXPENSES	Non-Reimb	\$7.888	30.7%	Favorable variance is primarily due to lower NJT Subsidy payments related to the final settlement of 2011 Port Jervis Line service costs, higher Amtrak recoveries, and non-operating purchases.	\$5.971	25.1%	Favorable variance is primarily due to lower expenses for non-operating activity and timing differences for Tropical Storm Sandy expenditures.
	Reimb	\$2.044	67.8%	Reflects lower than budgeted expenses on the PBX Equipment Upgrade and Positive Train Control.	\$1.950	66.7%	Reflects lower than forecasted expenses on the PBX Equipment Upgrade, New Haven Independent Wheel True Shop and the Positive Train Control.
DEPRECIATION	Non-Reimb	\$14.069	6.0%	Reflects timing differences in project completion.	\$7.231	3.2%	Reflects timing differences in project completion and lower capitalization of assets.
OTHER POST EMPLOYMENT BENEFITS	Non-Reimb	\$1.714	2.9%		\$9.761	14.3%	Reflects healthcare contributions for future retirees. Forecast based on authorized positions.
ENVIRONMENTAL REMEDIATION	Non-Reimb	\$6.593	98.1%	Primarily due to fewer projects requiring remediation.	\$2.596	95.2%	Primarily due to fewer projects requiring remediation.
OPERATING CAPITAL	Non-Reimb	\$4.224	20.7%	Reflects lower activity on the GCT Escalators Replacement, Purchase of a Production Switch Tamper, Locomotive Overhaul For 6 GP 35 Locos, and Harmon Material Distribution Center Roof Replacement projects, partially offset by higher than projected activity on the Purchase of a Hi-Rail Cold Air Blower project.	\$1.396	7.9%	Reflects lower activity on the Harmon Material Distribution Center Roof Repair, C&S Microcomputer Replacement, Environmental Remediation, GIS Expansion, and Right-Of Way fencing projects.

**MTA METRO NORTH RAILROAD**  
**2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 1 ACTUAL**  
**CASH RECEIPTS AND EXPENDITURES**  
**DECEMBER YEAR-TO-DATE**  
**(\$ in millions)**

