



Metropolitan Transportation Authority

Meeting of Metro-North and Long Island Committees

April 2013

Members

M. Pally, Chair, Long Island Committee
J. Sedore, Chair, Metro-North Committee
J. Ballan
R. Bickford
J. Blair
N. Brown
F. Ferrer
I. Greenberg
J. Kay
S. Metzger
C. Moerdler
D. Paterson
A. Saul
V. Tessitore, Jr.
C. Wortendyke



Metropolitan Transportation Authority

MEETING AGENDA

JOINT METRO-NORTH/LONG ISLAND COMMITTEES

April 22, 2013 – 8:30 a.m.

347 Madison Avenue

Fifth Floor Board Room
New York, NY

<u>AGENDA ITEMS</u>	<u>Page</u>
PUBLIC COMMENTS PERIOD	
APPROVAL OF MINUTES – MARCH 11, 2013	4
2013 WORK PLANS	19
<u>AGENCY PRESIDENTS'/ CHIEF'S REPORTS</u>	
LIRR Report (No material)	
MNR Report (No material)	
MTA Capital Construction Report	29
MTA Police Report	35
<u>AGENCY INFORMATION ITEMS</u>	
1. LIRR INFORMATION ITEMS	51
• Timetable Changes/Track Work Programs	52
• Final Review of 2012 Operating Budget Results	54
• Annual Inventory Report	91
• 2012 Annual Ridership Report	97
2. MNR INFORMATION ITEMS	127
• Final Review of 2012 Operating Budget Results	128
• Annual Inventory Report	164
• 2012 Annual Ridership Report	171
• Peekskill RiverWalk	210
<u>ACTION ITEM</u>	212
• MNR - Set Fares for West Haven Station	
<u>PROCUREMENTS</u>	215
1. LIRR Procurements	219
• Non-Competitive	
• Competitive - none	
• Ratifications - none	

2. MNR Procurements	
• Non-Competitive	225
• Competitive	230
• Ratifications	241
3. MTA CC Procurements	
• Non-Competitive - none	
• Competitive	237
• Ratifications	242

AGENCY REPORTS ON OPERATIONS, FINANCE, RIDERSHIP AND CAPITAL PROGRAM

1. LIRR	
• Operations	245
• Finance and Ridership	269
• Capital Program	322
2. MNR	
• Operations	324
• Finance and Ridership	342
• Capital Program	402

Date of next meeting: **Monday, June 3, 2013 (No May meeting)**

Metro-North Railroad Committee at 8:30 AM
Long Island Railroad Committee at 9:30 AM

**Minutes of the Regular Meeting
Long Island Committee
Monday, March 11, 2013
Meeting held at
347 Madison Avenue
New York, New York 10017
9:30 a.m.**

The following members were present:

Hon. Mitchell H. Pally, Chairman of the Committee
Hon. Jonathan A. Ballan
Hon. Fernando Ferrer, Acting Chairman, MTA
Hon. Ira R. Greenberg
Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. James L. Sedore, Jr.
Hon. Carl V. Wortendyke

The following members were absent:

Hon. Jeffrey A. Kay
Hon. Vincent Tessitore, Jr.

Representing Long Island Rail Road: Helena E. Williams, Joseph Calderone, Michael Gelormino, Mark Young

Representing MTA Capital Construction Company: Michael Horodniceanu, David Cannon

Representing MTA Police: Chief Michael R. Coan

Co-Chairman Pally called the meeting to order.

There were three public speakers. George Haikalis of the Institute for Rational Urban Mobility recommended using existing Grand Central Terminal tracks and platforms for the East Side Access Project, for reasons of safety, cost and reduction of commuter travel time.

Orrin Goetz referred to the operation by New Jersey Transit of new ALP-45 dual powered locomotives into New York Penn Station. He stated that New Jersey Transit, in planning for the 2014 Super Bowl, at MetLife Stadium, has contracted to extend the platforms on the lower level of the Secaucus Transfer Station in order to operate longer trains in the Hoboken Division to the Meadowlands from Secaucus. He viewed this as an opportunity for the Long Island Rail Road to consider running through-service from Long Island to Secaucus, much like Metro-North does for football games, adding that dual powered ALP-45 locomotives would be suitable for this service.

Barry Adler commented on the cost overruns and time lost on the East Side Access Project. He stated his opinion that this project should have a forensic audit performed by an outside agency, and that there is a lack of public accountability and public discussion about changes to the project.

Upon motion duly made and seconded, the minutes of the January 2013 Committee meeting were approved. Committee Chairman Pally indicated that there were no changes to the Work Plan. Acting Chairman Ferrer was not present for the vote on the minutes.

MTA LONG ISLAND RAIL ROAD

President Williams stated that LIRR is engaged in very comprehensive planning for Super Bowl 2014. She was pleased to note that the planning efforts are led by MTA Chief Operating Officer Nuria Fernandez, who is the primary contact for LIRR, Metro-North and New York City Transit with the Super Bowl Host Committee. President Williams noted that it will be football week in New York City, not just a single day operation. There will be extraordinary numbers of people coming in to enjoy an NFL experience and many events; Broadway from 34th to 42nd Streets will be closed off for pedestrian traffic. President Williams said that LIRR will be briefing the Committee Chairman on all of its activities as we come closer to the event. Referring to Mr. Goetz's comments, she noted that through-running service is a concept that LIRR is looking into for the future.

President Williams next discussed LIRR's response to Nemo, the blizzard that occurred on February 8 through February 11. She commended the round-the-clock efforts by LIRR's front line personnel, who plowed the tracks, freed up the switches, cleared the yards and got LIRR trains moving. She observed that while LIRR can have the best operations plan and the best communications plan, LIRR cannot implement these plans without its crews. She noted that LIRR especially depends on its Engineering crews. President Williams acknowledged the extraordinary efforts of Kevin Tomlinson, LIRR's Chief Engineer and Mike Gelormino, LIRR's Senior Vice President Operations. She stated that the amount of snow that accumulated further east was significant. LIRR used its situation room and coordinated efforts with the local Emergency Operations Centers that were open in New York City, and in Nassau and Suffolk Counties. President Williams stated that this is becoming a very effective way for LIRR to understand what is going on in other communities and to share resources and make decisions. She also stated that one of the most significant lessons LIRR learned from the 2010-11 winter, when we had repeated large snow storms, was how difficult it was for LIRR to load schedule information. LIRR has a very comprehensive Audio Visual Paging System (AVPS) at each station, which is a great source of information for customers when it is up-to-date and accurate. After that winter, LIRR decided to develop four modified schedules that were preloaded into the system. President Williams reported to the Committee that this proved to be a tremendous advantage for LIRR with the Nemo blizzard. LIRR was able to use modified Schedule 4 on Saturday and modified Schedule 1 on Monday. LIRR still had some residual delays Monday morning, but basically the schedule was there for customers. LIRR had preprogrammed 10 cancellations and we were able to inform customers of the revised schedule, which was publicized on the web so it was generally available. President Williams stated that those modified schedules have been a real advantage to LIRR and its customers, and that LIRR was able to fully test them with Sandy and Nemo. President Williams stated that LIRR received 436 emails and text alerts, 400 tweets, 45 message board updates, 29 Facebook updates and 21 website updates. LIRR's Interactive Voice Response system provided automated information to over 30,000 customers Friday through Monday, and information clerks provided additional information to 9,700 customer callers. There was a tremendous public need for information and President Williams stated that LIRR's communications staff was able to provide that information as service improved throughout the period of the snowstorm and recovery. LIRR was also able to effectively coordinate with local governments, as some of the towns out in Suffolk County were having difficulty clearing away snow. LIRR is not responsible for the Ronkonkoma Station, yet that station serves over 6,000 commuters on a weekday, so LIRR was able to apply additional resources to help clear the parking lot to make sure customers would be able to park there on Monday. President Williams again thanked LIRR crews and staff for doing an outstanding job of using LIRR's snow fighting equipment to clear the tracks and widely transmitting current customer information.

President Williams next spoke about the upcoming St. Patrick's Day Parade in New York City on Saturday and the Montauk Parade on Sunday. President Williams complimented Chief Coan on doing an outstanding job in developing a deployment plan to assist LIRR through both parades. President Williams stated the more challenging of the two parades will be Montauk. President Williams spoke appreciatively of the plans that LIRR employees are putting in place, including for a gated operation and a police presence at key stations. An alcohol ban will be in place on St. Patrick's Day and on Saturday for the New York City parade. Chief Coan stated that the MTA Police is in favor of such alcohol bans, and stated that additional officers will be deployed for both Saturday and Sunday. Chief Coan thanked Chief Odessa and Captain Boyle for putting the deployment plan together, and for working with the organizers of the Montauk Parade to adjust the parade's hours. Chief Coan stated that they would keep a tight eye on both parades. President Williams noted that last year's parade in Montauk started at 10 a.m., with favorable results. This year's parade has been moved to 11:30 a.m., as opposed to former start times at 12:30 p.m. and 1 p.m. She stated that LIRR will see how this 11:30 p.m. time frame fares, given the goal is to make sure LIRR is able to get the customers back at the end of the day. LIRR will monitor this and adjust accordingly.

President Williams next advised that LIRR was able to restore some of its service that had been canceled in 2010. LIRR restored some additional service on the Long Beach and Montauk Branches, and also added additional service under the plan adopted by the Board that began on March 4. President Williams reminded everyone that LIRR went from hourly to half hourly service on weekends between New York City and Farmingdale, 9 a.m. to 12 p.m. and 4 p.m. to 7 p.m. On the Ronkonkoma Branch, LIRR went to half hourly westbound service on weekdays. President Williams stated that there is still a demand for increase on the eastbound service for Ronkonkoma. LIRR is looking at that need but it is very difficult to schedule at this time with the single track operation. On Long Beach, LIRR restored one a.m. train and at Atlantic Terminal, LIRR is providing late night service between downtown Brooklyn and Jamaica, important service that continues to support Barclays; the goal is to have people stay and enjoy the amenities in the community after Barclays' events. LIRR restored one p.m. peak train on the Port Jefferson line and on Montauk added scoots back and restored one p.m. train. President Williams stated LIRR is very excited to watch those service enhancements in terms of building ridership. Chairman Pally stated that he and President Williams have had conversations with regard to Greenport and restoration of half hourly service on the Port Washington Branch, which he knows LIRR continues to strongly pursue. President Williams stated that probably the most frequent request LIRR gets is half hourly service on weekends on the Port Washington Branch. LIRR is coordinating with East Side Access and hopes to develop a plan for that service. President Williams stated the demand is tremendous and that LIRR is looking very carefully at Greenport service.

President Williams next spoke about LIRR's Year-End Safety Report. She said that safety, of course, is the number one priority at LIRR. She noted that the Railroad has made progress in a number of areas, concentrating on reducing employee accidents. President Williams stated LIRR was down 21% from 2011 to 2012. FRA-reportable accidents went down 14% and LIRR's lost time and restricted duty rate decreased by 12%. Maintenance employees really contributed to one of the best records ever with a 31% reduction in employee accidents in 2012. Contractor accidents were down as well. President Williams stated that these results represented an extraordinary job on the employee side and that LIRR is enhancing the message with safety goals in each department. President Williams complimented Senior Vice President Operations Mike Gelormino and Lori Ebbighausen, Senior Director - Safety and Training on their efforts. President Williams stated that Ms. Ebbighausen has done a great job of getting the message out to each department and having departments take responsibility. One of the areas President Williams said that she and Ms. Ebbighausen are very focused on is the slight increase in customer incidents, about 3.7%, or 22 incidents. In terms of total incidents, President Williams thinks that the growth in ridership throughout most of 2012 and the very crowded trains during Sandy because of

the diminished service through the tunnels, contributed to the small increase in customer incidents. She noted that Penn Station is still the area where LIRR had the highest number of customer incidents. LIRR also has a great community awareness program, the Tracks Program, with over 85,000 contacts in 2011. In 2012, LIRR increased to 122,000 contacts. In this program, LIRR goes into schools with a combination of safety staff and Chief Coan's MTA police staff, who talk about grade crossing safety and electrification of the third rail, trying to ensure that LIRR has the safest operation by getting that message to kids at a young age.

President Williams was pleased to report that LIRR had a slight increase in ridership of .6% in January, a rebound after the October, November and December fall off in ridership due to Sandy. The week after Nemo, LIRR saw a 9% increase in ridership, when customers clearly sought out mass transit because they couldn't access local roads. President Williams said that when LIRR gets new people trying its service because of a storm, it is an opportunity to give customers the best experience possible, with the best customer information possible, which may encourage people to give up their cars, and increase ridership permanently for LIRR.

MTA CAPITAL CONSTRUCTION

MTA Capital Construction President Michael Horodniceanu reported to the Committee that a number of contracts on the East Side Access Project are approaching substantial completion. In Manhattan, excavation work in the caverns and tunnels continues to wind down. All remaining blasting will be completed in March and substantial completion of the CM09/019 contract remains on-target for June 2013. In Queens, the tunneling work (with the exception of the Tunnel A Extension) and the Northern Boulevard Crossing will be completed later this spring. The work in Harold is continuing, with a considerable effort from Amtrak, Long Island Rail Road and a third party contractor in preparation for the planned track outage in the summer of 2013. At that time Capital Construction will take advantage of a one month window to progress the work on the west-bound bypass.

Dr. Horodniceanu reported that there is a considerable amount of work going forward in 2013. Of note, the first of the re-worked Manhattan contracts following the rejection of bids on CM012 will be advertised in March with plans for bids to be submitted in May. In addition, Dr. Horodniceanu presented some photographs which showed some of the tunnel and cavern work that has been completed thus far.

Lastly, Dr. Horodniceanu reported that the project has faced some challenges regarding safety. Although the trend is downward over the last 12 months the lost time injury rate remains above National standard.

Committee Member Carl Wortendyke asked Dr. Horodniceanu whether the support walls between the tunnels in the pictures shown were fractured, thus creating a safety concern. Dr. Horodniceanu explained that these tunnels were created by TBM and not blasting so there is no safety concern.

Committee Member Charles Moerdler asked Dr. Horodniceanu whether a fire safety plan has been developed for the tunnels. Dr. Horodniceanu assured the committee that a fire safety plan exists and offered to bring and present it at the next meeting.

Committee Member Ira Greenberg asked if, in view of the rejection of the bids on CM012, Dr. Horodniceanu believed that the lost time could be recovered. Dr. Horodniceanu responded that MTA Capital Construction is working towards that.

MTA POLICE DEPARTMENT

Chief Coan reported that for January, incidents were down 12% compared to last January. In February 2013, there were 15 incidents compared to 13 in 2012, including a slight spike in assaults. Year-to-date there were four assaults compared to two the prior year, with arrests in each incident. Three of those four assaults were on late night trains. No employees were involved. The MTA Police will continue to ride those trains during evening hours. For the year, they are up one incident, 31 versus 30 at LIRR, and as mentioned on St. Patrick's Day there will be numerous additional officers working both Saturday and Sunday. Committee Member Moerdler asked why thefts of electronic devices seemed to be lower than on NYC Transit. Chief Coan stated that this was a function of lower ridership numbers. Chief Coan added that 40 to 50% of robberies and larcenies on the commuter railroads are phone-related, which is comparable to New York City Transit numbers. The report of the MTA Police is included in the Committee book.

MTA LONG ISLAND RAIL ROAD

President Williams commented on several Information Items. Regarding the Elevator/Escalator Service Report, she was pleased to report that the escalators are back in service after LIRR's comprehensive program, during which escalators were taken out of service in order to have major renovations and repairs performed. President Williams stated that LIRR will begin the same effort now with elevators, and a close examination of the condition of elevators will commence. LIRR may need to take some elevators out of service during this program. President Williams next referred to the Track Program Staff Summary in the Committee book, noting that some of that work had already begun. With respect to LIRR's Diversity Committee Report, President Williams noted that from January 2012 to December 31, 2012, there were 307 new hires; she was pleased to report that 27% were female and 48% were minorities. LIRR continues to move its numbers toward a more diversified work force and to ensure that we are reaching out to various communities so that they know how to approach LIRR for employment opportunities.

Committee Member Moerdler asked who is doing the replacement or repair work for escalators in Copiague, Wantagh, Freeport, and Baldwin. President Williams responded that third-party contractor Nouveau is doing that work. She stated that LIRR has ongoing disputes with a predecessor contractor, but is very satisfied with the work being done by the current contractor. Committee Member Moerdler asked if that was not a bid contract but was effectively a sole source. President Williams responded that there was competition and that Metro-North rode LIRR's procurement. In response to a question from Committee Member Moerdler, President Williams and Vice President Calderone confirmed that all escalators, including Copiague, Wantagh, Freeport and Baldwin were back in operation as of March 1st. President Williams stated LIRR is very pleased with the program and the reliability.

Committee Member Greenberg stated that based on LIRR e-mail alerts, he is aware that the Woodside elevators are the worst elevators. President Williams noted that the mechanism of the Woodside elevator is constantly being contaminated due to the "vertical urinal" problem. President Williams stated that LIRR is working on this issue and Woodside is a station that we are very focused on. It is one of the most challenging for LIRR trains crews in terms of ticket collection, and in terms of the number of people going between the subway, Port Washington, and Penn Station service. Chairman Pally stated that Woodside Station is also a connection to CitiField. President Williams agreed that it is a very important connection to CitiField and that the area continues to develop. It is even a more popular

rail station than it used to be. President Williams stated that they will come back to the Committee with some suggestions on Woodside.

Information Items

There were five LIRR Information Items:

- Adopted Budget/Financial Plan 2013
- 2012 Annual Operating Report
- Elevator/Escalator Service Report – 4th Q 2012
- 2013 March/April Track Work Programs
- Diversity/EEO Report – 4th Q 2012

Remarks concerning the Information Items are included above.

Action Items

There were no LIRR Action Items.

Procurements

The following procurements were presented:

- on behalf of LIRR and Metro-North, approval of a non-competitive award of a contract for a 36-month period to Monogram Systems, Inc., in the total not-to-exceed amount of \$250,000 for various OEM toilet replacement parts for LIRR's M-3 fleet and Metro-North's M-2, 3, 4, 8 and Coach Car fleets;
- approvals to use the competitive Request for Proposal ("RFP") process to award a Design/Build construction contract to reconfigure the existing Johnson Avenue Train Yard as part of Jamaica Capacity Improvements – Phase I project; a Design/Build contract for system-wide demolition services and asbestos, lead and biological material abatement services on LIRR property; a Civil Works/Site preparation Design/Build construction contract for Phase I of the New Second Track on the Main Line Ronkonkoma Branch; and a Design/Build construction contract for a new Wyandanch Intermodal Facility/Parking Garage;
- approval to award a ten-year competitive Public Works contract to IntraLogic Solutions Inc. with two five-year options with contingency funding in the total not-to-exceed amount of \$6,711,325 for the design, installation, full service maintenance and augmentation of intrusion detection, CCTV and fire alarm systems within specified LIRR terminals, passenger stations and facilities;
- pursuant to a competitive RFP, approval to award a contract in the amount of \$11,618,000 to Kiewit Infrastructure Co. to provide Design/Build services of Direct Fixation Fastener Replacement on both East and West bound Tracks at the Massapequa Viaduct;
- on behalf of LIRR and Metro-North, approval to award a two-year competitive Personal Services contract for quality assurance inspections of rail car wheels and axles to Bureau Veritas North America for an aggregate not-to-exceed amount of \$240,000;

- approval to issue a change order in the not-to-exceed amount of \$957,000 to Standard Parking Corp. under Contract #C4BP02775 for (i) funding to cover Standard's costs associated with repairing and upgrading two garage elevators and shafts and other necessary work directed by LIRR; and (ii) funding for a six-month contract extension with a three-month extension option to support the continued management, operation and maintenance of the Mineola Intermodal Center Parking Garage ("MIC") through September 2013 to allow for the completion of a competitive RFP for replacement of the current expiring Operation and Maintenance contract;
- approval to issue a change order to Central Parking System of New York under contract #C4BP03113. This request is for a six-month contract extension with a three-month extension option to support the continued management, operation and maintenance of the Ronkonkoma Parking Garage through September 2013. The change order will be issued at no additional cost to the LIRR; and
- ratification of a four-month LIRR ride of the NYCT Contract 06K9558 with JES Plumbing & Heating Corporation, for On-Call Plumbing Maintenance & Repair Services performed at the Atlantic Avenue Tunnels between May 29, 2012 and September 17, 2012, in the fixed price amount of \$244,556.

Committee Member Moerdler commented on the procurements that were being progressed as RFPs, including the alarm contract referenced on page 98 of the Committee book. He asked if there were objective guidelines that governed these procurements. President Williams stated that the alarm contract was a competitive negotiation. The selection committee reviewed the technical capability of the proposers, and the benefit of a negotiated procurement is that you are not just picking the low bidder, you are picking the one that is the most technically qualified. Committee Member Moerdler indicated that he understood that price was not always the sole determinant, but asked if the selection committee was documenting its determination and the predicate for that determination. President Williams responded affirmatively, that there is a very controlled process that is used and documented, and that it is not a subjective determination. President Williams also confirmed that the RFP review process is well documented and subject to audit and allows LIRR to obtain advantageous reductions in price. Chairman Pally asked if President Williams could provide Committee Member Moerdler with the guidelines for RFPs; President Williams said that she would.

Committee Member Greenberg asked, regarding the RFP referenced on page 91 of the Committee book for abatement services, whether this a prequalification contract that is being approved. President Williams stated that it goes beyond prequalification: LIRR will enter into contracts and have on-call contractors available when needed, with all rates and availability requirements negotiated in advance. President Williams and Chairman Pally further clarified that this was an approval to use the RFP process and that this and other RFPs are brought to the Board again before award of the contract.

Upon motion duly made and seconded, all procurement items were approved for recommendation to the Board. Committee Member Ballan recused himself from consideration of the procurement items concerning Standard Parking Corp. and Central Parking System of New York. Details of the above items are set forth in the Staff Summaries and other materials, copies of which are on file with records of this meeting.

MTA CAPITAL CONSTRUCTION PROCUREMENT

Fifteen procurement items were presented to the Committee. Details of the items are set forth below and in the Staff Summaries, copies of which are on file with the record of this meeting.

Dr. Horodniceanu took a question from Committee Member Charles Moerdler who asked whether the RFP process is documented by MTA Capital Construction. Dr. Horodniceanu explained that it is.

Upon motion duly made and seconded, all procurement items were approved for recommendation to the Board.

The fifteen procurement items are as follows:

1. Board authorization to use the Request for Proposal ("RFP") method for Contract CM006 in an amount to be determined.
2. A new procurement item to award a competitively solicited negotiated miscellaneous service contract to Active Risk Management for the implementation, integration and maintenance of a risk management software system in the amount of \$274,070.
3. A modification to Contract No. 98-0040-01R to incorporate design changes and add funding for Construction Phase Services in the amount of \$13,937,714.
4. A modification to Contract No. PS836 to configure and integrate additional Access Control; Devices into the Integrated Electronic Security System in the amount of \$475,000.
5. A modification to Contract No. CH054A for a revision to the 12kv duct bank layout in the amount of \$14,641,209.
6. A modification to contract CM014A for the excavation of the elevator pit and the fit-out for the adjacent Terminal Management center and the Station Manager's Office. This is a scope and budget transfer in the amount of \$350,000
7. Modification to Contract No. CQ032 for rock excavation and installation of a mud slab and the removal of temporary works installed under CQ031. This is a scope and budget transfer in the amount of \$6,539,195.
8. Modification to Contract No. CM019 for multiple scope transfers from CM012 in the amount of \$6,544,000.
9. Modification to Contract No. CM019 to repair the over-break at the Eastbound Tunnel No. 4 at 55th Street due to poor ground conditions in the amount of \$385,000.
10. Modification to Contract CQ031 for the support and excavation for the Tunnel A Approach Structure in the amount of \$22,807,922.
11. Ratification to Contract No. CM013 for the installation of a final arch lining and invert slab in the Approach Tunnel in the amount of \$300,000.
12. & 13. Ratifications to Contract No. CQ031 for additional payment to the Contractor for standby time as a result of TBM delays in the amount of \$1,075,000.
14. Ratification to Contract No. CQ039 to compensate the Contractor for revisions to the specified waterproofing system in the amount of \$285,120.
15. Ratification to Contract No. CM004 for revisions to the blasting plan for the excavation of shaft #1 in the amount of \$374,368

LIRR Reports on Operations, Finance and Ridership and the Capital Program

With respect to the report on Operations for the month of January, President Williams noted that service was greatly impacted by a cold spell which resulted in seven broken rails. These incidents were all clustered in a very short period of time because of severe temperatures. She was pleased to report that LIRR continues to make progress on the Capital Program commitments.

Committee Member Moerdler asked why average delay times for late trains as reported in 2012 (12.3 minutes), were shorter than delay times reported in 2013 (13.2 minutes). President Williams

March 11, 2013

responded that the 2013 figures only take into account January 2013 at this time, and referenced the broken rail issues about which she had just spoken. She noted that with broken rails, we often have to re-fortify the rail on a temporary basis and then operate under speed restrictions. Other times, we have such severe broken rails that full repairs have to be performed immediately. Committee Member Greenberg referenced the Annual Operating Report, which shows a good trend because in 2011, the average delay was 13.9 minutes, and in 2012 it was only 12.3 minutes. Committee Member Moerdler asked President Williams if she tried to get a handle on when a delay on average will be longer or shorter. President Williams responded that we very much concentrate on trying to reduce the delay time for incidents. One of the things LIRR focuses on is response time to incidents and we have worked with Chief Coan on public delays. This category of delay has seen the most growth, with over a thousand additional incidents in 2012. Public delays often involve police activity such as illnesses where we need EMTs, customer injuries, or cars on tracks. LIRR is working very hard to see what can be done to improve response time to bring the total delay time down. She indicated that Chief Coan has done a terrific job on trying to reduce police response time. LIRR is also concentrating on an effort with the Medical Examiner's Offices. Their response time contributes to significant delays in recovery from an incident. Another factor affecting response time is how quickly Chief Engineer Kevin Tomlinson's work force is able to reach an incident and then diagnose and correct the situation. This is one of LIRR's key focuses and something Mike Gelormino emphasizes. Speaking to President Williams' point, Gelormino noted that two major incidents, reported in the Committee book, caused long delays in January: a trespasser strike at Kew Gardens and a motor vehicle strike out east. Committee Member Moerdler asked about the frequency of grade crossing incidents. President Williams responded that LIRR is very conscious about grade crossing safety. LIRR does get a number of incidents, which is small, compared to the number of LIRR grade crossings. However, when we do have an incident, it is significant, generally involving a fatality, which contributes to significant delays. Committee Member Greenberg stated his opinion that the reporting statistics should compare the last 12 months. Committee Member Moerdler added that this approach provides a better sense of trends. Committee Member Greenberg said that the Railroad should look at trends with respect to meeting goals, which is difficult for different reasons, with Jamaica and Penn Station probably being the two primary reasons. He also noted his impression that off-peak weekdays we should have better numbers than during the peak, but noticed that for 2012 that does not hold true for some branches. President Williams responded that off-peak there is the challenge of lack of track capacity because off-peak often reflects the reverse commute and those are the trains that get held for peak hour passing traffic. Committee Member Greenberg responded that he understood. President Williams added that one of the issues LIRR is trying to work on correcting for summer service on the Montauk Branch is where certain trains are habitually late.

The details of these reports are contained in the reports filed with the records of the meeting.

Adjournment

Upon motion duly made and seconded, the Committee unanimously voted to adjourn the meeting.

Respectfully submitted,



Richard L. Gans
Secretary

Minutes of the Regular Meeting
Metro-North Committee
Monday, March 11, 2013

Meeting Held at
347 Madison Avenue
New York, New York 10017

8:30 a.m.

The following members were present:

Hon. James L. Sedore, Jr., Chairman of the Committee
Hon. Mitchell H. Pally
Hon. Jonathan A. Ballan
Hon. Robert C. Bickford
Hon. James F. Blair
Hon. Norman Brown
Hon. Susan G. Metzger
Hon. Charles G. Moerdler
Hon. David A. Paterson
Hon. Carl V. Wortendyke

Not Present:

Hon. Fernando Ferrer, Acting Chairman, MTA
Hon. Andrew M. Saul, Vice-Chairman, MTA
Hon. Jeffrey A. Kay

Also Present:

Howard R. Permut – President, Metro-North Railroad
Raymond Burney – Sr. Vice President, Administration, Metro-North Railroad
Michael R. Coan – Chief, MTA Police Department
Seth J. Cummins – Vice President and General Counsel, Metro-North Railroad
Anne Kirsch – Chief Safety and Security Officer, Metro-North Railroad
Robert J. Puciloski – Assistant Vice President, Operations, Metro-North Railroad
Robert C. MacLagger – Vice President, Planning, Metro-North Railroad
Timothy McCarthy – Senior Director, Capital Programs, Metro-North Railroad
Kim Porcelain – Vice President - Finance and Information Systems, Metro-North Railroad

The members of the Metro-North Committee met.

There was one public speaker.

Orrin Getz of Rockland County suggested that Metro-North add more consists to its West of Hudson trains for the 2013 New York City St. Patrick's Day parade to address overcrowding issues that took place on the day of the 2012 parade. He asked Metro-North to

promote the Pearl River St. Patrick's Day parade. He thanked Metro-North for restoring the Pascack Valley Line to full service, including the addition of a second express train. He recommended that Metro-North fine tune the schedule as it relates to local train number 1616.

Chairman Sedore stated that there were no changes to the work plan.

Information Items:

There were seven information items.

- Adopted Budget/Financial Plan 2013 – Ms. Porcelain presented the railroad's 2012 final estimate, 2013 Adopted Budget and the Financial Plan for 2013-2016. She reported that the Adopted Budget reflects the inclusion of MTA Adjustments that were presented in the November Financial Plan and were adopted by the Board in December 2012 and other technical adjustments. President Permut suggested that Board Member Moerdler contact Robert Foran, Chief Financial Officer, MTA, in order to discuss how MTA will be dealing with advertising revenues.
- 2012 Annual Operating Results – The details of the 2012 Annual Operating Report are contained in a report filed with the records of this meeting. Mr. Puciloski reported that East of Hudson overall on-time performance in January 2013 was 97%, on-time performance was below 95% on seven days and below 90% on one day. He noted that the M-8 railcars have been performing very well in the snow. Board Members Blair, Patterson and Ballan discussed the effect of weather on on-time performance. President Permut noted that significant events are included in the performance statistics for the period in which the event occurred and a better indicator of the stability of Metro-North's service is the number of days in which the railroad operated above 98%.
- Elevator and Escalator Report – 4th Quarter 2012 – President Permut presented the report. He reported that Metro-North has retained a new maintenance contractor for the Grand Central Terminal escalators to bring the escalators into a state of good repair. He noted that the current escalators were built to withstand their current usage. These escalators will be repaired so that they may be used for another three to four years, at which time they will be replaced. In response to questions by Board Member Moerdler, it was noted that Metro-North is participating in a joint, competitive procurement with the Long Island Rail Road for escalator maintenance. Metro-North also has an option to use the escalator contractor being used for East Side Access. The escalators in Grand Central Terminal were in such dire condition that Metro-North could not wait until the joint procurement was awarded to have the needed repairs done.
- Diversity/EEO Report – 4th Quarter 2012 – President Permut introduced the new Director of Diversity and EEO, Robert Rodriguez. He gave the highlights of Mr. Rodriguez's career. Board Member Moerdler noted that Metro-North has not met some hiring goals with respect to females in the workforce. President Permut noted Metro-North has continued to focus on doing better in this area. Board Member Metzger stated that there has been an on-going focus for a number of years to increase the female workforce and that Metro-North has made some improvement

in this area. She noted that, if you look at the new hire rate, you can see the effort Metro-North has been making to do better in this area.

- Spring 2013 Schedule Changes – Mr. MacLagger noted that the spring schedule change both west and east of Hudson represents the largest, single increase in service in Metro-North's history. Board Member Metzger congratulated President Permut and Metro-North on behalf of the people of the Bronx for the splendid job they did in enhancing service in the Bronx.
- Sublease – Railroad Terrace at 254th Street – Riverdale Station – President Permut noted that this agreement will permit Metro-North to address long standing drainage and flooding problems. The sublease will permit the Department of Environmental Protection (DEP) and its contractor to enter onto the property and correct the drainage problems by installing a drainage pipe at DEP's sole cost and expense. In response to Board Member Ballan's question, Metro-North will be entering into an agreement with DEP after approval of this real estate item. President Permut will provide Board Member Moerdler with the plans submitted by DEP.
- Lease Agreement with Baby Cakes – Poughkeepsie Station – President Permut noted that this is a continuation of Metro-North's program to improve the environment and bring more life to our stations.

The details of the above items are contained in materials filed with the records of this meeting.

Procurements:

There were four procurements.

There were four ratifications which were executed as emergency actions to bring Metro-North back into service following Hurricane Sandy in 2012. He noted that the hurricane resulted in half of the Hudson Line being flooded from Croton-Harmon south. The procurements were performed to mitigate further risks to Metro-North operations. Competitive quotes and bids were sought whenever possible. Attempts were also made to utilize existing contracts whose contractors were already mobilized on Metro-North properties and were able to respond and begin work as soon as possible. The ratifications were as follows: (1) battery charging systems and battery banks for Tarrytown and Grand Central Terminal, (2) replacement of radio base stations that were flooded due to the storm, (3) replacement of impedance bond boxes used throughout Metro-North territory; the boxes are critical to reliable train operations with the signal and traction return systems, and (4) a replacement box office trailer used by the Communications & Signals Department in Tarrytown. In response to Board Member Blair's inquiry, President Permut noted that Metro-North received \$20 million from an MTA grant as reimbursement for repairs and overtime incurred as a result of the hurricane. Metro-North will be applying for funding to make modifications to damaged equipment, such as substations that were heavily damaged, so that the equipment can withstand future storms. The above procurements were funded by the Metro-North Operating Budget. Metro-North and MTA will seek reimbursement through insurance and FEMA/Federal funding.

Upon motion duly made and seconded, all procurement items were approved for recommendation to the Board. Details of the above items are set forth in the staff summaries and other materials filed with the records of this meeting.

President's Report:

President Permut announced that Metro-North received the American Council of Engineering Companies of New York 2013 Diamond Award in the category of Transportation for the Port Jervis Line Reconstruction Project. The award will be presented at an April 6 event as part of the 2013 Engineering Excellence Awards Competition. As a Diamond award recipient, Metro-North is in contention for the Empire Award, an award given to the highest rated project in New York State. The winner will be announced at the April 6 event. On the national level, the Port Jervis Line Reconstruction Project has earned a National Recognition Award in the national 2013 Engineering Excellence Awards competition sponsored by the American Council of Engineering Companies. President Permut stated that it is a great honor for Metro-North to be recognized for the hard work and dedication of its employees in rebuilding the line faster than anticipated following Tropical Storm Irene in 2011.

President Permut saluted the hard work of Robert MacLagger, Metro-North's Vice President of Planning & Development, who will be retiring after 30 years of service. Mr. MacLagger, an expert in pursuing different customer markets, played a major role in many initiatives, including the development of the reverse peak and intermediate market segments, the establishment of new ticket selling technologies, improved access to key stations and our service through the launching of programs such as the Hudson Rail Link and played a key role in the establishment of agreements between Metro-North and Connecticut Department of Transportation, Amtrak, New Jersey Transit, the New York State Department of Transportation and Westchester County. President Permut presented Mr. MacLagger with a plaque in appreciation of all he has done for Metro-North and congratulated him on his impressive legacy.

President Permut announced that Metro-North, in partnership with The Municipal Art Society of New York (MAS), one of the organizations credited with saving the Terminal from destruction nearly 40 years ago, will provide a new docent-guided tour program that highlights the history, architecture and operation of Grand Central Terminal. He noted that the partnership complements and builds on the success of Metro-North's audio headset tour program, enabling Metro-North to carry the Terminal's 100th Anniversary forward by telling the story of Grand Central Terminal to all who are interested. Orpheo has been marketing these tours. During the first three weeks of its operation, the new MAS guided tours have brought in approximately \$12,000 in gross revenue.

Metro-North Reports on: Safety, Financial, Ridership and the Capital Program

Ms. Kirsch gave the safety report through December 2012. She noted that 2012 was the third best year in Metro-North's history in terms of employee injuries. Employee injuries in January 2013 were also lower than in the comparable period of 2012. The details Ms. Kirsch's report are contained in the Safety Report filed with the records of the meeting.

Ms. Porcelain presented the preliminary 2012 financial results against the 2013 Adopted Budget and the Financial Plan for 2013-2016. She reported that, even with the impact of Hurricane Sandy, 2012 was very favorable against the budget and forecast with increases in non-passenger revenue and ridership increases. Ridership increases were the second highest in Metro-North's history and non-passenger revenue was the highest in Metro-North's history. She noted that overtime spending was slightly over the adopted budget, largely as a result of Hurricane Sandy. The fare operating ratio of 67.9% was better than the adopted budget and final estimate but slightly less than in 2011, mainly due to the hurricane. The fare operating ratio would have been at 69% if not for Hurricane Sandy and Tropical Storm Irene. The details Ms. Porcelain's report are contained in the Safety Report filed with the records of the meeting.

Mr. MacLagger gave the ridership report, noting that ridership has decreased since Hurricane Sandy. Preliminary January 2013 ridership statistics indicate that rail ridership in January 2013 was .6% lower than in the comparable period of 2012. Although almost 99% of the lower Manhattan businesses re-opened, both rail commutation and non-commutation ridership decreased for the fourth consecutive month since the hurricane. West of Hudson rail ridership was 13% lower than in the comparable period of 2012. As a result of the hurricane, PATH service to lower Manhattan was not operating until the end of January 2013. This may account for the decrease in West of Hudson ridership. The details of Mr. MacLagger's report are contained in the Monthly Ridership report filed with the records of the meeting.

Mr. McCarthy gave the Capital Program report. He reported that work will begin on the Sing Sing Creek drainage project wherein the creek will be cleaned and lined to address the flooding of tracks and the parking lot that occurs during periods of heavy rain. The Village of Ossining will be participating in this project by cleaning and lining their portion of the creek which flows under the tracks south of the station. A contract to continue work on the lower Hudson drainage project from MO to Fordham, an area that has a long history of flooding, will begin. The project will involve digging and installing drainage pipes along the tracks that will be connected to the New York City drainage system. The contractor for the MTA Police Department Canine facility in Fishkill, New York is being mobilized. The details of Mr. McCarthy's report are contained in the Capital report filed with the records of the meeting.

MTA Police Department

Chief Coan reported that crime decreased 53% in January 2013 versus January 2012. Additional officers will be on duty at the St. Patrick's Day parade when high ridership is expected. The details of the MTA Police Department Report are contained in a report filed with the records of this meeting.

Adjournment

Upon motion duly made and seconded, the Committee unanimously voted to adjourn the meeting.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Linda Montanino".

Linda Montanino
Assistant Secretary

Mar 2013 Comm Minutes
Legal/Corporate/Committee Minutes



2013 Long Island Rail Road Committee Work Plan

I. RECURRING AGENDA ITEMS

Responsibility

Approval of Minutes	Committee Chair & Members
2013 Committee Work Plan	Committee Chair & Members
Agency President's/Chief's Reports	President/Senior Staff
Information Items (if any)	
Action Items (if any)	
Procurements	Procurement & Logistics
Performance Summaries	
Status of Operations/Safety	Sr. VP - Operations
Financial/Ridership	VP & CFO
Capital Program Report	Dept. of Program Management

II. SPECIFIC AGENDA ITEMS

Responsibility

April 2013 (Joint Meeting with MNR)

Final Review of 2012 Operating Budget Results	Management & Budget
2012 Annual Ridership Report	Market Development
Annual Inventory Report	Procurement

June 2013

RCM Fleet Maintenance	Operations
Diversity/EEO Report – 1 st Quarter 2013	Administration/Diversity
Elevator & Escalator Service Report-1 st Quarter 2013	System Safety

July 2013

Environmental Audit	System Safety
Penn Station Retail Development	MTA Real Estate

September 2013

2013 Final Mid-Year Forecast	Management & Budget
2014 Preliminary Operating Budget	Management & Budget
Diversity/EEO Report – 2 nd Quarter 2013	Administration/Diversity
Elevator & Escalator Service Report-2 nd Quarter 2013	System Safety
2013 Fall Construction Schedule Change	Service Planning

November 2013 (Joint Meeting with MNR)

2014 Preliminary Budget (Public Comment)	
Positive Train Control	President
Annual Committee Charter Review	Committee Chair & Members
Holiday Schedule	Service Planning

December 2013

2014 Final Proposed Budget	Management & Budget
2014 Proposed Committee Work Plan	Committee Chair & Members
Diversity/EEO Report – 3 rd Quarter 2013	Administration/Diversity
Elevator & Escalator Service Report-3 rd Quarter 2013	System Safety

LONG ISLAND RAIL ROAD COMMITTEE WORK PLAN

DETAILED SUMMARY

I. RECURRING AGENDA ITEMS

Approval of Minutes

The Committee Chair will request a motion to approve the minutes of the prior month's meeting.

2013 Work Plan

The Work Plan will list, by month, the topics scheduled for review. The Committee will be advised if any changes have been made to the plan.

Information Items (if any)

Materials presented to the Committee for review pertaining to certain agency initiatives and functions.

Action Items (if any)

Staff summary documents presented to the Board for approval of items affecting business standards and practices.

Procurements

List of procurement action items requiring Board approval. The Non-Competitive items will be first, followed by the Competitive items and then the Ratifications. The list will include items that need a 2/3 vote of the Board for approval.

Police Activity Report

MTA Police will highlight the significant police activities incurred during the month reported.

Report on Operations

A monthly report will be given highlighting key operating and performance statistics and indicators.

Safety

A monthly report will be given highlighting key safety performance statistics and indicators.

Monthly Financial & Ridership Report

A monthly report will be provided that compares the Rail Road's actual financial performance against its budget and/or forecast both on an accrual and cash basis. It will also include a comparison of actual monthly ticket sales, ridership and revenues with the budget and prior year results.

Capital Program Progress Report

A report will be provided highlighting significant capital program accomplishment in the month reported.

II. SPECIFIC AGENDA ITEMS

Detailed Summary

APRIL 2013 (Joint Meeting with MNR)

Final Review of 2012 Operating Budget Results

The customary review of prior year's Agency budget results and their implications for current and future budget performance will be presented to the Committee.

2012 Annual Ridership Report

A report will be presented to the Committee on Agency ridership trends during 2012 based on monthly ticket sales data and the results of train ridership counts conducted by the Agency.

Annual Inventory Report

A report will be provided to the Committee on the Agency's inventory activity during the prior year.

JUNE 2013

RCM Fleet Maintenance

An annual report will be provided to the Committee on the Agency's fleet maintenance plan to address fleet reliability and availability.

Diversity & EEO Report – 1st Quarter 2013

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to LIRR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

Elevator & Escalator Service Report– 1st Quarter 2013

Quarterly report to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

JULY 2013

Environmental Audit

The Committee will be briefed on the results of the Agency's 2013 environmental audit report which is submitted to NYS Department of Environmental Conservation as required by the Environmental Audit Act, as well as plans to ensure compliance.

Penn Station Retail Development

MTA Real Estate will provide an annual report on leasing and construction opportunities and financial and marketing information related to retail development in Penn Station.

SEPTEMBER 2013

2013 Final Mid-Year Forecast

Agency will provide the Committee with the 2013 Mid-Year Forecast financial information for revenue and expense by month.

2014 Preliminary Operating Budget

Agency will present highlights of the 2014 Preliminary Operating Budget to the Committee. Public comment will be accepted on the 2014 Preliminary Operating Budget.

Diversity & EEO Report - 2nd Quarter 2013

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to LIRR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

Elevator & Escalator Service Report- 2nd Quarter 2013

Quarterly report to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

2013 Fall Construction Schedule Change

The Committee will be advised of Agency plans to adjust schedules to support construction projects during the fall of 2013.

NOVEMBER 2013 (Joint Meeting with MNR)

2014 Preliminary Operating Budget

Public comment will be accepted on the Agency's 2014 Preliminary Operating Budget.

Positive Train Control

A brief presentation on Positive Train Control (PTC) will be provided to the committee. The status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008 will be discussed. Highlights to include cost of PTC along with operational and implementation risks.

Annual Committee Charter Review

The Committee will review and assess the adequacy of the Committee Charter.

Holiday Schedule

The Committee will be informed of Agency's service plans for the Thanksgiving and Christmas/New Year's holiday periods.

DECEMBER 2013

2014 Final Proposed Operating Budget

The Committee will recommend action to the MTA Board on the Final Proposed Operating Budget for 2014.

Proposed 2014 Committee Work Plan

The Committee Chair will present a draft Long Island Rail Road Committee Work Plan for 2014 that will address initiatives to be reported throughout the year.

Diversity & EEO Report - 3rd Quarter 2013

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to LIRR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information on diversity initiatives.

Elevator & Escalator Service Report- 3rd Quarter 2013

Quarterly report to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

2013 Metro-North Railroad Committee Work Plan

I. <u>RECURRING AGENDA ITEMS</u>	<u>Responsibility</u>
Approval of Minutes	Committee Chair & Members
2013 Committee Work Plan	Committee Chair & Members
Information Items (if any)	
Action Items (if any)	
Procurements	
President's Report	President/Senior Staff
Operations	
Safety	
Financial	
Ridership	
Capital Program	
MTA Police Report	MTA Police
II. <u>SPECIFIC AGENDA ITEMS</u>	<u>Responsibility</u>
<u>April 2013 (Joint Meeting with LIRR)</u>	
Final Review of 2012 Operating Budget Results	Finance
Annual Inventory Report	Procurement
2012 Annual Ridership Report	Operations Planning & Analysis
<u>June 2013</u>	
RCM Fleet Maintenance	Operations
Diversity/EEO Report – 1 st Quarter 2013	Diversity/EEO Office
Elevator & Escalator Service Report-1 st Quarter 2013	Operations
<u>July 2013</u>	
Environmental Audit	Environmental Compliance
Grand Central Terminal Retail Development	MTA Real Estate
<u>September 2013</u>	
2013 Final Mid-Year Forecast	Finance
2014 Preliminary Operating Budget	Finance
2013 Fall Schedule Change	Operations Planning & Analysis
Diversity/EEO Report – 2 nd Quarter 2013	Diversity/EEO Office
Elevator & Escalator Service Report-2 nd Quarter 2013	Operations
<u>November 2013(Joint Meeting with LIRR)</u>	
2014 Preliminary Budget (Public Comment)	Finance
Annual Committee Charter Review	Committee Chair & Members
Holiday Schedule	Operations Planning & Analysis
Positive Train Control	President

December 2013

2014 Final Proposed Budget	Finance
2014 Proposed Committee Work Plan	Committee Chair & Members
Diversity/EEO Report – 3 rd Quarter 2013	Diversity/EEO Office
Elevator & Escalator Service Report-3 rd Quarter 2013	Operations

January 2014

Approval of 2014 Committee Work Plan	Committee Chair & Members
Annual Strategic Investments & Planning Studies	Capital Planning

March 2014

Adopted Budget/Financial Plan 2013	Finance
2013 Annual Operating Results	Operations
Elevator & Escalator Service Report-4 th Quarter 2013	Operations
Diversity/EEO Report – 4 th Quarter 2013	Diversity/EEO Office
2014 Spring/Summer Schedule Change	Operations Planning & Analysis

METRO-NORTH RAIL ROAD COMMITTEE WORK PLAN

DETAILED SUMMARY

I. RECURRING AGENDA ITEMS

Approval of Minutes

The Committee Chair will request a motion to approve the minutes of the prior month's meeting.

2013 Work Plan

The Work Plan will list, by month, the topics scheduled for review. The Committee will be advised if any changes have been made to the plan.

Information Items (if any)

Materials presented to the Committee for review pertaining to certain agency initiatives and functions.

Action Items (if any)

Staff summary documents presented to the Board for approval of items affecting business standards and practices.

Procurements

List of procurement action items requiring Board approval. The Non-Competitive items will be first, followed by the Competitive items and then the Ratifications. The list will include items that need a 2/3 vote of the Board for approval.

Operations

A monthly report will be provided highlighting key operating and performance statistics and indicators.

Safety

A monthly report will be provided highlighting key safety performance statistics and indicators.

Financial

A monthly report will be provided that compares the Railroad's actual financial performance against its budget and/or forecast both on an accrual and cash basis.

Ridership

A monthly report will be provided that includes a comparison of actual monthly ticket sales, ridership and revenues with the budget and prior year results.

Capital Program Progress Report

A monthly report will be provided highlighting significant capital program accomplishments in the month reported.

Police Activity Report

MTA Police will highlight the significant police activities incurred during the month reported.