**SCHEDULE III**

	2012			Favorable/(Unfavorable) Variance			
	<u>Adopted Budget</u>	<u>Final Estimate</u>	<u>Actual</u>	<u>2012 Adopted Budget</u>		<u>Final Estimate</u>	
				<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
<b>Receipts</b>							
Farebox Revenue	\$596.677	\$597.645	\$593.830	(\$2.847)	(0.5)	(\$3.815)	(0.6)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	68.646	73.801	77.864	9.218	13.4	4.063	5.5
MTA	146.853	128.356	135.587	(11.266)	(7.7)	7.231	5.6
CDOT	70.497	101.780	97.795	27.298	38.7	(3.985)	(3.9)
Other	12.489	19.561	19.269	6.780	54.3	(0.292)	(1.5)
Capital & Other Reimbursements	229.839	249.697	252.651	22.812	9.9	2.954	1.2
<b>Total Receipts</b>	<b>\$895.162</b>	<b>\$921.143</b>	<b>\$924.345</b>	<b>\$29.183</b>	<b>3.3</b>	<b>\$3.202</b>	<b>0.3</b>
<b>Expenditures</b>							
<b><u>Labor:</u></b>							
Payroll	\$456.853	\$449.290	\$432.215	\$24.638	5.4	\$17.075	3.8
Overtime	72.628	74.493	73.162	(0.534)	(0.7)	1.331	1.8
Health and Welfare	108.522	109.177	99.323	9.199	8.5	9.854	9.0
OPEB Current Payment	16.000	18.000	19.039	(3.039)	(19.0)	(1.039)	(5.8)
Pensions	75.843	67.581	76.168	(0.325)	(0.4)	(8.587)	(12.7)
Other Fringe Benefits	107.066	103.297	98.524	8.542	8.0	4.773	4.6
GASB Account	8.746	11.877	24.869	(16.123)	*	(12.992)	*
Reimbursable Overhead	0.000	0.000	0.000	-	-	0.000	-
<b>Total Labor</b>	<b>\$845.658</b>	<b>\$833.715</b>	<b>\$823.300</b>	<b>\$22.358</b>	<b>2.6</b>	<b>\$10.415</b>	<b>1.2</b>
<b><u>Non-Labor:</u></b>							
Electric Power	\$86.512	\$76.433	\$75.243	\$11.269	13.0	\$1.190	1.6
Fuel	28.229	24.718	22.004	6.225	22.1	2.714	11.0
Insurance	16.184	17.178	17.221	(1.037)	(6.4)	(0.043)	(0.3)
Claims	0.631	0.629	1.434	(0.803)	*	(0.805)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	-	0.000	-
Maintenance and Other Operating Contracts	153.219	136.687	118.509	34.710	22.7	18.178	13.3
Professional Service Contracts	34.502	34.794	36.013	(1.511)	(4.4)	(1.219)	(3.5)
Materials & Supplies	122.540	107.587	90.334	32.206	26.3	17.253	16.0
Other Business Expenditures	53.838	53.735	49.315	4.523	8.4	4.420	8.2
<b>Total Non-Labor</b>	<b>\$495.655</b>	<b>\$451.761</b>	<b>\$410.073</b>	<b>\$85.582</b>	<b>17.3</b>	<b>\$41.688</b>	<b>9.2</b>
<b><u>Other Expenditure Adjustments:</u></b>							
Other	\$0.000	\$4.500	\$0.000	\$0.000	-	\$4.500	100.0
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$4.500</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$4.500</b>	<b>100.0</b>
<b>Total Expenditures</b>	<b>\$1,341.313</b>	<b>\$1,289.976</b>	<b>\$1,233.373</b>	<b>\$107.940</b>	<b>8.0</b>	<b>\$56.603</b>	<b>4.4</b>
<b>Baseline Cash Deficit</b>	<b>(\$446.151)</b>	<b>(\$368.833)</b>	<b>(\$309.028)</b>	<b>\$137.123</b>	<b>30.7</b>	<b>\$59.805</b>	<b>16.2</b>
<b><u>Subsidies</u></b>							
MTA	\$346.525	\$281.744	\$229.158	(117.367)	(33.9)	(52.586)	(18.7)
CDOT	99.626	87.089	\$80.718	(18.908)	(19.0)	(6.371)	(7.3)
<b>Total Subsidies</b>	<b>\$446.151</b>	<b>\$368.833</b>	<b>\$309.876</b>	<b>(\$136.275)</b>	<b>(30.5)</b>	<b>(\$58.957)</b>	<b>(16.0)</b>
Opening Cash Balance	0.000	0.000	0.000	0.000		0.000	
Cash Timing and Availability Adjustment	0.000	0.000	(0.765)	(0.765)		(0.765)	
Closing Cash Balance	0.000	0.000	0.000	0.000		0.000	

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO-NORTH RAILROAD**  
**CASH RECEIPTS AND EXPENDITURES**  
**2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**DECEMBER YEAR-TO-DATE**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET, FINAL ESTIMATE, AND ACTUAL RESULTS**  
**(\$ in millions)**

\$ Detail

Generic Receipt or Expense Category	Year-to-Date as of December 31, 2012 vs. Adopted Budget			Year-to-Date as of December 31, 2012 vs. Year-End Forecast		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
OTHER OPERATING REVENUE	9.218	13.4%	Higher Amtrak reimbursements (\$3.2m), advertising receipts (\$2.6m), and higher net GCT retail revenue (\$2.9m).	4.063	5.5%	Primarily due to higher advertising receipts (\$2.0m), and higher net GCT retail revenue (\$2.0m).
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(11.266)	(7.7%)	Lower current year project activity (-\$53.7m), partially offset by receipt timing differences for prior period project billings (\$42.5m).	7.231	5.6%	Primarily due to higher project activity.
CDOT	27.298	38.7%	Receipt timing differences (\$23.3m), as well as higher project activity (\$4.0m).			
OTHER	6.780	54.3%	Primarily due to receipt timing differences.			
PAYROLL	24.638	5.4%	Primarily due to higher vacancies (\$15.0m), lower capital project activity (\$7.2m), and Management wage increase not paid (\$2.2m).	17.075	3.8%	Primarily due to higher vacancies (\$11.3m), lower capital project activity (\$2.3m), lower storm costs (\$1.3m), and Management wage increases not paid (\$2.2m).
HEALTH & WELFARE	9.199	8.5%	Lower costs for NYSHIP and other health insurance premiums.	9.854	9.0%	Timing difference in payments for NYSHIP and other health insurance premiums.
OPEB CURRENT PAYMENT	(3.039)	(19.0%)	Higher retiree health benefits payments.	(1.039)	(5.8%)	Higher retiree health benefits payments.
PENSIONS				(8.587)	(12.7%)	Increase reflects year-end advance payment for 2013 (\$16.7m), partially offset by lower 2012 payments (\$8.1m).
OTHER FRINGE BENEFITS	8.542	8.0%	Lower railroad retirement tax payments due to lower payroll costs (\$4.5m), as well as lower employee claim payments (\$4.1m).			
GASB ACCOUNT	(16.123)	*	Payment made for 2013 liability in 2012 (\$13m), as well as higher 2012 required contributions (3.1m).	(12.992)	*	Payment made for 2013 liability in 2012.
ELECTRIC POWER	11.269	13.0%	Primarily due to lower usage on both the Harlem/Hudson and New Haven Lines (\$8.6m) and lower NHL rates (\$2.9m).			
FUEL	6.225	22.1%	Payments for New Haven fueling facility paid directly by CDOT (\$3.6m), lower net consumption/price (\$1.6m), as well as other payment timing differences (\$1.7m), partially offset by higher Non-Revenue fuel payments (-\$0.7m).	2.714	11.0%	Payment timing difference for Revenue (\$2.0m) and Non-Revenue Fuel costs (\$0.7m).