II. SPECIFIC AGENDA ITEMS

Detailed Summary

APRIL 2013(Joint Meeting with LIRR)

Final Review of 2012 Operating Budget Results

The customary review of prior year's Agency budget results and their implications for current and future budget performance will be presented to the Committee.

Annual Inventory Report

A report will be provided to the Committee on the Agency's inventory activity during the prior year.

2012 Annual Ridership Report

A report will be presented to the Committee on Agency ridership trends during 2012 based on monthly ticket sales data and the results of train ridership counts conducted by the Agency.

JUNE 2013

RCM Fleet Maintenance

An annual report will be provided to the Committee on the Agency's fleet maintenance plan to address fleet reliability and availability.

Diversity & EEO Report – 1st Quarter 2013

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to MNR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information specifically on the efforts the agency has undertaken to address the underutilization of minorities and women.

Elevator & Escalator Service Report– 1st Quarter 2013

Quarterly report will be provided to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

JULY 2013

Environmental Audit

The Committee will be briefed on the results of the Agency's 2012 environmental audit report which is submitted to NYS Department of Environmental Conservation as required by the Environmental Audit Act, as well as the actions implemented to enhance overall compliance, monitoring and reporting.

Grand Central Terminal Retail Development

MTA Real Estate will provide an annual report on leasing and construction opportunities and financial and marketing information related to retail development in Grand Central Terminal.

SEPTEMBER 2013

2013 Final Mid-Year Forecast

Agency will provide the Committee with the 2013 Mid-Year Forecast financial information for revenue and expense by month.

2014 Preliminary Operating Budget

Agency will present highlights of the 2014 Preliminary Operating Budget to the Committee. Public comment will be accepted on the 2014 Preliminary Operating Budget.

2013 Fall Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack and Port Jervis lines for the Fall of 2013.

Diversity & EEO Report - 2nd Quarter 2013

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to MNR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information specifically on the efforts the agency has undertaken to address the underutilization of minorities and women.

Elevator & Escalator Service Report- 2nd Quarter 2013

Quarterly report will be provided to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

NOVEMBER 2013(Joint Meeting with LIRR)

2014 Preliminary Operating Budget

Public comment will be accepted on the Agency's 2014 Preliminary Operating Budget.

Annual Committee Charter Review

The Committee will review and assess the adequacy of the Committee Charter.

Holiday Schedule

The Committee will be informed of Agency's service plans for the Thanksgiving and Christmas/New Year's holiday periods.

Positive Train Control

A brief presentation on Positive Train Control (PTC) will be provided to the committee. The status of PTC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008 will be discussed. Highlights to include cost of PTC along with operational and implementation risks.

DECEMBER 2012

2014 Final Proposed Operating Budget

The Committee will recommend action to the MTA Board on the Final Proposed Operating Budget for 2014.

Proposed 2014 Committee Work Plan

The Committee Chair will present a draft Metro-North Railroad Committee Work Plan for 2014 that will address initiatives to be reported throughout the year.

Diversity & EEO Report - 3rd Quarter 2012

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to MNR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information specifically on the efforts the agency has undertaken to address the underutilization of minorities and women.

Elevator & Escalator Service Report- 3rd Quarter 2012

Quarterly report will be provided to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

JANUARY 2014

The Committee Chairman will approve the Proposed Metro-North Railroad Committee Work Plan for 2014 that will address initiatives to be reported throughout the year.

Annual Strategic Investments & Planning Studies

A comprehensive annual report will be provided to the Committee of the Agency's strategic investments & planning studies that will include fleet, facility, infrastructure, station projects, station access improvements, and environmental and feasibility studies.

MARCH 2013

Adopted Budget/Financial Plan 2012-2015

A presentation will be provided to the Committee of a revised Agency 2012-2015 Financial Plan. This plan will reflect the 2013 Adopted Budget and an updated Financial Plan for 2012-2015 reflecting the out-year impact of any changes incorporated into the 2013 Adopted Budget. The documents will also include a monthly allocation of planned expenditures for 2014 by category.

2013 Operating Results

A review of the prior year's performance of railroad service will be provided to the Committee.

Elevator & Escalator Service Report – 4th Quarter 2013

Quarterly report will be provided to the Committee on system-wide reliability and availability for elevators and escalators throughout the system.

Diversity & EEO Report– 4th Quarter 2013

Quarterly report to the Committee providing data on key EEO and Human Resources indicators relating to MNR's Equal Employment Opportunity and Diversity efforts, such as composition of the agency's workforce, new hires, and discrimination complaints. In alternating quarters, the report will include additional information specifically on the efforts the agency has undertaken to address the underutilization of minorities and women.

2014 Spring/Summer Schedule Change

The Committee will be informed of the schedule changes taking effect for train service on the Hudson, Harlem, New Haven, Pascack and Port Jervis lines during the spring and summer of 2014.

MTA CAPITAL CONSTRUCTION

PROJECT UPDATE

EAST SIDE ACCESS

MTA CAPITAL CONSTRUCTION PROJECT UPDATE

East Side Access

April 2013

Project Description

The East Side Access project brings Long Island Rail Road (LIRR) train service to a new lower level of Grand Central Terminal. The connection significantly improves travel times for Long Island and Queens commuters to the Midtown business district and alleviates pressure at a crowded Penn Station.

Budget and Estimate at Completion (EAC)

	<u>Budget</u>	<u>Last Reported EAC</u>	<u>Current Month EAC</u>	<u>Expenditures</u>
Design	\$ 671,029,379	\$ 671,029,379	\$ 671,029,379	\$ 590,133,767
Construction	6,442,835,777	6,442,835,777	6,442,835,777	3,140,472,920
Project Management	762,816,530	762,816,530	762,816,530	483,996,253
Real Estate	166,318,314	166,318,314	166,318,314	103,631,693
Rolling Stock*	202,000,000	202,000,000	202,000,000	0
Total Project Cost	\$ 8,245,000,000	\$ 8,245,000,000	\$ 8,245,000,000	\$ 4,318,234,634

* An additional \$463 million budgeted for ESA rolling stock is included in a reserve in the Board-approved 2010-2014 Capital Plan pending completion of a simulation of opening day service and fleet need.

Major Milestones and Forecasts

	<u>Original Schedule</u>	<u>Previous Month Schedule</u>	<u>Current Month Schedule</u>
Project Design Start	March 1999	March 1999	March 1999
Project Design Completion	4th Q 2008	February 2013	February 2013
Project Construction Start	September 2001	September 2001	September 2001
Revenue Service Date	2nd Q 2012	August 2019	August 2019

Current Issues/Highlights

- On March 21st MTACC awarded the first contract under the MTA's Federal Small Business Mentoring Program to The Urban Group in the amount of \$1,889,501. Under this Contract, Urban, a certified DBE, will perform utility work in Grand Central Terminal in support of the construction of the LIRR concourse and the North Transfer Station.
- The solicitation for the first contract coming from the Manhattan Structures contract which was not awarded, Manhattan South Structure (CM005), was advertised in March.
- All remaining blasting in the caverns and tunnels was completed in March on the CM009/CM019 contracts. The contracts remain on target to meet substantial completion by June.
- Work continues to progress at the three ventilation plants at 44th, 50th and 55th streets in Manhattan, which are under the CM004, CM013 & CM013A contracts, respectively.

- The first Construction Advisory Committee meeting for major stakeholders was held on March 6, 2013 for the 55th Street Vent Plant Facility (CM013A) with more information meetings under consideration. Additionally, a presentation was given on the overall project and the 55th Street vent facility to the board of the Friars Club on April 9.
- Additional scope was added to the CQ031 contract to construct the cut and cover section connecting Tunnel A to the approach structure and includes the secant piles installation and mass excavation. This work extends the contract to early 2014.
- Work continues on all the existing facilities along the 63rd Street Tunnel as part of the CQ032 (Plaza Substation) contract so they can be ready for the Systems contractor. Work also continues on the new B10 substation along Northern Blvd. Within the open-cut area, concrete work continues in the Yard Lead Trench as well as the structural invert. Preparation for the remaining blasting has also begun.
- In Harold, the contractor is advancing critical catenary work ahead of the summer planned track outage. Work also continues by both the CH053 and CH054A contractors on the construction of the 12kV ductbank. Other work includes the installation of cable in the F2/F2E conduit, Signal Power separation as well as retaining walls and bridge abutments between 43rd and 48th Streets. Amtrak continues to prepare for the first new signal cutover of the F2 Interlocking in May.

East Side Access Active and Future Construction Contracts

Report to the Railroad Committee - April 2013

Expenditures thru March 2013; \$s in million

	Budget	Expenditures
Construction	\$ 6,442.8	\$ 3,140.5
Design	\$ 671.0	\$ 590.1
Project Management	\$ 762.8	\$ 484.0
Real Estate	\$ 166.3	\$ 103.6
Rolling Stock†	\$ 202.0	\$ -
Total	\$ 8,245.0	\$ 4,318.2

† An additional \$463 million budgeted for ESA rolling stock is included in a reserve in the Board-approved 2010-2014 Capital Plan pending completion of a simulation of opening day service and fleet need

Project Description	Budget (Bid + Contingency)	Current Contract (Bid + Approved AWOs)	Remaining Budget	Expenditures	2012 Reforecast Award Date	Actual/ Forecast Award Date**	Planned Completion at Award*	Forecast Completion**
Manhattan Construction								
CM009: Manhattan Tunnel Excavation & Lining <i>Dragados Judlau, JV</i>	\$413.4	\$412.1	\$1.3	\$378.1	Jul-2006	Jul-2006	Oct-2012	Jun-2013
CM019: GCT Concourse Civil & Structural <i>Dragados Judlau, JV</i>	\$793.9	\$772.6	\$21.3	\$729.4	Apr-2008	Apr-2008	Oct-2012	Jun-2013
<i>Note: Budget includes funding for scope not yet contractually obligated but not available for contingency</i>								
CM014A: GCT Concourse Finishes Early Work <i>Yonkers Contracting</i>	\$47.1	\$44.2	\$2.9	\$14.0	Nov-2011	Nov-2011	Apr-2013	Jan-2014
CM013A: 55th St Vent Facility <i>SCC-JPP, JV</i>	\$58.8	\$56.0	\$2.8	\$2.3	Aug-2012	Aug-2012	Apr-2015	Apr-2015
CM005: Manhattan Southern Structures		In Procurement			N/A	Aug-2013	N/A	Jul-2015
Queens Construction								
CQ031: Queens Bored Tunnel & Structures <i>Granite-Traylor-Frontier, JV</i>	\$767.8	\$765.1	\$2.8	\$683.0	Sep-2009	Sep-2009	Sep-2012	Feb-2014
<i>Notes: Contract includes \$11M of Regional Investments scope. Budget includes funding for scope not yet contractually obligated but not available for contingency</i>								
CQ039: Northern Blvd Crossing <i>Schiavone Construction / Kiewit</i>	\$102.1	\$98.9	\$3.2	\$81.8	Feb-2010	Feb-2010	Oct-2011	May-2013
<i>Note: Budget includes funding for scope not yet contractually obligated but not available for contingency</i>								
CQ032: Plaza Substation & Queens Struct Construction <i>Tutor Perini Corporation</i>	\$187.7	\$171.4	\$16.2	\$20.2	Aug-2011	Aug-2011	Aug-2014	Jul-2015
Harold Construction								
CH053: Harold Structures (Part 1) <i>Perini Corporation</i>	\$272.8	\$211.8	\$61.0	\$144.3	Jan-2008	Jan-2008	Feb-2011	Mar-2014
<i>Note: Budget includes funding for scope not yet contractually obligated but not available for contingency</i>								
CH057A: Harold Structures - Part 3: West Bound Bypass		In Procurement			N/A	Aug-2013	N/A	Sep-2015
CH057: Harold Structures - Part 3: Track D Approach, 48th St Bridge, Loop Box Structure		In Design (Repackaging)			N/A	Dec-2013	N/A	May-2016
CH058: Harold Structures - Part 3: Eastbound Reroute		In Design			Oct-2013	May-2014	N/A	Feb-2017
Systems Contracts								
Systems Package 1: Tunnel Ventilation, Facility Power, Communications, Controls, Security, Fire Detection		In Procurement			Sep-2012	TBD	N/A	Jun-2018 ¹⁾
Systems Package 2: Trackwork and Traction Power		Design Complete			Apr-2013	TBD	N/A	Jun-2018 ¹⁾
Systems Package 3: Signal Equipment		In Procurement			Mar-2013	Jul-2013	N/A	Jun-2018 ¹⁾

*Planned Completion at Award dates for contracts CM009, CM019, and CH053 are adjusted to the 2009 re-baseline plan.

**Project reforecasting is being finalized and contract milestones and budgets are being adjusted.

1) Integrated Systems Testing complete June 2018.

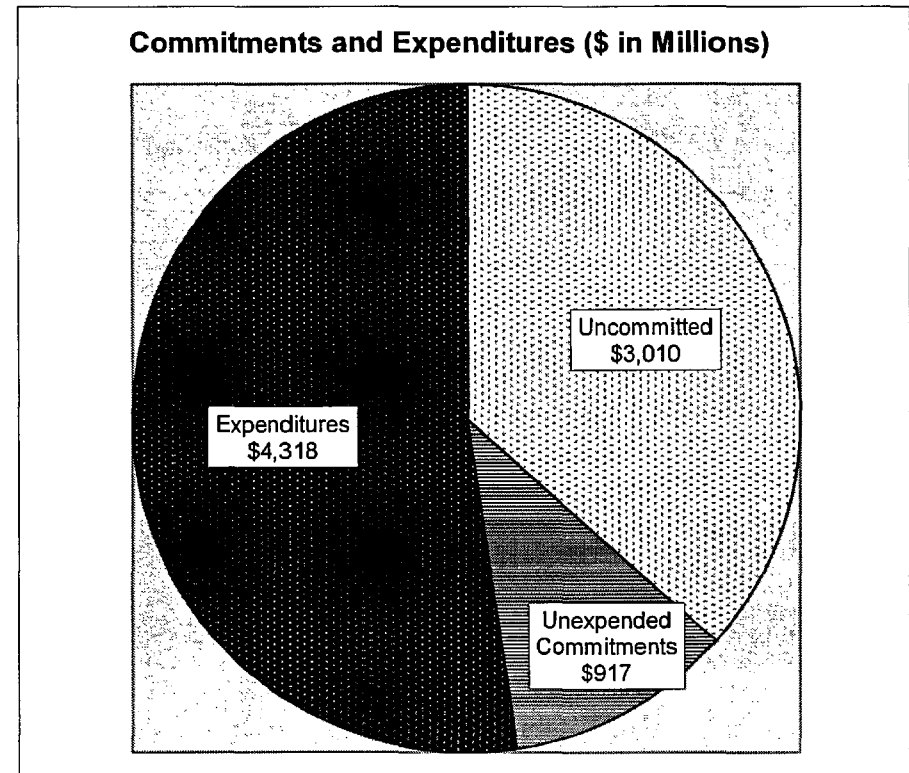
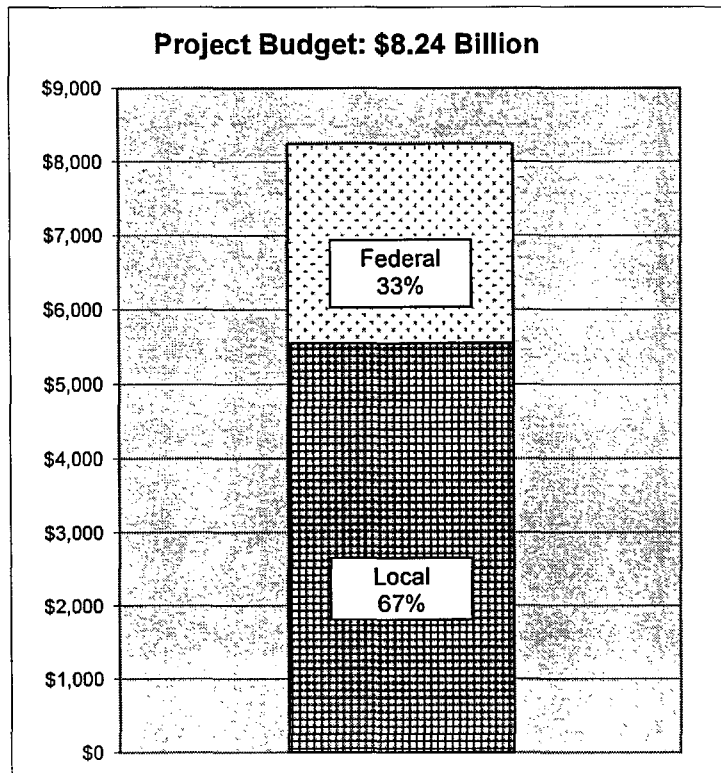
East Side Access Status

Report to the Railroad Committee - April 2013

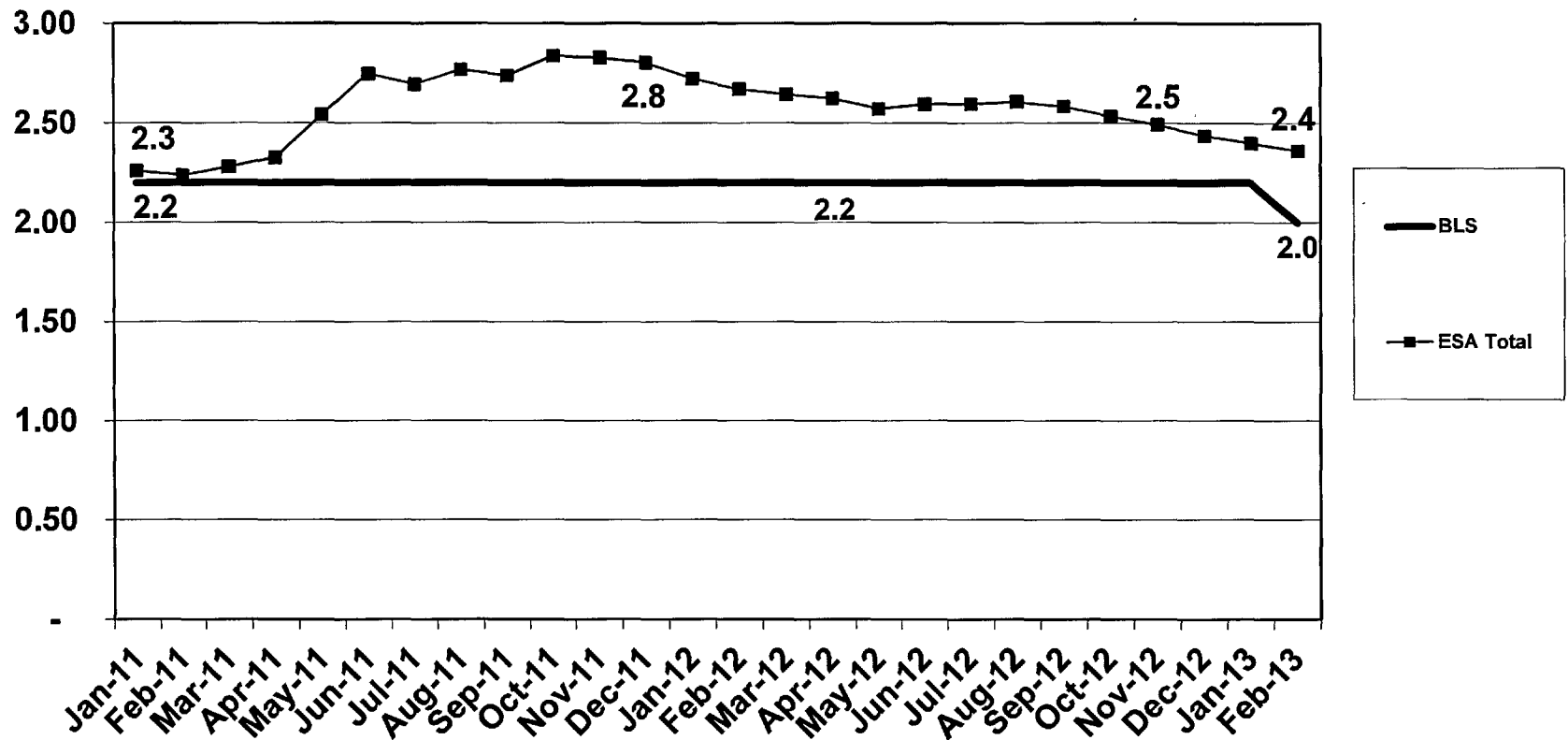
(data thru March 2013)

MTA Capital Program \$ in Millions	Budgeted	Funding Sources			Status of Commitments		
		Local Funding	Federal Funding*	Federal Received	Committed	Uncommitted	Expended
1995-1999	\$ 158	\$ 94	\$ 64	\$ 64	\$ 158	\$ -	\$ 157
2000-2004	1,534	748	785	785	1,498	35	1,427
2005-2009	2,683	838	1,845	1,176	2,648	34	2,295
2010-2014	3,154	3,149	5	5	931	2,223	439
2015-2019	717	717	-	-	-	717	-
Total	\$ 8,245	\$ 5,546	\$ 2,699	\$ 2,030	\$ 5,235	\$ 3,010	\$ 4,318

* All Federal funding is approved through a Full Funding Grant Agreement with the FTA.



Lost Time Injury Rate East Side Access Project, 2011-2013 vs. US BLS National Standard for Heavy & Civil Construction



Note:

Lost Time Injury Rate = Number of Lost Time Injuries per 200,000 Workhours (equivalent to 100 full-time workers)



POLICE REPORT

MARCH 2013



METROPOLITAN TRANSPORTATION AUTHORITY
Police Department
System Wide

March 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	1	0	1	100%
Robbery	2	0	2	100%
Felony Assault	3	7	-4	-57%
Burglary	1	2	-1	-50%
Grand Larceny	13	18	-5	-28%
Grand Larceny Auto	3	0	3	100%
Total Major Felonies	23	27	-4	-15%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	1	0	1	100%
Robbery	9	9	0	0%
Felony Assault	8	11	-3	-27%
Burglary	5	7	-2	-29%
Grand Larceny	53	63	-10	-16%
Grand Larceny Auto	3	1	2	200%
Total Major Felonies	79	91	-12	-13%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Long Island Rail Road

March 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	1	0	1	100%
Felony Assault	2	4	-2	-50%
Burglary	1	0	1	100%
Grand Larceny	6	8	-2	-25%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	10	12	-2	-17%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	2	4	-2	-50%
Felony Assault	6	6	0	0%
Burglary	2	1	1	100%
Grand Larceny	31	31	0	0%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	41	42	-1	-2%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Metro North Railroad

March 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	1	0	1	100%
Robbery	0	0	0	0%
Felony Assault	1	2	-1	-50%
Burglary	0	2	-2	-100%
Grand Larceny	7	9	-2	-22%
Grand Larceny Auto	3	0	3	100%
Total Major Felonies	12	13	-1	-8%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	1	0	1	100%
Robbery	4	3	1	33%
Felony Assault	2	4	-2	-50%
Burglary	3	6	-3	-50%
Grand Larceny	20	28	-8	-29%
Grand Larceny Auto	3	1	2	200%
Total Major Felonies	33	42	-9	-21%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Staten Island Rapid Transit

March 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	1	0	1	100%
Felony Assault	0	1	-1	-100%
Burglary	0	0	0	0%
Grand Larceny	0	1	-1	-100%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	1	2	-1	-50%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	3	2	1	50%
Felony Assault	0	1	-1	-100%
Burglary	0	0	0	0%
Grand Larceny	2	4	-2	-50%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	5	7	-2	-29%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION

INDEX CRIME REPORT
Per Day Average
March 2013

	Systemwide	LIRR	MNRR	SIRT
Murder	0	0	0	0
Rape	1	0	1	0
Robbery	2	1	0	1
Fel. Assault	3	2	1	0
Burglary	1	1	0	0
Grand Larceny	13	6	7	0
GLA	3	0	3	0
Total	23	10	12	1
Crimes Per Day	0.74	0.32	0.39	0.03



MTA Police Department
Arrest Summary: Department Totals

4/2/2013
10:40:27AM

1/1/2013 to 3/31/2013

Arrest Classification	Total Arrests
Robbery	10
Felony Assault	6
Burglary	7
Grand Larceny	29
Grand Larceny Auto	1
Aggravated Harassment	1
Aggravated Unlicensed Operator	13
Assault-Misdemeanor	20
Breach of Peace	4
Conspiracy	12
Criminal Impersonation	6
Criminal Mischief	17
Criminal Possession Stolen Property	8
Criminal Tampering	1
Criminal Trespass	10
Disorderly Conduct	4
Drug Offenses	3
DUI Offenses	5
Falsely Reporting an Incident	2
Forgery	6
Fraud	3
Graffiti	2
Harassment	1
Identity Theft	1
Menacing	5
Obstruct Government	7
Petit Larceny	25
Public Lewdness	9
Resisting Arrest	27
Sex Offenses	3
Theft of Services	18
Unlawful Imprisonment/Kidnapping	1
Unlawful Surveillance	1
VTL Offenses	1
Warrant Arrest	15
Weapons Offenses	1
Arrest Totals	285



POLICE REPORT

FEBRUARY 2013



METROPOLITAN TRANSPORTATION AUTHORITY
Police Department
System Wide

February 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	4	3	1	33%
Felony Assault	2	1	1	100%
Burglary	2	5	-3	-60%
Grand Larceny	20	15	5	33%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	28	24	4	17%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	7	9	-2	-22%
Felony Assault	5	4	1	25%
Burglary	4	5	-1	-20%
Grand Larceny	40	45	-5	-11%
Grand Larceny Auto	0	1	-1	-100%
Total Major Felonies	56	64	-8	-13%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Long Island Rail Road

February 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	0	1	-1	-100%
Felony Assault	2	1	1	100%
Burglary	0	1	-1	-100%
Grand Larceny	13	10	3	30%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	15	13	2	15%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	1	4	-3	-75%
Felony Assault	4	2	2	100%
Burglary	1	1	0	0%
Grand Larceny	25	23	2	9%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	31	30	1	3%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Metro North Railroad

February 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	3	2	1	50%
Felony Assault	0	0	0	0%
Burglary	2	4	-2	-50%
Grand Larceny	7	4	3	75%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	12	10	2	20%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	4	3	1	33%
Felony Assault	1	2	-1	-50%
Burglary	3	4	-1	-25%
Grand Larceny	13	19	-6	-32%
Grand Larceny Auto	0	1	-1	-100%
Total Major Felonies	21	29	-8	-28%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION



METROPOLITAN TRANSPORTATION AUTHORITY

Police Department Staten Island Rapid Transit

February 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	1	0	1	100%
Felony Assault	0	0	0	0%
Burglary	0	0	0	0%
Grand Larceny	0	1	-1	-100%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	1	1	0	0%

Year to Date 2013 vs. 2012

	2013	2012	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	2	2	0	0%
Felony Assault	0	0	0	0%
Burglary	0	0	0	0%
Grand Larceny	2	3	-1	-33%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	4	5	-1	-20%

FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION

INDEX CRIME REPORT
Per Day Average
February 2013

	Systemwide	LIRR	MNRR	SIRT
Murder	0	0	0	0
Rape	0	0	0	0
Robbery	4	0	3	1
Fel. Assault	2	2	0	0
Burglary	2	0	2	0
Grand Larceny	20	13	7	0
GLA	0	0	0	0
Total	28	15	12	1
Crimes Per Day	1.00	0.54	0.43	0.04



MTA Police Department
Arrest Summary: Department Totals

3/4/2013
10:50:22AM

1/1/2013 to 2/28/2013

Arrest Classification	Total Arrests
Robbery	5
Felony Assault	3
Burglary	5
Grand Larceny	22
Aggravated Harassment	1
Aggravated Unlicensed Operator	6
Assault-Misdemeanor	15
Breach of Peace	4
Conspiracy	12
Criminal Impersonation	3
Criminal Mischief	13
Criminal Possession Stolen Property	3
Criminal Trespass	5
Disorderly Conduct	2
Drug Offenses	3
DUI Offenses	3
Falsely Reporting an Incident	2
Forgery	6
Fraud	1
Harassment	1
Identity Theft	1
Menacing	3
Obstruct Government	4
Petit Larceny	18
Public Lewdness	6
Resisting Arrest	14
Sex Offenses	1
Theft of Services	11
Unlawful Imprisonment/Kidnapping	1
Unlawful Surveillance	1
VTL Offenses	1
Warrant Arrest	13
Weapons Offenses	1
Arrest Totals	190

INDEX CRIME REPORT
Per Day Average
February 2013

	Systemwide	LIRR	MNRR	SIRT
Murder	0	0	0	0
Rape	0	0	0	0
Robbery	4	0	3	1
Fel. Assault	2	2	0	0
Burglary	2	0	2	0
Grand Larceny	20	13	7	0
GLA	0	0	0	0
Total	28	15	12	1
Crimes Per Day	1.00	0.54	0.43	0.04



MTA Police Department
Arrest Summary: Department Totals

3/4/2013
10:50:22AM

1/1/2013 to 2/28/2013

Arrest Classification	Total Arrests
Robbery	5
Felony Assault	3
Burglary	5
Grand Larceny	22
Aggravated Harassment	1
Aggravated Unlicensed Operator	6
Assault-Misdemeanor	15
Breach of Peace	4
Conspiracy	12
Criminal Impersonation	3
Criminal Mischief	13
Criminal Possession Stolen Property	3
Criminal Trespass	5
Disorderly Conduct	2
Drug Offenses	3
DUI Offenses	3
Falsely Reporting an Incident	2
Forgery	6
Fraud	1
Harassment	1
Identity Theft	1
Menacing	3
Obstruct Government	4
Petit Larceny	18
Public Lewdness	6
Resisting Arrest	14
Sex Offenses	1
Theft of Services	11
Unlawful Imprisonment/Kidnapping	1
Unlawful Surveillance	1
VTL Offenses	1
Warrant Arrest	13
Weapons Offenses	1
Arrest Totals	190



Long Island Rail Road

INFORMATION

ITEMS

Staff Summary

Subject MAY TIMETABLE CHANGE/TRACK WORK PROGRAMS						Date APRIL 22, 2013			
Department SR. VICE PRESIDENT – OPERATIONS						Vendor Name			
Department Head Name M. GELORMINO <i>Michael Gelormino</i>						Contract Number			
Department Head Signature <i>Michael Gelormino</i>						Contract Manager Signature			
Project Manager Name									
Board Action						Internal Approval			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI COMM	4/22/13				4	President M. GELORMINO	1	Sr. VP Op. M. G.
						3	Executive VP G. P.		
						2	VP Mktg & PA		

PURPOSE:

This is to inform the Long Island Committee of the MTA Long Island Rail Road's plan to adjust schedules beginning May 13, 2013, through September 2, 2013. Service adjustments as well as several construction projects are supported during this time period. Continuing projects include East Side Access work in Harold interlocking, Atlantic Ave. tunnel lighting work, Wantagh to Amityville direct fixation and Mechanized Tie replacement on the Oyster Bay branch.

DISCUSSION

Summer Construction Activities

- Montauk branch Massapequa Station Rehabilitation – Single track outage midday weekdays between Wantagh and Amityville for station rehabilitation. Following the completion of third rail work between Freeport and Wantagh, work returns between Amityville and Wantagh for station rehabilitation at Massapequa station. As a result of the completion of work between Freeport and Wantagh express trains have been restored and will connect in Babylon with trains for points east of Babylon. Local trains have been adjusted by up to 12 minutes in order to accommodate this work and eastbound Long Beach trains have been adjusted 6 minutes earlier in order to accommodate connections in Jamaica with the Babylon trains.
- Atlantic Branch Half Ties - Weekend and weekday overnight single track outage from East New York to Jamaica. On weeknights between midnight and 2 AM trains and their connections have been adjusted between 5 and 10 minutes for Half-Tie replacement work and on weekends trains and their connections have been adjusted between 2 and 10 minutes for Half-Tie work between Jamaica and East New York.

Service Adjustments / Montauk Branch

- Montauk branch – A number of adjustments are incorporated during peak summer service to reduce unscheduled extra service and address significant customer overcrowding at both the platforms and trains.
 - Improved “Cannonball” service. Responding to demand for a one-seat ride, as well as improving on-time performance and boarding procedures, for the first time in LIRR history, the Cannonball will now originate from Penn Station and operate as an express, non-stop to the Hamptons,

bypassing the Jamaica stop and making its first stop at Westhampton. The train will depart Penn Station at 4:07 PM, and will now be designated as a Peak train.

- Schedules have been revised and adjusted to close service gaps on weekends and reduce unscheduled service in an effort to "even out" service demands due to growing customer loading on the heavily traveled summer Montauk service. For example, a weekday eastbound train from Jamaica to Speonk has been added departing Jamaica at 12:43 PM. In addition, a westbound service has been scheduled from Speonk at 3:05 PM as an extension of an existing service that previously started from Patchogue. These new scheduled services will run weekdays from Memorial Day through to Columbus Day, and will close a gap in afternoon service that has caused crowding on existing trains due to steadily increasing Fire Island/Hamptons ridership.

Track Work Programs

- Montauk branch – Single main track will be out of service between Sayville and Speonk for 24 hours Saturday May 4, 2013 for crossing renewal of West Ave. in Patchogue and Floyd's Mastic Rd. in Mastic. Eastbound customers traveling to stations Patchogue through Montauk will transfer at Sayville for Bus service. Local eastbound train service will resume from Speonk station. Three eastbound Speonk trains will have their schedules combined with the bus schedules of three eastbound Montauk trains. Westbound Montauk branch customers will transfer at Speonk for connecting bus service to Sayville station where normal train service will resume for the balance of their trip. Three westbound Patchogue trains will have their schedules combined with the bus schedules of three westbound Montauk trains. Customers will experience up to 49 minutes of increased travel time.
- Port Jefferson branch – Single main track will be out of service between Kings Park and Port Jefferson for 24 hours Saturday May 18, 2013 for Concrete Tie prep work and Lawrence Rd. crossing renewal in Smithtown. Eastbound customers will detrain at Kings Park station and board buses for stations Smithtown through Port Jefferson. Customers will arrive up to 16 minutes later than normal. Westbound customers will board buses up to 18 minutes earlier than normal for Kings Park where train service will resume.
- Main Line – Single main track will be out of service between Riverhead and Greenport midday weekdays from May 20 – 24, 2013 for grade crossing renewal of Sound Ave., Westphalia Ave., Love Lane, Wickham Ave., and Mary's Rd. in Mattituck. Eastbound customers will detrain at Riverhead and board buses for stations Mattituck through Greenport. Customers will arrive at their final destination up to 10 minutes later than normal. Westbound customers will board buses at stations Greenport through Mattituck up to 11 minutes later than normal for Riverhead where train service will resume.
- Oyster Bay branch - Single main track will be out of service between Locust Valley and Oyster Bay midday weekdays from May 20, 2013 to June 21, 2013 between Locust Valley and Oyster Bay Mech Tie installation. Eastbound customers will detrain at Locust Valley and board vans for Oyster Bay station. Customers will arrive up to 10 minutes later than normal. Westbound customers will board vans at Oyster Bay, 9 minutes earlier than normal, for Locust Valley where train service will resume.
- Atlantic Branch Half Ties - Weekend and weekday overnight single track outage from East New York to Jamaica. On weeknights between midnight and 2 AM trains and their connections have been adjusted between 5 and 10 minutes for Half-Tie replacement work and on weekend's trains and their connections have been adjusted between 2 and 10 minutes for Half-Tie work between Jamaica and East New York.

Public Timetables and other informational material will be issued providing details of service.

IMPACT ON FUNDING

Funding for the Construction/Track Work Programs is contained in the Long Island Rail Road Operating and Capital budgets. Montauk service improvements will be funded in the Operating budget.

**MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
SUMMARY**

The MTA Long Island Rail Road's financial performance in comparison to the 2012 Adopted Budget was favorable. The net operating deficit of \$(981.2) million was \$84.4 million or 7.9% less than was anticipated in the budget. The operating cash deficit of \$(591.6) million was \$53.6 million or 8.3% favorable to budget. In other words, the LIRR relied on less MTA subsidy support than originally assumed in the Adopted Budget.

The non-reimbursable net deficit of \$(981.2) million was favorable to the 2012 Final Estimate by \$50.5 million. This improvement in the final result was due to the fact that actual 2012 expenses of \$1,626.3 million were \$24.6 million lower than the Final Estimate and total Operating Revenue of \$645.1 million was \$25.9 million higher than the Final Estimate. Farebox revenues accounted for \$581.4 million and other sources generated \$63.7 million.

In order to achieve these positive results, the LIRR subjected key cost centers to review. Further, the LIRR developed and implemented an action plan to reduce or contain costs while ensuring a high standard for performance.

Total Operating Revenues were \$25.9 million higher than the Final Estimate attributed to higher other operating revenue of \$26.8 million driven by prior period revenue adjustments related to a recently signed right-of-way leased line revenue agreement. Farebox revenue was \$(1.0) million lower than the Final Estimate. The unfavorable variance was due to the impact of Superstorm Sandy, which resulted in a loss of almost 2.4 million passengers. However, despite Superstorm Sandy, overall ridership grew from 2011 to 2012 by 0.7 million or 0.9%.

Total Non-Reimbursable Expenses were \$24.6 million lower than the Final Estimate as a result of several factors including a continued focus on cost control. Labor expenses of \$889.6 million were \$16.9 million lower than the estimate primarily due to the existence of vacant positions throughout the year (and associated fringe costs), lower sick/retiree payments, accrual adjustments, lower OPEB Current due to rates and fewer retiree/beneficiaries, lower overtime and lower FELA Indemnity payments.

Non-labor expenses of \$332.7 million were \$12.1 million favorable to the Final Estimate primarily due to lower rates and consumption for electric power and fuel, lower corporate inventory adjustments for material obsolescence, pool material reclaims greater than charge-outs, lower fleet modification and running repair costs, and lower overall maintenance and other operating contracts.

Depreciation of \$317.3 million was \$0.6 million lower than the estimate. Other post-employment benefits for future retirees and environmental remediation of \$86.6 million were \$(5.0) million higher than estimate primarily due to higher than originally estimated reserve for environmental remediation.

Adjustments for electric power, environmental remediation, Other Post-Employment Benefits, maintenance and professional services and Other Business Expenses were the only significant post close adjustments.

Total Reimbursable revenues and expenses were \$(14.4) million lower than the Final Estimate primarily resulting from the timing of project activity for East Side Access, the impacts of Superstorm Sandy on the capital program, and material for the five year capital program.

LIRR's Cash Deficit of \$(591.6) million was \$38.7 million lower than the Final Estimate. This variance consists of a real favorable variance of \$10.3 million and favorable timing variances of \$28.4 million. Cash Receipts of \$852.1 million were lower than the Final Estimate by \$(59.1) million, comprised of \$(8.0) million in real variances and \$(51.1) million in timing variances. The timing variance is primarily attributed to a delay in the settlement and collection of right-of-way leased line fees and receipt of capital and other reimbursements. The real variance is due to unfavorable Farebox Revenue and unfavorable capital reimbursements resulting from lower project activity.

Cash expenditures of \$1,442.0 million were \$99.6 million lower than the Final Estimate, comprised of \$20.1 million in real spending and \$79.5 million in timing variances. The real variance is attributed to lower Payroll, Overtime, OPEB Current Payments, Other Fringe, Electric and Diesel Power and Professional Services. The timing variance is mainly attributed to potential outstanding liability payments for Traction Power, FELA Claims, Maintenance and Other Operating Contracts, Professional Services and Superstorm Sandy Payments.

The overall favorable 2012 financial performance reflects the LIRR's continued focus on maximizing scarce financial resources. Heading into 2013, the LIRR will continue to monitor its operations and cost structure in order to operate as cost efficiently as possible.

**MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
EXPLANATIONS OF REVENUE AND EXPENSE VARIANCES
ACCRUAL BASIS**

2012 Final Estimate vs. Actual

Non-Reimbursable

Revenue:

- **Farebox Revenue** was \$(1.0) million or (0.2)% less than estimate. Ridership of 81.8 million was (1.4)% below estimate resulting in a decrease of \$(8.0) million, partially offset by a higher yield per passenger resulting in an increase of \$7.1 million.
- **Other Operating Revenue** was \$26.8 million or 72.7% higher than estimate primarily due to prior period right-of-way leased line revenue adjustments.

Expenses:

- **Payroll** was \$6.8 million or 1.6% below the estimate primarily due to lower retiree payments, rates, vacation pay accrual/reversals, sick leave year-end accrual, work rule payments and vacant positions, partially offset by Engineering workforce performing more maintenance activity and less project activity than expected and higher differential payments.
- **Overtime** was \$5.0 million or 5.2% below the estimate primarily due to the timing of weather-related overtime and lower rolling stock maintenance overtime.
- **Health & Welfare** was \$0.2 million or 0.3% below the estimate due to lower headcount.
- **OPEB Current Payment** was \$4.3 million or 7.2% below estimate due to lower rates and fewer retirees/beneficiaries than anticipated.
- **Pension** was \$(2.6) million or (1.6)% above estimate based on latest actuarial estimate and the estimated percentage of pension allocated to reimbursable was over-estimated.
- **Other Fringe Benefits** were \$6.3 million or 6.0% below estimate primarily due to lower FELA Indemnity payments and Railroad Retirement taxes.
- **Electric Power** was \$1.5 million or 1.7% below the estimate primarily due to lower rates, lower consumption, the timing of accruals adjustments and lower electric facilities payments.
- **Fuel** was \$1.0 million or 3.5% below the estimate primarily due to lower consumption.

- **Claims** were \$(2.3) million or (66.6)% above estimate primarily due to increased reserves.
- **Maintenance and Other Operating Contracts** were \$7.1 million or 11.8% below estimate. The lower expenses were primarily associated with lower payments and activities for joint facility maintenance, plant equipment maintenance, toilet servicing, telecommunication services, utilities, environmental services, vegetation management and other various maintenance contracts. This was partially offset by timing of and higher expenses for non-revenue vehicle repairs.
- **Professional Service Contracts** were \$0.6 million or 1.9% below estimate. The lower expenses were primarily associated with lower MTA Chargebacks and various consulting, third party security and outside legal counsel services, partially offset by consultant costs for planning studies and IT maintenance and repair services.
- **Materials & Supplies** were \$14.0 million or 13.6% below estimate. The savings were primarily due to corporate inventory adjustments, pool material reclaims greater than charge-outs (resulting in an accrued credit), lower usage of running repair material in the Support Shops, timing of fleet modifications and lower usage of MU running repair material in the Car Shop.
- **Other Business Expenses** were \$(9.8) million or (72.4)% above estimate primarily due to higher maintenance and repairs for Superstorm Sandy, write-offs associated with the concrete tie replacement program and higher bad debt expenses, partially offset by lower employee expenses and debit/credit card fees.
- **Depreciation** was \$0.6 million or 0.2% below estimate primarily due to timing.
- **Other Post Employee Benefits** were \$(0.5) million or (0.7)% above estimate primarily due to higher GASB adjustment to reflect the value associated with unfunded accrued liability for post - employment benefits.
- **Environmental Remediation** was \$(4.4) million above estimate due to higher than original estimated reserve for environmental remediation.

From the year-end preliminary actuals to the final close, total non-reimbursable revenues increased by \$2.1 million and total non-reimbursable expenses including non-cash liability adjustments decreased by \$15.5 million for a net change of \$17.5 million. The revenue increase was due to a recently signed right-of-way leased line agreement. The expense decrease was primarily due a recently signed traction power agreement \$19.7 million, Depreciation adjustments \$0.2 million, environmental remediation \$1.1 million and various payroll accrual reversals \$1.0 million, partially offset by Maintenance and Repair for Superstorm Sandy \$(3.6) million and various other expenses \$(2.9 million).

The impact of 2012 results should not have a substantial impact on the 2013 accrued budget. Except for maintenance costs associated with Superstorm Sandy, many of the variances in 2012 are not expected to recur in 2013.

Reimbursable:

Total Capital and Other Reimbursements were lower than estimate by \$(14.4) million or (7.0)%. This was primarily due to delays in the following projects: East Side Access, Positive Train Control, Operating Funded Capital, and material purchases/usage for various Projects. Also contributing to the shortfall was the rescheduling of fourth quarter Force Account Projects due to Superstorm Sandy.

2012 Adopted Budget vs. Actual

Non-Reimbursable:

Revenue:

- **Farebox Revenue** was \$10.6 million or 1.9% above budget primarily due to higher than expected ridership and yield per passenger, valued at \$5.5 million and \$5.1 million, respectively.
- **Other Operating Revenue** was \$23.0 million or 56.6% higher than budget primarily due to a prior period right-of-way leased line revenue adjustments, partially offset by a delay in the anticipated sale of air rights and lower advertising revenue.

Expenses:

- **Payroll** was \$2.0 million or 0.5% below budget primarily due to lower sick retiree payments, vacant positions, vacation pay accruals and sick leave accruals, partially offset by the Engineering workforce performing greater maintenance activities and less project activity than originally projected and higher differential payments.
- **Overtime** was \$(17.2) million or (23.5)% above budget due to higher vacancy/absentee coverage and weather-related overtime, partially offset by lower maintenance-related overtime.
- **Health & Welfare** was \$5.4 million or 5.8% below budget primarily due to lower headcount and rates than expected.
- **OPEB Current Payment** was \$6.1 million or 10.0% below budget due to lower rates and fewer retirees/beneficiaries than anticipated.
- **Pension** was \$33.0 million or 16.7% below budget primarily due to the latest actuarial estimate. In addition, the percentage of pension allocated to reimbursable was under-estimated.
- **Other Fringe Benefits** were \$6.3 million or 6.0% below budget due to lower Rail Road Retirement Tax, lower FELA Indemnity payments and lower Railroad Unemployment Insurance.
- **Electric Power** was \$16.3 million or 15.5% below budget primarily due to lower rates and consumption.

- **Fuel** was \$1.1 million or 3.8% below budget due to lower rates and consumption, partially offset by higher gasoline consumption for non-revenue vehicles.
- **Insurance** was \$0.6 million or 3.6% below budget primarily due to lower liability premiums.
- **Claims** were \$(2.3) million or (66.5)% above budget primarily due to higher public liabilities expense.
- **Maintenance and Other Operating Contracts** were \$5.7 million or 9.6% below budget resulting from lower activities and the timing of expenses for security initiatives, joint facility projects, utilities, telecommunication services, environmental services, rubbish removal, toilet servicing, vegetation management and various other maintenance and other operating contracts, partially offset by increased repairs and maintenance for escalators and elevators and the timing of payments for non-revenue vehicle maintenance.
- **Professional Service Contracts** were \$3.3 million or 9.9% below budget primarily due to the timing of activities and payments for technology hardware and software.
- **Materials & Supplies** were \$12.7 million or 12.5% below budget. The savings were primarily due to lower corporate inventory adjustments, pool material reclaims greater than charge-outs (resulting in an accrued credit), lower charge-outs of running repair material in the Support Shops, delayed fleet modifications, lower use of material for periodic inspections and delayed purchase of bench test equipment.
- **Other Business Expense** was \$(8.5) million or (58.0)% above budget primarily due to higher maintenance and repairs for Superstorm Sandy, write-offs associated with the concrete tie replacement program and bad debt expenses, partially offset by lower debit/credit card fees and employee expenses.
- **Depreciation** was \$(0.3) million above budget.
- **Other Post Employee Benefits** were \$(2.9) million or (3.8)% above budget primarily due to a higher GASB adjustment, reflecting the value associated with unfunded accrued liability for post-employment benefits.
- **Environmental Remediation** was \$(4.4) million above budget due to higher than anticipated reserve for environmental remediation.

Reimbursable:

Total Capital and Other Reimbursements were lower than budget by \$(20.6) million, or (9.7)%. This was primarily due to delays in East Side Access, Positive Train Control, Operating Funded Capital, and material purchases/usage for various Projects. Also contributing to the shortfall was the rescheduling of fourth quarter Force Account projects due to Superstorm Sandy.