\* Variance exceeds 100%

**MTA METRO-NORTH RAILROAD  
CASH RECEIPTS AND EXPENDITURES  
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL  
DECEMBER YEAR-TO-DATE  
EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET, FINAL ESTIMATE, AND ACTUAL RESULTS  
(\$ in millions)**

\$ Detail

Generic Receipt or Expense Category	Year-to-Date as of December 31, 2012 vs. Adopted Budget			Year-to-Date as of December 31, 2012 vs. Year-End Forecast		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
INSURANCE	(1.037)	(6.4%)	Higher payments for automobile, station liability, property, and excess liability coverage (-\$1.8m), partially offset by lower force account insurance premiums (\$0.8m).			
CLAIMS	(0.803)	*	Higher personal injury and claims settlements for the year.	(0.805)	*	Higher personal injury and claims settlements for the year.
MAINTENANCE & OTHER OPERATING CONTRACTS	34.710	22.7%	Lower payments for capital related projects (\$4.0m - delay in West of Hudson track program, East of Hudson bridge program), locomotive overhauls (\$5.7m), lower occupancy expenses (\$3.2m), and other maintenance services (\$21.8m).	18.178	13.3%	Timing difference for capital related projects (\$7.2m), and lower occupancy expenses (\$1.2m), equipment overhauls (\$1.3m), and lower other maintenance services (\$8.5m).
MATERIALS & SUPPLIES	32.206	26.3%	Primarily lower payments for capital related projects (\$20.0m for Danbury Branch Signal, Bronx Station Improvements, West Haven Station, NHL Rail Yard Component Change-out Shop, Track programs, Fiber/C&S cables), as well as non-capital purchases for propulsion, power, truck/suspension components, carbody material and other material purchases (\$12.2m).	17.253	16.0%	Primarily lower payments for capital related projects (\$11.2m for West Haven Station, New Haven Yard Component Change-out shop, Vehicle Replacement and other projects), storm related expenses, as well as non-capital purchases for propulsion, truck/suspension components, and carbody material and other material purchases (\$6.1m).
OTHER BUSINESS EXPENSES	4.523	8.4%	Primarily lower capital related projects (\$2.1m for PBX Equipment Upgrade, Positive Train Control), lower Metro-Card pass-through payments (\$0.6m) as well as lower printing & stationery, travel, and other miscellaneous expenditures (\$1.8m).	4.420	8.2%	Primarily a timing difference for storm related expenses.
MTA SUBSIDY RECEIPTS	(117.367)	(33.9%)	Lower subsidy draw to a lower net cash deficit (\$137.1m - resulting from higher receipts and lower expenditures), partially offset by lower CDOT subsidy payments (-\$18.9m) and the change in available bank balance (-\$0.8m).	(52.586)	(18.7%)	Lower subsidy draw to a lower net cash deficit (\$59.8m), partially offset by lower CDOT subsidy payments (-\$6.4m) and the change in available bank balance (-\$0.8m).
CDOT SUBSIDY RECEIPTS	(18.908)	(19.0%)	Lower payments due to lower actual to estimated billed deficit for the year.	(6.371)	(7.3%)	Lower payments due to lower actual to estimated billed deficit for the year.
TOTAL SUBSIDY RECEIPTS	(136.275)	(30.5%)		(58.957)	(16.0%)	

\* Variance exceeds 100%

**MTA METRO NORTH RAILROAD**  
**2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 1 ACTUAL**  
**CASH CONVERSION (CASH FLOW ADJUSTMENTS)**  
**DECEMBER YEAR-TO-DATE**  
**(\$ in millions)**

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Receipts</b>							
Farebox Revenue	\$7.713	\$7.605	\$6.378	(\$1.335)	(17.3)	(\$1.227)	(16.1)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	24.744	24.839	25.871	1.127	4.6	1.032	4.2
MTA	16.631	29.169	51.759	35.128	*	22.590	77.4
CDOT	0.235	17.840	21.505	21.270	*	3.665	20.5
Other	(1.317)	10.012	8.399	9.716	*	(1.613)	(16.1)
Capital & Other Reimbursements	15.549	57.021	81.663	66.114	*	24.642	43.2
<b>Total Receipts</b>	<b>\$48.006</b>	<b>\$89.465</b>	<b>\$113.912</b>	<b>\$65.907</b>	<b>*</b>	<b>\$24.447</b>	<b>27.3</b>
<b>Expenditures</b>							
<b><u>Labor:</u></b>							
Payroll	(\$3.309)	(\$3.522)	\$8.524	\$11.833	*	\$12.045	*
Overtime	(0.717)	(0.858)	0.067	0.784	*	0.925	*
Health and Welfare	(2.788)	(8.754)	(5.484)	(2.696)	(96.7)	3.270	37.4
OPEB Current Payment	0.000	0.000	(0.000)	(0.000)	-	(0.000)	-
Pensions	(0.110)	2.389	(2.203)	(2.092)	*	(4.592)	*
Other Fringe Benefits	(1.144)	(0.112)	6.077	7.221	*	6.189	*
GASB Account	(8.746)	(11.877)	(24.869)	(16.123)	*	(12.992)	*
Reimbursable Overhead	(0.292)	(0.677)	1.381	1.672	*	2.058	*
<b>Total Labor</b>	<b>(\$17.106)</b>	<b>(\$23.410)</b>	<b>(\$16.507)</b>	<b>\$0.599</b>	<b>3.5</b>	<b>\$6.904</b>	<b>29.5</b>
<b><u>Non-Labor:</u></b>							
Electric Power	(\$1.864)	(\$1.814)	(\$3.825)	(\$1.961)	*	(\$2.011)	*
Fuel	(0.000)	3.600	6.287	6.288	*	2.687	74.6
Insurance	0.199	(2.215)	(2.555)	(2.754)	*	(0.340)	(15.4)
Claims	(0.146)	(0.146)	(2.572)	(2.426)	*	(2.426)	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	(27.087)	(11.200)	(9.514)	17.573	64.9	1.685	15.0
Professional Service Contracts	(1.085)	(1.472)	(2.284)	(1.199)	*	(0.813)	(55.2)
Materials & Supplies	(12.158)	(5.651)	(13.611)	(1.453)	(12.0)	(7.960)	*
Other Business Expenditures	(25.161)	(27.069)	(30.570)	(5.409)	(21.5)	(3.501)	(12.9)
<b>Total Non-Labor</b>	<b>(\$67.302)</b>	<b>(\$45.966)</b>	<b>(\$58.644)</b>	<b>\$8.658</b>	<b>12.9</b>	<b>(\$12.678)</b>	<b>(27.6)</b>
<b><u>Other Expenditure Adjustments:</u></b>							
Other	\$0.000	(\$4.500)	\$0.000	\$0.000	-	\$4.500	100.0
Other Post Employment Benefits	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>(\$4.500)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$4.500</b>	<b>100.0</b>
<b>Total Cash Conversion Adjustments before Non-Cash Liability Adj.</b>	<b>(\$36.402)</b>	<b>\$15.588</b>	<b>\$38.761</b>	<b>\$75.163</b>	<b>*</b>	<b>\$23.173</b>	<b>*</b>
Depreciation	\$236.015	\$229.177	\$221.946	(\$14.069)	(6.0)	(\$7.231)	(3.2)
OPEB Obligation	59.997	68.044	58.283	(1.714)	(2.9)	(9.761)	(14.3)
Environmental Remediation	6.723	2.726	0.130	(6.593)	(98.1)	(2.596)	(95.2)
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$266.333</b>	<b>\$315.535</b>	<b>\$319.119</b>	<b>\$52.787</b>	<b>19.8</b>	<b>\$3.584</b>	<b>1.1</b>