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

NON-REIMBURSABLE							
	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$570.727	\$582.329	\$581.371	\$10.644	1.9	(\$0.958)	(0.2)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	40.695	36.902	63.718	23.023	56.6	26.816	72.7
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	-	0.000	-
Total Revenue	\$611.422	\$619.232	\$645.089	\$33.667	5.5	\$26.858	4.2
Expenses							
Labor:							
Payroll	\$417.933	\$422.656	\$415.892	\$2.041	0.5	\$6.764	1.6
Overtime	73.071	95.272	90.276	(17.205)	(23.5)	4.996	5.2
Health and Welfare	93.301	88.142	87.904	5.397	5.8	0.239	0.3
OPEB Current Payment	60.940	59.105	54.845	6.095	10.0	4.260	7.2
Pensions	197.502	161.902	164.459	33.043	16.7	(2.557)	(1.6)
Other Fringe Benefits	105.062	105.057	98.779	6.283	6.0	6.278	6.0
Reimbursable Overhead	(28.669)	(25.559)	(22.511)	(6.158)	(21.5)	(3.048)	(11.9)
Total Labor Expenses	\$919.140	\$906.576	\$889.643	\$29.497	3.2	\$16.932	1.9
Non-Labor:							
Electric Power	\$105.472	\$90.641	\$89.144	\$16.328	15.5	\$1.496	1.7
Fuel	27.424	27.338	26.374	1.050	3.8	0.964	3.5
Insurance	16.204	15.621	15.617	0.587	3.6	0.004	0.0
Claims	3.401	3.400	5.664	(2.263)	(66.5)	(2.264)	(66.6)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	58.685	60.095	53.026	5.659	9.6	7.069	11.8
Professional Service Contracts	33.833	31.072	30.497	3.336	9.9	0.575	1.9
Materials & Supplies	101.840	103.160	89.151	12.689	12.5	14.009	13.6
Other Business Expenses	14.701	13.477	23.228	(8.527)	(58.0)	(9.751)	(72.4)
Total Non-Labor Expenses	\$361.560	\$344.804	\$332.702	\$28.858	8.0	\$12.102	3.5
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	\$1,222.345	\$58.355	4.6	\$29.034	2.3
Depreciation	\$317.060	\$317.917	\$317.340	(\$0.280)	0.0	\$0.577	0.2
Other Post Employee Benefits	77.250	79.662	80.185	(2.935)	(3.8)	(0.523)	(0.7)
Environmental Remediation	2.000	2.000	6.441	(4.441)	*	(4.441)	*
Total Expenses	\$1,677.010	\$1,650.958	\$1,626.312	\$50.698	3.0	\$24.646	1.5
Net Surplus/(Deficit)							
<i>(Excluding Subsidies and Debt Service)</i>	(\$1,065.588)	(\$1,031.727)	(\$981.223)	\$84.365	7.9	\$50.504	4.9
Cash Conversion Adjustments							
Depreciation	317.060	317.917	317.340	\$0.280	0.0	(\$0.577)	(0.2)
Operating/Capital	(8.489)	(8.074)	(4.840)	3.649	43.0	3.234	40.1
Other Cash Adjustments	111.809	91.568	77.090	(34.719)	(31.1)	(14.477)	(15.8)
Total Cash Conversion Adjustments	\$420.380	\$401.411	\$389.590	(\$30.790)	(7.3)	(\$11.820)	(2.9)
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
The results are subject to audit

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

REIMBURSABLE							
	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
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	-
Cash Conversion Adjustments							
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	-

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

				Favorable/(Unfavorable) Variance			
	2012						
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget	Final Estimate		
				\$	%	\$	%
Revenue							
Farebox Revenue	\$570.727	\$582.329	\$581.371	\$10.644	1.9	(\$0.958)	(0.2)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	40.695	36.902	63.718	23.023	56.6	26.816	72.7
Capital and Other Reimbursements	211.500	205.368	190.936	(20.564)	(9.7)	(14.432)	(7.0)
Total Revenue	\$822.922	\$824.600	\$836.025	\$13.103	1.6	\$11.425	1.4
Expenses							
Labor:							
Payroll	\$489.481	\$489.492	\$477.848	\$11.633	2.4	\$11.644	2.4
Overtime	82.639	107.363	103.515	(20.876)	(25.3)	3.848	3.6
Health and Welfare	105.575	100.246	99.685	5.890	5.6	0.561	0.6
OPEB Current Payment	60.940	59.105	54.845	6.095	10.0	4.260	7.2
Pensions	216.088	183.100	186.501	29.587	13.7	(3.401)	(1.9)
Other Fringe Benefits	119.845	119.249	112.318	7.527	6.3	6.931	5.8
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
Total Labor Expenses	\$1,074.568	\$1,058.556	\$1,034.712	\$39.856	3.7	\$23.844	2.3
Non-Labor:							
Electric Power	\$105.472	\$90.786	\$89.337	\$16.135	15.3	\$1.448	1.6
Fuel	27.424	27.338	26.374	1.050	3.8	0.964	3.5
Insurance	21.187	19.807	19.263	1.924	9.1	0.544	2.7
Claims	3.401	3.400	5.664	(2.263)	(66.5)	(2.264)	(66.6)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	67.779	72.519	65.371	2.408	3.6	7.148	9.9
Professional Service Contracts	36.581	33.124	31.967	4.614	12.6	1.157	3.5
Materials & Supplies	141.009	136.854	116.796	24.213	17.2	20.058	14.7
Other Business Expenses	14.779	14.364	23.796	(9.017)	(61.0)	(9.432)	(65.7)
Total Non-Labor Expenses	\$417.632	\$398.192	\$378.569	\$39.063	9.4	\$19.623	4.9
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	\$1,413.281	\$78.919	5.3	\$43.467	3.0
Depreciation	\$317.060	\$317.917	\$317.340	(\$0.280)	0.0	\$0.577	0.2
Other Post Employee Benefits	77.250	79.662	80.185	(2.935)	(3.8)	(0.523)	(0.7)
Environmental Remediation	2.000	2.000	6.441	(4.441)	*	(4.441)	*
Total Expenses	\$1,888.510	\$1,856.326	\$1,817.247	\$71.263	3.8	\$39.079	2.1
Net Surplus/(Deficit) (Excluding Subsidies and Debt Service)	(\$1,065.588)	(\$1,031.727)	(\$981.223)	\$84.365	7.9	\$50.504	4.9
Cash Conversion Adjustments							
Depreciation	317.060	317.917	317.340	\$0.280	0.0	(\$0.577)	(0.2)
Operating/Capital	(8.489)	(8.074)	(4.840)	3.649	43.0	3.234	40.1
Other Cash Adjustments	111.809	91.568	77.090	(34.719)	(31.1)	(14.477)	(15.8)
Total Cash Conversion Adjustments	\$420.380	\$401.411	\$389.590	(\$30.790)	(7.3)	(\$11.820)	(2.9)
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
The results are subject to audit

**MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
EXPLANATIONS OF CASH RECEIPTS AND EXPENDITURE VARIANCES**

2012 Final Estimate vs. Actual

Receipts

- **Farebox Revenue** was \$(3.7) million or (0.6)% lower than the estimate due to Superstorm Sandy \$(8.0) million, lower Metrocard/AirTrain sales \$(2.0) million and lower advance sales \$(0.7) million, mostly offset by a cumulative higher yield per passenger \$7.1 million.
- **Other Operating Revenue** was \$(49.7) million or (54.4)% lower than the estimate primarily due to a delay in the settlement and collection of right-of-way leased line fees and the timing of advertising receipts.
- **Capital and Other Reimbursements** were \$(5.7) million or (2.7)% lower than estimate due to the timing of activity and reimbursement for capital and other reimbursements.

Expenditures

- **Payroll** was \$9.1 million or 1.9% lower than the estimate primarily due to lower retiree payments, lower rates, lower work rule payments, vacant positions, and timing of payroll weeks.
- **Overtime** was \$4.4 million or 4.1% lower than the estimate primarily related to the timing of weather-related overtime and lower rolling stock maintenance overtime, partially offset by higher project overtime.
- **Health and Welfare** was \$0.4 million or 0.4% lower than the estimate primarily related to lower headcount.
- **OPEB Current Payment** was \$4.4 million or 7.4% lower than the estimate primarily due to lower retiree payments.
- **Pensions** were \$(4.1) million or (2.2)% higher than the estimate based on the latest actuarial estimate.
- **Other Fringe Benefits** were \$18.3 million or 14.9% lower than the estimate primarily due to the timing of FELA Indemnity and Railroad Retirement Tax payments, partially offset by higher payments for meals and Railroad Unemployment Insurance.
- **Electric Power** was \$45.9 million or 35.3% lower than the estimate primarily due to a delayed traction power vendor settlement payment of \$41.48 million, unbilled meters, lower consumption and lower rates, and lower electric facilities payments.

- **Fuel** was \$3.5 million or 11.3% lower than the estimate due to the timing of payments and lower consumption.
- **Insurance** was \$(1.3) million or (5.3)% higher than estimate due to the timing of payments.
- **Claims** were \$(4.2) million or (143.4)% higher than the estimate due to higher claim payments.
- **Maintenance and Other Operating Contracts** was \$8.0 million or 9.4% lower than the estimate primarily due to the timing of payments for maintenance and current year joint facility services, partially offset by higher payments for operating services and prior year and a one-time future year advance agreement payment for joint facilities services.
- **Professional Service Contracts** were \$8.9 million or 27.6% lower than estimate due to the timing of and lower payments for consulting and MTA chargeback services.
- **Materials and Supplies** were \$2.0 million or 1.6% lower than estimate primarily due to the timing of material and supply payments.
- **Other Business Expenses** were \$3.0 million or 21.6% lower than estimate primarily due to lower employee expense and debit/credit card fee payments.
- **Cash Timing and Availability Adjustment** was \$(1.8) million lower than the estimate in order to align to the daily cash balance as reported to the MTA.

The total cash deficit variance of \$38.7 million, as detailed above, represents a real variance of \$10.3 million and a timing variance of \$28.4 million. The timing variance includes a \$(43.7) million right-of-way leased line revenue variance, \$(3.2) million in capital and other reimbursement revenue, \$(2.3) million in advertising revenue, \$19.0 million of 2004-2008 retroactive traction power payments, \$25.4 million of 2009-2012 potential traction power payments, \$4.7 million of Superstorm Sandy payments, \$11.8 million in FELA claims payments, \$8.1 million in non-Sandy maintenance service payments, \$4.5 million in professional services payments, \$3.0 million in non-Sandy related material and other business expense payments and \$2.8 million in payroll payments, partially offset by \$(1.3) million in early Insurance premium payments.

2012 Adopted Budget vs. Actual

Receipts

- **Farebox Revenue** was \$7.0 million or 1.2% greater than budget due to \$5.5 million higher ridership revenue, \$5.1 million in higher yields and higher advance sales of \$0.4 million, partially offset by lower Metrocard/AirTrain sales of \$(4.0) million.
- **Other Operating Revenue** was \$(10.4) million or (19.9)% lower than budget primarily due to non-collection of right-of-way leased line fees and air rights revenue, and the timing of advertising revenue.
- **Capital and Other Reimbursements** were \$(44.5) million or (17.9)% lower than budget due to the early collection of reimbursements in 2011, delays in the following projects: East Side Access, Positive Train Control and the rescheduling of fourth quarter project work due to Superstorm Sandy.

Expenditures

- **Payroll** was \$10.2 million or 2.1% lower than budget due to lower retiree payments, lower rates, vacant positions, and timing of payroll weeks.
- **Overtime** was \$(20.3) million or (24.6)% higher than budget primarily due to higher than expected vacancy/absentee coverage and weather-related overtime.
- **Health and Welfare** was \$5.7 million or 5.4% lower than budget primarily due to lower headcount and rates.
- **OPEB Current Payment** was \$6.2 million or 10.2% lower than budget primarily due to lower rates and fewer retirees.
- **Pensions** were \$28.9 million or 13.4% lower than budget due to the latest actuarial estimate.
- **Other Fringe Benefits** were \$18.3 million or 15.0% lower than budget primarily due to lower FELA claim, Railroad Retirement Tax and Railroad Unemployment payments.
- **Electric Power** was \$32.0 million or 27.6% lower than budget primarily due to the timing of payments, lower rates and lower consumption.
- **Fuel** was \$2.4 million or 8.1% lower than budget primarily due to lower rates and decreased consumption.
- **Insurance** was \$(6.8) million or (34.4)% higher than budget primarily due to delayed 2011 payments.
- **Claims** were \$(4.0) million or 128.0% higher than budget primarily due to higher claim payments.

- **Maintenance and Other Operating Contracts** was \$(0.4) million or (0.5)% higher than budget.
- **Professional Service Contracts** were \$10.6 or 31.2% lower than budget primarily due to both lower payments and timing of contracted and MTA chargeback services.
- **Materials and Supplies** were \$15.8 million or 11.3% lower than budget due to lower purchases and the timing of program and production plan and operating funded capital material.
- **Other Business Expenses** were \$3.3 million or 23.1% lower than budget primarily due to lower employee expense and debit/credit card fee payments.
- **Other Expense Adjustments** were \$3.3 million or 11.4% lower than budget due to lower Metrocard/AirTrain sales pass-through payments.
- **Cash Timing and Availability Adjustment** was \$(1.8) million lower than budget in order to align to the daily cash balance as reported to the MTA.

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

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	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	41.670	(10.367)	(19.9)	(49.722)	(54.4)
Capital and Other Reimbursements	248.228	209.391	203.686	(44.542)	(17.9)	(5.705)	(2.7)
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
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL
CASH CONVERSION (CASH FLOW ADJUSTMENTS)
(\$ in millions)

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
Receipts							
Farebox Revenue	\$29.000	\$28.128	\$25.395	(\$3.605)	(12.4)	(\$2.732)	(9.7)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	11.342	54.490	(22.049)	(33.391)	*	(76.538)	*
Capital and Other Reimbursements	36.728	4.023	12.750	(23.978)	(65.3)	8.727	*
Total Receipts	\$77.070	\$86.640	\$16.097	(\$60.973)	(79.1)	(\$70.543)	(81.4)
Expenditures							
Labor:							
Payroll	\$2.261	\$3.377	\$0.868	(\$1.393)	(61.6)	(\$2.509)	(74.3)
Overtime	0.000	0.000	0.558	0.558	-	0.558	-
Health and Welfare	0.000	0.000	(0.203)	(0.203)	-	(0.203)	*
PEB Current Payment	0.000	0.000	0.093	0.093	-	0.093	-
Pensions	0.000	0.000	(0.672)	(0.672)	-	(0.672)	-
Other Fringe Benefits	(2.418)	(3.000)	8.343	10.761	*	11.343	*
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)	(\$1.022)	\$7.138	87.5	\$8.610	89.4
Non-Labor:							
Electric Power	(\$10.552)	(\$39.217)	\$5.279	\$15.831	*	\$44.497	*
Fuel	(2.489)	(3.640)	(1.102)	1.387	55.7	2.538	69.7
Insurance	1.447	(5.382)	(7.265)	(8.712)	*	(1.883)	(35.0)
Claims	0.269	0.466	(1.478)	(1.747)	*	(1.944)	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	(8.936)	(12.556)	(11.724)	(2.788)	(31.2)	0.832	6.6
Professional Service Contracts	2.581	0.774	8.561	5.980	*	7.787	*
Materials & Supplies	1.422	11.089	(6.998)	(8.420)	*	(18.087)	*
Other Business Expenses	0.418	0.290	12.758	12.340	*	12.468	*
Total Non-Labor Expenditures	(\$15.840)	(\$48.176)	(\$1.968)	\$13.872	87.6	\$46.208	95.9
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)	(\$28.674)	\$24.326	45.9	\$56.135	66.2
Depreciation	\$317.060	\$317.917	\$317.340	\$0.280	0.0	(\$0.577)	(0.2)
Other Post Employee Benefits	77.250	79.662	80.185	2.935	3.8	0.523	0.7
Environmental Remediation	2.000	2.000	6.441	4.441	*	4.441	*
Total Expenditures	\$343.310	\$314.770	\$375.293	\$31.983	9.3	\$60.522	19.2
Cash Timing and Availability Adjustment	0.000	0.000	(1.799)	(1.799)	-	(1.799)	-
Baseline Total Cash Conversion Adjustments	\$420.380	\$401.411	\$389.590	(\$30.790)	(7.3)	(\$11.820)	(2.9)

Totals may not add due to rounding

MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
2012 CASH RESULTS - ACTUAL vs. FINAL ESTIMATE
(\$ in millions)

			Favorable/(Unfavorable) Variance		
	Final Estimate	Actual	Total	Real	Timing
<u>Receipts</u>					
Farebox Revenue	\$610.457	\$606.767	(\$3.690)	(\$2.965)	(\$0.725)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	91.392	41.670	(49.722)	(2.527)	(47.195)
Capital and Other Reimbursements	209.391	203.686	(5.705)	(2.545)	(3.160)
Total Receipts	\$911.240	\$852.122	(\$59.118)	(\$8.038)	(\$51.080)
<u>Expenditures</u>					
Labor:					
Payroll	\$486.115	\$476.980	\$9.135	\$6.333	\$2.802
Overtime	107.363	102.957	4.406	4.406	0.000
Health and Welfare	100.246	99.888	0.358	0.358	0.000
OPEB Current Payment	59.105	54.752	4.353	4.353	0.000
Pensions	183.100	187.173	(4.073)	(4.769)	0.695
Other Fringe Benefits	122.249	103.975	18.274	5.874	12.400
GASB Account	10.010	10.010	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,068.188	\$1,035.734	\$32.454	\$16.556	\$15.897
Non-Labor:					
Electric Power	\$130.003	\$84.058	\$45.945	\$1.574	\$44.371
Fuel	30.978	27.475	3.503	3.155	0.348
Insurance	25.189	26.528	(1.339)	0.000	(1.339)
Claims	2.934	7.142	(4.208)	(4.208)	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	85.075	77.095	7.980	(1.263)	9.243
Professional Service Contracts	32.350	23.406	8.944	4.481	4.462
Materials & Supplies	125.765	123.795	1.970	0.000	1.970
Other Business Expenses	14.074	11.038	3.036	(1.520)	4.556
Total Non-Labor Expenditures	\$446.368	\$380.537	\$65.831	\$2.220	\$63.611
Other Expenditure Adjustments:					
Other	27.000	25.684	1.316	1.316	0.000
Total Other Expenditure Adjustments	\$27.000	\$25.684	\$1.316	\$1.316	\$0.000
Total Expenditures	\$1,541.556	\$1,441.955	\$99.601	\$20.093	\$79.508
Cash Timing and Availability Adjustment	\$0.000	(\$1.799)	(\$1.799)	(\$1.799)	\$0.000
Baseline Net Cash Deficit	(\$630.316)	(\$591.632)	\$38.684	\$10.255	\$28.428

Totals may not add due to rounding.

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

	2012 Adopted Budget		2012 Final Estimate		Actual		2012 Adopted Budget vs. Actuals		2012 Final Estimate vs. Actuals	
	Hours		Hours		Hours		Var. - Fav/(Unfav)		Var. - Fav/(Unfav)	
		\$		\$			Hours	\$	Hours	\$
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)
							-35.4%	-38.4%	-9.1%	-9.5%
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
2012 YEAR-END REPORT
EXPLANATIONS OF VARIANCES ON RIDERSHIP/ (UTILIZATION)**

2012 Final Estimate vs. Actual

Ridership of 81.8 million was (1.4)% below the final estimate resulting in a decrease of \$(8.0) million in farebox revenue, partially offset by a higher yield per passenger resulting in an increase of \$7.1 million in farebox revenue.

2012 Adopted Budget vs. Actual

In comparison to the Adopted Budget, actual farebox revenue was above budget by \$10.6 million. Ridership was 1.0% above budget resulting in an increase of \$5.5 million and a higher yield per passenger resulted in an increase of \$5.1 million.

Compared to 2011, ridership increased by 0.9% or 0.7 million passengers.

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

	Year-to-Date as of December 2012			Variance Favorable/(Unfavorable)			
	Budget	Final Estimate	Actual	vs. Budget		vs. Final Estimate	
				\$	%	\$	%
Farebox Revenue							
Monthly	\$286.284	\$290.393	\$286.571	\$0.287	0.1	(\$3.821)	(1.3)
Weekly	13.483	14.416	15.446	1.963	14.6	1.030	7.1
Total Commutation	\$299.768	\$304.809	\$302.018	\$2.250	0.8	(\$2.791)	(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	\$581.371	10.644	1.9	(\$0.958)	(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	(0.464)	(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	9.549	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	(1.143)	(1.4)

(1) Includes estimated loss of 519,204 rides due to Super Storm Sandy (October/November).
The results are subject to audit

**MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
EXPLANATIONS OF VARIANCES on POSITIONS
By FUNCTION and DEPARTMENT
NON-REIMBURSABLE/ REIMBURSABLE and FULL-TIME/ FULL-TIME
EQUIVALENTS**

2012 Final Estimate vs. Actual

At the end of 2012, the Long Island Rail Road had 6,414 total active paid employees, which consisted of 5,960 non-reimbursable and 454 reimbursable positions. This was 183 positions or 2.8% below the final estimate of 6,597.

The lower number of actual positions as compared to the final estimate was associated with greater than expected headcount attrition, training program limitations and more stringent management oversight of hiring for non-craft positions. The Final Estimate projected a sharp increase in hiring in the Transportation Services Department to address low availability, expected project activity requiring greater flagging requirements and increase in train crew needs to various service initiatives. Hiring plans have been developed and implemented aggressively to fill vacancies in 2013. Significant portions of the headcount vacancies versus final estimate were found in Transportation Services, Engineering, Maintenance of Equipment and several administrative departments.

MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
December 31, 2012

Department	2012 Adopted Budget	2012 Final Estimate	Actual	Favorable/(Unfavorable)			
				2012		2012	
				Adopted Budget	%	Final Estimate	%
	Variance					Variance	
Administration							
Executive VP	2	3	5	(3)	-150.0%	(2)	-66.7%
Labor Relations	10	11	11	(1)	-10.0%	0	0.0%
Procurement & Logistics (excl. Stores)	82	84	79	3	3.7%	5	6.0%
Human Resources	32	31	29	-3	9.4%	-2	6.5%
Sr VP Administration	2	2	2	0	0.0%	0	0.0%
Strategic Investments	43	35	26	17	39.5%	9	25.7%
President	4	4	4	0	0.0%	0	0.0%
VP & CFO/Pensions	9	8	8	1	11.1%	0	0.0%
Information Technology	160	160	153	7	4.4%	7	4.4%
Controller	41	41	39	2	4.9%	2	4.9%
Management & Budget	18	18	18	0	0.0%	0	0.0%
Process Re-Engineering	6	7	6	0	0.0%	1	14.3%
VP - East Side Access & Special Projects	26	27	23	3	11.5%	4	14.8%
Market Dev. & Public Affairs	61	59	56	5	8.2%	3	5.1%
Gen. Counsel & Secretary	30	30	31	(1)	-3.3%	(1)	-3.3%
Diversity Management	2	1	1	1	50.0%	0	0.0%
System Safety/Training	64	69	69	(5)	-7.8%	0	0.0%
Security	5	6	6	(1)	-20.0%	0	0.0%
Sr VP Operations/Serv. Planning	39	24	18	21	53.8%	6	25.0%
Total Administration	636	620	584	52	8.2%	36	5.8%
Operations							
Train Operations	1,814	1,936	1,868	(54)	-3.0%	68	3.5%
Customer Service	285	293	286	(1)	-0.4%	7	2.4%
Total Operations	2,099	2,229	2,154	(55)	-2.6%	75	3.4%
Maintenance							
Engineering	1,555	1,550	1,516	39	2.5%	34	2.2%
Equipment	2,012	1,978	1,948	64	3.2%	30	1.5%
Procurement (Stores)	93	93	91	2	2.2%	2	2.2%
Total Maintenance	3,660	3,621	3,555	105	2.9%	66	1.8%
Engineering/Capital							
Department of Project Management	113	127	121	(8)	-7.1%	6	4.7%
Total Engineering/Capital	113	127	121	(8)	-7.1%	6	4.7%
Total Positions	6,508	6,597	6,414	94	1.4%	183	2.8%
Non-Reimbursable	5,940	6,053	5,960	(20)	-0.3%	93	1.5%
Reimbursable	568	544	454	114	20.1%	90	16.5%
Total Full-Time	6,508	6,597	6,414	94	1.4%	183	2.8%
Total Full-Time-Equivalents		0	0	0	0.0%	0	0.0%

**MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
EXPLANATIONS of VARIANCES
By FUNCTION AND OCCUPATION GROUP**

2012 Final Estimate vs. Actual

At the end of 2012, the Long Island Rail Road had 6,414 total active paid employees, which consisted of 1,315 Managers/Supervisors, 742 Professional, Technical & Clerical and 4,357 Operational Hourlies. This was 183 positions or 2.8% below the year-end estimate of 6,597. Headcount vacancies at year-end were primarily found in Managers/Supervisors and Operational Hourlies titles. Hiring plans have been developed and implemented to aggressively fill vacancies in 2013.

MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
December 31, 2012

FUNCTION/OCCUPATION	2012 Adopted Budget	2012 Final Estimate	Actual	Favorable/(Unfavorable)			
				2012 Adopted Budget Variance	%	2012 Final Estimate Variance	%
Administration							
Managers/Supervisors	332	310	281	51	15.4%	29	9.4%
Professional, Technical, Clerical	304	310	303	1	0.3%	7	2.3%
Operational Hourlies	0	0	0	0	0.0%	0	0.0%
Total Administration	636	620	584	52	8.2%	36	5.8%
Operations							
Managers/Supervisors	304	329	298	6	2.0%	31	9.4%
Professional, Technical, Clerical	151	162	160	(9)	-6.0%	2	1.2%
Operational Hourlies	1,644	1,738	1,696	(52)	-3.2%	42	2.4%
Total Operations	2,099	2,229	2,154	(55)	-2.6%	75	3.4%
Maintenance							
Managers/Supervisors	688	688	639	49	7.1%	49	7.1%
Professional, Technical, Clerical	260	272	255	5	1.9%	17	6.3%
Operational Hourlies	2,712	2,661	2,661	51	1.9%	0	0.0%
Total Maintenance	3,660	3,621	3,555	105	2.9%	66	1.8%
Engineering/Capital							
Managers/Supervisors	95	106	97	(2)	-2.1%	9	8.5%
Professional, Technical, Clerical	18	21	24	(6)	-33.3%	(3)	-14.3%
Operational Hourlies	0	0	0	0	0.0%	0	0.0%
Total Engineering/Capital	113	127	121	(8)	-7.1%	6	4.7%
Public Safety							
Managers/Supervisors	0	0	0	0	0.0%	0	0.0%
Professional, Technical, Clerical	0	0	0	0	0.0%	0	0.0%
Operational Hourlies	0	0	0	0	0.0%	0	0.0%
Total Public Safety	0	0	0	0	0.0%	0	0.0%
Total Positions							
Managers/Supervisors	1,419	1,433	1,315	104	7.3%	118	8.2%
Professional, Technical, Clerical	733	765	742	(9)	-1.2%	23	3.0%
Operational Hourlies	4,356	4,399	4,357	(1)	0.0%	42	1.0%
Total Positions	6,508	6,597	6,414	94	1.4%	183	2.8%

**MTA LONG ISLAND RAIL ROAD
2012 YEAR-END REPORT
RESULTS OF OPERATIONS**

FINANCIAL PERFORMANCE

The LIRR's 2012 financial performance was strong as total spending was less than budget, total revenue exceeded budget, and the Rail Road was able to accomplish its mission of providing safe, secure and reliable transportation to its customers. Total spending of \$1,817 million was \$71.3 million favorable to the Adopted Budget of \$1,889 million. The net deficit was \$(981.2) million, or 7.9% favorable to the Adopted Budget. The operating cash deficit was \$(591.6) million or 8.3% favorable to the Adopted Budget and 6.1% favorable to the Final Estimate. In other words, the LIRR relied on less MTA subsidy support than originally assumed in the Adopted Budget and Final Estimate.

In 2012 Superstorm Sandy brought about serious operational challenges along with significant cost for preparation, response, and recovery. While much of Sandy's fiscal impact was felt in 2012 a substantial amount will continue into the future as the LIRR replenishes its inventory, catches up on maintenance activities, and embarks on efforts to prevent future damage to its critical assets, resulting from the severe weather.

The storm's unprecedented impact to operations was dramatic, but the strength of the LIRR's financial management will ensure its long-term fiscal stability. It will remain steady in its efforts to maximize limited resources and achieve its operational goals. As in prior years, intense focus will remain on overtime and headcount management, inventory and material management, and revenue protection.

The LIRR's financial management team has placed particular focus on four key areas -- staffing, overtime, inventory/material acquisition and farebox revenue protection -- that pose unique challenges. The LIRR made progress in each of these areas during 2012 though overtime remains one that requires continued intensive attention.

Staffing: All personnel and hiring actions are closely reviewed and approved by an internal Personnel Action Review Committee (PARC). This entails overseeing development of a hiring plan for operational positions. The hiring plan links workload (current and projected) to attrition projections and training and recruitment capacity in an effort to set hiring goals over a two-year planning horizon. In 2012, due to higher than anticipated attrition, coupled by increased workload, the LIRR experienced higher than normal vacant operational positions. For example, the Maintenance of Equipment department averaged 81 vacant operational positions during 2012. Although these vacancies resulted in straight-time savings, it also generated overtime. PARC and key departments are addressing this issue through the implementation of an aggressive hiring plan.

Overtime: Despite active management and oversight, the LIRR did not achieve its ambitious 2012 budgeted overtime reduction target. There were several key factors including open job coverage in the Maintenance of Equipment Department, absentee coverage in the Customer Service Department, inclement weather (including

Superstorm Sandy), and additional capital project work in the Engineering Department, and additional reimbursable activities in the Transportation Department. While spending totaled \$103.5 million, \$20.9 million or 25.3% more than the budget, it was only \$6.2 million more than 2011.

Regarding open job related overtime, the vast majority of vacant positions was in the Maintenance of Equipment Department and stemmed from continued high attrition. The time required to backfill a vacant position is contingent on recruitment and training requirements and capacity. The LIRR is steadfastly committed to filling open job vacancies for operational positions thereby reducing overtime. To do so, aggressive but achievable hiring plans have been developed and implemented for operational positions. The LIRR expects to progressively close the headcount gap through 2013 and achieve full budgeted headcount by early 2014. The Overtime Task Force will continue to identify and implement management actions to control overtime in 2013 as well as progress with achieving the hiring plan goals.

Specific overtime initiatives have included the development and implementation of a Train and Engine Staffing Model to best optimize headcount needs. The engine portion of the staffing model will go live in the 1st quarter of 2013 and the train portion later in the year. In addition, the LIRR's Availability Task Force is taking several steps to improve availability including strengthening the absence control policy. The hiring plan adds resources to the 2013 budget to address lower availability.

In addition, Engineering is working towards unifying weather policy as the deployment of labor during adverse weather conditions is the largest controllable overtime issue facing the department.

Inventory and Material Acquisition: The Inventory Task Force has continued to oversee the management of inventory and material acquisition. For 2012 the goals were clear: ensure financial resources were maximized, surplus and excess material was avoided, and inventory levels were reduced while also ensuring that material is available to meet departmental work plans and infrastructure maintenance needs. This year spending on materials and supplies was \$15.8 million less than budget on a cash basis due to lower purchases and the timing of program, production plan, and operating funded capital activities. This favorable outcome was in contrast to years past when material cash purchases exceeded budget targets with little change to the production or capital program goals, evidence that the Task Force's efforts continue to foster positive outcomes in the inventory and material management realm.

Revenue Protection: At the end of 2011 the LIRR launched an initiative aimed at reducing potential credit card fraud and in 2012 the benefits were dramatic. An Address Verification System was installed on all Ticket Vending Machines, requiring customers using credit and debit cards to enter their zip code during the ticket purchase process. This program has proven to be extremely successful, and in 2012 the average "chargebacks", or potentially fraudulent purchases, were 0.07% of total credit card sales, down from the 2011 average of 1.39%, resulting in more than \$4 million in increased revenue for the LIRR.

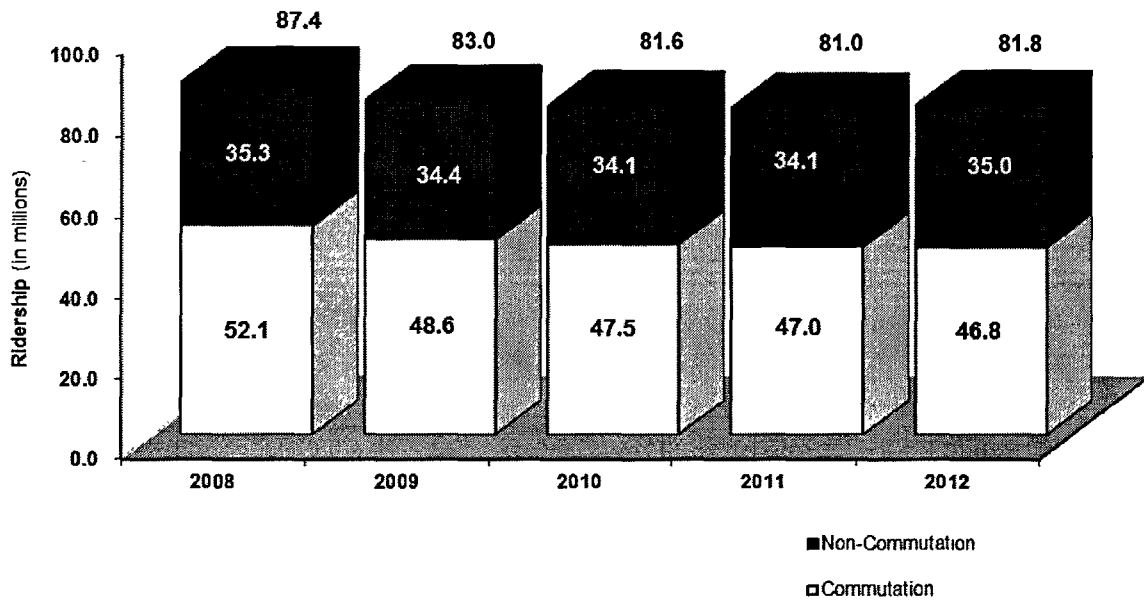
Farebox Operating Ratio and Cost Per Passenger: The LIRR's farebox operating ratio decreased from 50.5% in 2011 to 47.6% in 2012 however, it was better than budgeted by 3.1 percentage points. This decrease is due in part to growing pension and fringe benefit costs as well as some growth in several non-payroll expenses. It is important to note that excluding the LIRR's unfunded pension liability expenses, the LIRR's farebox operating ratio would have been 60.8% in 2012. The LIRR's operating cost per passenger increased from \$14.03 in 2011 to \$15.01 in 2012. The change is partially attributable to the expense and ridership loss attributable to Superstorm Sandy.

SUPERSTORM SANDY

Superstorm Sandy struck the New York area on Monday, October 29th. In preparation for the storm, the LIRR took a series of steps to shut down service and protect the fleet and infrastructure. Service was suspended on Sunday, October 28th. Steps taken included moving over 1,000 rolling stock units to elevated areas not prone to flooding, securing grade crossings including removing or securing crossing arms, as well as protecting infrastructure in low lying areas.

Actions taken during and post-storm focused on debris removal, clean-up, damage assessment, and restoration of service. Extremely hard hit areas included Long Beach Yard, West Side Yard, and Long Island City Yard. These areas were flooded as a result of Sandy. Also damaged by the storm were two of the four East River Tunnels that connect Long Island to Manhattan. These tunnels are owned and maintained by Amtrak under a cost sharing arrangement with the LIRR. The combination of damage to critical infrastructure as well as trees and debris along the right-of-way prevented the LIRR from returning to full service immediately following the storm. Nevertheless, the Rail Road was able to initiate limited service and hourly service on the four main branches within two days of the storm. Full service was restored by early December, however, many parts of the LIRR's system will remain fragile until the full reconstruction and replacement of affected infrastructure are addressed.

RIDERSHIP AND REVENUE



LIRR Ridership & NYC Employment

	2008	2009	2010	2011	2012	12 vs 11
Commutation	52.1	48.6	47.5	47.0	46.8	-0.4%
Non-Commutation	35.3	34.4	34.1	34.1	35.0	2.6%
Total Ridership	87.4	83.0	81.6	81.0	81.8	0.9%
NYC Employment	3,794.3	3,693.4	3,711.3	3,786.0	3,860.4	2.0%

* 2012 NYC Employment preliminary

Note: These figures do not reflect the year end adjusted ridership figures.

LIRR ridership rose in 2012, as a steadily improving economy and popular new service to Barclays Center boosted the number of Rail Road customers above the previous year. This increase was despite the loss of over two million riders due to Superstorm Sandy. Total ridership for 2012 was 81.8 million, 0.9% higher than in 2011, however 1.1 million, or 1.4% below the Final Estimate of 82.9 million. The LIRR hopes this growth will continue in 2013 with a focus on expanding service during the off-peak period to accommodate the rising customer demand.

Prior to Superstorm Sandy, ridership was running 4.3% over the same period in 2011, clearly indicating that the LIRR would have enjoyed higher ridership growth if not for the unprecedented storm. Among the bright spots for 2012 was the September opening of

the Barclays Center in Brooklyn, where big-draw entertainers along with the NBA's Brooklyn Nets contributed to a 334% increase in LIRR ridership to/from Atlantic Terminal during events, which is conveniently located across the street from the new arena. Extra late-night trains from Brooklyn were added to accommodate these new customers. To attract even more riders to the LIRR, 2012 saw the restoration of half-hourly midday service on the Port Washington Branch and the addition of new weekend trains on the Ronkonkoma Branch.

In addition, higher ridership was driven in part by an improving regional economy. The January through December 2012 employment figures reflected signs of employment growth with gains in the New York City job picture of +2.0%, or 74,400 more jobs compared to 2011. While there was an improvement in NYC employment, analysis of historical data implies there is a lag between employment growth and LIRR ridership growth. This is consistent with 2012 monthly year over year trends, which showed the LIRR experienced a consistent trend in positive ridership growth directly before Superstorm Sandy.

In 2012, the LIRR remained focused on improving customer service – as evidenced by the improved operational performance (outlined in subsequent sections of this report) - and attracting new customers through several initiatives:

- **Port Washington Branch Service Restoration:** On May 14, 2012, weekday half-hourly midday service was restored on the Port Washington Branch. This service had been reduced to hourly intervals in September 2010. At the time this service reduction took place, the LIRR anticipated most affected customers would shift to adjacent trains. A subsequent analysis by the LIRR revealed the service reduction resulted in a loss of over 180,000 rides annually. In an effort to attract these customers back, half-hourly service was restored in 2012. This service restoration was cost neutral, with the projected revenue from returning ridership.
- **Enhanced Late Night Train Service for Fans Leaving the New Barclays Center in Brooklyn:** In September 2012, the LIRR added trains to its late-night eastbound schedule from Atlantic Terminal to serve customers heading home after major sports and entertainment events at the new Barclays Center. The LIRR's Atlantic Terminal is located directly across the street from the Barclays Center and, the Rail Road is the easiest way for Long Islanders to get to the new venue. The investment in extra train service paid off when the LIRR experienced a 334% surge in ridership to/from Brooklyn during events following the opening of the Barclays Center.
- **Weekend Trains Added on the Ronkonkoma Branch:** In November 2012, weekend service on the Ronkonkoma branch was increased to half-hour intervals at key time periods to meet rising customer demand. The added trains operate between Farmingdale and Penn Station, making stops at Bethpage, Hicksville, Mineola and Jamaica. Westbound Saturday/Sunday service was increased to half-hourly between 9 am and 12 noon. Eastbound service is now half-hourly between 4 pm and 7 pm.

- Social Media Posts on Facebook, Twitter and YouTube: The numbers of followers for 2012 for Facebook were 5,002; the numbers of tweets for Twitter were 12,923. The LIRR utilizes a segmented approach to obtain followers for our LIRRTrain2Game and LIRR Deals4U twitter accounts. Emails/blasts are also sent to groups in various segments. In 2012, the LIRR had a total of 40,263 subscribers to its E-Alert system.

Barclay's Golf Tournament / E-Ticketing Pilot

Nearly 6,000 LIRR customers ventured online to buy rail tickets to The Barclays PGA Tour Event in August 2012 at Bethpage State Golf Course. In a follow-up survey these customers overwhelmingly declared that the LIRR's first-ever use of E-ticketing was a big winner. A survey of online ticket holders at Farmingdale Station found that almost 100 percent of respondents were "very satisfied" with their overall online ticketing experience. The LIRR carried approximately 30,000 customers to and from Farmingdale Station during the six days of professional golf at nearby Bethpage State Park. Customers purchased 5,894 rail tickets online through the Long Island based technology firm CooCoo, which provided this service at no cost to the LIRR. Sales through the pilot represented 20 percent of the LIRR tickets sold for travel to the event. Once an online purchase was made, customers received their train tickets via email to print out at home or download to their smart phone for presentation to LIRR staff at the Farmingdale Station, where they were validated by LIRR personnel equipped with a handheld barcode-reader.

CUSTOMER SATISFACTION

The Long Island Rail Road achieved a customer satisfaction rating with an overall score of 86%, indicating the majority of customers were satisfied with the LIRR. Train service also received a score of 86%. Boarding stations received an 88% overall satisfaction rating.

Overall customer satisfaction increased in 2012 recovering from 2011 winter storms and service disruptions from Amtrak repairs/derailment. Safety from accidents on-board trains (93%) and conductor courtesy and responsiveness (93%) both continue to receive high scores.

Customer Communication

The LIRR continued its efforts to improve customer communications, including expanded use of social media tools to respond to customer concerns in real time. The LIRR's social media efforts, using Facebook and Twitter, were recognized by The New York Times in the wake of Superstorm Sandy. The LIRR's Public Information Office, which operates 24/7, continued to improve the frequency of customer email alerts, station announcements, electronic branch line messages, onboard announcements, and website updates, especially during service disruptions. Added timing points on the LIRR Right of Way as well as the installation of GPS devices on more of LIRR's fleet of trains has improved the quality of train information being automatically provided to the electronic sign system installed at all of the LIRR's 124 stations. In addition, this will

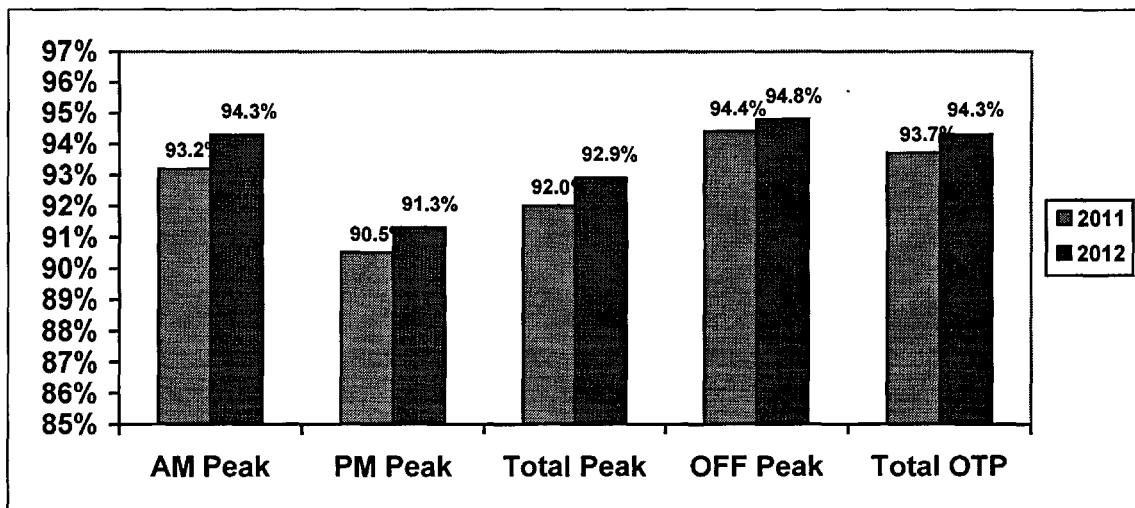
support the system-wide rollout of Real Time Train information by summer 2013, which will allow customers to get train time and delay information from their mobile device. A major reorganization of the LIRR's emergency Customer Assistance Program (CAP) has resulted in daily deployment of managers to Penn Station and Jamaica during the PM rush hour for enhanced training, as well as immediate deployment during service disruptions. These managers are equipped with iPads with preloaded information applications to be of greater assistance to customers.

ON-TIME PERFORMANCE

One of the most reliable predictors of customer satisfaction is the ability of the LIRR to deliver passengers to their intended destinations on time.

For 2012, the LIRR's overall On-Time Performance (OTP) was 94.3%. This exceeded the 2011 performance by nearly 0.6% percentage points, with 488 fewer trains running late. An improvement was seen in nearly all categories of delay, with the greatest improvement in mechanical related delays.

System-wide, in 2012 each period of the day, (AM Peak, PM Peak, Off Peak Weekday and Weekend) was better than during the same period in 2011. In addition, an improvement was seen for every branch, except Port Jefferson. New monthly records were set in two months in 2012, February at 96.4% and March at 96.1%. There was a 43% reduction in cancellations compared to 2011. All good news for the customer.



EQUIPMENT RELIABILITY

Reliability of rolling stock is best measured by Mean Distance Between Failure (MDBF). The MDBF for the entire fleet in 2012 was 194,382 miles, which exceeded the 2012 goal of 150,000 miles by 29.6% and represents a 14.5% increase from 2011. The 2012

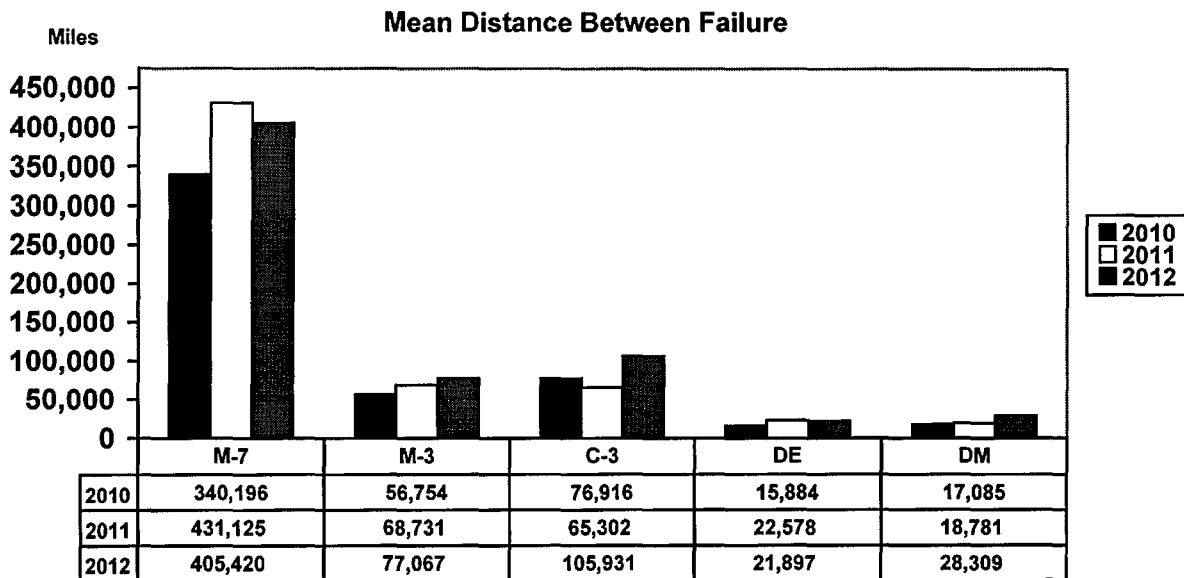
level was the highest annual fleet-wide MDBF since tracking was initiated. A key factor driving the higher OTP level was improved equipment reliability.

The M-7 fleet MDBF continues to be the driving factor in the LIRR's fleet reliability achievements. With an MDBF of 405,420 miles, the M7 fleet far exceeded the goal of 350,000 miles. The Reliability Centered Maintenance program and rigorous maintenance schedules and protocols resulted in these outstanding results.

The Maintenance of Equipment Department's efforts have also lead to improved reliability of the 27 year old M-3 fleet. The M3 MDBF of 77,067 miles exceeded the goal by 40% and exceeded the 2011 actuals by 12%. It was also the highest MDBF ever recorded for the M-3 fleet. A key driver was the Automatic Train Control modification initiative conducted in 2009-10, which continues to yield excellent results.

The diesel fleet achieved an MDBF of 63,554 miles, which far exceeded the goal by 44.4% and surpassed the 2011 level by 38.9%. The next section in this report provides a review of the Diesel Reliability Plan.

As of the end of 2012, the MU electric fleet consisted of 836 M-7 and 150 M-3 cars available for revenue service. The diesel fleet consisted of 134 C-3 coach cars and 45 diesel locomotives. The MU and diesel (C-3 Coach) spare ratio was 13.2% and 14.9% respectively. The AM peak requirement was 852 for the MU fleet and 114 for the C-3 coaches.



Diesel Fleet Reliability Plan

The LIRR has implemented many improvements in diesel passenger locomotive and coach maintenance over the last four years with several large efforts only now coming

to fruition after extensive review and testing. The success of these efforts has greatly improved reliability as evident by substantially higher MDBF levels. Some of the modifications and improvements include:

- Door maintenance and reliability improvements with enhanced door parts and modified maintenance procedures. Door prototyping is in progress and upon successful testing the entire C-3 fleet will be upgraded.
- Locomotive weather-proofing included the installation of side filters to eliminate snow ingestion into the generator room and cover on couplers to prevent freezing in storm conditions.
- Truck and under-car re-cabling.
- Electrical cabinet cooling.
- Replacement C3 Automated Station Identification options currently being explored.
- Siemens gate unit replacement and software upgrade for improved reliability of propulsion systems.