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO-NORTH RAILROAD**  
**2012 Adopted Budget and Final Estimate vs. Actual**  
**Non-Reimbursable/Reimbursable Overtime**  
**December 2012 Year-to-Date**  
**(\$ in millions)**

	Adopted Budget		Final Estimate		Actuals		Budget vs. Actual		Final Estimate vs. Actual	
							Var. - Fav./(Unfav)		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>										
<u>Scheduled Service</u> <sup>1</sup>	469,046	\$24.8	497,452	\$26.4	507,961	\$26.4	(38,915)	(\$1.6)	(10,509)	(\$0.0)
							-8.3%	-6.3%	-2.1%	-0.2%
<u>Unscheduled Service</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
							-	-	-	-
<u>Programmatic/Routine Maintenance</u>	265,735	\$11.7	247,128	\$10.8	209,649	\$9.8	56,086	\$1.9	37,479	\$1.0
							21.1%	16.1%	15.2%	9.0%
<u>Unscheduled Maintenance</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
							-	-	-	-
<u>Vacancy/Absentee Coverage</u> <sup>2</sup>	224,878	\$9.8	244,404	\$10.8	232,806	\$10.5	(7,928)	(\$0.6)	11,598	\$0.3
							-3.5%	-6.3%	4.7%	2.8%
<u>Weather Emergencies</u>	128,980	\$5.9	147,886	\$6.8	138,151	\$6.6	(9,171)	(\$0.7)	9,735	\$0.2
							-7.1%	-12.5%	6.6%	3.2%
<u>Safety/Security/Law Enforcement</u> <sup>3</sup>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
							-	-	-	-
<u>Other</u> <sup>4</sup>	37,828	\$1.6	56,840	\$2.3	42,380	\$1.9	(4,553)	(\$0.3)	14,460	\$0.4
							-12.0%	-21.8%	25.4%	16.7%
Subtotal	1,126,467	\$53.9	1,193,710	\$57.1	1,130,947	\$55.2	(4,481)	(\$1.4)	62,763	\$1.8
							-0.4%	-2.6%	5.3%	3.2%
<b>REIMBURSABLE OVERTIME</b>	398,373	\$18.1	318,289	\$16.6	366,652	\$18.0	31,721	\$0.1	(48,363)	(\$1.4)
							8.0%	0.3%	-15.2%	-8.7%
<b>TOTAL OVERTIME</b>	<b>1,524,840</b>	<b>\$71.9</b>	<b>1,511,999</b>	<b>\$73.6</b>	<b>1,497,599</b>	<b>\$73.2</b>	<b>27,241</b>	<b>(\$1.3)</b>	<b>14,400</b>	<b>\$0.4</b>
							1.8%	-1.8%	1.0%	0.5%

Totals may not add due to rounding.

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

\* Exceeds 100%

<sup>1</sup> Includes Service Delay and Tour Length related overtime.

<sup>2</sup> Excludes T&E crew coverage (included in Direct Service category)

<sup>3</sup> Not Applicable

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

**MTA METRO-NORTH RAILROAD**  
**2012 Adopted Budget and Final Estimate vs. Actual**  
**Non-Reimbursable/Reimbursable Overtime**  
**December 2012**  
**(\$ in millions)**