CAPITAL IMPROVEMENTS

In 2012 the LIRR advanced construction on important segments within its infrastructure asset categories. The schedule for normal replacement projects was maintained while system improvement projects progressed as planned.

Rolling Stock

The procurement of new M9 and M9A cars will enable the LIRR to have sufficient rolling stock for ESA Opening Day Service, provide for the replacement of the aging M-3 fleet and allow for ridership growth. Request for Proposals have been issued for the base order of 76 M9 Cars for M-3 replacements and up to 600 M9 Option Cars for LIRR through a joint contract with Metro-North Railroad and the second for 160 M9A Cars identified in the Full Funding Grant Agreement (FFGA) for ESA service.

System Improvements

- The design of the Jamaica Capacity Improvement Phase 1 was awarded and is currently in-progress. Phase 1 of this project includes construction of infrastructure needed for future operation of the cross-borough scoot service between Jamaica Station in Queens and Atlantic Terminal in Brooklyn, as well as other system improvements.

A contract for the Design and Environmental Review of a Second Main Line Track between Farmingdale and Ronkonkoma was awarded and is currently in-progress. This strategic project will add 12.6 miles of double track to the 17.9 mile corridor resulting in greater service reliability and intra-island travel opportunities.

Signal & Communication Systems

- The design of Positive Train Control (PTC) has progressed with equipment manufacturing to be awarded in 2013.
- The installation of the Automatic Speed Control (ASC) Signal System from Speonk to Montauk is progressing.
- In 2012, the installation of new Fiber Optic Cable continued at various locations along the LIRR system. This upgrade of the current Communication System Network from copper to fiber optic cables will enhance system reliability and improve communications to customers.
- As part of the LIRR's efforts to improve existing radio coverage and fully comply with FCC regulations, 13 Radio Receiver Sites were retrofitted and 5 new modern monopole-based radio facilities were constructed at Medford, Northport, Little Neck, Sea Cliff, and Huntington. These improvements will provide a more efficient use of the frequency spectrum and enhance the range and clarity of the Railroad's radio system. Additional work on the radio communications system is in-progress.

Substations & 3rd Rail Power

- The Rockville Centre Substation was completed and energized in 2012, and a contract for the replacement of Hillside and Kew Gardens substations was awarded and is currently in-progress.

Station Improvements

- A construction contract for a new elevator and associated equipment at the Atlantic Terminal Station in Brooklyn was awarded and is currently in-progress. The ADA-compliant elevator will improve the vertical circulation between the LIRR station platforms and the street level vestibule of the LIRR Entry Pavilion.
- The construction of two new elevators at Queens Village, one serving the eastbound and westbound platforms, is progressing.

In 2012, a design contract for the replacement of six (6) escalators and associated equipment on the Babylon Branch was awarded and is currently in-progress. These escalators are located at the following stations: Rockville Centre, Baldwin, Freeport, Amityville, Copiague, and Lindenhurst.

- In addition, a design contract for two (2) new elevators at the Flushing Main St. Station was awarded and is currently in-progress. These new elevators, one for each platform, will provide ADA accessibility from ground level to the platforms and improve vertical circulation.

Track

- The 2012 Annual Track Program continued the LIRR's cyclical replacement of track assets, including: replacement of over 23,000 mechanized ties on the Montauk, Atlantic, Port Jefferson, and Main Line Branches; 66 miles of track surfacing; rehabilitation of 23 highway grade crossings, as well as other upgrades.
- The replacement of the existing Direct Fixation Track Fastening System on the double track between Merrick and Bellmore on the Babylon Branch was completed. The project included localized concrete deck repairs, replacement or enlargement of the existing plinths, as well as the installation of new Direct Fixation Fasteners (7,832 total) on the concrete viaducts supporting the two tracks between Merrick and Bellmore.

Bridges

- In 2012, construction on the new LIRR Bridge Program commenced. This program includes: track-bed waterproofing of 3 bridges (Yellowstone Blvd., Roslyn Rd., Farmers Blvd.); rehabilitation of up to 4 bridges (Jamaica / Lefferts Blvd., 47th Ave./ Adams St., Post Ave., Springfield Blvd.); and 1 bridge replacement (Buckram Rd.).
- The rehabilitation of Woodhaven Boulevard Bridge commenced in 2012 and is progressing. The project includes new bearings and bridge seats, as well as repair of abutments, concrete decks, piers, and structural steel. The above-deck track waterproofing was completed in 2012.
- The ongoing bridge painting contract was completed, which included 5 bridges. Also, a new bridge painting contract for six (6) additional bridges located in Queens and Nassau was awarded in 2012 and is currently in-progress.

Shops & Yards

- The construction of a new state-of-the-art Train Wash Facility in Babylon Yard to clean the LIRR's electric fleet was completed in May 2012. The Train Wash includes an automated controls system and is environmentally friendly with a large percentage of the wash water being recycled.

Facilities

- A construction contract for the exterior rehabilitation (including new lighting) of the Jamaica Station Building was awarded and is currently in-progress. This building is celebrating its 100 anniversary in 2013.
- A construction contract for the initial interior architectural fit-out of the Centralized Train Control (CTC) facility within the JCC Building in Jamaica was awarded and will commence in early 2013.

In addition, construction has progressed in 2012 on a number of other important capital investments. They include: pedestrian ramps at Forest Hills Station; rehabilitation of the Queens Blvd. Bridge (below deck); rehabilitation of North Highway, Montauk Highway, and Shinnecock Canal Bridges on the Montauk Branch; replacement of Atlantic Avenue tunnel lighting and communication cables; signal power line and pole replacements; communication line pole replacements; replacement of signal system equipment that has reached the end of its useful life; rehabilitation of Penn Station signal and third rail components; and, environmental remediation work.

Other capital investments currently in design include: platform replacement at Massapequa Station; new 12-car electrified and interlocked pocket tracks in the

Massapequa and Great Neck vicinities; rehabilitation of Nostrand Avenue Station on the Atlantic Branch; and a replacement study and preliminary design for the Atlantic Avenue Tunnel Half-Ties.

TRANSIT-ORIENTED DEVELOPMENT

The LIRR is participating in one of the most exciting and transformative Transit Oriented Development initiatives on Long Island – Wyandanch Rising – a development project that will transform the most economically distressed area on Long Island into a vibrant mixed-use development.

In this regard, the LIRR and Town of Babylon have recently entered into a formal agreement that allows for the transfer of property and the eventual construction of a new LIRR intermodal parking facility at the Wyandanch Station. The intermodal facility will serve as the centerpiece of the Town's efforts to redevelop and revitalize downtown Wyandanch. It will provide additional parking capacity to accommodate ridership growth associated with planned service to Grand Central Terminal.

The Town has received federal and state grants toward this initiative and is one of three communities in New York State to be named a Brownfield Opportunity Area (BOA) Spotlight Community. The Wyandanch Rising initiative was also selected as “transformative” project by the Long Island Regional Economic Development Council and as a result will receive NYS funds for infrastructure improvements. The Town and LIRR are coordinating on conceptual design plans for a new intermodal parking facility and new station building for the Wyandanch Station.

SAFETY & SECURITY

Safety

A key component of the LIRR's mission is to provide the most reliable service possible while ensuring the safety of customers and employees. Transporting customers to their destination in a safe and secure manner is a top priority.

"Think Safety / Act Safely: Working towards an accident-free workplace," LIRR's comprehensive plan to enhance safety, was in high gear in 2012. New and revised corporate policies, department goals established by the Safety Goal Implementation Program, new and enhanced training, detailed trend analyses, and field observations, were all directed towards engaging all employees in promoting the value of safety and ensuring accountability. The results of this effort were clear. Compared to 2011, the number of employee FRA reportable accidents decreased in 2012 by 13%, from 216 to 188. All major operating departments experienced a decrease, with the Maintenance of Equipment Department experiencing the greatest reduction of 31%. The case rate (the number of accidents per 200,000 hours worked) for employee accidents resulting in lost time also decreased by 12%.

The total number of customer accidents increased from 2011 by 4.5%, from 479 to 501. Part of the increase stems from higher ridership given the increase in the case rate (the number of accidents per 1 million riders) dropped to 3.7%. The overall increase in accidents stemmed in large part from crowding conditions on trains and platforms during the service restoration period immediately following Superstorm Sandy.

A campaign addressing customer safety was launched and will continue throughout 2013. The campaign focuses on how a customer's behavior can contribute to the increase in accidents. Behaviors being addressed include carrying too many packages and luggage and rushing to trains. Also important are re-affirming escalator safety and dealing with weather-related conditions.

Security

During 2012, the LIRR Office of Security increased security at railroad facilities through the installation of high security electronic gates, CCTV and access control device installations at several facilities. Major projects included the installation of K-rated barrier arms at Jamaica Station Headquarters Parking Lot, camera upgrades at Babylon Station, and cameras and card readers at East New York. These security systems were then linked to Regional Security Command Center and the LIRR Situation Room.

During 2012, the Regional Security Command Center reacted to a series of extraordinary weather events, most notably Superstorm Sandy, coordinating closely with both internal and external departments and law enforcement agencies. Additional security monitoring was required for the Barclay's Golf Tournament, Belmont Horse Racing and events such as Occupy Wall Street Demonstrations and the Presidential Debate. The Regional Security Command Center reviewed and produced 2,141 hours of video as compared to 1,572 hours in 2011 and retrieved 623 video clips (up from 440 in 2011) to support investigations by various agencies, including MTAPD, MTA Legal, NYPD and Amtrak police. These investigations ranged from criminal investigations to civil litigation.

MTA LONG ISLAND RAIL ROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs ACTUALS
MONTHLY PERFORMANCE INDICATORS
December 2012

		<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
		<u>2012</u>	<u>Final Estimate</u>	<u>2011</u>	<u>vs. Final</u>	<u>vs. 2011</u>
Farebox Operating Ratio						
	Standard ⁽¹⁾	47.6%	46.4%	50.5%	1.2%	-2.9%
	Adjusted ⁽²⁾	60.8%	56.8%	61.3%	4.0%	-0.5%
Cost Per Passenger						
	Standard ⁽¹⁾	\$15.01	\$15.19	\$14.03	\$0.18	(\$0.98)
	Adjusted ⁽²⁾	\$12.97	\$13.15	\$12.19	\$0.18	(\$0.78)
Passenger Revenue/Passenger ⁽³⁾		\$7.14	\$7.05	\$7.08	\$0.09	\$0.06
		<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
		<u>2012</u>	<u>Adopted Budget</u>	<u>2011</u>	<u>vs. Budget</u>	<u>vs. 2011</u>
Farebox Operating Ratio						
	Standard ⁽¹⁾	47.6%	44.5%	50.5%	3.1%	-2.9%
	Adjusted ⁽²⁾	60.8%	55.9%	61.3%	4.9%	-0.5%
Cost Per Passenger						
	Standard ⁽¹⁾	\$15.01	\$15.92	\$14.03	\$0.91	(\$0.98)
	Adjusted ⁽²⁾	\$12.97	\$13.51	\$12.19	\$0.54	(\$0.78)
Passenger Revenue/Passenger ⁽³⁾		\$7.14	\$7.05	\$7.08	\$0.09	\$0.06

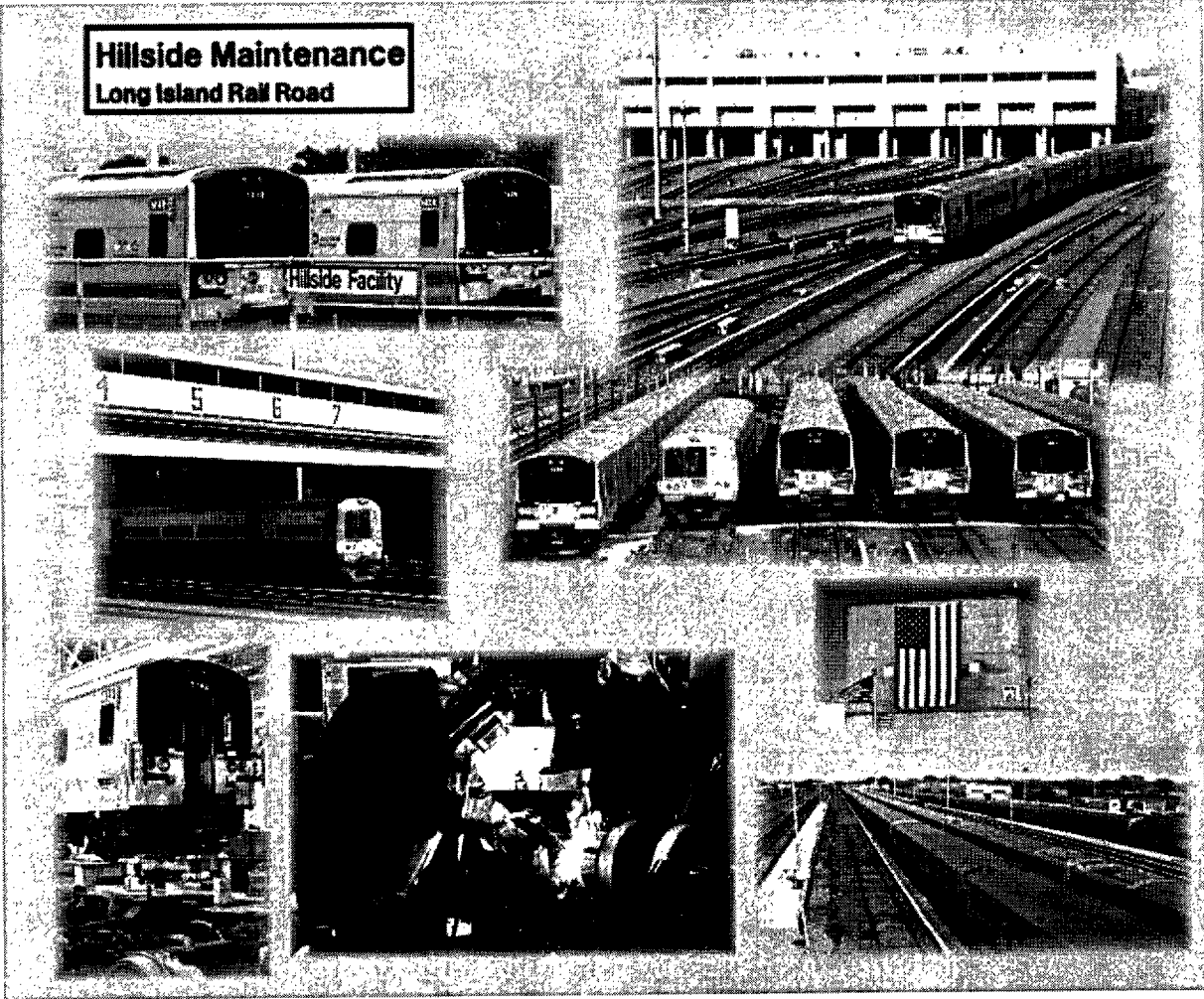
(1) The Standard Farebox Operating Ratio and Cost Per Passenger indicators reflect MTA-wide adopted calculations that exclude non-cash liability adjustments: Depreciation, Other Post Employment Benefits and Environmental Remediation (GASB-49).

(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.

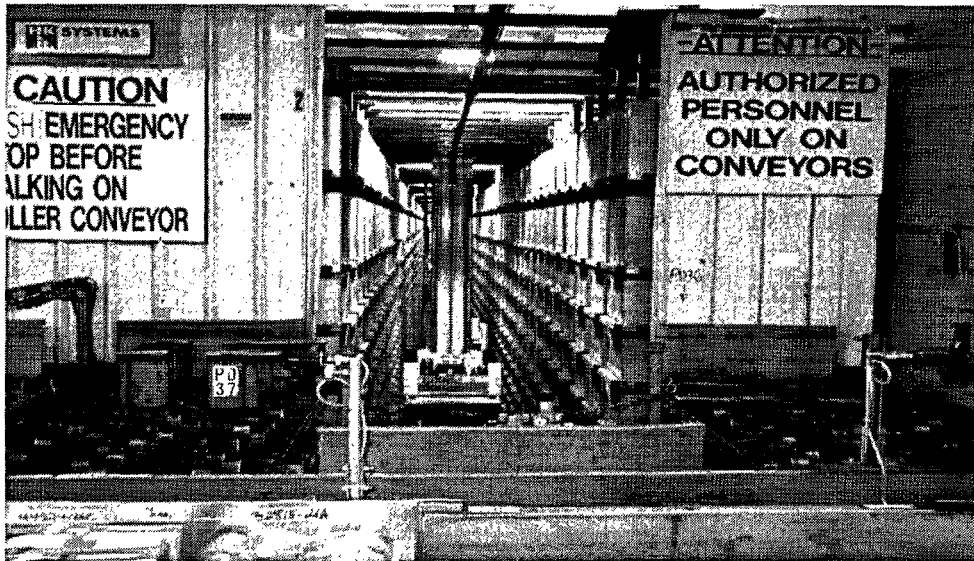
(3) Passenger Revenue/Passenger includes Bar Car Services

Inventory Report

April 2013



Mission Statement

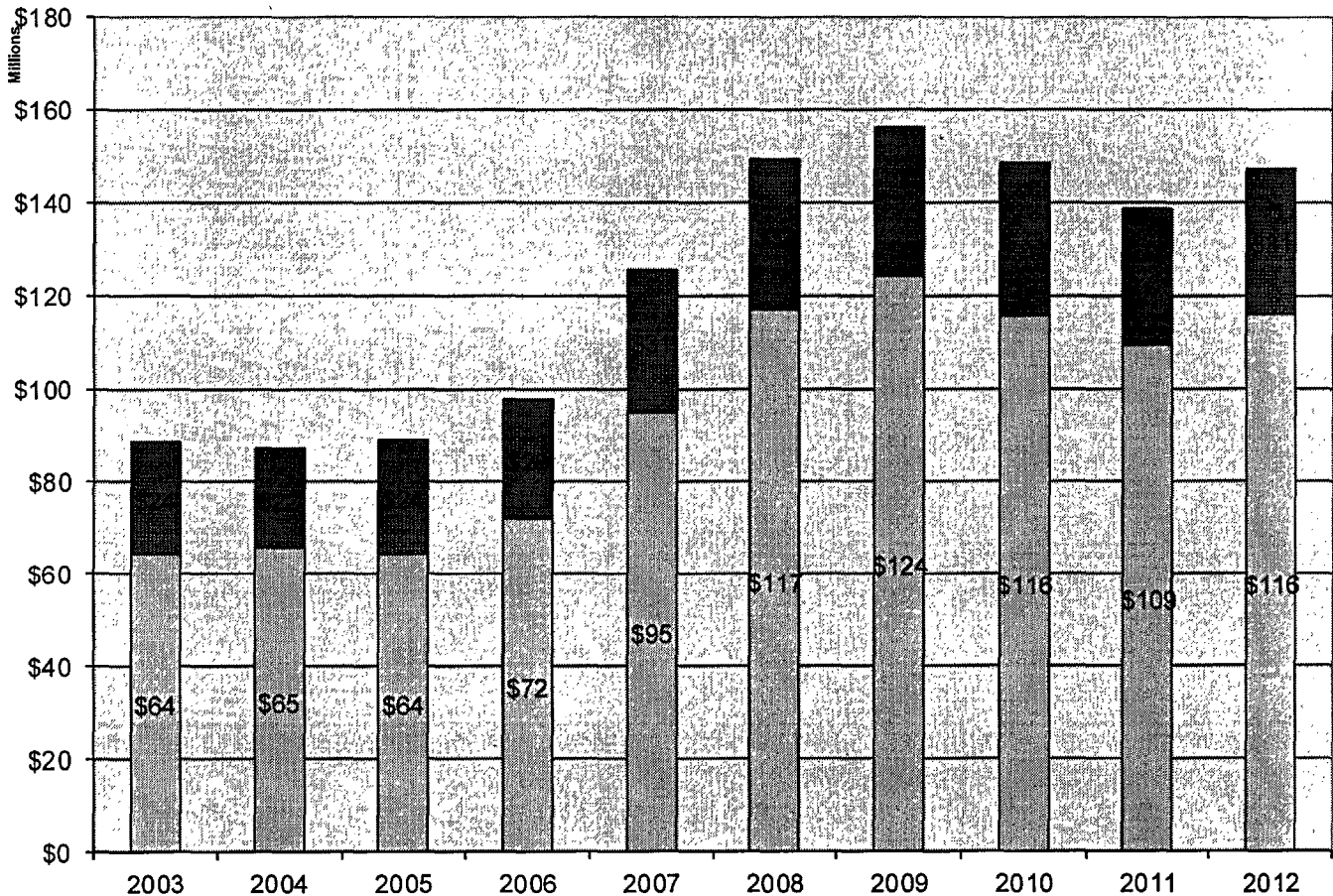


The mission of the Procurement and Logistics Department is to effectively support the overall LIRR goal of providing a safe, clean and excellent rail transportation service. The availability of material and supplies is critical to this endeavor. P&L is committed to maintaining adequate inventory levels, providing an accurate accounting of all material activity, establishing and maintaining optimal replenishment levels, while ensuring inventory management practices are cost efficient and cost effective.

Inventory Task Force

LIRR established an Inventory Task Force in April 2009. The Task Force established an action plan focused on root cause identification of issues and solutions for controlling inventory. For 2012, actions recommended by the Task Force have resulted in a budget-recognized cash savings of \$9.61M despite a YE inventory value increase of \$9.5M.

Inventory by Category



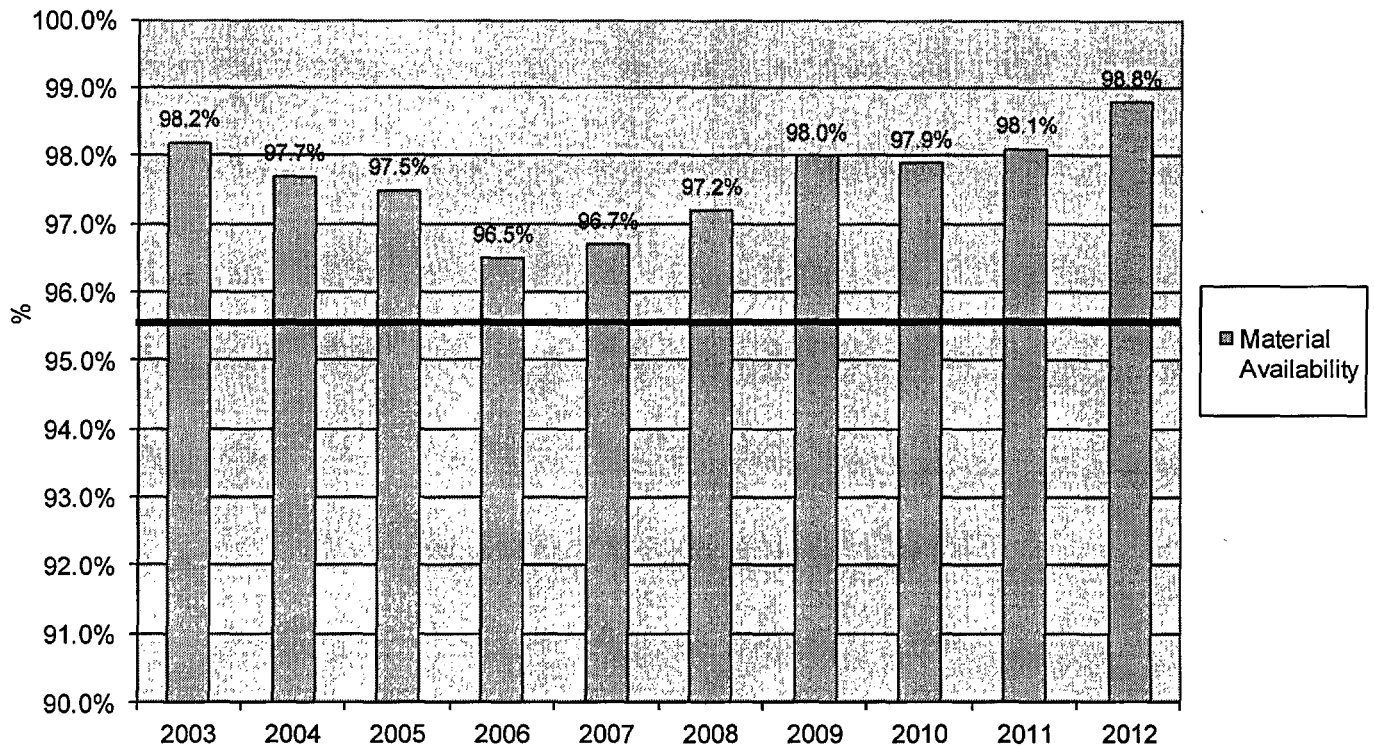
M of E

YTD increase of \$7.5 million in total inventory value has been a direct result of early shipments of planned material scheduled for 2013 receipted for in 2012 as well as RCM work delayed due to material availability and change in scope of certain 10 year work including traction motor and gear case bearing issues on the M7 trucks.

M of W

The Increase in total inventory value of \$2.0 million is due to receipt of a large rail order in December to support ongoing project initiatives. As of January 2013, all rail material was pulled from stock to begin project.

Inventory Service Level 2003 thru Dec. 2012



- The LIRR service goal is 95%. This is computed as the percentage of times repair parts (“car part availability”) and working inventory is available when needed. Currently we are averaging **97.5%** over the last 10 years.
- Car Part Availability = Commodities on hand for the MU/Diesel Fleet to be placed in service.
- Working Inventory = Inventoried Commodities with Reorder Level assignments that have material on hand and available for use.

2012 Accomplishments

Challenge	Plan	2012 Goal	2012 YE Accomplishments
Maintain adequate inventory levels to support service level goals	• Daily review of Reorder Levels • Schedule JIT deliveries • Improve planning/coordination with Using Departments	➤ Reduce Inventory of current items by \$7.5M by 12/2012 ➤ Ensure Material Availability In support of RCM Program needs ➤ Roll out Task Force initiatives to include M/W assets	✓ Realized cash savings in excess of \$9.61M ✓ Material availability - 98.8%
Reduce Excess / Inactive inventory	• Determine disposition of Inactive Material • Coordinate with Using departments tagging of material for sell/scrap or protect status	➤ Identify appropriate actions for excess / inactive material reduction opportunities ➤ 2012 Goal = \$1.7M Q1 - \$425K Q2 - \$425K Q3 - \$425K Q4 - \$425K	✓ Task Team continues to review and scrub data to identify areas for excess / inactive materials. YE sale/scrap of \$1.5M achieved.
Non-Inventory Accountability	• Deploy Task Team to review 2010 non-stock purchases • Determine candidate Non-Stock Material that should be established into inventory • Review spending patterns for disassociated non-stock purchases	➤ Enact plan in Q3 and Reduce annual spend on Operating funded non-stock purchases by 5% Q3 - \$150K Q4 - \$150K ➤ Ensure commodities are properly linked to commodity classifications defined in PeopleSoft to ensure all purchases for same commodities are consolidated	✓ Annual spend on non-stock purchases continues to trend favorably. ✓ Reductions in non-stock spending, over time, will increase overall inventory values as more items become "stock" and managed through the Task Force process ✓ Over 80,000 items linked to a LIRR stock account
Regular Tracking and Reporting	• Establish indicators and corresponding reports for regular review and action	➤ Make proactive corrections prior to procurement process begins to ensure purchases meet actual need	✓ 100% of replenishment requisitions are analyzed before processing ✓ Key performance indicators established , reported and tracked monthly

2013 Action Plan

Challenge	Plan	2013 Goal
Maintain adequate inventory levels to support service level goals	- Daily review of Reorder Levels - Schedule JIT deliveries - Improve planning/ coordination with Using Departments - Address changes to the Production Plan in a timely manner.	➤ Reduce Inventory of current items by \$10M by 12/2013 ➤ Ensure Material Availability in support of RCM Program needs • Expedite Report Updates • Timely Placement of Long Lead Requirements • Timely Placement of Mandated FRA Work ➤ Roll out Task Force initiatives to include M/W assets
Reduce Excess / Inactive inventory	- Review excess/inactive material and identify commodities for sale/scrap - Coordinate with Using departments tagging of material for sell/scrap or protect status	➤ Identify appropriate actions for excess / inactive material reduction opportunities ➤ 2013 Goal = \$1.7M - Q1 - \$425K - Q2 - \$425K - Q3 - \$425K - Q4 - \$425K
Non-Inventory Accountability	- Task Team continues review of non-stock purchases - Determine candidate Non-Stock Material that should be established into inventory - Review spending patterns for disassociated non-stock purchases	➤ Reduce Y/E 2013 annual spend on Operating funded non-stock purchases by 5% - Q1 - \$150K - Q2 - \$150K - Q3 - \$150K - Q4 - \$150K ➤ Ensure commodities are properly linked to commodity classifications defined in PeopleSoft to ensure all purchases for same commodities are consolidated
Regular Tracking and Reporting	Establish indicators and corresponding reports for regular review and action	➤ Make proactive corrections prior to beginning the procurement process to ensure purchases meet actual need ➤ Reduce/Re-Plan/Reject Requirements
Proper System Utilization	Sort out and Identify system enhancements to address needs	➤ Modify Maximo (Inventory System) to prevent miscoding of material issues.



Long Island Rail Road

**2012 ANNUAL
LONG ISLAND RAIL ROAD
RIDERSHIP REPORT**

Long Island Rail Road
April 2013

TABLE OF CONTENTS

I.	Introduction.....
II.	2012 Annual Ridership (Based on Ticket Sales).....
	1. LIRR Executive Summary
	2. Summary
III.	2012 Ridership Book (Based on Train Counts).....
	1. Overview
	2. East of Jamaica Station – Home Station Analysis
	3. West of Jamaica
	4. Holiday Period – Thanksgiving-New Year's
IV.	Major Initiatives Impacting Ridership.....
	1. Service Delivery
	2. Customer Satisfaction
	3. Meadowlands Program
	4. Barclay's Center
	5. Special Events
	6. Promotions
	7. Advertising
	8. Sales Outreach
V.	Appendix.....
	Graphs
	Tables

I. INTRODUCTION

This report summarizes Long Island Rail Road's annual ridership trends for 2012 based on ticket sales data and the results of individual train counts conducted during the mid-week and on weekends in the Spring and Fall 2012 season.

The first section of this report summarizes 2012 annual ridership trends based on ticket sales data, while the second section of the report details Spring and Fall 2012 ridership trends based on train counts for an average weekday and weekend. Ticket sales data provides comprehensive information regarding overall Long Island Rail Road ridership trends. However, in order to obtain specific travel patterns by train, origin/destination station and time period, a detailed process of regularly counting customers is required.

The counts are also essential for making operational decisions about consist adjustments and schedule/frequency of service modifications. They are conducted during the Spring (March through May) and Fall months (i.e., from early September through mid-November in order to avoid the impacts of seasonality. Additional information from seasonal and holiday counts are also factored in. Every revenue train is counted on board east/west of Jamaica Station.

II. LIRR 2012 ANNUAL RIDERSHIP (Based On Ticket Sales)

1. LIRR EXECUTIVE SUMMARY

The LIRR experienced strong growth spanning over thirteen consecutive months capturing the first three quarters of 2012 with ridership going up 4.3% compared to the same period in 2011, but suffered the loss of 2.4 million of rides from Superstorm Sandy in the fourth quarter of 2012. Despite the ridership losses from Sandy and the tunnel work associated with the storm at Penn Station, the LIRR rebounded from the decline in 2011 with a total ridership of 81.8 million customers in 2012, 0.9% higher than in 2011.

The Non-Commutation market outpaced the percentage growth of the Commutation market as many new service initiatives boosted the number of railroad customers travelling during the Off-Peak period, especially on weekends. Successful improvements of weekday half-hourly service on the Port Washington Branch in the latter part of the year indicate that frequency of travel continues to be a customer priority that leads to increased ridership.

Some of the key highlights in 2012 include:

- Port Washington Branch Service Restoration

On May 14, 2012, half-hourly midday service was restored on the Port Washington Branch on weekdays. This service had been reduced to hourly intervals in September 2010 due to budget reductions in 2010. While it was assumed that ridership would shift to adjacent trains, an analysis by the LIRR revealed that, in fact, a loss in ridership (over 180,000 rides annually) occurred. In an effort to attract customers back to the LIRR, half-hourly service was restored, which directly resulted in a rise of 2.0% in ridership. Directly after the restoration of the half hourly service, spanning over the Mid-June time period, train counts showed an increase of 15.4% for the off-peak travelers compared to 2011 ridership levels.

There is persistent demand for restoring half hourly service during the weekends on the Port Washington line as well that can provide additional opportunities for ridership growth.

- Brooklyn Barclays Center

The LIRR experienced a 334% surge in new ridership to/from Brooklyn during events at the Barclays Center. In September 2012, the new Barclays Center opened in Brooklyn. Barclays Center is a major sports and entertainment venue in the heart of Brooklyn and the home of the Brooklyn Nets. In the future, the Barclays Center will be the home of the New York Islanders planned to occur in 2015. The LIRR's Atlantic terminal is located directly across the street from the Barclays Center and with limited parking; the railroad is the easiest way for Long Islanders to get there. LIRR added trains to its late-night eastbound schedule from Atlantic terminal to serve customers heading home after major sports and entertainment events at the new Barclays Center.

- Demand for Greater Service: Montauk Branch

In 2012, there was a marked increase in ridership for the Montauk Branch showing a 3.9% increase compared to 2011 ridership. This was further supported by the favorable ridership increase of 34% found in Montauk Summer events compared to 2011. To address this ridership growth, schedules have been revised and adjusted to close service gaps and reduce unscheduled extra service in an effort to "even out" service to support this growth and address significant customer overcrowding at both the platforms and trains.

- Barclays PGA Tour at Bethpage Black

The LIRR carried approximately 30,000 customers to and from Farmingdale Station during the six days of professional golf at nearby Bethpage State Park. During the PGA Tour, the LIRR implemented for the first time a Mobile Ticketing pilot, where 6,000 LIRR customers ventured online to buy rail tickets to the Bethpage State Golf Course. Sales through this mobile ticketing pilot represented 20 percent of the LIRR tickets sold for the event. In a follow up survey these customers declared overwhelmingly that the LIRR's first-ever use of mobile ticketing was a big winner.

- Weekend Trains Added on Ronkonkoma Branch

In November 2012, weekend service on the Ronkonkoma branch was increased to half-hourly intervals at key time periods to meet rising customer demand. The added trains operate between Farmingdale and Penn Station, making stops at Bethpage, Hicksville, Westbury, Mineola, New Hyde Park and Jamaica. Westbound Saturday/Sunday service was increased to half-hourly between 10 AM and 1 PM. Eastbound service is now half-hourly between 4 PM and 7 PM.

- LIRR Trains More Reliable Than Ever

The LIRR exceeded its Mean Distance Between Failures (MDBF) goal in 2012 by almost 25,000 miles, which means that trains are breaking down less often – good news for customers. LIRR train cars logged an all-time record 194,382 miles between breakdowns, surpassing the LIRR's goal of 150,000 miles. The newer, M-7 electric fleet continues to be extremely reliable and the C-3 coaches rose in reliability following a door reliability program.

- On Time Performance

In 2012, customers experienced improved on time performance compared to 2011, reaching 94.3% up from 2011's 93.7%. This exceeded the 2011 performance by nearly 0.6% percentage points, with 458 fewer trains running late. An improvement was seen in nearly all categories of delay, with the greatest improvement in mechanical related delays.

Event Impact

- In 2012, flooding of two of the Amtrak East River tunnels during Superstorm Sandy, reduced overall capacity and had a significant negative impact on LIRR ridership (estimated loss of approximately 2.4 million rides and an estimated \$14.3 million in revenue loss). The reduced train service attributed to the fact that the LIRR did not have full use of the two Amtrak tunnels that were flooded

until the full restoration of service on December 10th. Assuming that ridership in the fourth quarter grew at pre-Sandy growth rates, the full year 2012 total ridership would have been 84.1 million passengers, up 2.9% from 2011's 81.0 million passengers, with a gain of about 3.1 million rides.

Market Segment Overview

Overall Segments

- Annual farebox revenue was \$581.4 million compared to \$571.7 million in 2011 (+1.7%).
- Annual ticket sales were 31.6 million tickets compared to 30.8 million tickets in 2011 (+2.6%).
- Ticket sales for the Commutation market grew 1.6% as a steadily improving economy supported work trips to Manhattan.
- Non-Commutation ticket sales grew at a faster pace +2.7% as a popular new service to Barclays Center boosted the number of railroad customers travelling to Brooklyn.
- Weekend ridership increased more than the weekday ridership. Weekday (West of Jamaica travel) ridership increased 0.6% and the weekend ridership increased 3.5%.

Leisure and Sports Segments

- 2012 LIRR's Leisure business generated \$2.1 million revenue based on a comprehensive mix of promotional Deals & Getaways and discounted Packages.
- In 2012 the Long Island Rail Road continued its successful program providing service to the Meadowland's MetLife Stadium carrying 14,000 LIRR customers and generating \$180,000 revenue.
- In 2012, the LIRR supported successfully the Barclays PGA Tour Golf Tournament with 30,000 customers using the LIRR to go to Bethpage Park.
- New Year's Eve and New Year's Day ridership to/from Penn Station experienced significant growth. New Year's Eve ridership increased (+14%; +6,000 customers) and New Year's Day ridership increased (+28%; +7,760 customers) during the 2012 holiday travel period
- The New York Racing Association agreed to subsidize the rail service to the Belmont Park. The LIRR carried about 51,000 customers to the spring and fall meets at Belmont.
- Frequency of service improvements planned for 2013 are expanded to grow the market penetration in the leisure segments.

2013 Outlook

Significant service enhancements starting in March 2013, (affecting many LIRR branches including: Montauk, Ronkonkoma, Atlantic, West Hempstead, Long Beach, Port Jefferson), better train service (increased OTP performance), and the positive impact of the NYC growing economy are contributing factors to higher ridership expectations.

Of particular importance for increasing customer convenience and opportunities for ridership growth, are the enhancements on the Montauk Branch. Specifically, the Cannonball Hamptons Reserve Service will begin its historic voyage on the Montauk Branch in the spring of 2013 providing express nonstop service from Penn Station to the Hamptons. The timeliness of creating an opportunity for this nonstop service is welcomed based on the favorable ridership trend supported by the Montauk Branch experiencing a 3.9% increase in ridership comparing 2012 vs. 2011. Also, the ridership trend comparing Montauk Summer events shows a favorable 34% increase comparing 2012 vs. 2011 in ridership.

In addition, the continued success in the sports and entertainment segment is expected to accelerate with the transformation of the Barclays Center as a major venue attracting world renowned performers and events (MTV VMA Awards), the MLB's All-Stars Week at Citi Field, the US Women

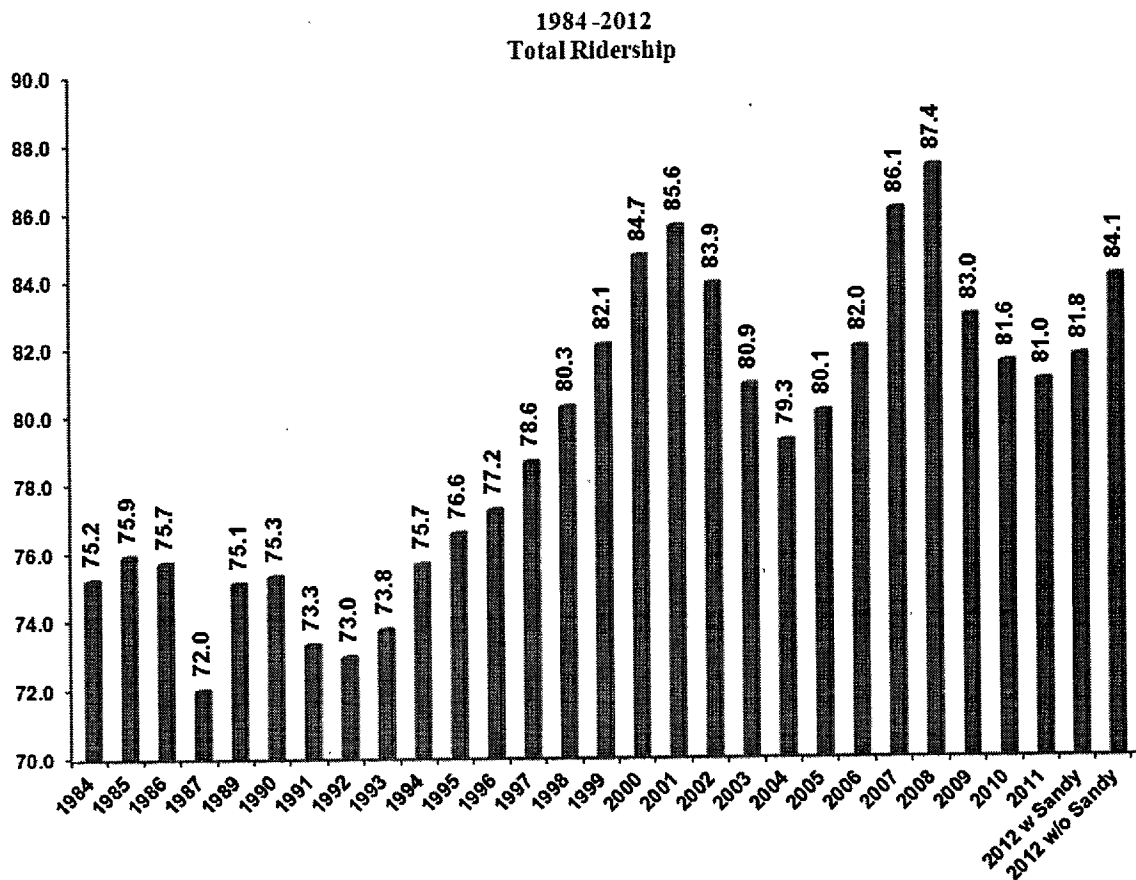
Golf Open in Southampton's Sebonack Golf, and the local success of the New York Resorts World Casino are expected to provide new ridership growth opportunities. The LIRR will leverage on these opportunities to build on its successful promotional Deals & Getaways in recent years and introduce attractive NYC & LI value-added packages.

A fare increase took effect on Friday, March 1, 2013 where on the average, most commuter rail tickets will increase between 8.19% and 9.31%, depending on ticket type and distance traveled.

As we move forward into 2013, we will be monitoring the impact of the fare increase and the changes in the regional and Long Island economy to evaluate the commutation market. The LIRR will continue to build on its focus for ridership growth by positioning attractive Getaways & Packages by introducing new attractive NYC & LIRR offers and further promote value added deals.

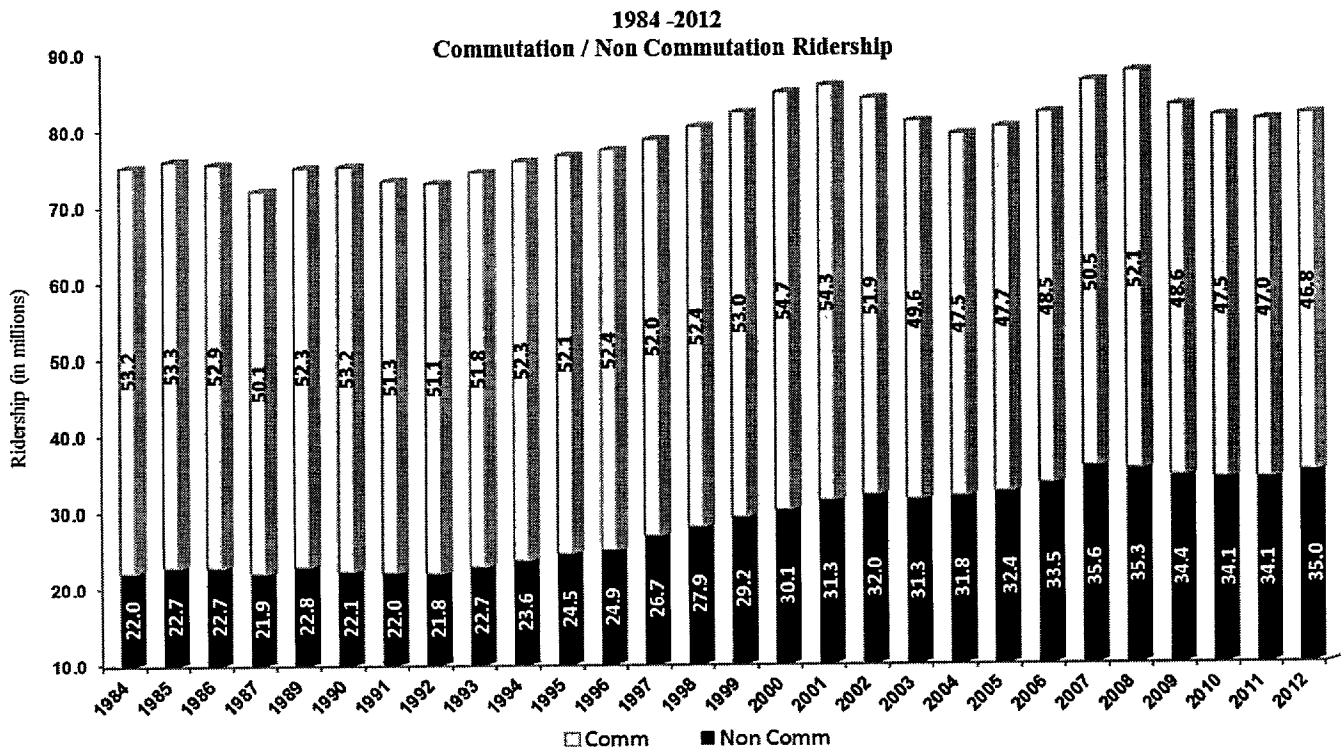
2. SUMMARY

- Total 2012 annual ridership was 81.8 million passengers; up 0.9% from 2011. This ridership does not include the projected 2.4 million loss in ridership due to Superstorm Sandy (see Figure 1)
- The 2012 annual ridership, without excluding the ridership losses attributed to Superstorm Sandy, would have been 84.1 million passengers resulting in a 2.9% increase comparing 2011.



* Fare increases occurred in 2003 (+25%), 2005 (5%), 2008 (4%), 2009 (10%) and 2011 (8%) that was implemented on December 30, 2010.

By Ticket Category (Commutation/Non-Commutation) 1984 - 2012



- Commutation ridership decreased during the past year (-0.4%). (See Figure 2) ⁽¹⁾
- Non-Commutation ridership increased during the past year (+2.6%).

Comparison With Other Transit Agencies

Long Island Rail Road's ridership growth (+0.9%) is compared to:

- MNR (+1.1%)
- MTA Bus (+1.2%)
- Staten Island Rail (-3.0%)
- NJ TRANSIT Rail (+3.3%)
- NYCT Subway (+0.8%)
- NYC Bus (-0.5%)
- MTA Bridges & Tunnels (-1.3%)

Comparison With Economic Indicators

Long Island Rail Road's total ridership growth (+0.9%) – impacted by the fourth quarter Sandy/Amtrak tunnel work - lags behind the corresponding growth trends in NY City employment (+2.0%) and Nassau/Suffolk employment (+1.5%).

⁽¹⁾ The trends shown were calculated based on ticket sales data and therefore reflect aggregate annual ridership trends by ticket type used, not by the time period of travel. (i.e., commutation ridership consists of trips made with monthly and weekly commutation tickets which are used on both peak and off-peak trains, while non-commutation ridership consists of trips made with one-way and ten-trip tickets which are also used on both peak and off-peak trains)

Percent Change vs. Previous Year

Time Period	Total LIRR Ridership	Total NYC Employment	Financial Activities Sector Employment
CY 2012	+0.9%	+2.0%	+0.7%
CY 2011	-0.6%	+0.9%	+1.6%
CY 2010	-1.7%	-0.3%	-1.3%
CY 2009	-5.0%	-2.5%	-6.5%
CY 2008	+1.5%	+0.5%	-0.8%

Ridership By Branch

Ridership increases on eight LIRR Branches (see Table 1). The Greenport Branch showed the largest percent increase (+8.0%), which is attributed to summer weekend ridership gains, while the Montauk branch also saw significant gains from increased travel to the Hamptons. The Port Washington Branch grew 2.0% benefitting from the restoration of the weekday half-hourly service.

RIDERSHIP BY BRANCH 2012 VS. 2011 (Table 1)			
	2012	2011	2012 VS. 2011
Branch Description	Ridership	Ridership	% Change
Babylon Branch	17,436,076	17,199,165	1.40%
City Zone Branch	7,402,307	7,437,425	-0.50%
Far Rockaway Branch	5,285,777	5,236,164	0.90%
Greenport Branch	46,375	42,970	7.90%
Hempstead Branch	3,667,964	3,714,116	-1.20%
Long Beach Branch	4,531,767	4,659,392	-2.70%
Montauk Branch	2,075,088	1,997,512	3.90%
Oyster Bay Branch	1,645,538	1,618,386	1.70%
Port Jefferson Branch*	17,809,781	17,577,780	1.30%
Port Washington Branch	11,623,866	11,400,468	2.00%
Ronkonkoma Branch	9,546,314	9,446,903	1.10%
West Hempstead Branch	683,286	697,002	-2.00%
Total	81,754,143	81,027,281	0.90%

* Port Jefferson Branch includes the electric service portion of the branch with Mineola, Hicksville and Huntington Stations.

III. LIRR 2012 RIDERSHIP BOOK (Based On Train Counts)

1. OVERVIEW

Long Island Rail Road Spring & Fall ridership counts consist of on-board train counts on all revenue trains East/West of Jamaica Station. In 2012 all trains were counted one to six times during the Spring and then again during the Fall season. The resulting Spring & Fall counts were averaged to obtain over-the-year ridership.

It should be noted that due to the physical characteristics of the Long Island Rail Road, all Branches, with the exception of the Port Washington Branch, converge at Jamaica Station and then diverge to three western terminals (Penn Station, Atlantic Terminal and Hunterspoint Avenue/Long Island City Terminals). The East and West of Jamaica counts are reported separately in the following sections.

A brief summary of East of Jamaica Station ridership will precede a more detailed analysis of West of Jamaica Station ridership.

2. EAST OF JAMAICA STATION – HOME STATION ANALYSIS

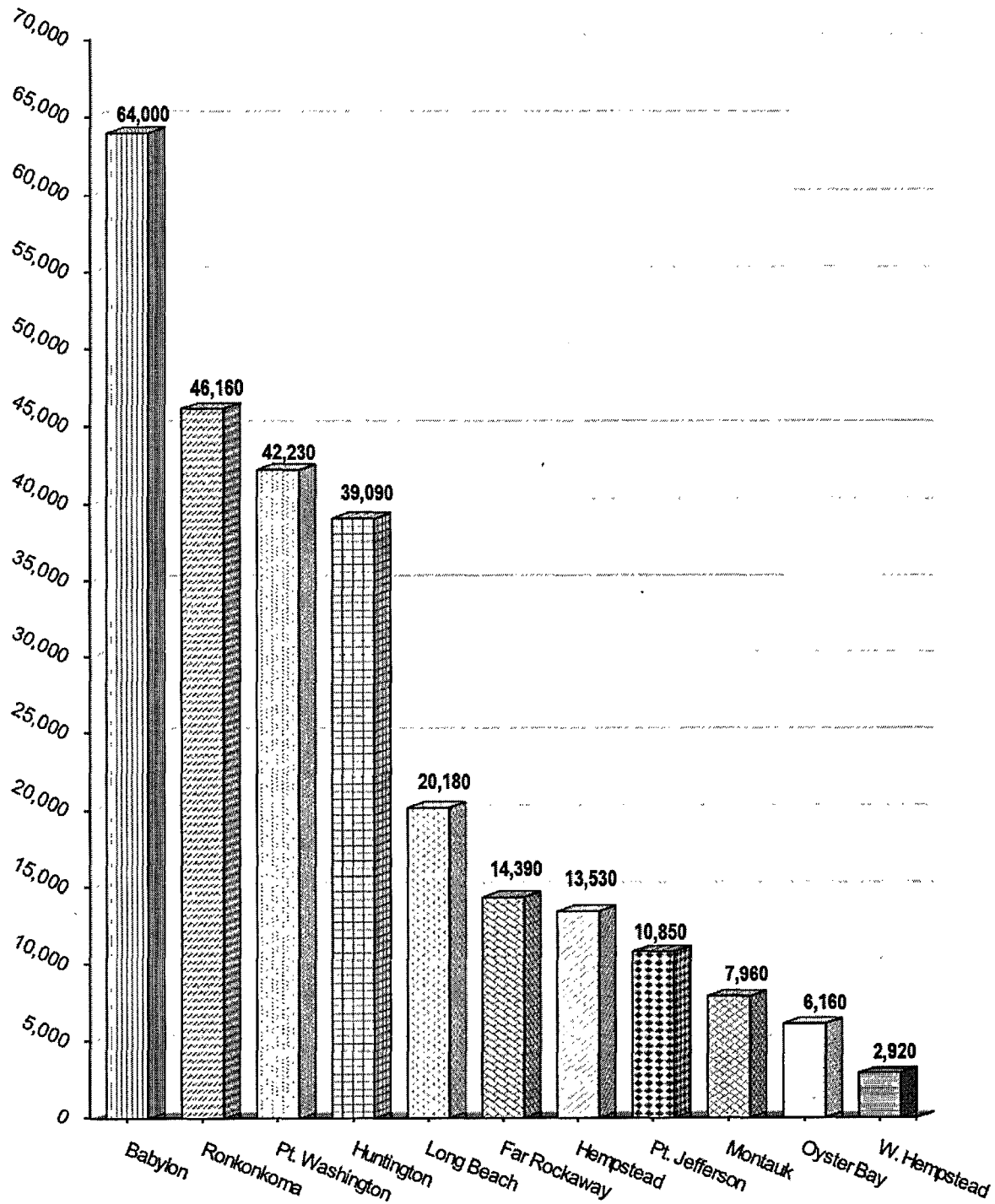
Highlights

- The Babylon Branch has the most LIRR customers (64,000), followed by the Ronkonkoma Branch servicing 46,160 customers on an average day (see Appendix Figure 4; A breakdown of all LIRR Branches by day part is provided in Appendix Figures 4 – 10). As we continue to evaluate service enhancements, the frequency of service at the most popular branches will be re-considered.
- Weekday ridership increased.
- Weekend ridership increased (both on Saturdays and Sundays).
- The AM and PM Reverse Peak ridership declined.

Total Ridership East of Jamaica

- Total Weekly LIRR East of Jamaica Ridership increased 1.5% between 2011 and 2012.

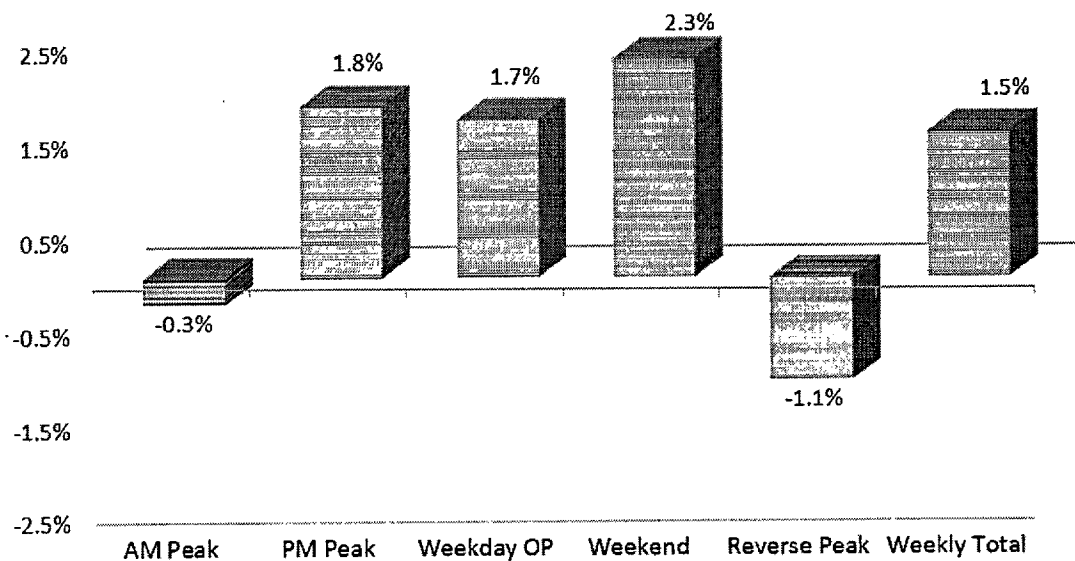
**Daily Branch Travel
2012 - East of Jamaica
Figure 4**



East of Jamaica Ridership in all time periods (See Appendix Table 2)

- Weekday ridership increased 1.0%
- Weekday Peak ridership increased 0.7%
 - AM Peak ridership decreased 0.3%
 - PM Peak ridership increased 1.8%
- Weekday Off-Peak ridership increased 1.7%
- Weekend ridership increased 2.3%
 - Saturday increased 2.8%
 - Sunday increased 1.7%
- Reverse Peak ridership decreased 1.1%
 - AM Reverse decreased 1.8%
 - PM Reverse decreased 0.5%

Ridership Growth by Market (Figure 3)



Based on east of Jamaica counts, all travel segments reflect an increase in ridership comparisons except the AM Peak and Reverse Peak segments, which decreased slightly (see Figure 3).

3. WEST OF JAMAICA STATION

Highlights

- Weekday ridership increased to/from Penn Station, Atlantic Terminal and HPA/LIC.
- Ridership decreased during the AM Peak period. The largest decrease occurred during the 8:30AM to 9:00AM time period. Ridership increased during the PM Peak period. The largest increase occurred during the 4:30PM to 5:00PM time period.
- Total weekday off-peak ridership increased the largest increase occurred during late midday (3PM to 4PM).
- Total weekend ridership increased. Weekend ridership to/from Penn Station increased both on Saturday and Sunday. Atlantic Terminal ridership increased on Saturday with a slight decline on Sunday.
- Total Reverse Peak ridership decreased. Penn Station and Atlantic Terminal ridership decreased.
- New Year's Eve and New Year's Day ridership to/from Penn Station experienced significant growth. New Year's Eve ridership increased (+14%; +6,000 customers) and New Year's Day ridership increased (+28%; +7,760 customers) during the 2012 holiday travel period.

Total Weekly LIRR Ridership West Of Jamaica

- Total Weekly LIRR West of Jamaica Ridership increased 0.8% between 2011 and 2012. (See Appendix Table 3)

Total Weekday Ridership to/from Western Terminals

- Total Weekday ridership increased 0.6% between 2011 and 2012
- Total Weekday ridership to/from Penn Station increased 0.4%.
- Total Weekday ridership to/from Atlantic Terminal increased 1.3%.
- Total Weekday ridership to/from HPA/LIC increased 2.8%.

West of Jamaica Ridership in all time periods (see Appendix Table 4)

- Weekday Peak ridership increased 0.1%
 - AM Peak ridership decreased 0.4%
 - PM Peak ridership increased 0.6%
- Reverse Peak ridership decreased 1.6%
- Weekday Off-Peak ridership increased 1.6%
- Weekend ridership increased 3.5%
 - Saturday ridership increased 4.0%
 - Sunday ridership increased 2.9%

AM Peak ridership

- The largest decrease occurred on AM Peak trains arriving in Western Terminals between 7:00 AM and 7:30 AM (-2.2%).
- AM Peak ridership to Penn Station decreased 0.8%
- AM Peak ridership to Atlantic Terminal increased 2.2%
- AM Peak ridership to HPA/LIC increased 2.5%

PM Peak ridership

- The largest increase occurred on PM Peak trains departing Western Terminals between 4:31 and 5:00 PM (12.6%)
- PM Peak ridership from Penn Station increased 0.3%
- PM Peak ridership from Atlantic Terminal increased 4.4%
- PM Peak ridership from HPA/LIC increased 1.8%

Weekday Off-Peak ridership

- The largest increase occurred on Midday (3PM to 4PM) inbound trains arriving at Western terminals (+8.9%).
- The largest increase occurred on Midday (3PM to 4PM) outbound trains departing Western Terminals (+6.9%).
- Off-Peak ridership to/from Penn Station increased 2.0%
- Off-Peak ridership to/from Atlantic Terminal decreased 1.7%
- Off-Peak ridership to/from HPA/LIC increased 15.4%

Weekend ridership by Western Terminal

- Weekend ridership to/from Penn Station increased 2.8%
 - Saturday ridership to/from Penn Station increased 3.0%
 - Sunday ridership to/from Penn Station increased 2.6%
- Weekend ridership to/from Atlantic Terminal decreased 0.4%
 - Saturday ridership to/from Atlantic Terminal increased 1.4%
 - Sunday ridership to/from Atlantic Terminal decreased -2.5%
- Saturday ridership increased during the past year (4.0%). Inbound ridership increased (5.2%) and outbound ridership increased (2.7%).
 - The largest increases in ridership occurred on inbound trains arriving in Western Terminals between 12 PM and 3 PM (10.8%) and on outbound trains departing Western Terminals between 3 PM and 6 PM (3.3%). (See Appendix Table 5).
- Sunday ridership increased during the past year (2.9%). Inbound ridership increased (5.0%) and outbound ridership increased (1.1%).
 - The largest increases in ridership occurred on inbound trains arriving in Western Terminals between 9 AM and 12 PM (11.2%) and on outbound trains departing from Western Terminals between 3 PM and 6 PM (5.5%) (See Appendix Table 5).

Reverse ridership

- Reverse Peak Ridership to/from Western Terminals decreased 1.6% (See Appendix Table 6)
- Reverse AM Peak ridership from Western Terminals decreased 1.5% between 2011 and 2012. (Eastbound 4:50 AM to 9:30 AM)
- Reverse AM Peak ridership from Penn Station decreased 1.1%
- Reverse AM Peak ridership from Atlantic Terminal decreased 2.4%
- Reverse PM Peak ridership to Western Terminals decreased 1.6% between 2011 and 2012. (Westbound 4:30 PM to 7:30 PM)

- Reverse PM Peak ridership to Penn Station decreased 1.0%
- Reverse PM Peak ridership to Atlantic Terminal decreased 5.5%

4. HOLIDAY PERIOD (Thanksgiving-New Year's)

The Long Island Rail Road experienced higher overall ridership during the 2012 Year-End Holiday period. Customers reacted positively to expanded train service during key time periods, good on-time performance, and mild weather. The increase in overall additional customers during these holidays demonstrated the effectiveness of the Long Island Rail Road's strategies & extra service.

Thanksgiving Day ridership from Jamaica Station to Penn Station between 7 AM and 10:30 AM was higher (+12%) than 2011. There were an additional 1,855 customers. Ridership from Penn Station Eastbound between 10 AM and 2:30 PM was higher (+6.0%) than 2011 resulting in 2,130 more customers. Overall ridership resulted in 3,985 more customers.

On New Year's Eve inbound ridership to Penn Station (between 4 PM and 10 PM) was +14.0% higher than 2011 resulting in 6,010 more customers.

Early morning outbound ridership from Penn Station (between Midnight and 6:30 AM) on New Year's Day was +28.0% higher than 2012 resulting in 7,760 more customers.

IV. MAJOR INITIATIVES IMPACTING RIDERSHIP

1. SERVICE DELIVERY

For 2012, LIRR's on-time performance improved compared to 2011, reaching 94.3% up from 2011's 93.7%. This exceeded the 2011 performance by nearly 0.6% percentage points, with 458 fewer trains running late. An improvement was seen in nearly all categories of delay, with the greatest improvement in mechanical related delays.

2. CUSTOMER SATISFACTION

The Long Island Rail Road Customer Satisfaction Overall score is 86% up from 78% in 2011. Overall customer satisfaction increased in 2012 recovering from 2011 winter storms and service disruptions from Amtrak repairs/derailment. Safety from accidents on-board trains (93%) and conductor courtesy and responsiveness (93%) both continue to have received the highest scores.

3. MEADOWLANDS PROGRAM

The LIRR continued its successful program in 2012 providing service to the Meadowland's MetLife Stadium carrying 13,598 customers and generating \$179,927 in revenue.

4. BARCLAY'S CENTER

The newly opened Barclay's Center in 2012 has reinvented a new market space for the LIRR where LIRR customers have another forum to travel to for sports and entertainment events. For 2012, a total of 3,107 customers were realized from the opening of the Barclay's Centers creating a 334% in growth compared to a normal baseline of ridership during events.

5. SPECIAL EVENTS

Special events during 2012 contributed to our ridership and revenue base accounting for approximately

416,046 incremental rides ⁽¹⁾ and \$3.4 Million in revenue.

<u>Description</u>	<u>Ridership</u>	<u>Gross Revenue</u>
St. Patrick's Day to/from Parade ⁽¹⁾	76,285	\$629,759
Belmont Service ⁽²⁾	51,263	\$333,476
Mets Opening Day ⁽¹⁾	10,760	\$94,751
Montauk Summer ⁽¹⁾	195,863	\$1,616,918
Thanksgiving Day from Parade ⁽¹⁾	14,730	\$121,601
Thanksgiving Day to Parade ⁽¹⁾	29,440	\$243,038
New Year's Eve ⁽¹⁾	37,705	\$311,268
Total	416,046	\$3,350,811

6. PROMOTIONS

Promotional programs, managed by the LIRR Market Development Department, have contributed to the increased 2012 ridership with over 380,000 customers and generated revenue growth in 2012 with a total of approximately **\$2.1 million** in revenue through a successful mix of promotional Deals & Getaways.

<u>Description</u>	<u>Top Programs</u>	<u>Ridership</u>	<u>Net Revenue</u>
Beach Getaways	Long Bch, Jones Bch, FI	165,050	\$960,984
Group Travel	Schools, Libraries	93,150	\$320,469
Package Tickets	Holiday Shows, Free Rail	26,580	\$177,750
LI Getaways	Splish Splash, Opus	21,141	\$113,546
Belmont	Stakes, Spring & Fall Meet	51,263	\$333,476
NYC Getaways	Auto Show, Harry Potter	20,860	\$137,208
Hamptons Reserve	Cannonball Fridays	2,351	\$42,906
Totals		380,395	\$2,086,339

7. ADVERTISING

In addition to LIRR's focus on quality service delivery and infrastructure improvements, marketing plans, including an annual advertising program, are a significant component of our strategy to increase ridership and revenue. Although the advertising budget was maintained at previously reduced levels, the LIRR ran targeted print/radio/web campaigns supported by social media.

- **NYC/LI Getaways**

Outbound/Inbound Getaway packages were advertised with print, on-line and social media campaigns, supported by brochures, webpages, web stories, press releases and station announcements. Several promotional events were held at Penn Station, and cross-promotion was done at major events to promote the "Take the Train To ..." message.

- **Discretionary**

With a limited budget, press releases and web stories were used to garner free media coverage for new promotional offers, which were also supported by social and in-system media. Radio was used to promote Long Island's major asset and LIRR's prime seller: Beach Packages. Some radio was used for our Meadowlands service.

⁽¹⁾ Reflects incremental change vs. normal 2011 Ridership Book

⁽²⁾ Reflects actual ridership to/from event.

- Barclays Center – Brooklyn

The LIRR promoted service to Atlantic Terminal with the inauguration of the Barclays Center in Brooklyn, home of the NY NETS & a destination for major concerts/events. The Barclays Center is conveniently located right across the street from LIRR's Atlantic Terminal and we offered additional late night service after events and/or basketball games.

- Special Events – 2012 Barclays Golf Tournament – Bethpage Black

The 2012 Barclays Golf Tournament at Bethpage State Park was a major event for the LIRR and included the first ever mobile ticketing pilot in our history, which proved to be extremely successful with about 6,000 mobile ticket sales.

- Holiday Inbound

A "Holiday in the City" campaign promoted taking the train to all the excitement in the City, supported by online and print ads, promotional events on property and at Tanger Deer Park.

- Superstorm Sandy/Infrastructure Campaigns

Advertising was also used to communicate track work programs and repairs especially in the aftermath of Superstorm Sandy (Long Beach Service, Far Rockaway Service, East End Service, etc.)

8. SALES OUTREACH

- The LIRR, along with the North Fork Promotion Council and the Long Island Wine Council implemented a "North Fork Wine Train" on Friday afternoons from Memorial Day to Labor Day on the Ronkonkoma to Greenport train. Each week wines were featured from various LI vineyards for sale to customers. This initiative was created to help promote LI's wine region and the North Fork, since LIRR weekend service was cut on from Columbus Day through Memorial Day weekend.
- In addition to traditional advertising, the 2012 Sales Outreach program established a presence at major conferences, corporate and community events including the Long Island Convention & Visitors Bureau, the East End/North Fork Promotional Group, Fire Island Promotional Group, and the Chambers of Commerce offices in our region.
- Promotional tables were manned at events such as the Annual Oyster Festival and some of the major shows at the Javits Center including: Auto Show, NY Times Travel Show and GLBT Expo.
- Sales outreach also includes visits to schools for safety and group travel. A bi-annual newsletter is printed and distributed to over 7K school teachers and other group leaders.
- Social media posts were completed on a regular basis for Facebook, Twitter, Instagram and YouTube. The LIRR utilizes a segmented approach to obtain followers for our LIRRTrain2Game and LIRR Deals4U twitter accounts. Emails/blasts are also sent to groups in various segments.
- A tourism cart continued to provide literature at our Atlantic Terminal, including our service to Barclays Center.
- Staples Marketing is a LIRR marketing/sales outreach program to increase train usage in Nassau County as a way to reduce air-pollutants from transportation-related sources and achieve federal air-quality standards via a federal Congestion Mitigation & Air Quality Improvement grant (CMAQ). Staples Marketing has successfully contacted over 1,500 businesses, including universities, hospitals, local business and employee trade fairs to promote the transit benefit pre-tax program that offers significant tax savings for employees and employers.

APPENDIX

LIST OF RIDERSHIP TABLES AND GRAPHS

Graphs

Figure 1: 1984 –2012 Total Ridership

Figure 2: 1984 –2012 Commutation / Non Commutation Ridership

Figure 3: Ridership Growth by Market

Figure 4: Daily Branch Travel 2012 - East of Jamaica

Figure 5: Daily Branch Travel Westbound Customers 2012 - East of Jamaica

Figure 6: Daily Branch Travel Eastbound Customers 2012 - East of Jamaica

Figure 7: AM Peak Customers 2012 - East of Jamaica

Figure 8: PM Peak Customers 2012 - East of Jamaica

Figure 9: Saturday Branch Travel Weekend - 2012 – East of Jamaica

Figure 10: Sunday Branch Travel Weekend - 2012 – East of Jamaica

Tables

Table 1: Ridership by Branch 2012 vs. 2011

Table 2: 2012 LIRR Ridership Summary East of Jamaica

Table 3: Ridership To/From Western Terminals

Table 4: Weekday Trends by Time Period

Table 5: Weekend Trends by Time Period

Table 6: Reverse Travel Weekday - 2012 Reverse AM and PM Peak

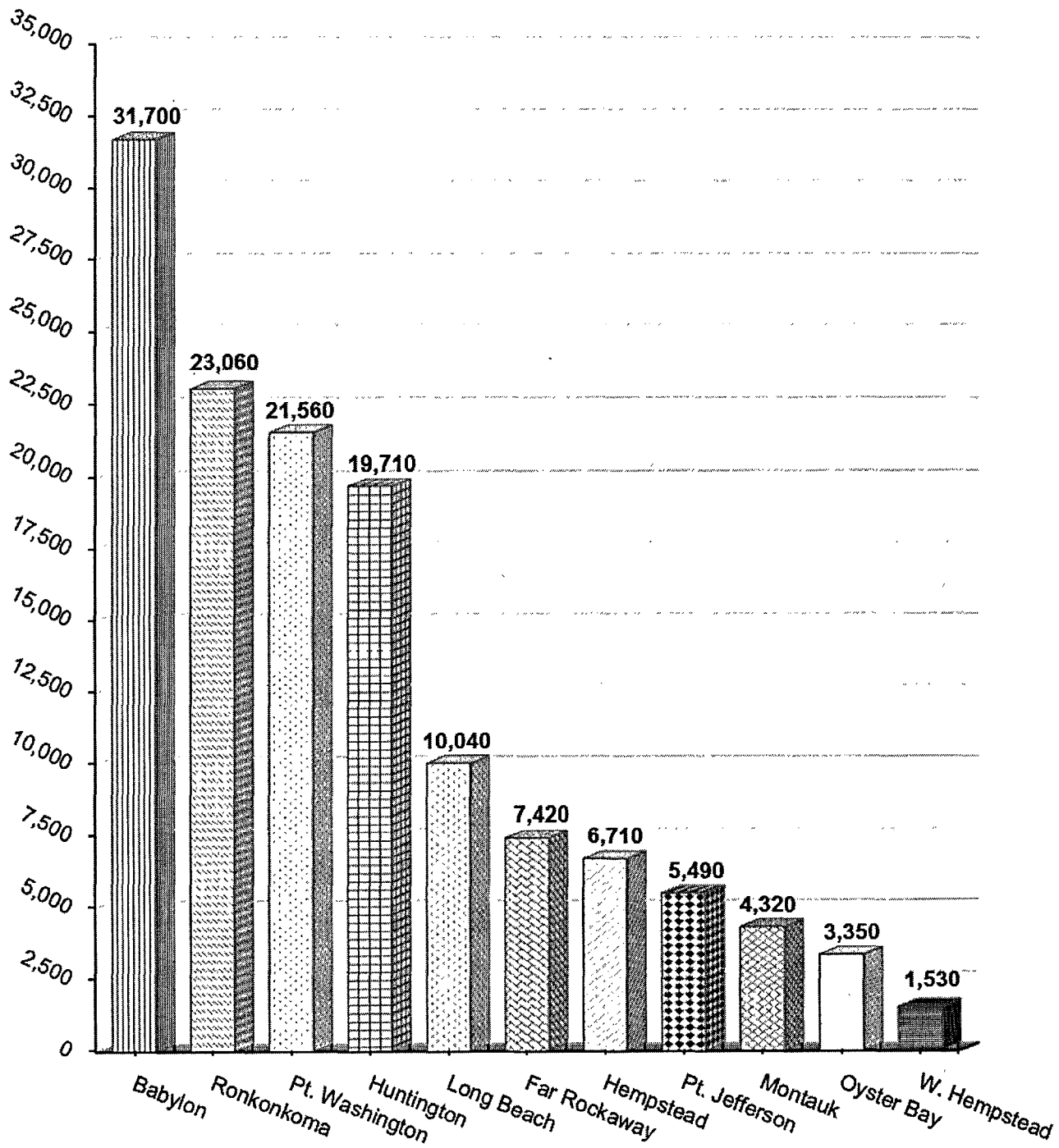
Tables and Graphs

Daily Branch Travel

Westbound Customers

2012 - East of Jamaica

Figure 5

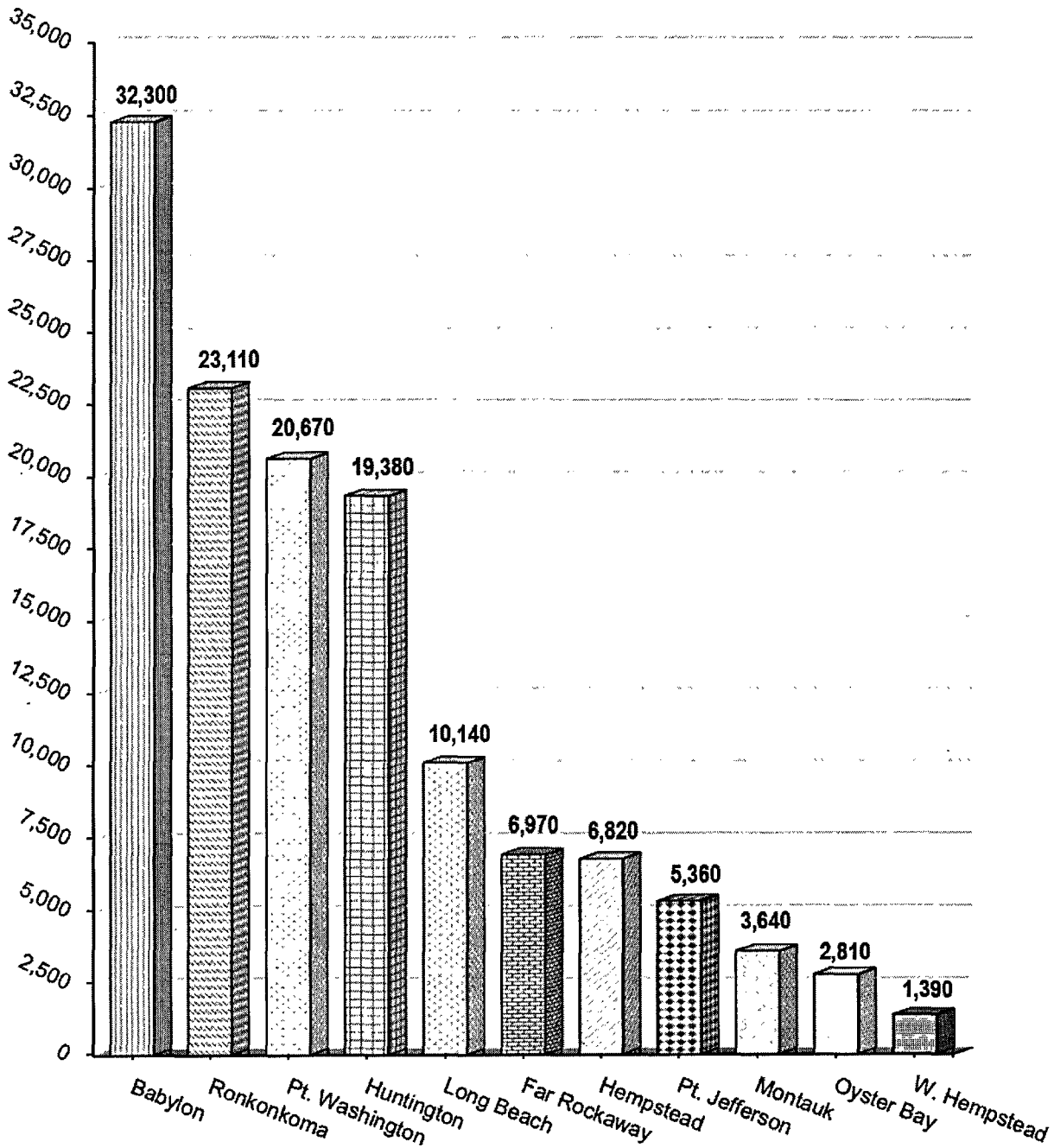


Daily Branch Travel

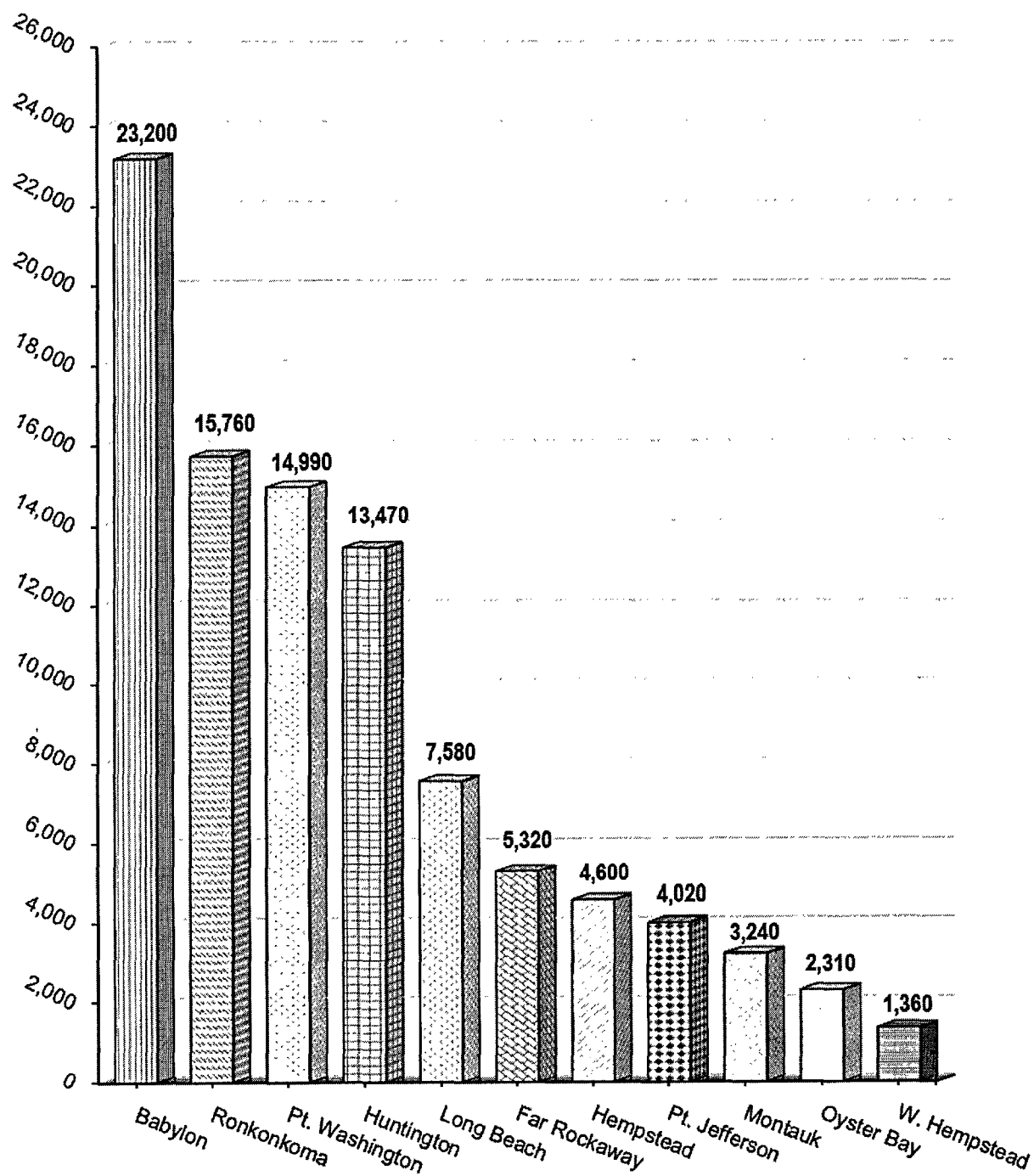
Eastbound Customers

2012 - East of Jamaica

Figure 6

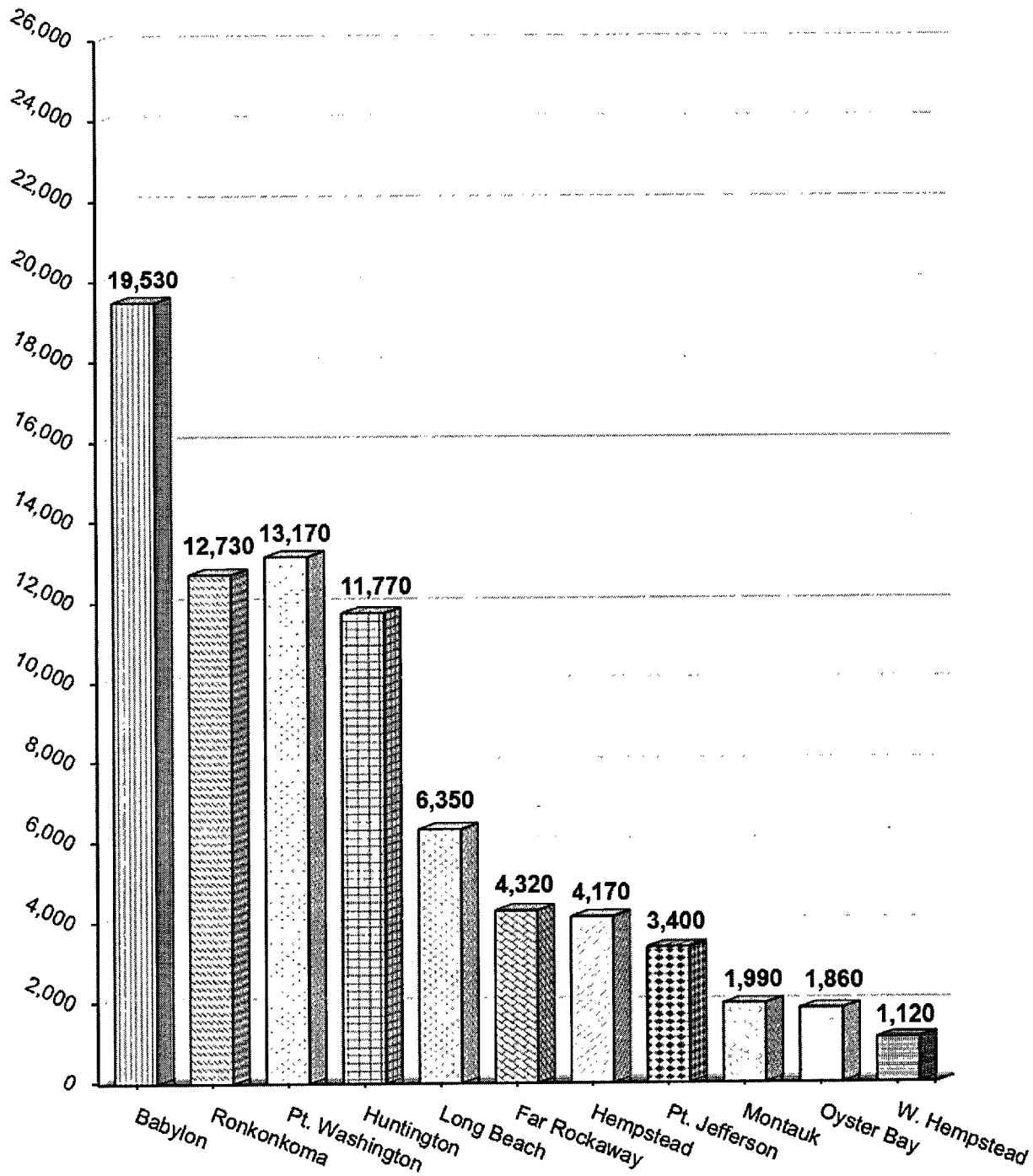


AM Peak Customers 2012 - East of Jamaica Figure 7



PM Peak Customers 2012 - East of Jamaica

Figure 8

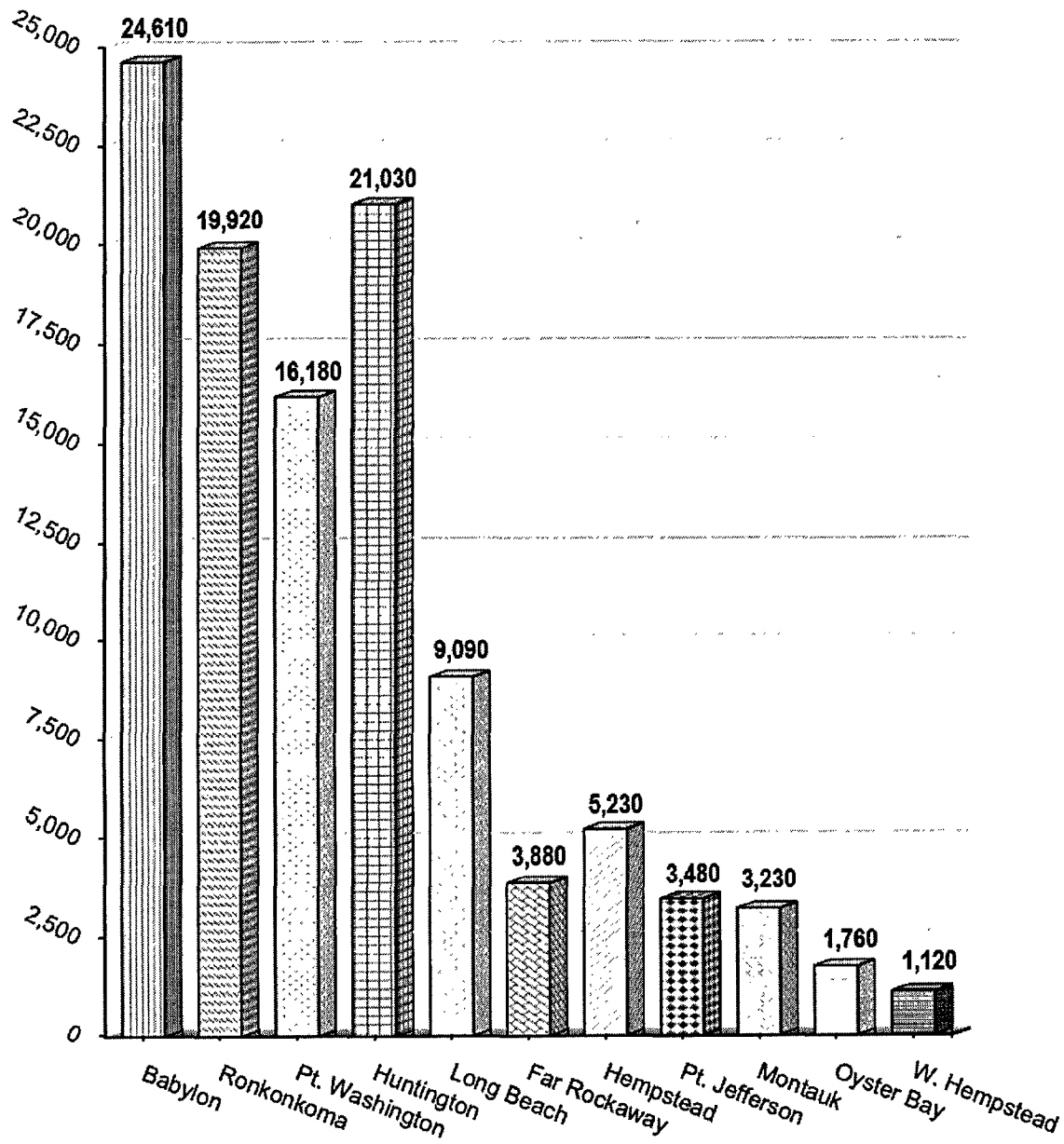


Saturday Branch Travel

Weekend - 2012

East of Jamaica

Figure 9



Sunday Branch Travel

Weekend - 2012

East of Jamaica

Figure 10

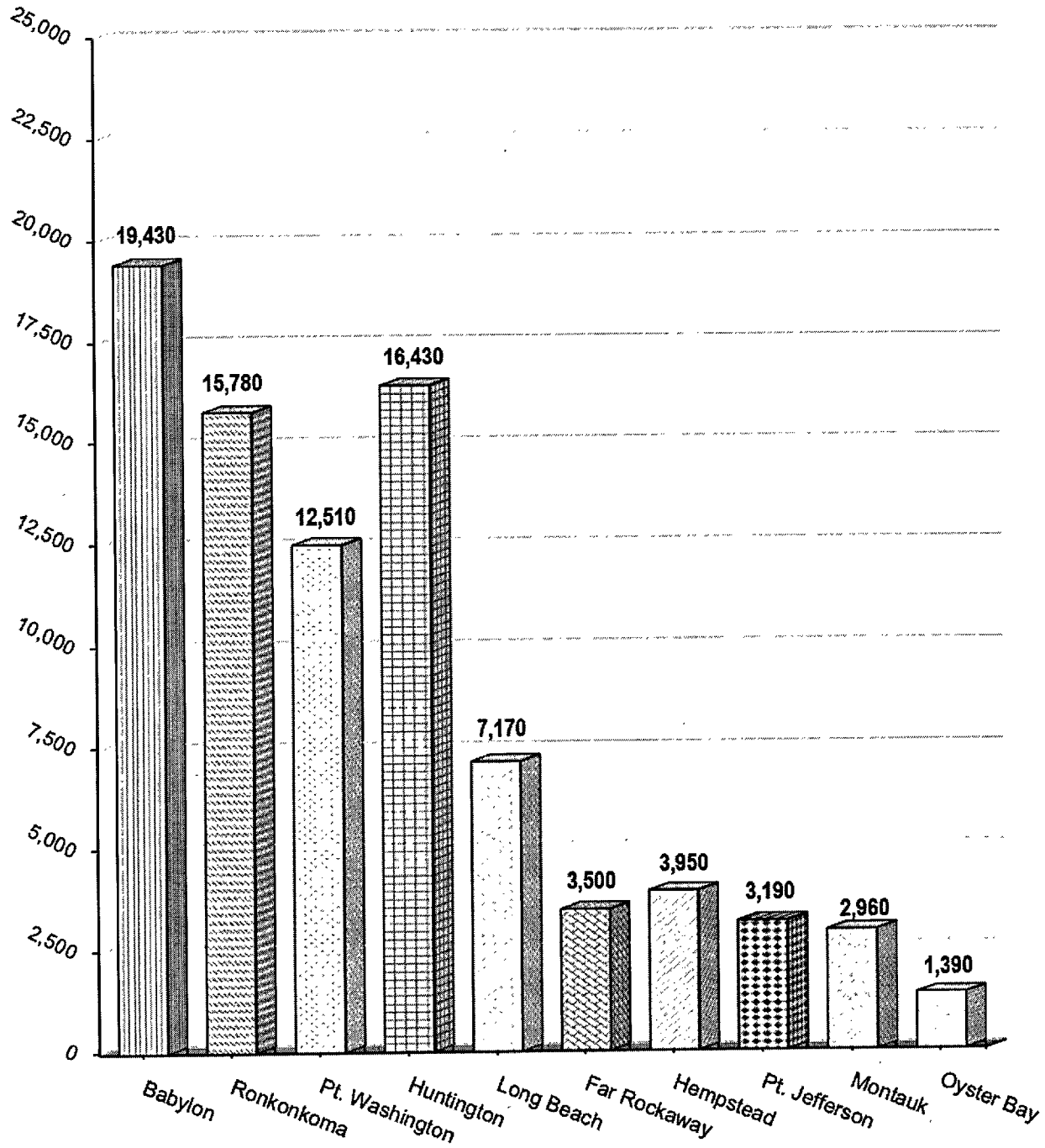


Table 2
2012 LIRR Ridership Summary
East of Jamaica

	2011	2012	% Change
AM Rush Hours	95,390	95,120	-0.28%
PM Rush Hours	77,970	79,390	1.82%
OFF-Peak Weekdays	85,070	86,500	1.68%
Average Daily	258,430	261,010	1.00%
Saturday	100,970	103,820	2.82%
Sunday	80,630	81,990	1.69%
AM Branch:			
Babylon	23,410	23,200	-0.90%
Montauk Diesel	3,190	3,240	1.57%
Hicks/Huntington	13,580	13,470	-0.81%
Pt. Jefferson Diesel	3,980	4,020	1.01%
Port Washington	14,980	14,990	0.07%
Ronkonkoma	15,640	15,760	0.77%
East of Ronkonkoma	40	50	25.00%
Long Beach	7,870	7,580	-3.68%
Hempstead	4,580	4,600	0.44%
Far Rockaway	5,140	5,320	3.50%
Oyster Bay	2,330	2,310	-0.86%
West Hempstead	1,380	1,360	-1.45%
PM Branch:			
Babylon	19,370	19,530	0.83%
Montauk Diesel	2,030	1,990	-1.97%
Hicks/Huntington	11,570	11,770	1.73%
Pt. Jefferson Diesel	3,390	3,400	0.29%
Port Washington	13,160	13,170	0.08%
Ronkonkoma	11,860	12,730	7.34%
East of Ronkonkoma	40	40	0.00%
Long Beach	6,370	6,350	-0.31%
Hempstead	4,140	4,170	0.72%
Far Rockaway	4,170	4,320	3.60%
Oyster Bay	1,820	1,860	2.20%
West Hempstead	1,130	1,120	-0.88%

Weekday Travel at Western Terminals - West of Jamaica

	AM Rush		PM Rush		Daily Arrivals		Daily Departures	
	2011	2012	2011	2012	2011	2012	2011	2012
Penn Station	81,080	80,430	68,770	68,960	110,130	110,510	107,950	108,490
Atlantic Terminal	9,110	9,310	6,180	6,450	13,110	13,260	11,160	11,330
Hunterspoint & LIC	2,760	2,830	2,180	2,220	2,760	2,830	2,310	2,370

Table 3

To / From Western Terminals

Time period	2011	2012	% Change
AM Peak Trains			
Penn Station	81,080	80,430	-0.8%
Atlantic Terminal	9,110	9,310	2.2%
HPA/LIC	2,760	2,830	2.5%
AM Peak	92,950	92,570	-0.4%
PM Peak Trains			
Penn Station	68,770	68,960	0.3%
Atlantic Terminal	6,180	6,450	4.4%
HPA/LIC	2,180	2,220	1.8%
PM Peak	77,130	77,630	0.6%
AM Reverse Peak Trains			
Penn Station	4,400	4,350	-1.1%
Atlantic Terminal	1,640	1,600	-2.4%
HPA/LIC	0	0	
AM Reverse Peak	6,040	5,950	-1.5%
PM Reverse Peak Trains			
Penn Station	7,360	7,290	-1.0%
Atlantic Terminal	1,450	1,370	-5.5%
HPA/LIC	0	0	
PM Reverse Peak	8,810	8,660	-1.7%
Reverse Totals	14,850	14,610	-1.6%
Weekday Off-Peak Trains			
Penn Station	68,230	69,610	2.0%
Atlantic Terminal	8,980	8,830	-1.7%
HPA/LIC	130	150	15.4%
Weekday Off-Peak	77,340	78,590	1.6%
Weekday Totals	247,420	248,790	0.6%
Weekend Totals			
Penn Station	158,300	162,750	2.8%
Atlantic Terminal	15,810	15,750	-0.4%
HPA/LIC	0	0	
Weekend Total	174,110	178,500	2.5%
Weekly Total*	1,411,210	1,422,450	0.8%