	Adopted Budget Year-to-Date			Final Estimate Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
<b>NON-REIMBURSABLE OVERTIME</b>						
<u>Scheduled Service</u> <sup>1</sup>	(38,915)	(\$1.6)	Primarily coverage for train service vacancies to ensure sufficient staffing levels to meet revenue collection requirements.	(10,509)	(\$0.0)	
	-8.3%	-6.3%		-2.1%	-0.2%	
<u>Unscheduled Service</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Programmatic/Routine Maintenance</u>	56,086	\$1.9	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 winter). Also, fewer right-of-way maintenance needs led to favorable results.	37,479	\$1.0	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 winter). Also, fewer right-of-way maintenance needs led to favorable results.
	21.1%	16.1%		15.2%	9.0%	
<u>Unscheduled Maintenance</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Vacancy/Absentee Coverage</u> <sup>2</sup>	(7,928)	(\$0.6)		11,598	\$0.3	
	-3.5%	-6.3%		4.7%	2.8%	
<u>Weather Emergencies</u>	(9,171)	(\$0.7)	Protection and other coverage for Tropical Storm Sandy in October and November, and rainstorm and heat coverage in June and July. Partly offset by mild winter weather.	9,735	\$0.2	
	-7.1%	-12.5%		6.6%	3.2%	
<u>Safety/Security/Law Enforcement</u> <sup>3</sup>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Other</u> <sup>4</sup>	(4,553)	(\$0.3)	Higher overtime due to ticket seller and customer service representative vacancies. Also reflects timing differences related to payroll and calendar cutoff dates.	14,460	\$0.4	Reflects timing differences related to payroll and calendar cutoff dates.
	-12.0%	-21.8%		25.4%	16.7%	
<b>Subtotal</b>	<b>(4,481)</b>	<b>(\$1.4)</b>		<b>62,763</b>	<b>\$1.8</b>	
	-0.4%	-2.6%		5.3%	3.2%	
<b>REIMBURSABLE OVERTIME</b>						
	31,721	\$0.1		(48,363)	(\$1.4)	Higher activity on the Waterbury branch line rail replacement project, on the Danbury branch line signal system project, and on the West Haven Station project to return track 3 to service. Also, higher activity on the East Side Access project due to track availability constraints.
	8.0%	0.3%		-15.2%	-8.7%	
<b>TOTAL OVERTIME</b>	<b>27,241</b>	<b>(\$1.3)</b>		<b>14,400</b>	<b>\$0.4</b>	

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

\* Exceeds 100%

<sup>1</sup> Includes Service Delay and Tour Length related overtime.

<sup>2</sup> Excludes T&E crew coverage (included in Direct Service category)

<sup>3</sup> Not Applicable

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

**MTA METRO-NORTH RAILROAD**  
**2012 Overtime Report**  
**Overtime Legend**

**REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS**

<b><u>Type</u></b>	<b><u>Definition</u></b>
<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**  
**2012 FINAL ESTIMATE VS. ACTUALS**  
**TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS**  
**December 31, 2012**

<u>Department</u>	<u>2012 Final Estimate</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
<b>Administration</b>			
President	3	3	-
Labor Relations	9	7	2
Safety	22	17	5
COS/Corporate & Public Affairs	16	16	0
Legal	18	16	2
Claims Services	14	12	2
Environmental Compliance & Svce	7	7	-
VP Administration	3	3	-
VP Human Resources	4	3	1
Human Resources	29	26	3
Training	51	45	6
Employee Relations & Diversity	4	2	2
VP Planning	2	2	-
Operations Planning & Analysis	17	16	1
Capital Planning & Programming	13	13	0
Business Development, Facilities & Mktg (4)	22	22	-
Long Range Planning	8	7	1
VP Finance & Information Systems	2	1	1
Controller	78	79	(1)
Information Technology & Project Mgmt	101	82	19
Budget	20	17	3
Customer Service (2) (3)	48	39	9
Procurement & Material Mgmt (5)	41	34	7
<b>Total Administration</b>	<b>532</b>	<b>469</b>	<b>63</b>
<b>Operations</b>			
Operations Administration	55	49	6
Operations Services	1,783	1,749	34
Customer Service (2) (3)	236	219	17
Business Development, Facilities & Mktg (4)	38	32	6
Metro-North West	28	30	(2)
<b>Total Operations</b>	<b>2,140</b>	<b>2,079</b>	<b>61</b>
<b>Maintenance</b>			
GCT	372	357	15
Maintenance of Equipment	1,338	1,252	86
Maintenance of Way	1,738	1,637	101
Procurement & Material Mgmt (5)	120	118	2
<b>Total Maintenance</b>	<b>3,568</b>	<b>3,364</b>	<b>204</b>
<b>Engineering/Capital</b>			
Construction Management	40	35	5
Engineering & Design	60	55	5
<b>Total Engineering/Capital</b>	<b>100</b>	<b>90</b>	<b>10</b>
<b>Total Positions</b>	<b>6,340</b>	<b>6,002</b>	<b>338</b>
<b>Non-Reimbursable</b>	<b>5,730</b>	<b>5,592</b>	<b>138</b>
<b>Reimbursable</b>	<b>610</b>	<b>410</b>	<b>200</b>
<b>Total Full-Time</b>	<b>6,339</b>	<b>6,001</b>	<b>338</b>
<b>Total Full-Time-Equivalents (of part-time positions)</b>	<b>1</b>	<b>1</b>	<b>-</b>