*Total derived from Weekday times 5 plus weekend

Table 4

AM Peak Weekday Inbound By Time Period

Time Period	Penn Station			Atlantic Terminal			HPA/LIC		
	2011	2012	% Change	2011	2012	% Change	2011	2012	% Change
6:01-6:30	4,620	4,570	-1.1%	180	230	27.8%	0	0	0.0%
6:31-7:00	6,090	6,190	1.6%	650	660	1.5%	170	180	5.9%
7:01-7:30	11,340	11,160	-1.6%	1,390	1,510	8.6%	220	0	0.0%
7:31-8:00	12,390	12,410	0.2%	2,300	2,360	2.6%	690	950	37.7%
8:01-8:30	17,660	17,440	-1.2%	1,850	1,880	1.6%	750	740	-1.3%
8:31-9:00	15,690	15,430	-1.7%	1,180	1,130	-4.2%	660	700	6.1%
9:01-9:30	8,250	8,190	-0.7%	1,030	1,010	-1.9%	160	150	-6.3%
9:31-10:00	5,040	5,040	0.0%	530	530	0.0%	110	110	0.0%
AM Peak Total	81,080	80,430	-0.8%	9,110	9,310	2.2%	2,760	2,830	2.5%

Off-Peak Weekday Inbound By Time Period

Time Period	Penn Station			Atlantic Terminal			HPA/LIC		
	2011	2012	% Change	2011	2012	% Change	2011	2012	% Change
12:01-1	200	210	5.0%	0	0	0.0%	0	0	0.0%
1:01-2	90	110	22.2%	0	0	0.0%	0	0	0.0%
2:01-3	100	100	0.0%	0	0	0.0%	0	0	0.0%
3:01-4	30	30	0.0%	0	0	0.0%	0	0	0.0%
4:01-5	350	340	-2.9%	40	40	0.0%	0	0	0.0%
5:01-6	1,590	1,680	5.7%	130	140	7.7%	0	0	0.0%
10:01-11	4,350	4,580	5.3%	200	240	20.0%	0	0	0.0%
11:01-12	3,130	3,170	1.3%	330	310	-6.1%	0	0	0.0%
12:01-1	2,340	2,370	1.3%	250	240	-4.0%	0	0	0.0%
1:01-2	2,070	2,230	7.7%	240	220	-8.3%	0	0	0.0%
2:01-3	1,720	1,870	8.7%	230	220	-4.3%	0	0	0.0%
3:01-4	1,690	1,860	10.1%	230	230	0.0%	0	0	0.0%
4:01-5	2,040	2,290	12.3%	450	420	-6.7%	0	0	0.0%
5:01-6	2,370	2,330	-1.7%	500	450	-10.0%	0	0	0.0%
6:01-7	2,590	2,630	1.5%	370	360	-2.7%	0	0	0.0%
7:01-8	1,620	1,580	-2.5%	490	480	-2.0%	0	0	0.0%
8:01-9	840	860	2.4%	190	180	-5.3%	0	0	0.0%
9:01-10	730	760	4.1%	110	90	-18.2%	0	0	0.0%
10:01-11	760	710	-6.6%	170	210	23.5%	0	0	0.0%
11:01-12	440	370	-15.9%	70	120	71.4%	0	0	0.0%
Off-Peak Inbound Total	29,050	30,080	3.5%	4,000	3,950	-1.3%	0	0	0.0%
Weekday Inbound Total	110,130	110,510	0.3%	13,110	13,260	1.1%	2,760	2,830	2.5%

Table 4

PM Peak Weekday Outbound By Time Period

Time Period	Penn Station			Atlantic Terminal			HPA/LIC		
	2011	2012	% Change	2011	2012	% Change	2011	2012	% Change
4:01-4:30	4,110	4,120	0.2%	580	590	1.7%	370	390	5.4%
4:31-5:00	7,540	8,240	9.3%	790	1,130	43.0%	150	180	20.0%
5:01-5:30	13,180	12,770	-3.1%	1,570	1,570	0.0%	920	900	-2.2%
5:31-6	14,400	14,530	0.9%	960	920	-4.2%	330	340	3.0%
6:01-6:30	10,720	11,580	8.0%	1,240	1,220	-1.6%	300	300	0.0%
6:31-7	8,450	7,430	-12.1%	430	430	0.0%	110	110	0.0%
7:01-7:30	5,720	6,310	10.3%	320	330	3.1%	0	0	0.0%
7:31-8	4,650	3,980	-14.4%	290	260	-10.3%	0	0	0.0%
PM Peak Total	68,770	68,960	0.3%	6,180	6,450	4.4%	2,180	2,220	1.8%

Off-Peak Weekday Outbound By Time Period

Time Period	Penn Station			Atlantic Terminal			HPA/LIC		
	2011	2012	% Change	2011	2012	% Change	2011	2012	% Change
12:01-1	950	980	3.2%	0	0	0.0%	0	0	0.0%
1:01-2	490	460	-6.1%	0	0	0.0%	0	0	0.0%
2:01-3	60	50	-16.7%	0	0	0.0%	0	0	0.0%
3:01-4	190	190	0.0%	0	0	0.0%	0	0	0.0%
4:01-5	90	90	0.0%	0	0	0.0%	0	0	0.0%
5:01-6	300	300	0.0%	210	190	-9.5%	0	0	0.0%
6:01-7	650	620	-4.6%	250	260	4.0%	0	0	0.0%
7:01-8	1,410	1,530	8.5%	510	510	0.0%	0	0	0.0%
8:01-9	1,530	1,220	-20.3%	540	500	-7.4%	0	0	0.0%
9:01-10	950	1,030	8.4%	260	260	0.0%	0	0	0.0%
10:01-11	850	870	2.4%	210	220	4.8%	0	0	0.0%
11:01-12	1,120	1,060	-5.4%	240	200	-16.7%	0	0	0.0%
12:01-1	1,540	1,530	-0.6%	210	210	0.0%	0	0	0.0%
1:01-2	2,290	2,200	-3.9%	240	250	4.2%	0	0	0.0%
2:01-3	3,940	3,890	-1.3%	310	310	0.0%	0	0	0.0%
3:01-4	7,830	8,340	6.5%	900	970	7.8%	120	150	25.0%
8:01-9	5,540	5,570	0.5%	560	480	-14.3%	0	0	0.0%
9:01-10	4,200	4,230	0.7%	240	230	-4.2%	0	0	0.0%
10:01-11	3,460	3,310	-4.3%	230	160	-30.4%	0	0	0.0%
11:01-12	1,790	2,060	15.1%	70	130	85.7%	0	0	0.0%
Off-Peak Outbound Total	39,180	39,530	0.9%	4,980	4,880	-2.0%	120	150	25.0%
Weekday Outbound Total	107,950	108,490	0.5%	11,160	11,330	1.5%	2,300	2,370	3.0%
Weekday Total	218,080	219,000	0.4%	24,270	24,590	1.3%	5,060	5,200	2.8%

Table 5

Weekend Trends by Time Period

Saturday Inbound

Time Period	Penn Station		
	2011	2012	% Change
12-3:00	850	960	12.9%
3:01-6:00	580	590	1.7%
6:01-9	4,940	4,970	0.6%
9:01-12	8,950	9,380	4.8%
12:01-3	9,060	9,810	8.3%
3:01-6	7,370	7,580	2.8%
6:01-9	7,970	7,990	0.3%
9:01-12	5,590	5,560	-0.5%

	Atlantic Terminal		
	2011	2012	% Change
	0	0	0.0%
	40	50	25.0%
	430	390	-9.3%
	610	670	9.8%
	660	690	4.5%
	760	800	5.3%
	880	880	0.0%
	700	700	0.0%

Saturday Outbound

Time Period	Penn Station		
	2011	2012	% Change
12-3:00	4,720	4,810	1.9%
3:01-6:00	1,450	1,420	-2.1%
6:01-9	2,050	2,120	3.4%
9:01-12	3,960	4,360	10.1%
12:01-3	6,160	6,050	-1.8%
3:01-6	9,920	10,220	3.0%
6:01-9	8,400	8,610	2.5%
9:01-12	6,670	6,860	2.8%
Outbound Total	43,330	44,450	2.6%
Saturday Total	88,640	91,290	3.0%

	Atlantic Terminal		
	2011	2012	% Change
	0	0	0.0%
	0	0	0.0%
	660	680	3.0%
	790	750	-5.1%
	810	800	-1.2%
	930	950	2.2%
	740	760	2.7%
	500	510	2.0%
	4,430	4,450	0.5%
	8,510	8,630	1.4%

Sunday Inbound

Time Period	Penn Station		
	2011	2012	% Change
12-3:00	580	590	1.7%
3:01-6:00	370	340	-8.1%
6:01-9	2,790	2,810	0.7%
9:01-12	7,000	7,540	7.7%
12:01-3	7,670	7,880	2.7%
3:01-6	5,890	5,940	0.8%
6:01-9	5,690	5,730	0.7%
9:01-12	3,000	3,070	2.3%
Inbound Total	32,990	33,900	2.8%

	Atlantic Terminal		
	2011	2012	% Change
	0	0	0.0%
	30	40	33.3%
	250	300	20.0%
	580	570	-1.7%
	650	610	-6.2%
	730	700	-4.1%
	860	810	-5.8%
	550	510	-7.3%
	3,650	3,540	-3.0%

Sunday Outbound

Time Period	Penn Station		
	2011	2012	% Change
12-3:00	5,320	5,230	-1.7%
3:01-6:00	1,760	1,890	7.4%
6:01-9	1,630	1,620	-0.6%
9:01-12	3,400	3,680	8.2%
12:01-3	5,160	5,170	0.2%
3:01-6	7,760	8,260	6.4%
6:01-9	7,620	7,760	1.8%
9:01-12	4,020	3,950	-1.7%
Outbound Total	36,670	37,560	2.4%
Sunday Total	69,660	71,460	2.6%

	Atlantic Terminal		
	2011	2012	% Change
	0	0	0.0%
	0	0	0.0%
	360	370	2.8%
	640	630	-1.6%
	750	740	-1.3%
	830	810	-2.4%
	710	670	-5.6%
	360	360	0.0%
	3,650	3,580	-1.9%
	7,300	7,120	-2.5%

Table 6

Reverse Travel Weekday 2012 Reverse AM and PM Peak East of Jamaica

	Eastbound Trains	A.M. Passengers	Westbound Trains	P.M. Passengers
Babylon	9	1,540	8	2,010
Montauk	3	230	3	310
Huntington	5	1,240	3	1,380
Port Jefferson	2	460	1	250
Port Washington	7	1,040	8	1,690
Ronkonkoma	6	2,020	4	2,440
Long Beach	5	430	3	480
Hempstead	5	730	4	670
Far Rockaway	5	500	5	730
Oyster Bay	2	310	3	410
West Hempstead	2	40	2	50
Total	51	8,540	44	10,420

Morning Reverse Peak - Eastbound 4:50am-9:30am

Evening Reverse Peak - Westbound 4:30pm-7:30pm



Metro-North Railroad

Information Items

April 2013

**MTA METRO-NORTH RAILROAD
2012 YEAR-END REPORT
SUMMARY**

2012 Highlights at a Glance:

- 2012 results were significantly below the Final Estimate, even after factoring in lost revenue and expenses related to Tropical Storm Sandy.
- Ridership of just under 83 million was the second highest in MNR history and was on track for record levels if not for the losses incurred due to Tropical Storm Sandy (1.8 million riders lost).
- Non-Passenger revenue of \$51.4 million was the highest in MNR history and was a result of growth in: GCT retail revenue, higher commissary sales and GCT digital advertising.
- Overtime supporting operations of \$55.2 million was \$1.8 million below the Final Estimate and \$1.4 million (2.5%) higher than the Adopted Budget of \$53.9 million. Excluding Tropical Storm Sandy overtime of \$2.8 million, Metro-North overtime would have been \$1.5 million below the Adopted Budget.
- Material consumption levels were significantly below projected levels reflecting NHL fleet savings related to M-2 retirements and improved maintenance practices as well as lower M-8 car material requirements.
- In October 2012 Metro-North launched the first phase of its service investment initiative which represents the largest service increase in Metro-North history.

For the year, the 2012 net operating deficit of \$621.1 million was \$63.2 million lower than the Final Estimate driven by \$67.2 million (5.5%) in lower expenses and \$20.6 million (2.5%) in lower revenue and reimbursements. The favorable operating deficit was achieved despite the severe impacts of Tropical Storm Sandy that caused service disruptions and significant infrastructure damage, and resulted in 2012 revenue losses of \$8.1 million and repair and recovery expenditures totaling \$9.7 million.

Total East and West of Hudson ridership was 83.0 million rides, 2.1% lower than forecast and 0.8% above 2011. Growth in ridership had been averaging between 3% and 4% higher than 2011 through September until Tropical Storm Sandy adversely impacted system-wide ridership during the fourth quarter.

Total Operating Revenue of \$638.9 million was \$0.1 million lower than the 2012 Final Estimate. Farebox Revenue of \$587.5 million for East of Hudson service was \$2.6 million (0.4%) lower than the Final Estimate due to the Sandy-related ridership losses noted above. However, Other Operating Revenue of \$51.4 million was \$2.5 million higher than projected and 7.9% higher than 2011 primarily due to increased net income from GCT digital advertising and retail operations.

Total Operating Expenses of \$1,260.1 million were \$63.3 million lower than the 2012 Final Estimate. Of that amount, \$20.4 million is comprised of lower non-cash expense accruals for Depreciation, OPEB, and Environmental Remediation, \$34.7 million is due to lower non-labor expenses, and \$8.2 million represents lower labor costs.

Non-labor costs versus the 2012 Final Estimate reflect favorable results in several categories. Of significance are: lower materials and supplies usage (\$11.1 million) due to benefits from M-2 car retirements and improved maintenance practices as well as lower M-8 car material requirements; lower propulsion costs (\$4.6 million) related to both lower prices and usage for electric power and diesel fuel; a reduced level of maintenance contract costs (\$11.7 million) mainly due to rescheduling of locomotive overhauls and lower than projected costs for miscellaneous services. Lower labor costs were primarily due to vacancies and the elimination of the accrual for management wage increases (\$9.8 million), lower health & welfare costs (\$5.0 million) and continued focus on overtime control (\$1.8 million). These lower costs were partially offset by higher pension contribution costs (\$4.4 million), as well as lower reimbursable overhead credits (\$3.6 million).

Reimbursable revenues and expenditures were \$20.5 million (10.6%) lower than the Final Estimate due to project timing and management efforts to more efficiently perform project work.

The net cash deficit for the year of \$309.0 million was \$59.8 million lower than the 2012 Final Estimate. Cash receipts totaling \$924.3 million were \$3.2 million higher than the 2012 Final Estimate for the year primarily due to higher capital project reimbursements resulting in a permanent ("real") subsidy decrease. Cash disbursements of \$1,233.4 million were \$56.6 million lower than the 2012 Final Estimate of which \$70.2 million is a "real" (permanent) variance that is not projected to recur in 2013. This favorable variance is partially offset by an unfavorable "timing" variance of \$13.6 million. Cash timing differences reflect year-end advanced payment of 2013 OPEB liability and pension contributions (\$29.7 million), partially offset by favorable cash timing differences for health & welfare costs, maintenance contracts, materials & supplies, and business expenses that are expected to increase 2013 subsidies (\$16.1 million). The materials & supplies and business expense are primarily carryover costs from 2012 related to Tropical Storm Sandy.

The net cash deficit was partially offset by \$0.8 million, reflecting the change in available cash balance resulting in subsidy requirements that were \$59.0 million lower than projected.

Detailed explanations for differences between actual results and both the 2012 Final Estimate and 2012 Adopted Budget are included in the following pages. As always, Metro-North will continue to closely monitor its financial performance and resource requirements and will make appropriate forecast adjustments going forward.

MTA METRO-NORTH RAILROAD
2012 YEAR-END REPORT
DETAILED EXPLANATIONS OF REVENUE AND EXPENSES VARIANCES
BY GENERIC CATEGORY – ACCRUAL BASIS

2012 FINAL ESTIMATE VS ACTUALS

NON-REIMBURSABLE

Total Revenue of \$638.9 million was \$0.1 million lower than the 2012 Final Estimate. **Farebox Revenue** of \$587.5 million was \$2.5 million lower than the 2012 Final Estimate primarily reflecting lower ridership resulting from Tropical Storm Sandy. **Other Operating Revenue** of \$51.4 million was \$2.5 million higher than the 2012 Final Estimate and reflects higher than projected net revenues from GCT advertising and retail operations.

Total Expenses, including non-cash expenses for Depreciation, OPEB Obligation, and Environmental Remediation, were \$1,260.1 million; \$63.3 million (4.8%) lower than the 2012 Final Estimate.

Payroll expenses were \$9.8 million lower than the 2012 Final Estimate primarily due to higher than projected vacancies and the elimination of the accrual for management wage increases. **Overtime** costs were \$1.8 million (3.2%) lower than projected, reflecting operating efficiencies in rolling stock maintenance and repairs. Excluding the overtime costs related to Tropical Storm Sandy (\$2.8 million), these costs would have been \$4.7 million below the Final Estimate. **Health and Welfare costs** (including OPEB Current Payments) were \$5.0 million favorable due to fewer paid positions and lower premiums. **Pensions** were \$4.4 million higher than the Final Estimate due to updated actuarial estimates for the Defined Benefit Plan. **Other Fringe** expenses including payroll taxes were \$0.5 million higher than the 2012 Final Estimate. **Reimbursable Overhead** cost recoveries were \$3.6 million lower than the 2012 Final Estimate reflecting lower capital project activity and other project billing adjustments.

Electric Power expenses were lower than the 2012 Final Estimate by \$4.6 million primarily due to favorable rates. **Fuel** expenses were \$0.5 million higher than the 2012 Final Estimate. **Insurance** and **Claims** expenses were slightly lower than the 2012 Final Estimate (\$0.2 million and \$0.1 million, respectively). **Maintenance and Other Operating Contracts** were \$11.7 million under the 2012 Final Estimate, primarily due to lower costs related to scheduling changes on locomotives, maintenance services for shop equipment and row structures and facilities, M-2 car disposals, office space charges, MTA police services and timing differences for Tropical Storm Sandy expenses. **Professional Services** were \$1.7 million below the 2012 Final Estimate primarily due to lower than expected expenses for IT hardware, training, legal, medical services and position advertising partially offset by higher costs related to bridge inspections. **Material & Supplies** were \$11.1 million lower than the 2012 Final Estimate primarily due to lower requirements for rolling stock parts and supplies, lower car body materials usage and timing differences for Tropical Storm Sandy expenses. **Other Business Expenses** were \$ 5.8 million lower than the 2012 Final Estimate primarily

due to lower non-operating activity as well as timing differences related to Tropical Storm Sandy operating expenses. **Depreciation** expense was \$6.0 million lower than the Final 2012 Estimate due to timing differences in the completion of a number of capital projects and lower capitalization of assets. **OPEB Obligation** was lower by \$11.8 million due to updated actuarial estimates. **Environmental Remediation** expense estimate was \$2.6 million lower than anticipated due to fewer capital projects requiring remediation services.

REIMBURSABLE

Capital program expenditures (and reimbursements) were \$20.5 million lower than the Final 2012 Estimate. **Labor expenses** (including fringes and overhead) were \$3.3 million lower than the 2012 Final Estimate due to reduced activity for MTA and CDOT funded track programs, Cos Cob West Substation, and Mainline/High Speed Turnout projects, cost efficiency savings, and vacancies, partially offset by higher overtime requirements for CDOT projects – West Haven Station, NHL Waterbury Branch, and Danbury Branch Signal System. **Non-Payroll** expenditures were \$17.2 million lower than the Final 2012 Estimate. They reflect lower activity and related impacts on **Material & Supplies** for the following projects: NHL Rail Yard – Component Change-out Shop, Waterbury Branch, Replace Fiber/C&S Cables, Radio Frequency Re-banding, Mainline/High Speed Turnouts project, and the NYS Cyclical Track Program; and lower activity for **Maintenance Contracts** for Ferry Services, Design of Guard Booths at Stamford & East Bridgeport, and the Danbury Branch Signal System project. These decreases were offset by higher activity for **Professional Service Contracts** due to timing differences for the West Haven Station project.

2012 ADOPTED BUDGET VS. ACTUALS

NON-REIMBURSABLE

Total Revenue of \$638.9 million was \$6.1 million higher than the 2012 Adopted Budget. **Farebox Revenue** of \$587.5 million was \$1.5 million lower than the 2012 Adopted Budget. **Other Operating Revenue** of \$51.4 million was \$7.5 million (17.1%) higher than the 2012 Adopted Budget due primarily to higher net GCT revenue due to the rescheduling of the GCT Trainshed project, lower tenant cost and higher advertising revenue.

Total Expenses: \$1,260.1 million were \$85.3 million lower than the 2012 Adopted Budget of which \$23.2 million was related to non-cash accruals for Depreciation, OPEB Obligation, and Environmental Remediation; \$51.2 in lower non-payroll costs and \$10.9 million lower labor expenses.

Payroll expenses were \$12.5 million below the 2012 Adopted Budget primarily due to vacancies and elimination of the accrual for management wage increases. **Overtime** costs were \$1.4 million (2.5%) higher than the 2012 Adopted Budget reflecting Tropical Storm Sandy coverage and unanticipated overtime to cover train and engine crew requirements. Excluding the overtime costs related to Tropical Storm Sandy (\$2.8 million), these costs would have been \$1.5 million below the Adopted Budget. **Health and Welfare** (including OPEB current payments) was \$6.7 million below the 2012

Adopted Budget primarily due to lower healthcare premiums and vacancies. **Pension** expenses were \$0.7 million higher than the Adopted Budget as a result of revised actuarial forecasts. **Other Fringe Benefits** expenses were \$2.1 million lower. **Reimbursable Overhead** cost recoveries were \$8.3 million lower than the 2012 Adopted Budget reflecting lower capital project activity.

Electric Power expenses were \$14.7 million lower than the 2012 Adopted Budget due primarily to lower than projected prices. **Fuel** expenses were \$0.6 million higher than the 2012 Adopted Budget. **Insurance** expenses were on target to the Adopted Budget. **Claims** expenses were \$0.1 million lower than the 2012 Adopted Budget. **Maintenance and Other Operating Contracts** expenditures were \$15.6 million under the 2012 Adopted Budget. They reflect scheduling changes in locomotive overhauls and lower costs for maintenance services, M-2 car disposals and office space charges. **Professional Services** were \$2.8 million favorable vs. the 2012 Adopted Budget due primarily to lower expenditures for information technology, training, legal and medical services. **Material & Supplies** were \$10.8 million under the 2012 Adopted Budget reflecting lower expenditures for rolling stock parts & supplies and carbody materials resulting from net impact of M-2 retirements and rollout of new M-8 cars. **Other Business Expenses** were \$7.7 million below the 2012 Adopted Budget primarily due to lower NJT subsidy payments related to the final settlement of 2011 Port Jervis Line service costs, higher Amtrak recoveries and other miscellaneous fees. **Depreciation** expense was \$12.9 million below the 2012 Adopted Budget due to timing differences in the completion of capital projects. **OPEB Obligation** was favorable by \$3.8 million due to updated actuarial estimates. **Environmental Remediation** expenses were favorable by \$6.6 million due to fewer capital projects requiring remediation services.

REIMBURSABLE

Capital program expenditures (and reimbursements) were \$42.1 million lower than the 2012 Adopted Budget. **Labor expenses** (including fringes and overhead) were \$18.9 million lower than the 2012 Adopted Budget due to reduced activity for MTA and CDOT funded track programs, Port Jervis Line Reconstruction, GCT Fire Life Safety, the M8 Car Procurement, Positive Train Control project, and cost efficiency savings for capital administration. **Non-Payroll** expenditures were \$23.2 million lower than the Adopted Budget. They reflect the impact of lower activity on Material & Supplies due to timing differences for the following projects: Danbury Branch Signal System, NHL Rail Yard – Component Chang-out Shop, Replace Fiber/C&S Cables, Bronx Station /Capacity Improvements, Mainline/High Speed Turnouts, and the NYS Cyclical Track program; lower activity for Other Business Expense was due to timing differences for the PBX Equipment Upgrade project; and lower activity for **Maintenance Contract** costs for the Overhead Bridge program. These were partially offset by higher activity for **Professional Service Contracts** for the West Haven Station project.

MTA METRO NORTH RAILROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 4 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	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$588.964	\$590.040	\$587.493	(\$1.471)	(0.2)	(\$2.546)	(0.4)
Vehicle Toll Revenue	0.000	0.000	0.000	-	-	0.000	-
Other Operating Revenue	43.902	48.962	51.428	7.525	17.1	2.465	5.0
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	-
Total Revenue	\$632.866	\$639.002	\$638.921	\$6.055	1.0	(\$0.081)	0.0
Expenses							
Labor:							
Payroll	\$406.393	\$403.616	\$393.854	\$12.539	3.1	\$9.762	2.4
Overtime	53.855	57.071	55.224	(1.369)	(2.5)	1.847	3.2
Health and Welfare	91.818	88.152	81.664	10.154	11.1	6.488	7.4
OPEB Current Payment	16.000	18.000	19.456	(3.456)	(21.6)	(1.456)	(8.1)
Pensions	66.394	62.697	67.126	(0.731)	(1.1)	(4.429)	(7.1)
Other Fringe Benefits	94.965	92.440	92.904	2.062	2.2	(0.464)	(0.5)
Reimbursable Overhead	(41.751)	(36.986)	(33.434)	(8.317)	(19.9)	(3.552)	(9.6)
Total Labor Expenses	\$687.674	\$684.990	\$676.793	\$10.881	1.6	\$8.197	1.2
Non-Labor:							
Electric Power	\$84.648	\$74.619	\$69.985	\$14.663	17.3	\$4.634	6.2
Fuel	28.229	28.318	28.789	(0.561)	(2.0)	(0.471)	(1.7)
Insurance	10.893	10.942	10.790	0.103	0.9	0.152	1.4
Claims	0.485	0.483	0.356	0.129	26.7	0.127	26.4
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	104.834	100.928	89.262	15.572	14.9	11.666	11.6
Professional Service Contracts	26.859	25.767	24.083	2.776	10.3	1.684	6.5
Materials & Supplies	73.332	73.632	62.520	10.812	14.7	11.112	15.1
Other Business Expenses	25.661	23.744	17.957	7.704	30.0	5.787	24.4
Total Non-Labor Expenses	\$354.941	\$338.433	\$303.742	\$51.199	14.4	\$34.691	10.3
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 and GASB Adjs.	\$1,042.615	\$1,023.423	\$980.535	\$62.080	6.0	\$42.888	4.2
Depreciation	\$236.015	\$229.177	\$223.143	\$12.872	5.5	\$6.034	2.6
OPEB Obligation	59.997	68.044	56.244	3.753	6.3	11.800	17.3
Environmental Remediation	6.723	2.726	0.130	6.593	98.1	2.596	95.2
Total Expenses	\$1,345.350	\$1,323.370	\$1,260.052	\$85.298	6.3	\$63.318	4.8
Baseline Surplus/(Deficit)	(\$712.484)	(\$684.368)	(\$621.131)	\$91.352	12.8	\$63.237	9.2
Cash Conversion Adjustments:							
Depreciation	\$236.015	\$229.177	\$223.143	(\$12.872)	(5.5)	(\$6.034)	(2.6)
Operating/Capital	(20.455)	(17.627)	(16.264)	4.191	20.5	1.363	7.7
Other Cash Adjustments	50.773	103.985	105.224	54.451	*	1.239	1.2
Total Cash Conversion Adjustments	\$266.333	\$315.535	\$312.103	\$45.771	17.2	(\$3.432)	(1.1)
Baseline Cash Surplus/(Deficit)	(\$446.151)	(\$368.833)	(\$309.028)	\$137.123	30.7	\$59.805	16.2

-- 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 - 4 ACTUAL
DECEMBER YEAR-TO-DATE
(\$ in millions)

SCHEDULE I-B

REIMBURSABLE								
	2012			Favorable/(Unfavorable) Variance				
	<u>Adopted Budget</u>	<u>Final Estimate</u>	<u>Actual</u>	<u>2012 Adopted Budget</u>		<u>Final Estimate</u>		
				\$	%	\$	%	
Revenue								
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	77.499	7.237	10.3	(6.441)	(7.7)	
Other	13.806	9.549	10.870	(2.936)	(21.3)	1.321	13.8	
Capital and Other Reimbursements	214.290	192.676	172.197	(42.093)	(19.6)	(20.479)	(10.6)	
Total Revenue	\$214.290	\$192.676	\$172.197	(\$42.093)	(19.6)	(\$20.479)	(10.6)	
Expenses								
<u>Labor:</u>								
Payroll	\$47.151	\$42.152	\$39.719	\$7.432	15.8	\$2.433	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	
Total Labor Expenses	\$140.878	\$125.314	\$121.997	\$18.881	13.4	\$3.318	2.6	
<u>Non-Labor:</u>								
Electric Power	\$0.000	\$0.000	\$0.300	(\$0.300)	-	(\$0.300)	-	
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	19.380	1.918	9.0	5.180	21.1	
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	
Total Non-Labor Expenses	\$73.412	\$67.362	\$50.200	\$23.212	31.6	\$17.162	25.5	
<u>Other Expense Adjustments:</u>								
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	\$214.290	\$192.676	\$172.197	\$42.093	19.6	\$20.479	10.6	
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	-	
Total Expenses	\$214.290	\$192.676	\$172.197	\$42.093	19.6	\$20.479	10.6	
Baseline Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	(\$0.000)	*	(\$0.000)	-	
Cash Conversion Adjustments:								
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	-	
Baseline Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	100.0	\$0.000	-	

-- 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 - 4 ACTUAL
DECEMBER YEAR-TO-DATE
(\$ In millions)

SCHEDULE I-C

NON-REIMBURSABLE/ REIMBURSABLE	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
Revenue							
Farebox Revenue	\$588,964	\$590,040	\$587,493	(\$1,471)	(0.2)	(\$2,546)	(0.4)
Vehicle Toll Revenue	0 000	0 000	0 000	0.000	-	0.000	-
Other Operating Revenue	43,902	48,962	51,428	7,525	17.1	2,465	5.0
MTA	130,222	99,187	83,828	(46,394)	(35.6)	(15,359)	(15.5)
CDOT	70,262	83,940	77,499	7,237	10.3	(6,441)	(7.7)
Other	13,806	9,549	10,870	(2,936)	(21.3)	1,321	13.8
Capital and Other Reimbursements	214,290	192,676	172,197	(42,093)	(19.6)	(20,479)	(10.6)
Total Revenue	\$847,156	\$831,678	\$811,118	(\$36,039)	(4.3)	(\$20,560)	(2.5)
Expenses							
Labor:							
Payroll	\$453,544	\$445,768	\$433,573	\$19,971	4.4	\$12,196	2.7
Overtime	71,911	73,635	73,229	(1,318)	(1.8)	0,406	0.6
Health and Welfare	105,734	100,423	93,421	12,313	11.6	7,002	7.0
OPEB Current Payment	16,000	18,000	19,456	(3,456)	(21.6)	(1,456)	(8.1)
Pensions	75,733	69,970	73,857	1,876	2.5	(3,887)	(5.6)
Other Fringe Benefits	105,922	103,185	103,873	2,049	1.9	(0,688)	(0.7)
Reimbursable Overhead	(0,292)	(0,677)	1,381	(1,672)	*	(2,058)	*
Total Labor Expenses	\$828,552	\$810,305	\$798,790	\$29,762	3.6	\$11,515	1.4
Non-Labor:							
Electric Power	\$84,648	\$74,619	\$70,285	\$14,363	17.0	\$4,334	5.8
Fuel	\$28,229	\$28,318	\$28,791	(\$0,563)	(2.0)	(\$0,473)	(1.7)
Insurance	16,383	14,963	14,666	1,717	10.5	0,297	2.0
Claims	0,485	0,483	0,356	0,129	26.7	0,127	26.4
Paratransit Service Contracts	0,000	0,000	0,000	0,000	-	0,000	-
Maintenance and Other Operating Contracts	126,132	125,487	108,642	17,490	13.9	16,846	13.4
Professional Service Contracts	33,417	33,322	33,189	0,228	0.7	0,134	0.4
Materials & Supplies	110,382	101,936	79,085	31,298	28.4	22,851	22.4
Other Business Expenses	28,677	26,666	18,929	9,748	34.0	7,737	29.0
Total Non-Labor Expenses	\$428,353	\$405,795	\$353,942	\$88,212	20.6	\$55,714	13.7
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 and GASB Adjs.	\$1,256,905	\$1,216,099	\$1,152,732	\$117,974	9.4	\$67,229	5.5
Depreciation	\$236,015	\$229,177	\$223,143	\$12,872	5.5	\$6,034	2.6
OPEB Obligation	59,997	68,044	56,244	3,753	6.3	11,800	17.3
Environmental Remediation	6,723	2,726	0,130	6,593	98.1	2,596	95.2
Total Expenses	\$1,559,640	\$1,516,046	\$1,432,249	\$127,391	8.2	\$83,797	5.5
Net Surplus/(Deficit)	(\$712,484)	(\$684,368)	(\$621,131)	\$91,352	12.8	\$63,237	9.2
Cash Conversion Adjustments:							
Depreciation	\$236,015	\$229,177	\$223,143	(\$12,872)	(5.5)	(\$6,034)	(2.6)
Operating/Capital	(20,455)	(17,627)	(16,264)	4,191	20.5	1,363	7.7
Other Cash Adjustments	50,773	103,985	105,224	54,451	*	1,239	1.2
Total Cash Conversion Adjustments	266,333	315,535	312,103	\$45,771	17.2	(\$3,432)	(1.1)
Baseline Cash Surplus/(Deficit)	(\$446,151)	(\$368,833)	(\$309,028)	\$137,123	30.7	\$59,805	16.2

-- Results are preliminary and subject to audit review
-- Differences are due to rounding
* Variance exceeds 100%

**MTA METRO-NORTH RAILROAD
2012 YEAR-END REPORT
DETAILED EXPLANATIONS OF CASH RECEIPT AND EXPENDITURE
VARIANCES BY GENERIC CATEGORY**

2012 FINAL ESTIMATE VS. ACTUALS

RECEIPTS

Cash receipts of \$924.3 million were \$3.2 million higher than the 2012 Final Estimate for the year. This favorable variance is a permanent (real) subsidy decrease variance that is not projected to recur in 2013.

Combined receipts from **Farebox Revenue** and **Other Operating Revenue** were slightly higher than the 2012 Final Estimate (0.03% or \$0.2 million higher). **Capital and Other Reimbursements** were \$3.0 million higher than the 2012 Final Estimate primarily due to receipt timing differences for prior period project billings.

EXPENDITURES

Total expenditures of \$1,233.4 million were \$56.6 million lower than the 2012 Final Estimate of which \$70.2 million is a permanent (real) subsidy decrease and \$13.6 million is an offsetting unfavorable timing variance which will reduce 2013 subsidies. The \$13.6 million cash timing difference reflects advanced payment contributions for 2013 OPEB liability and pension liabilities (\$29.7 million), partially offset by 2012 costs for health & welfare, maintenance contracts, materials, and business expenses that are expected to be paid in 2013 subsidies (\$16.1 million).

Payroll expenditures were \$17.1 million lower than the 2012 Final Estimate primarily due to a higher level of vacancies than projected, lower capital project activity, lower storm costs, and the elimination of a management wage increase. Expenditures for **Overtime** were \$1.3 million lower than the 2012 Final Estimate primarily due to payment timing as well as lower Tropical Storm Sandy related costs. **Health & Welfare** expenditures (including OPEB Current Payment) were \$4.2 million higher than the 2012 Final Estimate as a result of advance payment at year-end for 2013 OPEB liability contribution, partially offset by 2012 payment for Empire Plan/NYSHIP premiums that will be made in 2013. **Pension** payments, \$8.6 million higher than the 2012 Final Estimate, reflects year-end advance payments for 2013 pension plan obligations, partially offset by lower than proposed 2012 contributions. Expenditures for **Other Fringe Benefits** were \$4.8 million lower than the 2012 Final Estimate due to lower Railroad Retirement tax payments and lower employee injury claims. **Electric Power** expenditures were \$1.2 million lower than the 2012 Final Estimate due to lower Traction Power usage and price, partially offset by higher payments for Non-Traction Power. **Fuel** payments were \$2.7 million lower than the 2012 Final Estimate primarily due to payment timing differences for Revenue Vehicle and Non-Revenue Fuel charges. Expenditures for **Insurance** were on target to the 2012 Final Estimate. **Claims** were \$0.8 million higher than the 2012 Final Estimate due to higher personal injury and claim settlements. **Maintenance and Other Operating Contracts** expenditures were \$18.2

million lower than the 2012 Final Estimate reflecting lower than forecasted capital related projects and equipment overhauls, and lower telecommunication expenditures, utilities, and other miscellaneous services. **Professional Service Contracts**, \$1.2 million higher than the 2012 Final Estimate, reflect higher payments for New Haven Line related BSC costs, engineering, and financial services, partially offset by lower information technology services, medical services, and other professional services. **Material and Supplies**, \$17.3 million lower than the 2012 Final Estimate, reflects lower than forecasted purchases of capital-program material (primarily for West Haven Station, New Haven Rail Yard Component Change-out Shop, Vehicle Replacement and other projects), Tropical Storm Sandy related expenses, as well as rolling stock maintenance material (propulsion, truck/suspension, and carbody components). **Other Business Expenses** were \$4.4 million lower than 2012 Final Estimate due to timing differences in payments for Sandy related expenses.

The cash receipts and disbursements activity noted above resulted in a net cash deficit of \$309.0 million; \$59.8 million lower than the 2012 Final Estimate.

2012 ADOPTED BUDGET VS. ACTUALS

RECEIPTS

Cash receipts of \$924.3 million were \$29.2 million higher than the 2012 Adopted Budget. **Farebox Revenue**, \$2.8 million lower than budget, primarily reflects ridership losses from Tropical Storm Sandy. Collections from **Other Operating Revenue** were \$9.2 million higher than the 2012 Adopted Budget due to higher Amtrak reimbursements, advertising receipts, and higher net GCT retail revenue. **Capital and Other Reimbursements**, \$22.8 million higher than the 2012 Adopted Budget, primarily reflect timing differences in payments for prior period project billings.

EXPENDITURES

Total expenditures of \$1,233.4 million were \$107.9 million lower than the 2012 Adopted Budget.

Payroll expenditures were \$24.6 million lower than the 2012 Adopted Budget primarily due to vacancies and management wage increases not paid. Expenditures for **Overtime** were \$0.5 million higher than the 2012 Adopted Budget. **Health & Welfare** (including OPEB current payments) expenditures were \$10.0 million higher than the 2012 Adopted Budget due to advance payment at year end for 2013 GASB 45 (post-retirement benefit) liability (\$13.0 million), as well as higher 2012 required contributions (\$3.1 million), partially offset by payment timing for NYSHIP/Empire health plan (\$6.0 million). **Pension** payments were \$0.3 million higher than the 2012 Adopted Budget. Expenditures for **Other Fringe Benefits**, \$8.5 million lower than the 2012 Adopted Budget, reflect lower Railroad Retirement Tax payments due to lower payroll costs and lower employee injury claims. **Electric Power** expenditures were \$11.3 million lower than the 2012 Adopted Budget due to lower usage on both the Harlem/Hudson and New Haven Lines and lower prices on the New Haven Line. Expenditures for **Fuel** were \$6.2 million lower than the 2012 Adopted Budget due to payments for New Haven

fueling facility paid directly by CDOT, lower net consumption/price, as well as other payment timing differences, partially offset by higher Non-Revenue fuel costs. Expenditures for **Insurance** were \$1.0 million higher than the 2012 Adopted Budget due to higher payments for automobile, station liability, property, and excess liability coverage, partially offset by lower force account premiums. **Claims** were \$0.8 million higher than the 2012 Adopted Budget due to higher than projected personal injury payments. **Maintenance and Other Operating Contracts**, \$34.7 million lower than the 2012 Adopted Budget, reflect lower payments for capital related projects (West of Hudson track program, East of Hudson bridge program), locomotive overhauls, lower occupancy expenses, and other maintenance services. **Professional Service Contracts** were \$1.5 million over the 2012 Adopted Budget due to higher payments for engineering services, New Haven line related BSC costs, information technology services, and other miscellaneous services, partially offset by lower payments for legal fees, audit fees, outside training, IT hardware, and medical services. **Material and Supplies**, \$32.2 million lower than the 2012 Adopted Budget, reflect lower payments for capital related projects (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 for rolling stock parts (propulsion, power, truck/suspension, carbody material and other components) resulting from net impact of M-2 retirements and rollout of new M-8 cars. **Other Business Expenses**, \$4.5 million lower than the 2012 Adopted Budget, reflect lower capital related projects (PBX Equipment Upgrade, Positive Train Control), lower Metro-Card pass-through payments, as well as lower printing & stationery, travel, and other miscellaneous expenditures.

Net cash deficit was \$137.1 million lower than the 2012 Adopted Budget; cash subsidy requirements were \$136.3 million lower (MTA subsidy \$117.4 million lower, and CDOT subsidy \$18.9 million lower).

MTA METRO NORTH RAILROAD
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 4 ACTUAL
CASH RECEIPTS AND EXPENDITURES
DECEMBER YEAR-TO-DATE
(\$ In millions)

SCHEDULE III

	2012			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2012 Adopted Budget		Final Estimate	
				\$	%	\$	%
Receipts							
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
Total Receipts	\$895.162	\$921.143	\$924.345	\$29.183	3.3	\$3.202	0.3
Expenditures							
Labor:							
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	98.906	9.616	8.9	10.271	9.4
OPEB Current Payment	16.000	18.000	19.456	(3.456)	(21.6)	(1.456)	(8.1)
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	-	0.000	-
Total Labor	\$845.658	\$833.715	\$823.300	\$22.358	2.6	\$10.415	1.2
Non-Labor:							
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	-	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
Total Non-Labor	\$495.655	\$451.761	\$410.073	\$85.582	17.3	\$41.688	9.2
Other Expenditure Adjustments:							
Other	\$0.000	\$4.500	\$0.000	\$0.000	-	\$4.500	100.0
Total Other Expenditure Adjustments	\$0.000	\$4.500	\$0.000	\$0.000	-	\$4.500	100.0
Total Expenditures	\$1,341.313	\$1,289.976	\$1,233.373	\$107.940	8.0	\$56.603	4.4
Baseline Cash Deficit	(\$446.151)	(\$368.833)	(\$309.028)	\$137.123	30.7	\$59.805	16.2
Subsidies							
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)
Total Subsidies	\$446.151	\$368.833	\$309.876	(\$136.275)	(30.5)	(\$58.957)	(16.0)
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
2012 ADOPTED BUDGET AND FINAL ESTIMATE vs. PC - 4 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	
				\$	%	\$	%
Receipts							
Farebox Revenue	\$7.713	\$7.605	\$6.337	(\$1.376)	(17.8)	(\$1.269)	(16.7)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	24.744	24.839	26.436	1.693	6.8	1.598	6.4
MTA	16.631	29.169	51.759	35.128	*	22.590	77.4
CDOT	0.235	17.840	20.296	20.061	*	2.456	13.8
Other	(1.317)	10.012	8.399	9.716	*	(1.613)	(16.1)
Capital & Other Reimbursements	15.549	57.021	80.454	64.905	*	23.433	41.1
Total Receipts	\$48.006	\$89.465	\$113.227	\$65.222	*	\$23.762	26.6
Expenditures							
Labor:							
Payroll	(\$3.309)	(\$3.522)	\$1.358	\$4.667	*	\$4.879	*
Overtime	(0.717)	(0.858)	0.067	0.784	*	0.925	*
Health and Welfare	(2.788)	(8.754)	(5.485)	(2.697)	(96.7)	3.269	37.3
OPEB Current Payment	0.000	0.000	0.000	-	-	0.000	-
Pensions	(0.110)	2.389	(2.311)	(2.201)	*	(4.700)	*
Other Fringe Benefits	(1.144)	(0.112)	5.349	6.493	*	5.461	*
GASB Account	(8.746)	(11.877)	(24.869)	(16.123)	*	(12.992)	*
Reimbursable Overhead	(0.292)	(0.677)	1.381	1.672	*	2.058	*
Total Labor	(\$17.106)	(\$23.410)	(\$24.510)	(\$7.404)	(43.3)	(\$1.100)	(4.7)
Non-Labor:							
Electric Power	(\$1.864)	(\$1.814)	(\$4.958)	(\$3.094)	*	(\$3.144)	*
Fuel	(0.000)	3.600	6.787	6.788	*	3.187	88.5
Insurance	0.199	(2.215)	(2.555)	(2.754)	*	(0.340)	(15.4)
Claims	(0.146)	(0.146)	(1.078)	(0.932)	*	(0.932)	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	(27.087)	(11.200)	(9.867)	17.220	63.6	1.332	11.9
Professional Service Contracts	(1.085)	(1.472)	(2.824)	(1.739)	*	(1.353)	(91.9)
Materials & Supplies	(12.158)	(5.651)	(11.249)	0.908	7.5	(5.598)	(99.1)
Other Business Expenditures	(25.161)	(27.069)	(30.386)	(5.225)	(20.8)	(3.317)	(12.3)
Total Non-Labor	(\$67.302)	(\$45.966)	(\$56.131)	\$11.171	16.6	(\$10.165)	(22.1)
Other Expenditure Adjustments:							
Other	\$0.000	(\$4.500)	\$0.000	\$0.000	-	\$4.500	100.0
Total Other Expenditure Adjustments	\$0.000	(\$4.500)	\$0.000	\$0.000	-	\$4.500	100.0
Total Cash Conversion Adjustments before Non-Cash Liability Adjs.	(\$36.402)	\$15.588	\$32.586	\$68.988	*	\$16.998	*
Depreciation	\$236.015	\$229.177	\$223.143	(\$12.872)	(5.5)	(\$6.034)	(2.6)
OPEB Obligation	59.997	68.044	56.244	(3.753)	(6.3)	(11.800)	(17.3)
Environmental Remediation	6.723	2.726	0.130	(6.593)	(98.1)	(2.596)	(95.2)
Baseline Total Cash Conversion Adjustments	\$266.333	\$315.535	\$312.103	\$45.771	17.2	(\$3.432)	(1.1)

-- Results are preliminary and subject to audit review.
-- Differences are due to rounding
* Variance exceeds 100%

MTA METRO NORTH RAILROAD
2012 YEAR-END REPORT
2012 CASH RESULTS - ACTUAL vs. FINAL ESTIMATE
(\$ in millions)

			Favorable/(Unfavorable) Variance		
	Final Estimate	Actual	Total	Real	Timing
<u>Receipts</u>					
Farebox Revenue	\$597.6	\$593.8	(\$3.8)	(\$3.8)	\$0.0
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	73.8	77.9	4.1	4.1	0.0
Capital and Other Reimbursements	249.7	252.7	3.0	3.0	0.0
Total Receipts	921.1	924.3	3.2	3.2	0.0
<u>Expenditures</u>					
Labor:					
Payroll	449.3	432.2	17.1	17.1	0.0
Overtime	74.5	73.2	1.3	1.3	0.0
Health and Welfare	109.2	99.3	9.9	3.9	6.0
OPEB Current Payment	18.0	19.0	(1.0)	(1.0)	0.0
Pensions	67.6	76.2	(8.6)	8.1	(16.7)
Other Fringe Benefits	103.3	98.5	4.8	4.8	0.0
GASB Account	11.9	24.9	(13.0)	0.0	(13.0)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	833.7	823.3	10.4	34.1	(23.7)
Non-Labor:					
Electric Power	76.4	75.2	1.2	1.2	0.0
Fuel	24.7	22.0	2.7	2.7	0.0
Insurance	17.2	17.2	(0.0)	(0.0)	0.0
Claims	0.6	1.4	(0.8)	(0.8)	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	136.7	118.5	18.2	16.0	2.1
Professional Service Contracts	34.8	36.0	(1.2)	(1.2)	0.0
Materials & Supplies	107.6	90.3	17.3	13.3	4.0
Other Business Expenses	53.7	49.3	4.4	0.4	4.0
Total Non-Labor Expenditures	451.8	410.1	41.7	31.6	10.1
Other Expenditure Adjustments:					
Other	4.5	0.0	4.5	4.5	0.0
Total Other Expenditure Adjustments	4.5	0.0	4.5	4.5	0.0
Total Expenditures	1,290.0	1,233.4	56.6	70.2	(13.6)
Baseline Net Cash Deficit	(\$368.8)	(\$309.0)	\$59.8	\$73.4	(\$13.6)

Totals may not add due to rounding.

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

¹ Includes Service Delay and Tour Length related overtime.

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

³ Not Applicable

⁴ 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 YEAR-END REPORT
DETAILED EXPLANATION OF VARIANCES ON
NON-REIMBURSABLE AND REIMBURSABLE POSITIONS
By FUNCTION and DEPARTMENT**

2012 FINAL ESTIMATE VS. ACTUALS

Total positions paid at year-end were 338 positions lower than the Final 2012 Estimate.

The number of **Administration** positions paid was 63 fewer than the Final 2012 Estimate primarily due to management vacancies in the IT, Customer Service, Training and Procurement departments that are under recruitment. The number of **Operations** positions paid was 61 fewer than the 2012 Final Estimate primarily due to turnover vacancies in car cleaning and dispatchers as well as timing differences in scheduling T&E training classes and filling management vacancies. **Maintenance** positions paid were 204 fewer than the 2012 Final Estimate primarily due to vacancies in management and agreement positions that support structures, power, track, and equipment maintenance functions. **Engineering/Capital** positions paid were 10 less than the 2012 Final Estimate primarily due to management turnover vacancies.

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>
Administration			
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 (1)	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 (4)	41	34	7
Total Administration	532	469	63
Operations			
Operations Administration	55	49	6
Operations Services	1,783	1,749	34
Customer Service (2) (3)	236	219	17
Business Development, Facilities & Mktg (1)	38	32	6
Metro-North West	28	30	(2)
Total Operations	2,140	2,079	61
Maintenance			
GCT	372	357	15
Maintenance of Equipment	1,338	1,252	86
Maintenance of Way	1,738	1,637	101
Procurement & Material Mgmt (4)	120	118	2
Total Maintenance	3,568	3,364	204
Engineering/Capital			
Construction Management	40	35	5
Engineering & Design	60	55	5
Total Engineering/Capital	100	90	10
Total Positions	6,340	6,002	338
Non-Reimbursable	5,730	5,592	138
Reimbursable	610	410	200
Total Full-Time	6,339	6,001	338
Total Full-Time-Equivalents (of part-time positions)	1	1	-

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

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

MTA METRO-NORTH RAILROAD
2012 YEAR-END REPORT
DETAILED EXPLANATIONS of VARIANCES on
FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
By OCCUPATIONAL GROUP

2012 FINAL ESTIMATE VS. ACTUALS

Total positions paid at year-end were 338 positions lower than the Final 2012 Estimate.

The number of **Administration** positions paid was 63 lower than the Final 2012 Estimate primarily in the Professional, Technical, Clerical category due to management vacancies in the IT, Customer Service, Training and Procurement departments that are under recruitment. **Operations** positions paid were 61 fewer than the 2012 Final Estimate primarily due to Compliance Officer and Road Foremen vacancies in the Professional, Technical, & Clerical category as well as Coach Cleaner and Train Dispatcher vacancies in the Operational Hourlies category. **Maintenance** positions paid were 204 fewer than the 2012 Final Estimate primarily due to vacant Engineers, Inspectors, and Technical Support staff and Operational Hourlies vacancies in signalmen, electricians, trackmen, carmen and machine operator crafts that support right-of-way and rolling stock maintenance. **Engineering/Capital** positions paid were 10 fewer than the 2012 Final Estimate primarily due to vacancies in Program Management and Engineer positions.

MTA METRO-NORTH RAILROAD
2012 FINAL ESTIMATE VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
December 31, 2012

FUNCTION/OCCUPATION	2012 Final Estimate	Actual	Favorable (Unfavorable) Variance
Administration (1)			
Managers/Supervisors	187	165	22
Professional, Technical, Clerical	345	304	41
Operational Hourlies	-	-	-
Total Administration	532	469	63
Operations (1)			
Managers/Supervisors	153	170	(17)
Professional, Technical, Clerical	231	193	38
Operational Hourlies	1,756	1,715	40
Total Operations	2,140	2,079	61
Maintenance (1)			
Managers/Supervisors	531	502	30
Professional, Technical, Clerical	491	466	25
Operational Hourlies	2,546	2,396	150
Total Maintenance	3,568	3,364	204
Engineering/Capital			
Managers/Supervisors	48	43	5
Professional, Technical, Clerical	52	47	5
Operational Hourlies	-	-	-
Total Engineering/Capital	100	90	10
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	919	880	39
Professional, Technical, Clerical	1,119	1,011	109
Operational Hourlies	4,301	4,111	190
Total Positions	6,340	6,002	338

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 YEAR-END REPORT
DETAILED EXPLANATIONS OF VARIANCES ON
RIDERSHIP (UTILIZATION)**

Total Metro-North system ridership in 2012 was 83 million rides, an 1.1% increase over 2011, and the second highest level in the railroad's history. Metro-North continues to be the busiest commuter railroad in the nation.

This increase occurred despite the severe ridership losses resulting from Tropical Storm Sandy. It is estimated that approximately 1.8 million in ridership was lost during 2012 due to the storm, by far the most severe weather event Metro-North has faced.

Contributing factors that helped boost ridership were: the reliability and reputation of the railroad's service; the stirring of an economic recovery in the region; and the high price of gasoline, parking, and tolls.

In 2012, total East of Hudson ridership increased 1.2% to 81.3 million rides. Ridership increased on all three lines, with the largest increase occurring on the New Haven Line.

The breakdown by service line is as follows:

- +1.6% New Haven Line from 38.2 million in 2011 to 38.8 million in 2012
- +1.1% Harlem Line from 26.4 million in 2011 to 26.6 million in 2012
- +0.6% Hudson Line from 15.8 million in 2011 to 15.9 million in 2012

Ridership increases occurred in most market segments during the past year:

- -0.5% Commutation to Manhattan
- +3.0% Weekday Off-Peak
- +1.0% Weekend
- -1.0% Reverse Commutation
- +3.0% Intermediate

On the West-of-Hudson, ridership was 1.61 million for the year. This was lower than 2011 and the 2012 Final Estimate due to the adverse impact of Tropical Storm Sandy as well as lower than expected growth on the Port Jervis Line. However, ridership continues to increase on the Pascack Valley Line. Year-over-year ridership by line follows:

- -6.4% Port Jervis Line from 1.09 million in 2011 to 1.02 million in 2012
- +1.5% Pascack Valley Line from 0.58 million in 2011 to 0.59 million in 2012

MTA METRO-NORTH RAILROAD
2012 FEBRUARY ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL
UTILIZATION
(in millions)

	Year-to-Date as of December 2012			Variance Favorable/(Unfavorable)			
	Budget	Final Estimate	Actual	vs. Budget		vs. Year-End Forecast	
				\$	%	\$	%
Farebox Revenue							
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)
Total Farebox Revenue	\$588.109	\$594.751	\$587.003 ⁽¹⁾	(1.106)	(0.2)	(\$7.747)	(1.3)
Ridership							
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 ⁽²⁾	(0.419)	(0.5)	(1.657)	(2.0)
West of Hudson	1.859	1.757	1.612 ⁽²⁾	(0.246)	(13.3)	(0.145)	(8.2)
Total Ridership	83.619	84.756	82.954	(0.665)	(0.8)	(1.802)	(2.1)

(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 81.3 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 ridership growth on the Port Jervis Line.

MTA METRO-NORTH RAILROAD 2012 YEAR-END REPORT RESULTS OF OPERATIONS

Metro-North's Vision 2013 strategic plan is not only the framework within which the railroad sets its long-term goal to establish itself as a brand name for excellent service, but it also drives the short-term targets and action plans that result in consistent year-to-year performance improvements and continued progress toward the achievement of its long term goals. This process, combined with a dedicated workforce to carry out the railroad's plans, has enabled Metro-North to make 2012 another year of outstanding accomplishment in virtually all areas of its operation. Key highlights include:

- East of Hudson On-Time Performance of 97.6% was achieved in 2012 and exceeded the 2011 mark of 96.9%. West of Hudson, a record on-time performance of 97.1% was achieved.
- Mean Distance Between Failure for the car and locomotive fleet improved by 44.9%.
- Safety initiatives continue to pay dividends with a 9.1% decline in employee injuries and a 15.9% drop in customer injuries vs. 2011.
- Customer satisfaction levels were back on track in 2012 with an overall customer satisfaction rating of 93% (a 4 point improvement over 2011).
- Ridership levels grew by 0.8% in 2012 to 83 million, the second highest level in Metro-North's history.
- Financial results were favorable compared to plan. Higher revenues were the result of ridership gains and a record level of over \$50 million was achieved in non-passenger revenue from GCT retail establishments, advertising and commissary operations. Favorable expenses were led by on-going efforts to control overtime and material consumption.
- In October 2012 Metro-North launched the largest service increase in its history with additional off-peak and weekend service.
- For the second straight year Metro-North faced the impact of severe weather conditions as Tropical Storm Sandy swept through the metropolitan region and forced a temporary service suspension and caused significant damage to segments of the railroad's infrastructure. However, pre and post storm planning efforts, as well as a highly efficient and dedicated workforce, enabled Metro-North to resume service within 48 hours after this devastating storm.

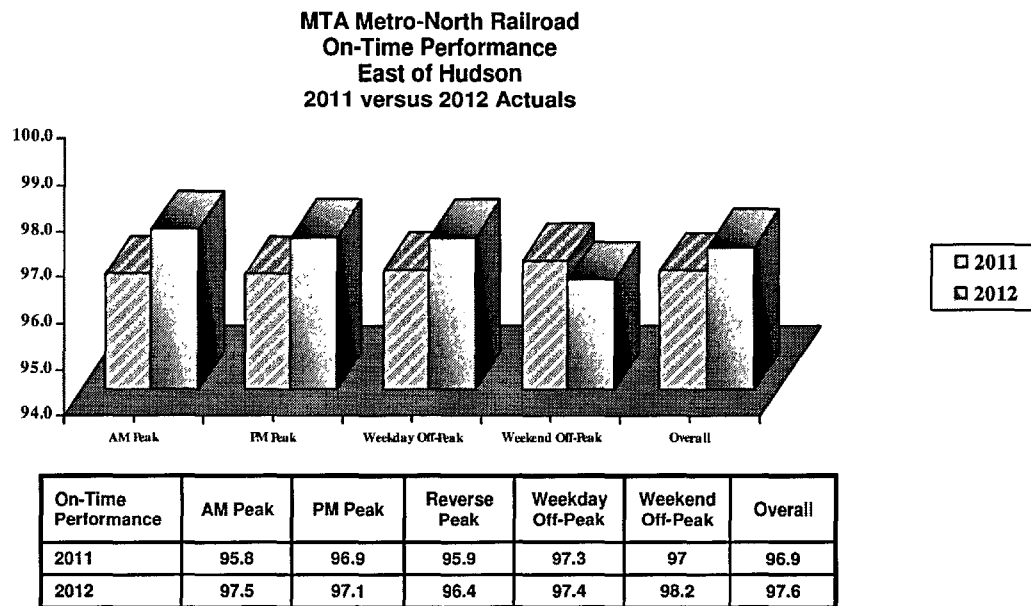
On-Time Performance

Metro-North's system-wide on-time performance for 2012 totaled 97.6% (a significant increase over 2011's 96.9%). Last year also saw the railroad attain the highest quarterly on-time performance in its history. From January to March, Metro-North attained a system-wide on-time performance of 98.8% (January 98.9%, February 98.8%, and March 98.8%). Continual focus on providing the best service possible, a milder winter, and an increasing number of new M8 cars in service were among the many factors

contributing to the 2012 first quarter success. 2012 On-Time Performance by line was as follows:

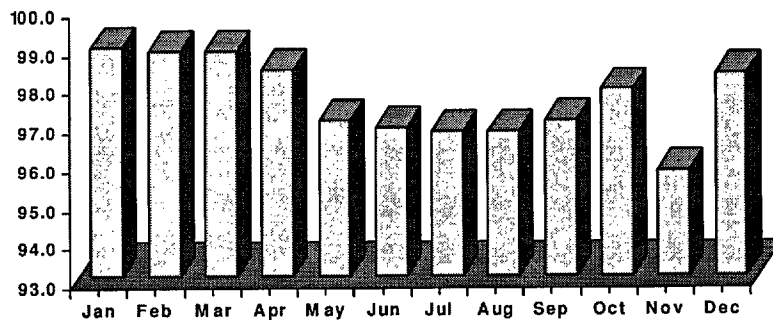
- The Harlem Line was our best with an overall on-time performance of 98.2%.
- The Hudson Line was a close second with an overall on-time performance of 98%.
- The New Haven Line was a respectable third, with an overall on-time performance of 96.8% (a marked improvement over the 95.6% attained in 2011).

The New Haven Line continues to be disadvantaged by track outages to accommodate catenary replacement on the Connecticut portion of the line. This impacts the line's operating flexibility and ability to combat potential service disruptions, especially during emergencies.



For five months of the year, on-time performance remained above 98%; for three months it was at 97% or better; and for another three months it was at 96% or better. The worst month was November, when the railroad attained an overall on-time performance of 95.7%, due entirely to the impact of *Tropical Storm Sandy*. Overall, Metro-North's on-time performance was at or above 98% for over 63 percent of the days in 2012. Finally, the railroad achieved this on-time performance operating 211,014 trains in 2012, compared to 209,020 in 2011 with a total of 205,866 trains that were on-time.

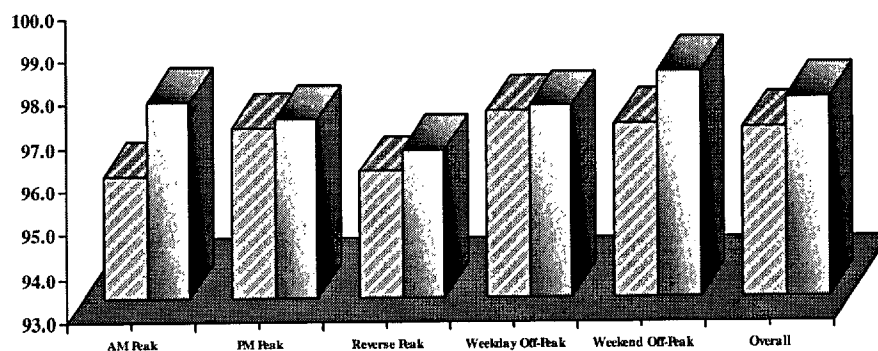
**MTA Metro-North Railroad
On-Time Performance
East of Hudson
2012 Monthly Actuals**



November decline reflects the impact of Tropical Storm Sandy

On the West of Hudson, a record on-time performance of 97.1% was attained in 2012. Not only was this an all-time best, but it is a significant jump over 2011's 96.6%. The Pascack Valley Line finished the year at 98%, and the Port Jervis Line was at 95.9%. Overall, On-time-Performance was above 98% for three months of the year, and over 97% for six months. (The worst month was November with an overall OTP of 93.1% as a result of Tropical Storm Sandy). In 2012, of the 19,029 trains we operated last year, 18,486 were on time and operating at 100% on both lines for 160 days.

**MTA Metro-North Railroad
On-Time Performance
West of Hudson
2012 Monthly Actuals**



□ 2011
▨ 2012

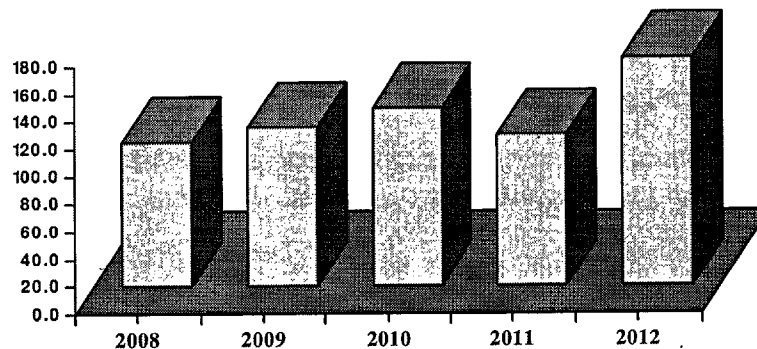
On-Time Performance	AM Peak	PM Peak	Weekday Off-Peak	Weekend Off-Peak	Overall
2011	96.5	96.5	96.6	96.8	96.6
2012	97.5	97.3	97.3	96.4	97.1

Equipment Reliability

Metro-North's on-time performance is tied directly to the reliability of its fleet.

In 2012, Metro-North's fleet attained a record Mean Distance Between Failure (MDBF) of 165,694 miles against a goal of 135,000, or a 23% increase over 2011 of 114,347 miles. The condition of Metro-North's equipment and the number of cars available for service continues to improve to meet ridership growth. The railroad commits a significant amount of funding towards the revitalization of the fleet, purchasing new equipment and remanufacturing select cars, coaches and locomotives. Fleet reliability contributes to a high consist compliance percentage. For 2012, consist compliance was near 99.9% on the Harlem and Hudson Lines, and a very strong 99.6% on the New Haven Line.

**MTA Metro-North Railroad
Mean Distance Between Failures (MDBF)**



2011 Reflects New Haven Line Equipment damage from the effects of Hurricane Sandy

M-3 Performance Improvement Program

The in-house M-3 Performance Improvement Program (PIP) was completed in first quarter of 2012. A total of 138 M-3s have passed through the program, which included work on mechanical systems (propulsion and brakes) as well as the car interiors (windows, seats, floors). This work has increased reliability and improved the customer environment. In 2012, the M-3 fleet had an MDBF of 550,018 miles, an 800% improvement over the 2002-2006 average of 58,700 miles before the PIP.

New M-8 Cars

Delivery of the new M-8 fleet is continuing. In 2012, 186 M-8s were delivered to New Haven Yard, of which 166 units were placed into service. The fleet's MDBF for the month of December was over 385,000 miles (vs. a goal of 200,000). To date, the new M-8 trains represent 52.2% of total weekly New Haven Main Line service, with 50.2% Monday-Thursday, 46.3% on Fridays, 63.3% on Saturdays and 67.9% on Sundays. The delivery rate for the M-8s will increase gradually to an average of at least 12 cars per month in 2013. A total of 380 M-8s are to be delivered in pairs through 2014, with an addition 25 single unpowered M-8 cars set for delivery in 2014.

Locomotive Overhaul

Overhaul of the 31 Genesis Dual-Mode Locomotives continued in 2012. As of December 2012, 24 Genesis Locomotives have been overhauled and returned to service. The remaining sets are scheduled for completion by the end of 2014.

Battling Back From Tropical Storm Sandy

Historians will most likely record *Tropical Storm Sandy* as an historic weather event that wreaked havoc in the region. With the extraordinary effort of Metro-North's employees in every department, the railroad was able to resume service within 48 hours after the storm hit on October 29-30, despite many enormous obstacles and extremely difficult conditions.

This recovery was made possible by actions taken before, during, and after the storm, including but not limited to:

- Undertaking preparations to shut down the railroad prior to the arrival of the storm to ensure safety for our employees and customers;
- Providing the necessary storm preparations at our shops, facilities and stations;
- Moving equipment and employees to safer ground;
- Clearing the multitude of trees and debris—including a boat—that rested across the tracks, along with repairing the third rail, switches and catenary wires that were damaged;
- Restoring the track in areas that were washed out due to the rising Hudson River;
- Repairing rail equipment that was submerged in Harmon Yard;
- Restoring power, which included cleaning out our water-damaged substations and providing generators to the many stations that lost power.
- Keeping customers and employees informed for the duration of the storm;
- Developing and implementing plans to restore train service as quickly and safely as possible.

By Wednesday, October 31, limited hourly service was restored on the Harlem Line between North White Plains and Grand Central Terminal. (The Harlem Line, which runs up the center of Westchester County, was the least-damaged line. Because the New Haven Line runs along the Long Island Sound and the Hudson Line runs at water level along the Hudson River, both suffered more extensive damage and took a little longer to bring back.) The next day, on Thursday, November 1, the Harlem Line was back to a

near-normal schedule between Mount Kisco and Grand Central Terminal. Normal service also resumed on the New Haven Line between Stamford and Grand Central Terminal. In the afternoon, Harlem Line service was extended north from Mount Kisco to Southeast Station. By Friday, November 2, Hudson Line service resumed between Grand Central and Croton-Harmon, the mid-point of the line. And on the New Haven Line, normal service was restored all the way to New Haven. On Saturday, November 3, the Hudson Line was restored to its full extent, to Poughkeepsie. By Monday, November 5, service was restored to the Waterbury and Danbury branches on the New Haven Line and the Wassaic Branch on Harlem Line. Because the New Haven Line's eight-mile-long New Canaan Branch suffered extensive damage to its catenary system, the railroad was not able to restore that segment until Tuesday, November 13.

Safety & Security

An injury free workforce is a productive workforce, which is crucial to attaining Metro-North's Vision 2013 goals. Continued progress was made in 2012 vs. 2011 with a 9.1% reduction in total employee injuries, a 7.0% reduction in lost-time and restricted duty injuries, and a 15% reduction in customer injuries. Specific efforts that help reach these favorable results include:

- The Safety Department was reorganized and expanded to better serve the safety and security needs of the company and its employees.
- In the field, safety and security related training was expanded to further enhance and support efforts of Metro-North's highly successful Local Safety Committees. This contributed, in part, to Metro-North setting a record for the best September ever in recorded injuries. The statistics were impressive resulting in 11 total injuries that month versus the 24 recorded for September 2011 producing a 54% reduction in injuries. This accomplishment is also due to increasing number of employees embracing the safety philosophy on the job and at home.
- Local and district safety committees continued conducting Safety Awareness Days in their locations, enhancing safety communications, which are crucial to spreading Priority One's safety message in the workplace. Yard and facility clean ups were also continued in various district locations, helping to remove safety hazards and further reduce the chance of injury.
- To better enhance Metro-North's emergency response capabilities, the Safety Department also worked with the New York City Fire Department and Con Edison, as well as other emergency responders, to conduct a preparedness drill simulating a steam release in Grand Central.
- Construction of a vehicle access control system and perimeter security at the Stamford yard, which includes staffed guardhouses, video surveillance, electronic access control, fencing, and vehicle barriers neared completion.

- A security assessment and design project for Harlem River Lift Bridge was initiated. Specific project designs include: structural hardening, fire detection and suppression systems, electronic security systems, and long-term contingency plans.
- An all agency Electronic Security Program, including the installation of advanced electronic security systems in Grand Central Terminal, the Park Avenue tunnel, and the Harlem River lift bridge was completed.
- The Railroad continued to communicate Customer Safety reminders in its *Mileposts* newsletter, on the internet, "Best Foot Forward" (slip, trip, fall reminders) seat drops, and station announcements.

Human Resources:

Metro-North continued its efforts to increase employee teamwork and development, improve communications, and enhance the work environment by implementing various actions in 2012:

- The company sponsored an employee appreciation week where Managers and Supervisors from across every department at Metro-North had the opportunity to give their employees much deserved praise and recognition for the dedicated efforts they bring to the workplace each and every day. Employee Appreciation Week (June 24-30) was conceived by the newly formed Inclusion Council, which aims to promote a unified and cohesive work environment for all employees. The Council also held Diversity Awareness Month events at New Haven, Harmon, North White Plains and Grand Central featuring food, music and other activities.
- The President and members of the railroad's Executive Leadership Team hosted Town Hall Meetings in 2012 at facilities throughout the railroad. Over 1,000 employees had the chance to discuss key Vision 2013 initiatives and comment on issues of concern to them. In addition, they were given the opportunity to view Metro-North's International Brunel Award, recognizing the company's continuing work toward becoming a more efficient operation, its commitment to sustainability, and the focus on providing excellent customer service. Metro-North was the first American railroad to win this coveted award in its 26-year history.
- As part of the company Vision 2013 Goal of "Increasing Teamwork, Development and Improving Communications, the railroad conducted its second Employee Engagement Survey. Employees were able to participate through the intranet from home, the extranet at various work locations, and by email. The Survey had been structured to attain important feedback from employees on Metro-North, and, in particular, actions taken in response to the results from last year's survey.
- As part of the overall improvements that employees asked for in the Employee Engagement Survey, the Human Resources Department began emailing the weekly job postings on the MTA Business Service Center (BSC) to key locations

throughout the Metro-North territory. The effort is designed to help employees search out job opportunities that could bring them to leadership positions in the near future.

- Metro-North rolled out a newly enhanced Summer Internship Program for 2012 that included 53 interns in 18 different departments. The program consisted of real-world work experience, brown-bag lunch presentations and participation on a project that was presented to the Chairman at the close of the summer. Five interns were hired by Metro-North as full-time employees upon their graduation.
- The Human Resources staff served as "Career Brokers" by acting as independent advisors and an information source for employees who are unsure about how or where to develop their career, and seek career advice and promotional opportunities. Employees were provided with general advice, tips on writing resumes, and helpful interview techniques were provided. Workshops were held in New York City, Harmon, New Haven, Stamford and North White Plains.
- Metro-North continued to invest in the training of its employees with the goal of ensuring that all employees possess the skills and experience necessary to deliver the company's pledge to its customers. Specifically designed programs target training needs of new hires, employees looking to increase their skills and abilities, and employees working toward promotions. For both management and agreement employees over 20 open enrollment classes were offered in 2012. All were filled to capacity with over 300 employees attending. In 2012, some 720 management and 4,000 agreement employees participated in training programs. Forty-three employees participated in the tuition reimbursement program attending a variety of programs from engineering to certificate programs.
- The "MTA Today" web site format was implemented on the extranet, enabling employees to see daily news stories, benefit updates and more, from their home computer. Additionally, several new sites were added to the intranet and extranet such as the Inclusion Council site, as well other upgrades or enhancements.

Sustainability

The New York Power Authority (NYPA) – Grand Central Terminal Energy Conservation Project includes: chiller replacement, upgrades of air compressors, water pumps, lighting and building management systems, variable speed fan controls, and retro commissioning of air handlers. The Project is on schedule and is expected to be complete in 2014. Benefits from this \$20 million project include annual energy savings of approximately \$3 million dollars as well as state of the art equipment with higher reliability and easier maintenance.

Metro-North is also working with NYPA on the installation of charging stations for electric cars at Cortlandt Station. Depending on funding availability, Harriman,

Middletown and Beacon Stations are also under consideration. The locations were identified in consultation with Business Development, Facilities and Marketing. These carports would provide solar powered charging stations for electric cars for commuters. The installations involve canopies fitted with photovoltaic panels that provide solar power to the charging stations with a backup traditional electrical source.

At the company's 525 North Broadway, White Plains office facility, the LEED (Low Energy Emission Design) Silver Certification was awarded in April 2012. It is anticipated that approximately \$10,600 in annual operational savings will be realized at this 84,000 square foot facility through the use of energy efficient lighting, lighting controls and Energy Star appliances; installation of a reflective roof and high efficiency HVAC units; and low flow water fixtures. The incremental cost of developing and constructing a LEED compliant design and obtaining the LEED certification is approximately \$100,000, resulting in an anticipated return-on-investment of 9.6 years. Additional significant benefits are the productivity and health benefits associated with LEED-certified facilities.

As part of a very successful Metro-North Summer Intern Program, interns performed Energy Audits at 30 Lower-Hudson and Harlem Line Stations. The audits are being used by Capital Engineering to create Energy Models for each station. They will be used to gain a better understanding of how Metro-North uses energy at its facilities, verified billing data, identified opportunities for new energy efficiency improvements, and assisted in planning and performance tracking of future improvements.

The New York State Department of Environmental Conservation (NYSDEC) and the U.S. Fish and Wildlife Service asked Metro-North to be part of the Hudson River Bald Eagle Conservation Plan, since the Hudson Line operates through an area that contains an increasing populous bald eagle habitat. In exchange for the company's participation, Metro-North was granted an Incidental Take Permit allowing a certain number of bald eagle fatalities (by a train strike) per year. The railroad, in turn, will take measures to minimize the potential for such incidents by doing ongoing research on concentrated bald eagle habitats, implementing deer deterrent procedures, and making sure there is quick removal of carcasses from the tracks. Keeping deer off the tracks will prevent bald eagles from being struck by the trains because nearly every eagle strike occurs when the birds land on the tracks to prey on the carcasses.

Customer Service

The railroad is in business for one reason: to serve its customers. And to do that at the level they have come to expect and deserve, Metro-North continues to expand service and initiate programs driven by new technologies.

- In 2012, the railroad issued a formal "Pledge to Customers" promising to provide safe and reliable service and putting it in writing for the first time. The pledge also promises accurate and timely information, courteous employees, and a clean transit environment. In addition, the pledge also informs customers what they can expect from Metro-North in the event of a service disruption, making clear the

steps that will be taken to provide alternative transportation, maintain customer comfort and ensure that communications with customers remains a top priority.

- In October 2012 Metro-North launched the initial phase of the largest service increase in its history. These improvements are part of the MTA's service investment program that will expand service by more than 5%. In 2012, 69 trains per week were added to East of Hudson service which includes 15 additional weekday and 30 additional weekend trains on the New Haven Line and 24 additional weekend trains on the Harlem Line. These changes result in:
 - Increased frequency during the off-peak and on weekends, resulting in half-hour service at a majority of our stations and 20-minute service at major stations – White Plains and Stamford.
 - Faster travel times.
 - Improved comfort by adding cars - and seats - on the weekends.
- West of Hudson, improvements included additional AM and PM peak express service on the Port Jervis Line.

The second phase of the service investment plan is scheduled for the spring of 2013 with additional trains added to Hudson and New Haven Lines.

- In a pilot program, Grand Central's Customer Service Representatives (GCCSR's) were given the iPhone 5 with the "iTranslator" app, giving them the ability to provide information and deliver immediate customer service at the tip of their fingers. In addition to the iTranslator app, other features that the customer service representatives have include train schedule and track information, as well as restaurant and retail information in Grand Central.
- Working with transit mobile ticketing specialists Masabi US Ltd., Metro-North tested a smartphone app that will allow people to buy their train tickets anywhere, anytime and never have to hold a piece of paper. This technology will enable customers to use today's phones to quickly and securely buy and display electronic tickets, thereby avoiding queues at ticket machines or having to use cash on-board trains. Through the app, users can buy any type of ticket with any origin and destination using their credit or debit cards to make the purchase.
- Furthering the use of Smartphone technology, customers were introduced to the new timetable kiosk posters. Customers now have quick response codes that can be scanned with a smartphone and get train schedules or Metro-North's Train Time mobile web page.
- Communications hardware, especially electronic signs on platforms, will now receive real time train information and track assignments at Croton-Harmon, Poughkeepsie, North White Plains, Tarrytown and New Rochelle Stations.
- Cellular (wireless) technology was tested at the North White Plains, Tarrytown, and New Rochelle stations in providing real-time service information to platform and waiting room monitors. The cellular pilot will determine whether accurate,

timely information can be transmitted wirelessly with less need for costly infrastructure construction.

- At Grand Central, the installation of eight New York City Transit Station Advisory Information Displays (SAID Signs) through the cooperative efforts of Metro-North and MTA New York City Transit were accomplished. These signs display real-time NYCT subway information and service status. In addition, as an added benefit, access to Metro-North Train Time on the web was improved with more convenient links to the site.
- "Quiet cars" were introduced in January on rush hour trains on the New Haven Line. The quiet car program, where cell phone calls and loud conversations are prohibited, started on a total of 18 AM and PM peak period trains for the commuters' comfort and convenience.
- A new local bus service connecting the Beacon Station and the world-famous Dia: Beacon Art Museum with the city's Main Street business district now makes Dutchess County a destination unto itself, providing more accessibility to discretionary Metro-North customers, as well as to area residents. This discretionary service expands on the commuter service that has been developed in partnership with Dutchess County over the past several years at Poughkeepsie, Beacon and New Hamburg.
- The Automated Passenger Counting System (APC) was installed at the Yankees-E.153rd Street Station. The equipment, which uses high-tech sensors to tally customer traffic, is the key player in the game-day operations and planning for the station. Furthermore, the technology's in-station application makes it a unique railroad advancement and a first for Metro-North.

In a simple explanation, this is how it works. Data is transmitted from the infrared sensors, inconspicuously placed above the station stairwells and elevators to count incoming and outgoing customers and transmitted to data recorders positioned in the ceiling. The data recorders transmit the counts at five-minute intervals to the railroad's Information Technologies department. There, the information is recorded in a database and provided to the users in summary reports on the Metro-North Intranet.

- After the third complete season of operation, Metro-North's new Yankees-E.153rd Street Station continues to be a major success story for Metro-North and Yankees baseball fans. For the Yankees regular and post-season home games, 798,000 customers travelled to or from the games, greatly reducing automobile traffic in the stadium neighborhood. (In addition, it contributes to Metro-North's pledge in maintaining a green presence).

- Metro-North continued to operate direct train service on the New Haven Line to the New Jersey Meadowlands Sports Complex for NFL football games. Average ridership on the Direct New Haven Line trains to/from the Meadowlands remains about 300 customers per game.

Ridership and Revenue

Total Metro-North system ridership in 2012 was 83 million rides a 1.1 percent increase over 2011, and the second highest level in the railroad's history. Metro-North continues to be the busiest commuter railroad in the nation and since Metro-North's inception in 1983 total rail ridership has increased by 100%.

2012 ridership growth occurred despite the severe ridership losses resulting from Tropical Storm Sandy. It is estimated that ridership loss was approximately 1.8 million riders due to the storm, by far the most severe weather event Metro-North has faced.

Contributing factors that helped boost ridership were: the reliability and reputation of the railroad's service; the stirring of an economic recovery in the region; and the high price of gasoline, parking, and tolls. During the year, total East of Hudson ridership increased 1.2 percent to 81.3 million rides. Ridership increased on all three lines, with the largest increase occurring on the New Haven Line. The breakdown by service line is as follows:

- +1.6% New Haven Line from 38.2 million in 2011 to 38.8 million in 2012
- +1.1% Harlem Line from 26.4 million in 2011 to 26.6 million in 2012
- +0.6% Hudson Line from 15.8 million in 2011 to 15.9 million in 2012

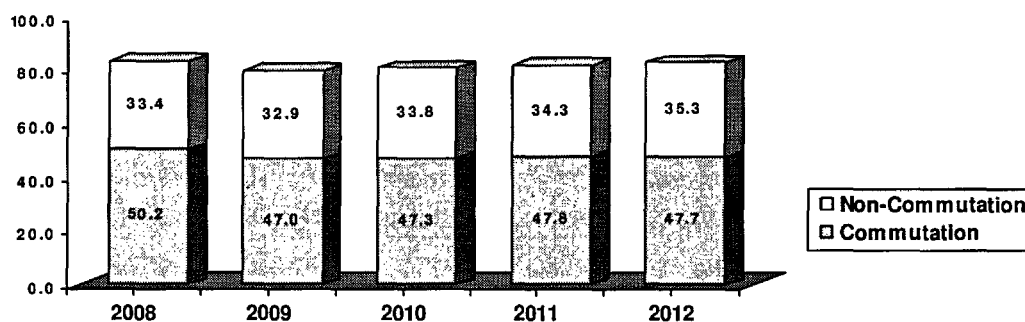
Ridership increases occurred in most market segments during the past year:

- -0.5% Commutation to Manhattan
- +3% Weekday Off-Peak
- +1% Weekend
- -1% Reverse Commutation
- +3% Intermediate

West-of-Hudson service ridership was 1.6 million. Port Jervis Line ridership continues to be impacted by the three-month suspension of service during 2011 due to damage from Tropical Storm Irene as well as the impact of Tropical Storm Sandy with a 6.4% decrease vs. 2011. However, ridership continues to increase on the Pascack Valley Line, with a 1.5% increase over last year.

The three Metro-North operated connecting services (Haverstraw-Ossining Ferry, Newburgh-Beacon Ferry, and Hudson Rail Link) decreased slightly during 2012, due largely to the impact of Tropical Storm Sandy. Combined ridership on the three services was approximately 550,000 – a decrease of 1.3% vs. 2011. Ridership increased by 6% on the Haverstraw-Ossining Ferry and by 2% on the Newburgh-Beacon Ferry, but decreased by 4% on the Hudson Rail Link.

**MTA Metro-North Railroad
2012 Year-End Report
Volume (Utilization)
Total System**



MNR Ridership & NYC Employment	2008	2009	2010	2011	2012	2012 vs. 2011
Commutation	50.2	47.0	47.3	47.8	47.7	-0.4%
Non-Commutation	33.4	32.9	33.8	34.3	35.3	2.9%
Total Ridership	83.6	79.9	81.1	82.1	83.0	1.0%
NYC Employment	3,794.3	3,693.4	3,711.3	3,786.0	3,860.4	2.0%

Other Operating Revenue

Metro-North non-passenger revenue of \$51.4 million was the highest in its history

2012 was a record for advertising on Metro-North. Late in 2011, CBS Outdoor, Metro-North and the MTA collaborated on the conversion of the four previously static back-lit displays in Grand Central Terminal to state-of-the-art digital displays. This effort paid off handsomely with these four advertising displays generating nearly three times the revenue generated by these displays in 2011.

Grand Central Terminal Retail Revenue had a record gross and net in 2012 buoyed by higher tenant revenue, including a full year operation of the Apple store in operation, and less operating expenses.

The Beverage and Snack System-wide Vending Program continued throughout the year, providing a consistent customer amenity at outlying stations and employee facilities. As of December 2012, 10 employee locations, 49 passenger stations and five North End Access locations have vending machines.

During the year, Metro-North contracted with Anheuser-Busch and Coca-Cola to add corporate sponsorship of portable commissary sales carts and non-alcoholic beverage pouring rights. The carts have been upgraded and refurbished with the funds provided by the corporate sponsors. The Commissary also introduced a range of new snacks and refreshment products to expand its menu. As a result, the increase in sales and revenues brought in record-setting gross revenues of \$6.7 million in 2012.

Metro-North's "Manhattan and Hudson Valley", "Connecticut and Beyond" promotional joint partnership "Getaway" programs continue to boost off-peak/weekend discretionary

ridership. In 2012, the Getaways Program generated revenue of more than \$600 thousand (a 27% increase over 2011), and increased ridership by more than 100,000. Advertising sales in the brochures and co-promotional projects raised more than \$69,000 which more than offset printing costs.

The use of the official self-guided audio tours of Grand Central Terminal continues to grow. In 2012, more than 22,000 tours were sold, a 37% increase over 2011, which generated a 53% increase in sales.

Work toward building a wireless cellular commercial network in GCT continued in 2012. A design/build contract was awarded for installation to Ericsson for a Carrier Team composed of Verizon Wireless, Sprint-Nextel, AT&T-Cingular, and T-Mobile. The project will include new services such as Wi-Fi, improved cellular coverage, and a stand-alone emergency communications network for the FDNY. In addition to the installation of the commercial cellular network, Metro-North will gain \$24.3 million in value from license fees and capital investment (new MNR radio network) over the next twenty years.

Financial Performance

Financial results for the year were very favorable with a net operating deficit of \$621.1 million that was \$63.2 million lower than the 2012 Final Estimate. The favorable operating deficit was achieved despite the severe impacts of Tropical Storm Sandy that caused service disruptions and significant infrastructure damage, and resulted in 2012 revenue losses of \$8.1 million and repair and recovery expenditures totaling \$9.7 million.

Non Reimbursable:

Total Operating Revenue of \$638.9 million was \$0.1 million lower than the 2012 Final Estimate. Farebox Revenue of \$587.5 million for East of Hudson service was \$2.6 million (0.4%) lower than the Final Estimate due to the Sandy-related ridership losses noted above. However, Other Operating Revenue of \$51.4 million was \$2.5 million higher than projected and 7.9% higher than 2011 primarily due to increased net income from GCT digital advertising and retail operations. Total Operating Expenses of \$1,260.1 million were \$63.3 million lower than the 2012 Final Estimate. Of that amount, \$20.4 million is comprised of lower non-cash expense accruals for Depreciation, OPEB, and Environmental Remediation, \$34.7 million is due to lower non-labor expenses, and \$8.2 million represents lower labor costs.

Favorable cost results were due to:

- Lower materials and supplies usage (\$11.1 million) due to benefits from M-2 car retirements and improved maintenance practices as well as lower M-8 car material requirements;
- Lower propulsion costs (\$4.6 million) related to both lower prices and usage for electric power and diesel fuel;
- Reduced maintenance contract costs (\$11.7 million) mainly due to rescheduling of locomotive overhauls and lower than projected costs for miscellaneous services.

- Lower labor costs were primarily due to vacancies and the elimination of the accrual for management wage increases, lower health & welfare premiums (\$5.0 million) and continued focus on overtime control which (\$1.9 million).
- Overtime costs would have been \$4.7 million below the Final Estimate if not for the \$2.8 million in overtime coverage required for Tropical Storm Sandy recovery and restoration efforts.

Reimbursable:

Reimbursable revenues and expenditures were \$20.6 million (10.6%) lower than the Final Estimate due to project timing, and management efforts to more efficiently perform project work by adjusting project work schedules and optimizing the use of project-related track outages.

These efforts helped Metro-North achieved a Fare Operating Ratio of 61.3%* which compares favorably to the 2012 Adopted Budget of 57.6% and to 2011 (61.1%). The Cost per Passenger of \$11.92* is also lower than the 2012 Adopted Budget of \$12.64 and slightly higher than 2011 (\$11.70). Adjusted for several significant financial impacts that are outside of management's control (fare equalization between New York and Connecticut and retiree healthcare payments) and the inclusion of all operating revenues, the adjusted 2012 Fare Operating Ratio is 68.3% and the adjusted 2012 Cost per Passenger is \$11.73.

* Excluding the cost and revenue impacts of Tropical Storm Sandy, the 2012 Fare Operating Ratio would have been 62.7% and the Cost per Passenger would have been \$11.58.

MTA Metro North Railroad



Procurement & Matl. Mgmt. Inventory Report 2012

Major Efforts and Initiatives (2012)

Strategic Inventory Planning & Procurement

Prior to 2007, Metro-North's inventory levels were trending upward while service levels remained relatively even. In 2007, and continuing today, Metro-North's Procurement & Material Management Department put in place efforts and initiatives to improve service to its customers while reducing inventory investment. The urgency to make change became greater due to the declining financial economy. The initiatives focused intensively on statistical analysis to pinpoint root causes leading to solutions in growing inventory values while minimizing impacts to service levels. Through intensive monitoring, inclusion of state-of-the-art forecasting software and focus on internal customers, the result achieved a reduction of stock inventory by 18% or \$20M over the 5 year period, 2007-12. Adding complexity to this challenge was a growing fleet size of 8% during the same period. Through this effort, customer service remained high and the service level improved by 2% to its current record high of 97.8%.

In 2012, the P&MM Department as well as the newly formed MoW Material Management Unit continued building on the accomplishment previously achieved through the specific initiatives in the 2012 Action Plan. The following charts and graphs illustrate the continued positive nature of the efforts undertaken.

2012 Action Plan Summary

•Algorithmic Forecasting System for Strategic Inventory Forecasting

Coinciding with, and supplementing Strategic Procurement initiatives, MNR installed in 4Q 2011 an Algorithmic Forecasting System which began the task of "right-sizing" the inventory. This system gives MNR the capability to manage highly volatile items ensuring availability of critical parts and appropriate safety stock levels while minimizing overstocking. This application has decreased forecasting errors, increased service levels to internal operations customers and reduced stock for the retiring fleet. The implementation of the forecasting system has been instrumental in MNR's continued reduction of inventory from 2011-2012 while achieving record service levels. It contributed to a \$1.7 Million reduction of stock replenishments as well as used as the instrument to forecast downward material needs during the M2 fleet retirement.

•Minimize Cash-Flow and Right-size Inventory

In 2012, MNR continued its aggressive management in reducing cash needed for replenishment of inventory. The year saw a net decrease of \$12.1M in standard stock consumption due in large part to the M-2 fleet retirement. Also, \$15M or 16% less in new stock was received compared to 2011.

•Joint Procurement Initiatives for Cost Reduction

Joint Procurement opportunities are continually pursued and reviewed as part of the procurement standard operating procedures on a daily basis with peer agencies. The goal is to identify items that can be purchased jointly throughout the MTA, while reducing redundancy and improving economies of scale.

Examples of 2012's successful joint procurements are: non-revenue fleet maintenance, visual information systems, steel products and signal cable tray systems. Total value of all MTA joint/multi-agency procurements in 2012 was \$115.6M; MNR led \$45.8M or approximately 40% of the joint procurements in value.

•Asset Disposition

In 2012, approximately \$1.3M was received for the sale of excess/obsolete and scrap materials. This exceeded the 2012 goal by \$445K or 52%. Additionally, 56 M-2, 4 & 6 railcars have been removed and 7 additional pieces of equipment have been disposed of.

•Improve Accuracy and Service

In 2012, inventory accuracy improved by 1% over 2011 achieving a cycle count accuracy rate of 99.64% on \$53M counted. This represents the system count vs. the on-the-shelf count.

The out-of-stock rate for service parts, which is the inverse of service level, reached an all time low of 1.8% on 45,000 inventory items. This represents the percent of items in which stock is not available for potential demand.

2012 Detailed Accomplishments

2013 Goals

Right-size Stock Inventory investment to support service level and budgetary goals for MofE and MofW operations.

- Continue implementation of Smart Software to proactively forecast future needs.
- Provide method for strategic look-ahead forecast to allow for multi-year contract solicitation.
- Collaborate with internal customers to improve administrative Lead-time.
- Support MofW initiatives for centralized management of inventory.

- ✓ Finalize full utilization of Smart Software to proactively right-size stock inventory matching demand.
- ✓ Increase fill-rate by .2% overall for internal customers.
- ✓ Ensure material availability in support of maintenance & program needs.
- ✓ Consolidated all MofW Non-stock Material Ordering.
- ✓ Convert GCT material acquisition methods to Just-in-time (JIT).
- ✓ Conversion of facility in Harmon to a full service MofW storeroom.

- Improve service level by .2% up to 98.0%
- Improve R&R service level through coordination of production planning by .5% over 2012 results.
- Develop excess metrics utilizing best practice to establish baseline monitoring.
- Ensure material availability in support of maintenance & program needs
- Expand developmental training on core systems, Smart Forecasting, PeopleSoft and Todd data mining tool.

Optimize Inventory for Inactive and Excess

- Determine disposition of inactive material.
- Collaborate with internal customers in validation of excess/inactive stock material for final disposition.
- Use of Forecasting system to identify excess and implement plan for right-sizing levels.

- ✓ Use of Smart Software to perform excess analysis identifying 12 and 24 month future needs, implement strategy to minimize replenishment investment producing cost avoidance of \$500K.
- ✓ Use of Smart Software to analyze inventory needs for retiring fleet and compare matching proportional stock replenishment to retirement schedules. Goal = \$500K in cost avoidance.
- ✓ MofW Inactive/Excess analysis for disposal.

- Perform stock rationalization at Harmon Campus Storeroom's and Distribution Center to maximize develop space plan for shrinking bin capacity.
- Use Smart Forecasting Software to identify retirement reserves in inventory, maximizing disposal benefits and bin space reclamation.
- Provide recommendations for final disposal of obsolete inventory associated with fleet retirement.

Joint Procurement Initiatives

- Identify items that can be purchased jointly throughout the MTA, while reducing redundancy and improving economies of scale.
- Pursue opportunities as part of the procurement operating procedures with peer agencies.

- ✓ Continue efforts consistent with expiring contracts and planned needs.
- ✓ Implement Multi-year contracts based on long-term forecast needs and trends.
- ✓ MofW began a pilot effort in administration of select contract releases.
- ✓ Expansion of AMS to MofW units for order automation.