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

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

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

(5) 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**  
**2012 FINAL ESTIMATE VS. ACTUALS**  
**TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS**  
**December 31, 2012**

<b>FUNCTION/OCCUPATION</b>	<b>2012 Final Estimate</b>	<b>Actual</b>	<b>Favorable (Unfavorable) Variance</b>
<b>Administration (1)</b>			
Managers/Supervisors	187	165	22
Professional, Technical, Clerical	345	304	41
Operational Hourlies	-	-	-
<b>Total Administration</b>	<b>532</b>	<b>469</b>	<b>63</b>
<b>Operations (1)</b>			
Managers/Supervisors	153	149	4
Professional, Technical, Clerical	231	224	7
Operational Hourlies	1,756	1,706	50
<b>Total Operations</b>	<b>2,140</b>	<b>2,079</b>	<b>61</b>
<b>Maintenance (1)</b>			
Managers/Supervisors	531	502	30
Professional, Technical, Clerical	491	466	25
Operational Hourlies	2,546	2,396	150
<b>Total Maintenance</b>	<b>3,568</b>	<b>3,364</b>	<b>204</b>
<b>Engineering/Capital</b>			
Managers/Supervisors	48	43	5
Professional, Technical, Clerical	52	47	5
Operational Hourlies	-	-	-
<b>Total Engineering/Capital</b>	<b>100</b>	<b>90</b>	<b>10</b>
<b>Public Safety</b>			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Positions</b>			
Managers/Supervisors	919	858	61
Professional, Technical, Clerical	1,119	1,042	78
Operational Hourlies	4,301	4,102	200
<b>Total Positions</b>	<b>6,340</b>	<b>6,002</b>	<b>338</b>

**Notes**

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

Totals may differ due to rounding.

**MTA METRO-NORTH RAILROAD  
2012 FINAL ESTIMATE VS. ACTUALS**

December 31, 2012

<b>Agency-wide (Non-Reimbursable and Reimbursable)</b>	<b>2012 Final Estimate</b>	<b>Actual</b>	<b>Favorable (Unfavorable) Variance</b>	<b>Explanation of Variances</b>
<i>Functional Classification:</i>				
Operations (1)	2,140	2,079	61	Reflects vacancies in operation services staffing (RTCs, Operations Managers, Car Cleaners, and T&E positions)
Maintenance (1)	3,568	3,364	204	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)	532	469	63	Reflects timing differences in hiring Training staff and IT personnel.
Engineering / Capital	100	90	10	
<b>Total Agency-wide Headcount</b>	<b>6,340</b>	<b>6,002</b>	<b>338</b>	
Non-Reimbursable	5,730	5,592	138	
Reimbursable	610	410	200	

**Notes**

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

**MTA METRO-NORTH RAILROAD**  
**2012 FEBRUARY ADOPTED BUDGET AND YEAR-END FORECAST vs. ACTUAL**  
**UTILIZATION**  
(in millions)

	Year-to-Date as of December 2012			Variance Favorable/(Unfavorable)			
	Budget	Year-End Forecast	Actual	vs. Budget		vs. Year-End Forecast	
				\$	%	\$	%
<b>Farebox Revenue</b>							
Harlem Line	\$176.067	\$177.038	\$174.961	(\$1.106)	(0.6)	(\$2.077)	(1.2)
Hudson Line	\$130.264	\$129.518	\$127.710	(\$2.555)	(2.0)	(\$1.808)	(1.4)
New Haven Line	\$281.778	\$288.195	\$284.333	\$2.555	0.9	(\$3.862)	(1.3)
<b>Total Farebox Revenue</b>	<b>\$588.109</b>	<b>\$594.751</b>	<b>\$587.003</b> <sup>(1)</sup>	<b>(1.106)</b>	<b>(0.2)</b>	<b>(\$7.747)</b>	<b>(1.3)</b>
<b>Ridership</b>							
Harlem Line	26.898	27.175	26.648	(0.250)	(0.9)	(0.527)	(1.9)
Hudson Line	16.274	16.160	15.853	(0.421)	(2.6)	(0.307)	(1.9)
New Haven Line	38.588	39.663	38.840	0.253	0.7	(0.823)	(2.1)
Total Ridership East of Hudson	81.760	82.999	81.341 <sup>(2)</sup>	(0.419)	(0.5)	(1.657)	(2.0)
West of Hudson	1.859	1.757	1.612 <sup>(2)</sup>	(0.246)	(13.3)	(0.145)	(8.2)
<b>Total Ridership</b>	<b>83.619</b>	<b>84.756</b>	<b>82.954</b>	<b>(0.665)</b>	<b>(0.8)</b>	<b>(1.802)</b>	<b>(2.1)</b>

(1) Excludes West of Hudson Mail & Ride revenue of \$0.537 million year-to-date. Actuals also include \$8.1 million in lower revenue from Tropical Storm Sandy ridership losses.

(2) Includes estimated loss of 1.6 million rides East of Hudson, 140 thousand rides West of Hudson due to Tropical Storm Sandy

**East of Hudson:**

East of Hudson ridership for the year was 81.4 million, or 0.5% lower than budget and 2.0% lower than the Year-End Forecast due to the impact of Tropical Storm Sandy which resulted in losses of 1.6 million riders. As a result, ridership on the Harlem and Hudson Lines declined by 1.9%, respectively, from the Year-End Forecast, and New Haven Line decreased by 2.1%. Compared to the Budget, the Harlem Line decreased by 0.9%, the Hudson Line by 2.6%, but the New Haven Line increased by 0.7%. Overall ridership in 2012 was 0.9% higher than 2011.

Commutation ridership was 2.2% lower from the Year-End Forecast and 1.2% lower than Budget due to Tropical Storm Sandy. Compared to 2011, commutation ridership was 0.2% lower. Non-commutation ridership was 1.7% below the Year-End Forecast, but 0.4% higher than Budget. Compared to 2011, non-commutation ridership was 2.5% higher.

**West of Hudson:**

West of Hudson ridership was 13.3% lower than the budget and 8.2% lower versus the 2012 Year-End Forecast primarily due to the effects of Tropical Storm Sandy and slower than projected recovery of ridership losses following the three month suspension of Port Jervis Line service in 2011.

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2012 ADOPTED BUDGET / 2012 FINAL ESTIMATE**  
**MONTHLY PERFORMANCE INDICATORS \***  
**DECEMBER 2012 (PC-1) YEAR-TO-DATE**

	YEAR-TO-DATE			VARIANCE	
	2012	FINAL ESTIMATE	2011	FINAL ESTIMATE	2011
Farebox Operating Ratio					
Standard <sup>(1)</sup>	60.9%	59.5%	61.1%	1.4%	-0.2%
Adjusted <sup>(2)</sup>	67.9%	65.3%	68.3%	2.6%	-0.4%
Cost per Passenger					
Standard <sup>(1)</sup>	\$12.00	\$12.20	\$11.70	\$0.20	(\$0.30)
Adjusted <sup>(2)</sup>	\$11.81	\$12.03	\$11.63	\$0.22	(\$0.18)
Passenger Revenue/Passenger <sup>(3)</sup>	\$7.31	\$7.26	\$7.15	\$0.05	\$0.16

	YEAR-TO-DATE			VARIANCE	
	2012 <sup>(1)</sup>	ADOPTED BUDGET	2011	ADOPTED BUDGET	2011
Farebox Operating Ratio					
Standard <sup>(1)</sup>	60.9%	57.6%	61.1%	3.3%	-0.2%
Adjusted <sup>(2)</sup>	67.9%	63.2%	68.3%	4.7%	-0.4%
Cost per Passenger					
Standard <sup>(1)</sup>	\$12.00	\$12.64	\$11.70	\$0.64	(\$0.30)
Adjusted <sup>(2)</sup>	\$11.81	\$12.50	\$11.63	\$0.69	(\$0.18)
Passenger Revenue/Passenger <sup>(3)</sup>	\$7.31	\$7.29	\$7.15	\$0.02	\$0.16

(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.

\* Includes East and West of Hudson revenues and expenses.