- Continue joint efforts with Procurement team for PS contract creations. Implement planner initiated PS release process in order to minimize administrative lead-time.
- Continue the pursuit of opportunities as part of the procurement operating procedures with peer agencies

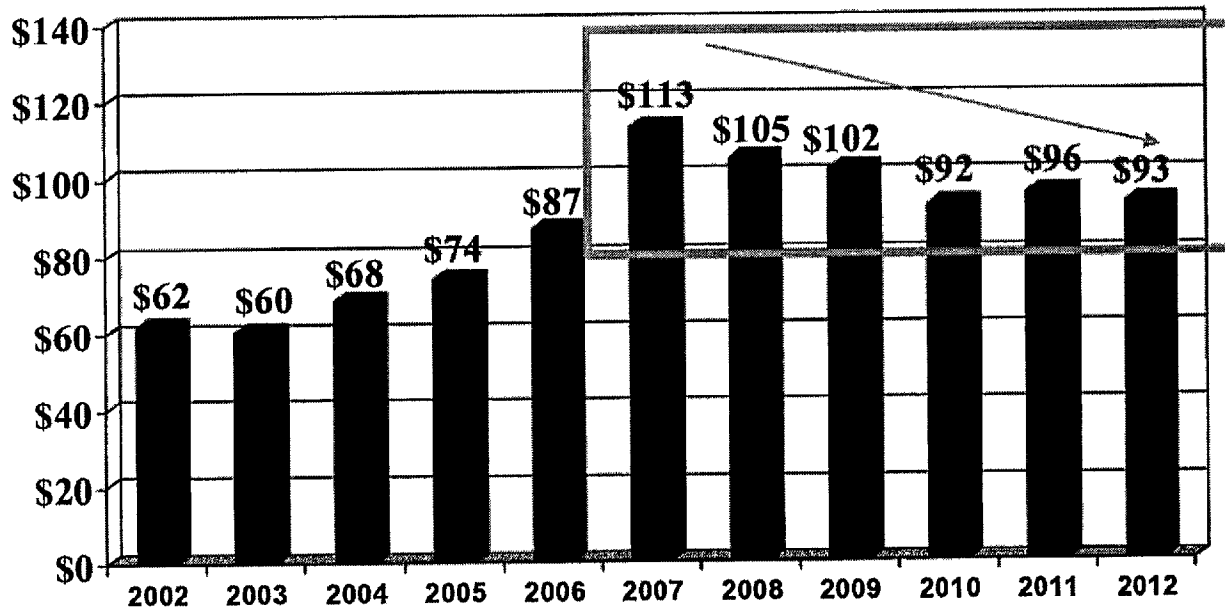
Inventory Service Level

Year	Service Level
2012	97.8%
2011	97.7%
2010	97.0%
2009	96.8%
2008	95.9%
2007	96.6%
2006	96.8%
2005	97.4%
2004	96.3%
2003	97.0%
2002	96.6%

Service level is a performance measurement goal of the percent of time a part is available for use when requested by the internal customer. The MNR Service Level goal for 2012 was 97.2%. Procurement & Material Management has surpassed that goal by 0.6% to 97.8%. Improvements have trended upward since 2008.

Total Historical Inventory Trends (Constant 2012 \$'s)

In Millions



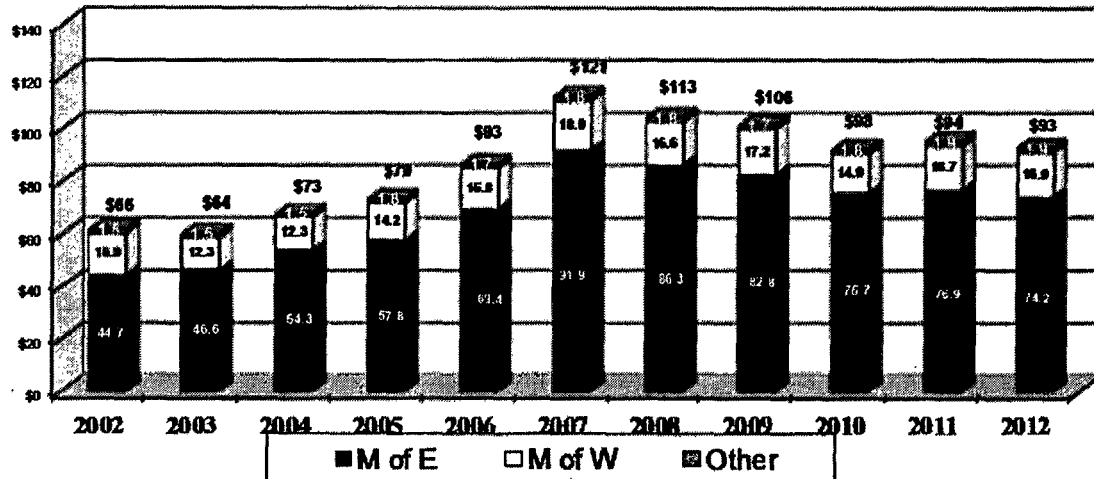
Inventory levels have consistently been reduced over the last 5 years to the current \$93M level. 2012 results achieved a 1% reduction compared to 2011.

This level has been accomplished through aggressive monitoring of stock levels, matching them more precisely to future demand. Inventory stock replenishment reduced by 16% in 2012 compared to 2011 results thus reducing cash demand for reinvestment.

The 2013 inventory levels are projected to increase in the \$10M range. The major factor for this projected increase is the arrival of the M-8 capital spare components and 5 year program material to support the fleet. Secondary factors are the M-7 10 year and Brookville Locomotive 5 year programs as well as projected receipt of Hurricane Sandy material.

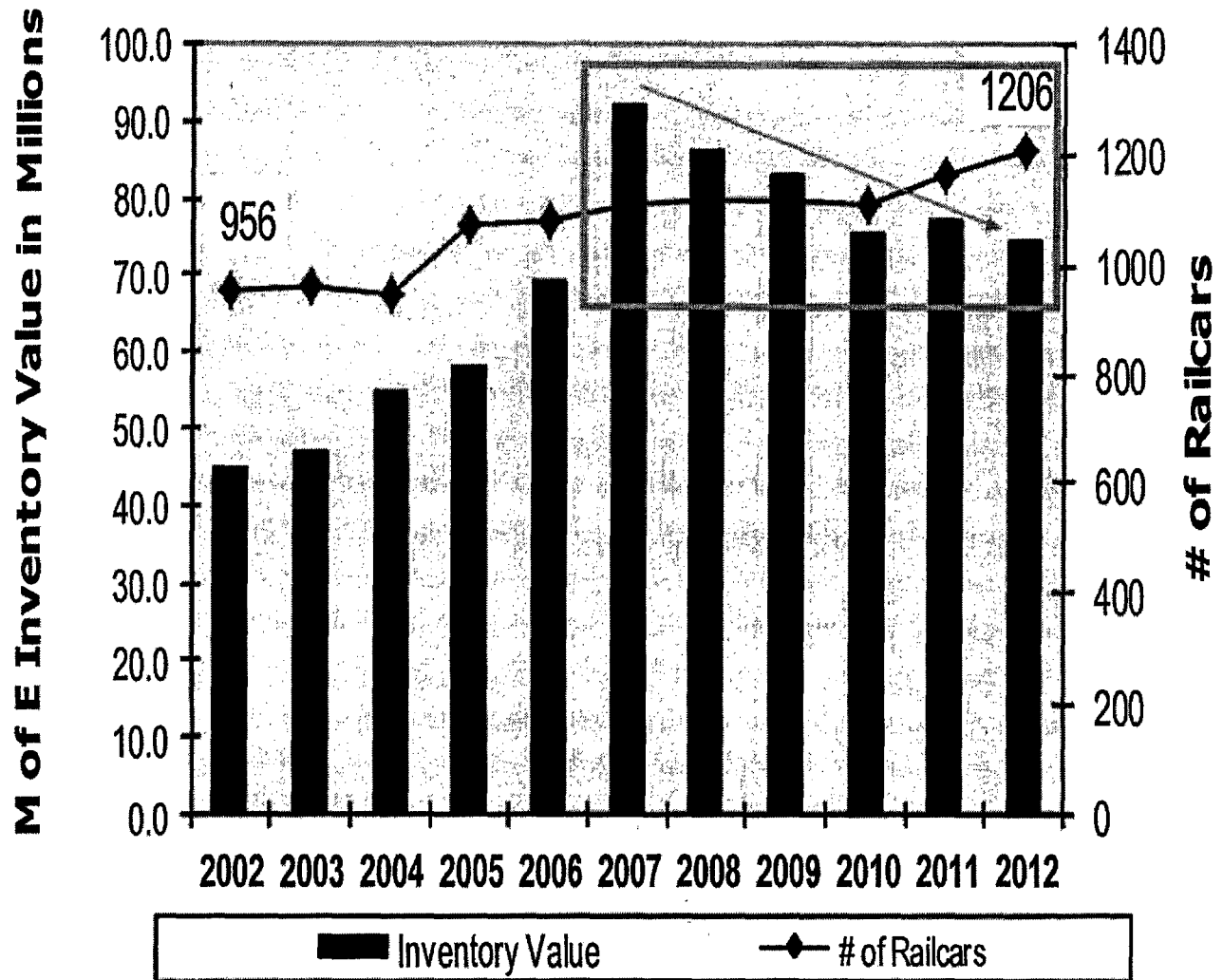
Inventory By MTA Category

(Constant 2012 \$'s)
In Millions



The graph illustrates the inventory value by the 3 major MTA/MNR categories monitored and reported. The major change in inventory value occurred in the MofE category. Values are: MofE (\$74.2M)--experienced a 3% reduction in 2012 compared to 2011; MofW (\$16.9M)--experienced a 1% increase due mostly to timing of program material arrivals; and Other (\$1.9M) remained constant.

MofE Inventory Value vs # of Railcars (Constant 2012 \$) in millions



In closer examination of the MofE category trend, the graph illustrates the success achieved to-date with the decline in MofE inventory since 2007 by 8%. This was accomplished simultaneously while improving service levels to internal customers during a time in overall increase in vehicle assets.

2012 ANNUAL METRO-NORTH RIDERSHIP REPORT

Planning Division
April, 2013

I. INTRODUCTION

The first section of this report summarizes 2012 annual ridership trends based on ticket sales data, including trends by market and line segment. The second section of the report details Fall 2012 ridership trends based on the results of train-by-train counts conducted during the Fall count season. Ticket sales data provides comprehensive information regarding overall Metro-North ridership trends. However, in order to obtain specific travel patterns by train, origin/destination station and time period, a detailed process of regularly counting customers is required.

Hence, during the Fall of 2012, Metro-North staff conducted its regular series of counts of all Metro-North trains arriving in or departing from Grand Central Terminal. Ridership counts were also obtained for customers getting off morning inbound and outbound trains at major intermediate stations.

The counts are also essential for making operational decisions about consist adjustments and schedule modifications. They are conducted during the Fall months (i.e., from early September thru mid December) in order to avoid the impacts of seasonality and summer vacation impacts on ridership.

2012 ANNUAL RIDERSHIP

1. OVERALL RIDERSHIP TRENDS

Metro-North for a second year in a row was the busiest commuter railroad in the nation. Ridership continued to increase during CY 2012, despite Superstorm Sandy - a historic weather event in late October 2012 that for a second time in our history resulted in a three-day shutdown of service. In November, two days of free rides were offered to our customers based on the MTA-Wide Transportation Emergency order, resulting in reduced non-commutation ticket sales and revenue. West of the Hudson, the suspension of service was followed by limited rail and/or substitute bus service on the Port Jervis and Pascack Valley Lines after the storm due to flooding conditions at Hoboken where equipment was damaged. All of these factors resulted in a significant reduction in travel by customers in our service territory both before, during and after the storm.

- Overall ridership in 2012 was approximately 83.5 million, the second highest year in Metro-North history, exceeded only by the 84.2 million riders in 2008 before the economic downturn. Total Metro-North System annual ridership was 0.8% above 2011 levels.
- Prior to October (i.e., pre-Superstorm Sandy) MNR ridership was on a record-setting pace to be the highest year in Metro-North history. Had Superstorm Sandy not occurred, MNR total annual ridership would have been approximately 85.3 million rides or 3.0% above 2011 levels.
- Metro-North plays a major role in the expansion of the local economy by providing value to customers, generating ridership in the region we serve. To that point, the major infrastructure investments of the 1990's encourage people to reside in our service territory today and utilize MNR rail service. This growth is the continuation of a long-term trend and is a result of our unwavering focus on reliability, cleanliness, customer service and safety.
- Total Metro-North rail ridership was approximately 83 million.
- In addition, approximately 550,000 trips were made on Metro-North's three managed and contracted connecting services during 2012: Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry, and in total, there were over 3.5 million trips made during CY 2012 on all connecting services, including those provided in partnership with Metro-North (e.g., Westchester Bee-Line, Transport of Rockland).

	<u>Annual Ridership (Millions)</u>		<u>Percent Change</u>
	<u>2012</u>	<u>2011</u>	<u>vs. 2011</u>
East of Hudson	81.34	80.59	+0.9%
West of Hudson	1.61	1.68	- 4.1%
Total Rail Ridership	82.95	82.27	+0.8%
Connecting Services	0.55	0.56	- 1.3%
Total MNR System	83.50	82.83	+0.8%

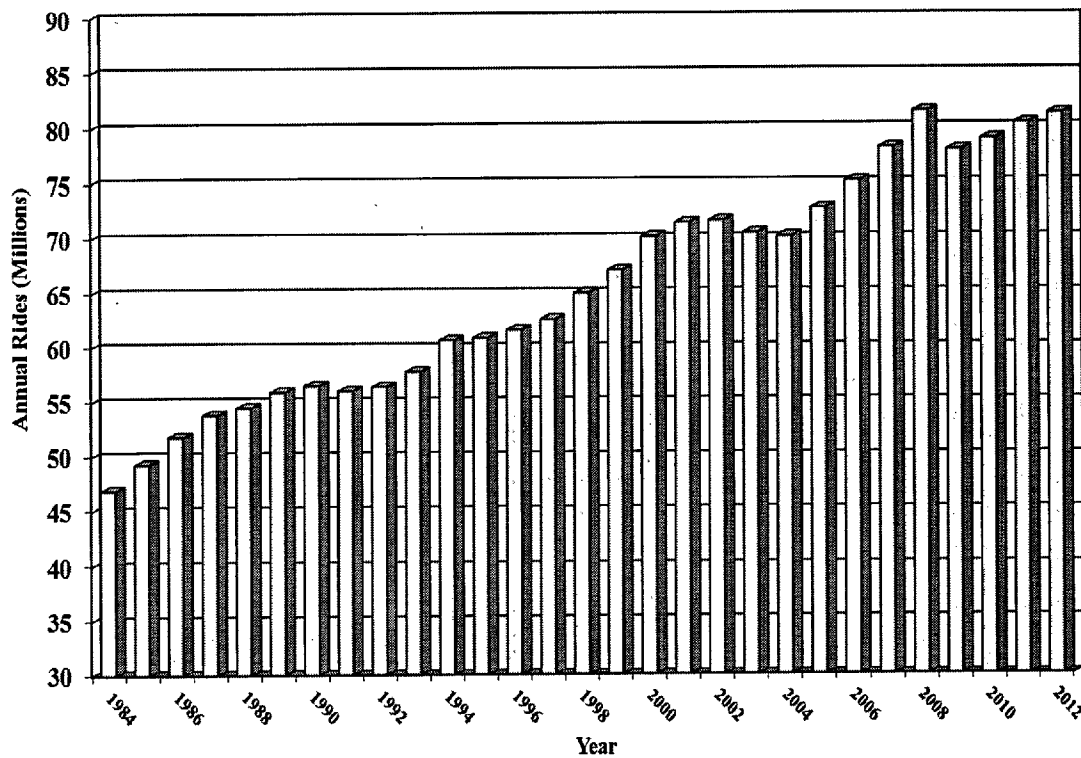
- Ridership increased on all three lines. New Haven Line ridership was the highest ever in Metro-North history and continues to increase at a much faster rate (+1.3%) than the Harlem and Hudson Lines, which grew by 0.8% and 0.3% respectively.
- Commutation ridership was clearly impacted by Superstorm Sandy, decreasing 0.2% vs. 2011. Commutation ridership increased slightly on the New Haven Line but decreased on the Harlem and Hudson Lines.
- Non-Commutation ridership increased 2.5% vs. 2011. Increases occurred in non-commutation ridership on all three lines.
- Commutation ridership to/from Manhattan decreased by 0.4%, significantly lower than the growth rate of 2.0% that occurred in 2011. This trend again reflects the adverse impact of Superstorm Sandy.
- Non-Commutation Ridership to/from Manhattan (+2.0%) and Intermediate Ridership (+4.2%) both continued to increase during the past year.

2. EAST OF HUDSON RIDERSHIP

Summary (See Appendix: Table 2)

- Total 2012 annual East of Hudson ridership was approximately **81.3 million**; ridership increased 0.9% vs. 2011 levels.
- Annual revenue was approximately **\$587.0 Million** (+3.6% vs. 2011).
- Average weekday East of Hudson ridership was approximately **275,000 rides**.
- Since 1983, ridership has increased **101%** and revenue has increased **422%**¹.

ANNUAL RIDERSHIP
EAST OF HUDSON
1983-2012



¹ 1983 ridership reflects impact of six-week UTU strike.

By Ticket Type/Destination (See Appendix: Table 5) ²

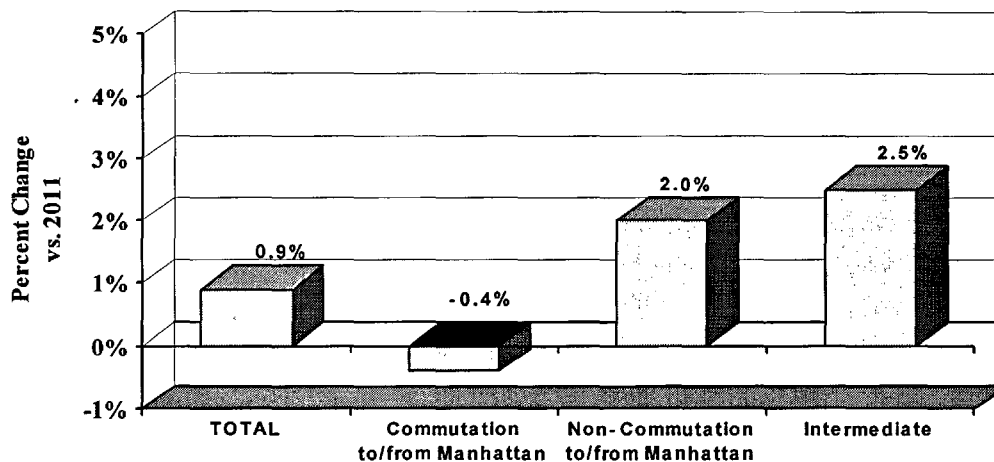
Ridership increases occurred in most major market segments during the past year, reflecting a continuation of the growth observed during CY 2011:

- **Commutation ridership to/from Manhattan** decreased 0.4% during CY 2012. In addition, thru the 3rd Quarter of 2012, Metro-North commutation ridership trends closely paralleled regional employment trends. However, 4th quarter ridership growth was adversely impacted by Superstorm Sandy.

<u>Time Period</u>	<u>Commutation Ridership</u>	<u>Percent Change vs. Previous Year</u>	
		<u>Total NY City Employment</u>	<u>Financial Activities Sector Employment</u>
1Q 2012	+2.0%	+1.7%	+2.1%
2Q 2012	+1.3%	+1.9%	+2.3%
3Q 2012	+2.7%	+2.1%	+2.7%
4Q 2012	- 7.4%	+2.2%	+2.5%

- **Non-Commutation ridership to/from Manhattan** increased 2.0%.
- **Intermediate ridership** increased 2.5%.

Annual Ridership Growth By Ticket Type/Destination



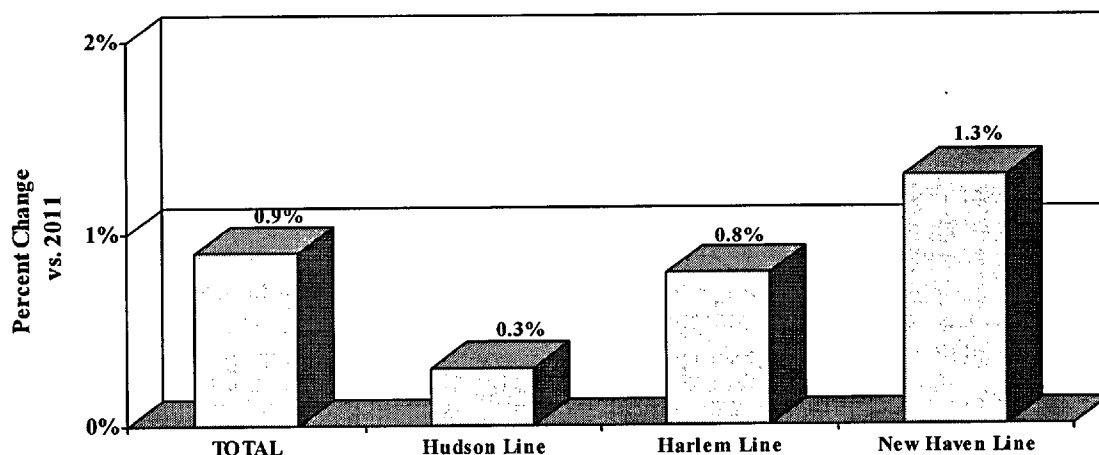
² The trends shown were calculated based on ticket sales data and therefore reflect aggregate annual ridership trends by ticket type used, not by the time period of travel. (i.e., commutation ridership consists of trips made with monthly and weekly commutation tickets which are used on both peak and off-peak trains, while non-commutation ridership consists of trips made with one-way and ten-trip tickets which are also used on both peak and off-peak trains)

By Line/Segment (See Appendix: Tables 5 and 6)

- Ridership increased on all three lines, with the New Haven Line increasing at the fastest rate:
 - Hudson Line + 0.3%
 - Harlem Line + 0.8%
 - New Haven Line + 1.3%
 - TOTAL MNR (East of Hudson) + 0.9%**
- Ridership increases occurred on most major line segments, with the largest ridership increases occurring on the **Outer New Haven** (Stamford to New Haven) and **Upper Hudson** (Croton-Harmon to Poughkeepsie) and **Lower Harlem** (Mt. Vernon West to North White Plains) segments. In contrast, **Upper Harlem** ridership decreased slightly.

Upper Hudson	+ 0.7%	Lower Hudson	+ 0.4%
Upper Harlem	- 0.2%	Lower Harlem	+ 0.7%
Outer New Haven	+ 0.7%	Inner New Haven	+ 0.6%
- Significant ridership increases occurred in non-commutation ridership on the **Bronx** segment of the **Harlem Line** (+9.5%) and on the **Inner New Haven** segment (+2.7%).
- Ridership decreased on the **Wassaic Branch** (Patterson to Wassaic)(-2.2%), **Waterbury Branch** (-1.0%), and decreased slightly on the **New Canaan Branch** (-0.1%), However, the **Danbury Branch** increased (+2.2%).

Annual Ridership Growth By Line



Comparison With Other Transit Agencies (See Appendix: Table 3)

- Metro-North's observed ridership trends are more favorable than the LIRR (+0.5%) and NJ TRANSIT Rail (+0.4%), and lower than NYCT Subway (+1.8%).

Comparison With Economic Indicators (See Appendix: Table 3)

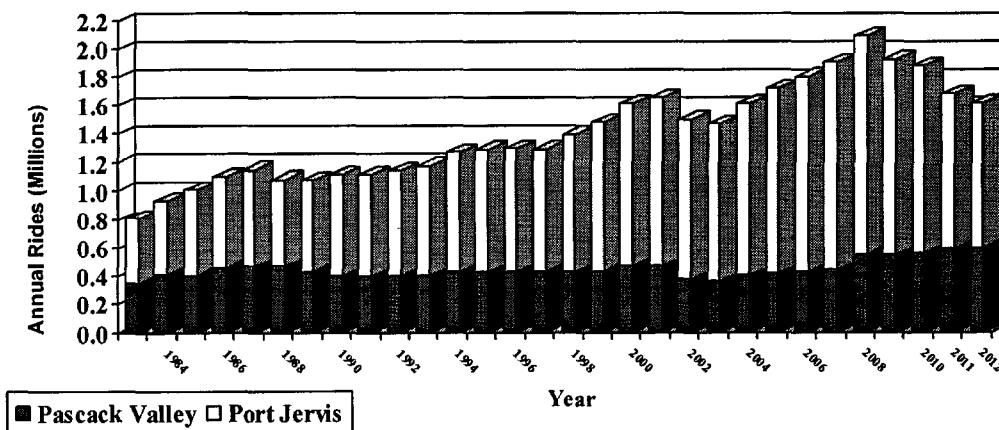
- Metro-North's observed decrease in commutation ridership to/from Manhattan (-0.4%) was lower than the corresponding trends in NY City employment (+2.0%) and Financial Activities Sector employment (+0.8%). However, excluding the impact of Superstorm Sandy, commutation ridership growth was virtually identical to NY City employment growth.
- In contrast, Metro-North's observed increase in intermediate ridership (+2.5%) continues to outpace suburban employment (+0.3% to +1.1%) even before adjusting for the impact of Superstorm Sandy.

3. WEST OF HUDSON RIDERSHIP

Ridership on the Metro-North portion of the **West of Hudson** lines decreased during CY 2012, reflecting the adverse impact of Superstorm Sandy, as well as the residual impact of the three month suspension of Port Jervis Line service during CY 2011 due to damage from Tropical Storm Irene. However, ridership continues to increase on the Pascack Valley Line (See Appendix: Table 9)

- **Total West of Hudson** ridership decreased 4.1% during the past year. The one week suspension of service on both the Port Jervis and Pascack Valley Lines due to Superstorm Sandy, combined with limited service until mid-November and modified service through the end of the year, resulted in approximately 140,000 fewer rides during CY 2012.³ Had this event not occurred, total West of Hudson ridership would have increased by approximately 4.3% vs. 2011 levels. Total annual ridership was approximately 1.6 million rides. Despite this decrease, West of Hudson ridership has still increased by 98% since 1983.⁴
- **Port Jervis Line** ridership decreased sharply during CY 2012 (-6.8% vs. 2011). Annual Port Jervis Line ridership was approximately 1.0 million rides and has increased by 121% since 1983.
- **Pascack Valley Line** ridership increased during 2012 (+1.1% vs. 2011). Annual Pascack Valley Line ridership was the highest in Metro-North history with approximately 593,000 rides. Ridership on the Pascack Valley Line is now 68% above 1983 levels.

ANNUAL RIDERSHIP WEST OF HUDSON 1983-2012



³ Full normal service was not reinstituted until January 14th on the Pascack Valley Line and March 24th on the Port Jervis Line.

⁴ 1983 ridership reflects impact of NJ Transit strike.

FALL 2012 RIDERSHIP

1. OVERVIEW

Fall Metro-North ridership consists of two distinct time periods: (1) the regular Fall season between Labor Day and Thanksgiving; and (2) the holiday period between Thanksgiving and New Year's Day. The results for each of these time periods are reported separately in the following sections. These time periods are focused on separately in this report because of their significant size relative to overall annual ridership levels and their distinct natures. In addition, Fall ridership data represents the most current information available for analyzing ridership trends.

2. REGULAR FALL PERIOD (Labor Day-Thanksgiving)

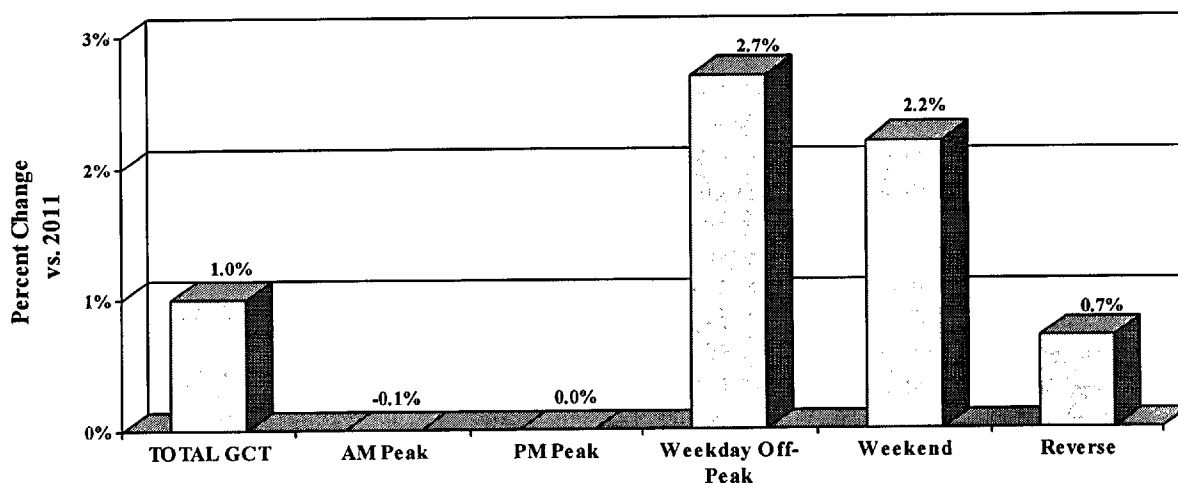
- **Total Weekly Ridership to/from GCT** increased 1.0% between Fall 2011 and Fall 2012; this rate of growth is significantly lower than the 3.2% ridership increase observed during Fall 2011. (Note that these counts were taken both before and after Superstorm Sandy and therefore the count results were impacted by the storm)
- Ridership increases occurred in most time periods to/from GCT: (See Appendix: Table 4)
 - **Weekday** ridership increased 0.8%
 - **AM Peak** ridership remained essentially unchanged (-0.1%)
 - **PM Peak** ridership remained unchanged
 - **AM Reverse** ridership from GCT increased 0.7%, and continues to be at its highest level in Metro-North history
 - **Weekday Off-Peak** ridership increased 2.7%
 - **Weekend** ridership increased 2.2%, and continues to be at its highest level in Metro-North history
 - **Saturday** ridership increased 4.6%
 - **Sunday** ridership decreased 0.6%
- **AM Peak** ridership remained essentially unchanged during Fall 2012 (-0.1%), which was in sharp contrast to the 3.6% growth which occurred during Fall 2011.
 - **Increases** occurred on **AM Peak trains arriving in GCT after 9AM** (+3%)
 - Conversely, **decreases** occurred in **AM Peak trains arriving in GCT before 8 AM** (-2%).
- **PM Peak** ridership was unchanged during Fall 2012, compared to the 2.6% increase during Fall 2011.
 - **Increases** have occurred on **PM Peak trains departing GCT between 5 and 6 PM** (+1%) and **trains departing GCT between 6:30 PM and 7 PM** (+1%).
 - However, **decreases** occurred on **PM Peak trains departing GCT after 7 PM** (-1%) (See Appendix: Table 11).

- **Weekday Off-Peak** ridership increased by 2.7% between Fall 2011 and Fall 2012, a lower rate of growth than the 3.9% increase observed during the previous Fall.
 - Large increases occurred on **inbound trains arriving at GCT after 7 PM (+7%)**. (See Table 10)
 - Significant increases occurred on **midday outbound trains departing GCT between 10 AM and 4 PM (+6%)**. Increases also occurred on **late night outbound trains departing GCT after 10 PM (+3%)**. (See Appendix: Table 11)
 - However, **decreases** occurred on **inbound trains arriving in GCT between 1 and 4 PM (-3%)** and on **outbound trains departing GCT between 9 and 10 AM (-5%)**.
- **Weekend** ridership increased 2.2% between Fall 2011 and Fall 2012. This increase reflects a continuation of the long-term weekend ridership growth trends. However, all of the observed ridership growth occurred on Saturday.
 - **Saturday** ridership increased significantly during the past year (+4.6%). Increases occurred in both inbound (+3.3%) and outbound (+5.8%) ridership. Large increases occurred on **midday inbound trains arriving in GCT between 1 PM and 4 PM (+8%)** and on **inbound trains arriving in GCT between 7 PM and 10 PM (+18%)**. Large increases also occurred on **outbound morning trains departing before 10 AM (+19%)** (See Appendix: Table 12).
 - **Sunday** ridership decreased slightly during the past year (-0.6%). Modest decreases occurred in both inbound (-1.0%) and outbound (-0.2%) ridership. The largest decreases occurred on **inbound trains arriving in GCT before 10 AM (-12%)** and on **outbound trains departing GCT between 4 PM and 7 PM (-8%)** and **late night trains departing after 10PM (-11%)**. (See Appendix: Table 13)
 - Decreases occurred in **inbound trips by suburban residents** into the city (-2.1%), corresponding to approximately 2,000 fewer rides each weekend. However, **outbound trips by New York City residents increased (+9.1%)** corresponding to approximately 5,500 additional riders each weekend. (See Appendix: Figure 2)
- **Reverse Commutation** ridership (which includes both the Manhattan and Bronx reverse markets) increased 4.1% between Fall 2011 and Fall 2012, which is a continuation of the ridership increases observed during 2011 (+3.1%). Increases occurred in both the Manhattan and the Bronx reverse commutation market. However, the vast majority of this growth occurred outside of Manhattan: (See Appendix: Table 7)

- **Reverse Commutation from Manhattan** increased 0.6%:
 - Reverse Commutation from GCT increased 0.7%. New Haven Line ridership increased by 3%. However, ridership decreased on both the Harlem Line (-3%) and Hudson Line (-1%).
 - Reverse Commutation from Harlem-125th Street increased by 0.5%. Increases occurred on both the Harlem (+7%) and New Haven Lines (+2%), while ridership decreased significantly on the Hudson Line (-22%).
- **Reverse Commutation from Fordham** increased 11.0%:
 - Ridership increased on both the New Haven Line (+14%) and the Harlem Line (+8%).
- **Reverse Commutation ridership from Lower Westchester** also increased rapidly from both Mount Vernon East (+20%) and New Rochelle (+8%) during the past year.
- **Intermediate Commutation travel to key suburban employment centers** increased by 2% during the past year, with mostly positive trends at the various locations. (See Appendix: Table 8)

- White Plains	+ 7%
- Stamford	- 1%
- Greenwich	+ 2%
- Port Chester	+ 7%
<u>Total</u>	<u>+ 2%</u>
- Large increases occurred in inbound ridership to White Plains and Port Chester (+19%) and outbound ridership to White Plains, Stamford and Port Chester (+5%).

Ridership Growth By Market (To/From GCT)
Fall 2012 vs. Fall 2011



3. **HOLIDAY PERIOD** (Thanksgiving-New Year's)

Metro-North experienced mixed ridership results during the Fall Holiday period, reflecting the combination of high quality train service, expanded/targeted service in key time periods, and promotion of this service:

- **Thanksgiving Weekend** ridership was 4% lower than 2011 levels, corresponding to approximately 14,000 fewer rides over the four-day weekend. In addition, ridership on the Wednesday Getaway (outbound Noon to 8 PM) was 96,100 customers, a 3% increase from 2011 and the highest ever. On Thanksgiving Day, almost 83,000 customers traveled, a 2% increase from 2011, and the highest ever in Metro-North History. Ridership on the day After Thanksgiving and on Saturday/Sunday was down compared to last year, due to cold weather which settled over the region for the remainder of the weekend.
- Ridership on **December Weekends** was 5% lower than December 2011 ridership levels. Ridership decreased 22% on Saturdays and increased 13% on Sundays. This decrease was due primarily to unfavorable weather conditions compared to 2011.
- **Christmas-New Year's Holiday week** midday inbound (10 AM - 2 PM) off-peak ridership was approximately 16% lower than 2011. Ridership was approximately 97% higher than normal Fall 2012 levels, corresponding to approximately 36,800 additional rides during the week.
- Early morning outbound ridership (i.e., between Midnight and 6:20 AM) on **New Year's Eve** was 20,600 or 15% lower than 2011 levels, corresponding to approximately 3,600 fewer rides. This was primarily due to the holiday occurring on a Saturday in 2011 compared to a Monday this year, as well as colder weather which may have resulted in lower ridership. Ridership for the entire New Year's Eve period was approximately 370% higher than normal Fall 2012 levels, corresponding to approximately 34,900 additional rides. New Year's Eve ridership was 8% lower than 2011.

MAJOR INITIATIVES/FACTORS IMPACTING RIDERSHIP

1. SERVICE DELIVERY

Metro-North continued to deliver a high quality service which contributed to the increase in ridership trends during the past year. This high quality service is most evident in the 97.6% on-time performance for CY 2012.

2. MNR SERVICE PLAN INITIATIVES

East of Hudson Service Initiatives

The MTA's 2012-2013 Service Investments Program enabled Metro-North to initiate the most aggressive service improvements in its 30-year history. In addition, growing ridership in select markets prompted targeted service improvements on the New Haven Line.

The 2012 Service Investments were implemented in two phases. In October 2012, half-hourly service on Sundays at key ridership times was implemented on the Harlem and New Haven Lines. In addition, additional half-hourly service was initiated on the upper Harlem and outer New Haven Line. In all, an additional 56 trains per week, or 1.4% of weekly revenue trains operated, were added under this initiative. The second phase of the service investments was implemented on April 7th.

Also in October, a new AM Peak train was implemented on the New Haven Line in response to growing AM Peak ridership in Fairfield County that had led to overcrowding on some trains. In addition, a new AM Reverse Peak train was implemented, providing additional travel options from Manhattan and the Bronx to traditional employment centers in Westchester and Fairfield Counties.

Yankees-East 153rd Street Station

Metro-North's new station at Yankees-East 153rd Street continued to generate new ridership, both in daily customers and Yankees baseball fans. In its third full year of operation, approximately 800,000 trips were generated to and from the new station with corresponding annual revenue of over \$5.3 million, including game-day service, special events such as concerts, and daily service.

Meadowlands Sports Complex Football Trains

Meadowlands football service ridership in 2012 was consistent with the results from previous years. For the entire 2012 regular season, we carried over 1,500 customers to and from NFL football games at the Meadowlands on the direct New Haven Line service.

3. CONNECTING SERVICES

Connecting services ridership continued to be impacted by the regional economic slowdown during 2012. Annual ridership on all connecting services was approximately 3.3 million, which was 5.6% below 2011 levels. 2012 ridership results for select connecting services were as follows:

Metro-North Managed Connecting Services

- **Hudson Rail Link** to Riverdale and Spuyten Duyvil. 2012 Ridership averaged 1396 daily rides (-1% vs. 2011).
- **Haverstraw-Ossining Ferry** service to Ossining. 2012 Ridership averaged 490 daily rides (+8% vs. 2011).
- **Newburgh-Beacon Ferry** service to Beacon. 2012 Ridership averaged 319 daily rides (+6% vs. 2011).
- **Total Annual Ridership** on MNR-Managed and Contracted Connecting Services was approximately **550,000** (-1% vs. 2011).

Select Dedicated Connecting Feeder Services

- **Ulster-Poughkeepsie LINK Service** to Poughkeepsie Station. 2012 Ridership averaged 198 rides for the weekday service (+9% vs. 2011) and 59 rides on the weekend service (-12% vs. 2011).
- **Tappan ZEEExpress** to Tarrytown. 2012 Ridership averaged 865 weekday rides (-8% vs. 2011). Saturday ridership averaged 276 (+4% vs. 2011).
- **Newburgh-Beacon Shuttle** bus service between Route 17K Park-&-Ride lot in Newburgh and Beacon Station. 2012 Ridership averaged 156 daily rides (-14% vs. 2011).
- **Dutchess LOOP Commuter Connections** to Poughkeepsie, New Hamburg and Beacon. 2012 Ridership averaged 81 daily rides (-9% vs. 2011).
- **Croton Falls Shuttle** provides peak feeder service from Mahopac to Croton Falls Station. 2012 Ridership averaged 34 daily rides (-3% vs. 2011).
- **Ridgefield-Katonah Shuttle**. 2012 Ridership averaged 210 daily rides (+3% vs. 2011).
- **Greenwich Commuter Connection**. 2012 Ridership averaged 176 daily rides (+2% vs. 2011).
- **Danbury-Brewster Shuttle** between Danbury, Connecticut and Brewster Station. 2012 Ridership averaged 339 daily rides (-1% vs. 2011).

4. PARKING EXPANSION

- During 2012, the following parking projects were added to the commuter inventory:

Cortlandt	730 new spaces
Pelham	39 new spaces
Botanical Garden	250 new spaces
Total Spaces	1,019 new spaces

5. SPECIAL EVENTS

- Special events during 2012 contributed to our ridership and revenue base, accounting for approximately **269,600 incremental rides⁵** (-3% vs. 2011) and over **\$2.0 Million** in net revenue (-3.7% vs. 2011). The reduction compared to 2011 can be attributed to a variety of factors, including the cancellation of the New York Marathon due to Superstorm Sandy, no Army Football Game being held at Yankee Stadium in 2012, and cold weather on New Year's Eve which decreased ridership compared to 2011.

<u>Description</u>	<u>Ridership</u>	<u>Gross Revenue</u>
Big East Conference	1,600	\$ 14,400
St. Patrick's Day	66,100	\$ 594,900
July 4th	8,600	\$ 77,400
New York Marathon⁶	N/A	N/A
Yankee Stadium Non-Baseball Events:		
-Roger Waters Concerts	8,900	\$ 89,000
-Madonna Concerts	6,800	\$ 68,000
-Pinstripe Bowl	3,700	\$ 37,000
Thanksgiving Weekend	139,000	\$1,251,000
New Year's Eve	34,900	\$ 314,100
Total (January-December)	269,600	\$2,445,800
Total Net Revenue⁷		\$2,013,000

⁵ Reflects incremental change vs. normal spring or fall ridership levels.

⁶ Cancelled in 2012 due to Superstorm Sandy.

⁷ Reflects gross revenue minus operating expenses associated with each special event.

6. PROMOTIONS

- Promotion Programs during 2012 have also contributed to ridership and revenue growth, generating approximately **104,000 rides** (+27% vs. 2011) and over **\$600,000** (+27% vs. 2011) in revenue.

Each year, Metro North's Getaways Program develops and promotes close to 100 discount day trips and overnight packages to the region's popular attractions and recreational activities. Cross-marketing and promotional campaigns are also developed throughout the year with corporate partners, show promoters, media outlets and MTA sister agencies. Outbound Getaway packages were up 25% in 2012, with many outbound packages showing significant increases, including: Dutchess County Fair (+179%); Westchester Bike Rentals (+131%) and Palisades Center (+111%). Several Inbound packages also showed increases in 2012, including: *The New York Times* Travel Show (+167%); Intrepid Museum (+69%); and Museum of Natural History (+63%).

<u>Description</u>	<u>Ridership</u>	<u>Revenue</u>
Dia:Beacon	24,700	\$284,200
Empire City	29,600	\$ 68,500
Rye Playland	16,800	\$ 51,900
NY Auto Show	6,400	\$ 47,000
Farm Fresh pkgs.	1,700	\$ 18,700
Other	24,800	\$131,000
Total 2012	104,000	\$601,300

7. ADVERTISING

In addition to excellent service delivery and infrastructure improvements, the advertising program is a major component in retaining our ridership and revenue base. In 2012, Metro-North ran targeted campaigns in high growth-potential markets.

- Discretionary
Major campaigns targeting off-peak inbound and weekend customers promoted the convenience of the train for travel to New York City. Media included outdoor billboard executions and large poster installments at area shopping malls throughout the territory.
- Fall Service Enhancements
A major campaign was launched to promote the largest service expansion since the railroad's inception in 1983.
- Holiday Inbound
A Holiday online and print campaign promoted Metro-North, highlighting the convenience of avoiding heavy traffic.
- Special Events
Special events such as the 4th of July, Thanksgiving and New Year's Eve are a traditional revenue source and were emphasized in the 2012 advertising program.
- Outbound/Inbound Getaways
Outbound/Inbound Getaway packages were advertised with campaigns selling the variety of choices, all at discounts.
- Train Service Enhancement Campaigns
Yankees - East 153rd Street Station and frequent service to baseball games was the focus of a major campaign. The neighborhood convenience of the station, as well as available parking for those headed to NYC, were also promoted.
Regional ticketing for Meadowlands football games, as well as select direct service from the New Haven Line, was also heavily marketed.
- New York State Connecting Services
Various campaigns supported the Haverstraw-Ossining Ferry, Newburgh-Beacon Ferry, Ulster-Poughkeepsie Link, Newburgh-Beacon Shuttle, Hudson Rail Link, TAPPAN ZEEExpress.
- Connecticut Campaigns
Campaigns were developed to promote the new M-8 rail cars, Fairfield Metro Station, Danbury-Brewster Shuttle, and the New Fairfield Southeast Shuttle.

8. SALES OUTREACH

- In addition to traditional advertising, the 2012 Sales Outreach program established a presence at major business conferences, corporate and community events, and regional festivals. MNR was present at Lime Rock Park, Ulster and Dutchess County Fairs, New York Auto Show, Clearwater Festival, *The New York Times* Travel Show, GLBT EXPO, Earth Day at GCT, two Getaways Days in Vanderbilt Hall and many other events,
- Sales Outreach events in 2012 also included visits to major employers, colleges, and hospitals within the MNR service territory.

APPENDIX

LIST OF RIDERSHIP TABLES AND GRAPHS

Graphs

- Figure 1: East of Hudson Ridership Growth: 2009-2012
Figure 2: Weekend Trends By Market

Tables in Report

- Table 1: 2012 Annual Ridership Summary
Table 2: Historical Annual East of Hudson Ridership
Table 3: Key 2012 Comparisons
Table 4: To/From GCT
Table 5: Annual Trends By Market
Table 6: Annual Trends By Line Segment to/from Manhattan
Table 7: Reverse Peak Commutation
Table 8: Key Intermediate Fall Ridership
Table 9: Historical Annual West of Hudson Ridership
Table 10: Weekday Inbound Trends by Time Period
Table 11: Weekday Outbound Trends by Time Period
Table 12: Saturday Trends by Time Period
Table 13: Sunday Trends by Time Period

RIDERSHIP GROWTH EAST OF HUDSON 2009 - 2012

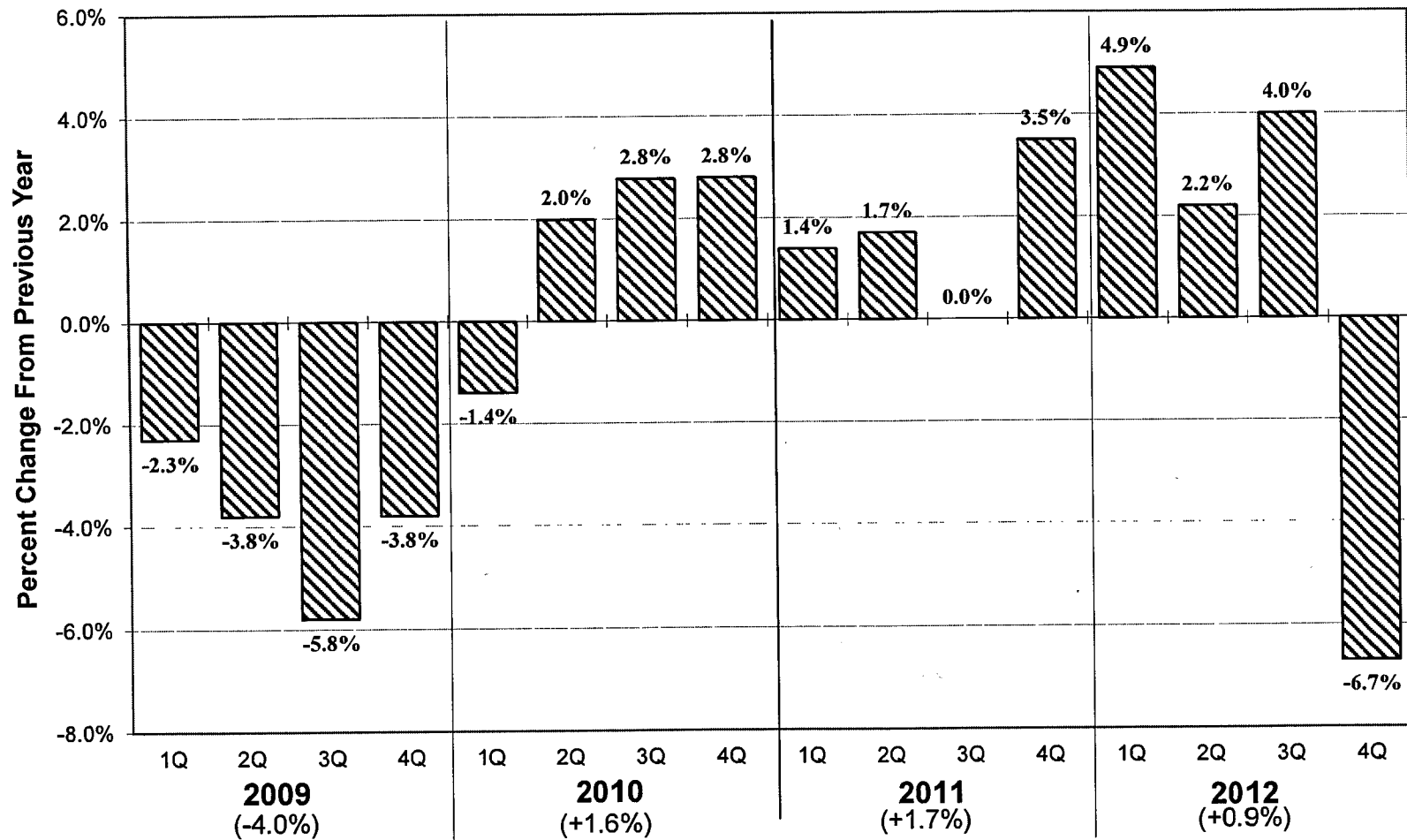


Figure 1

WEEKEND TRENDS BY MARKET EAST OF HUDSON FALL 2012 VS. FALL 2011

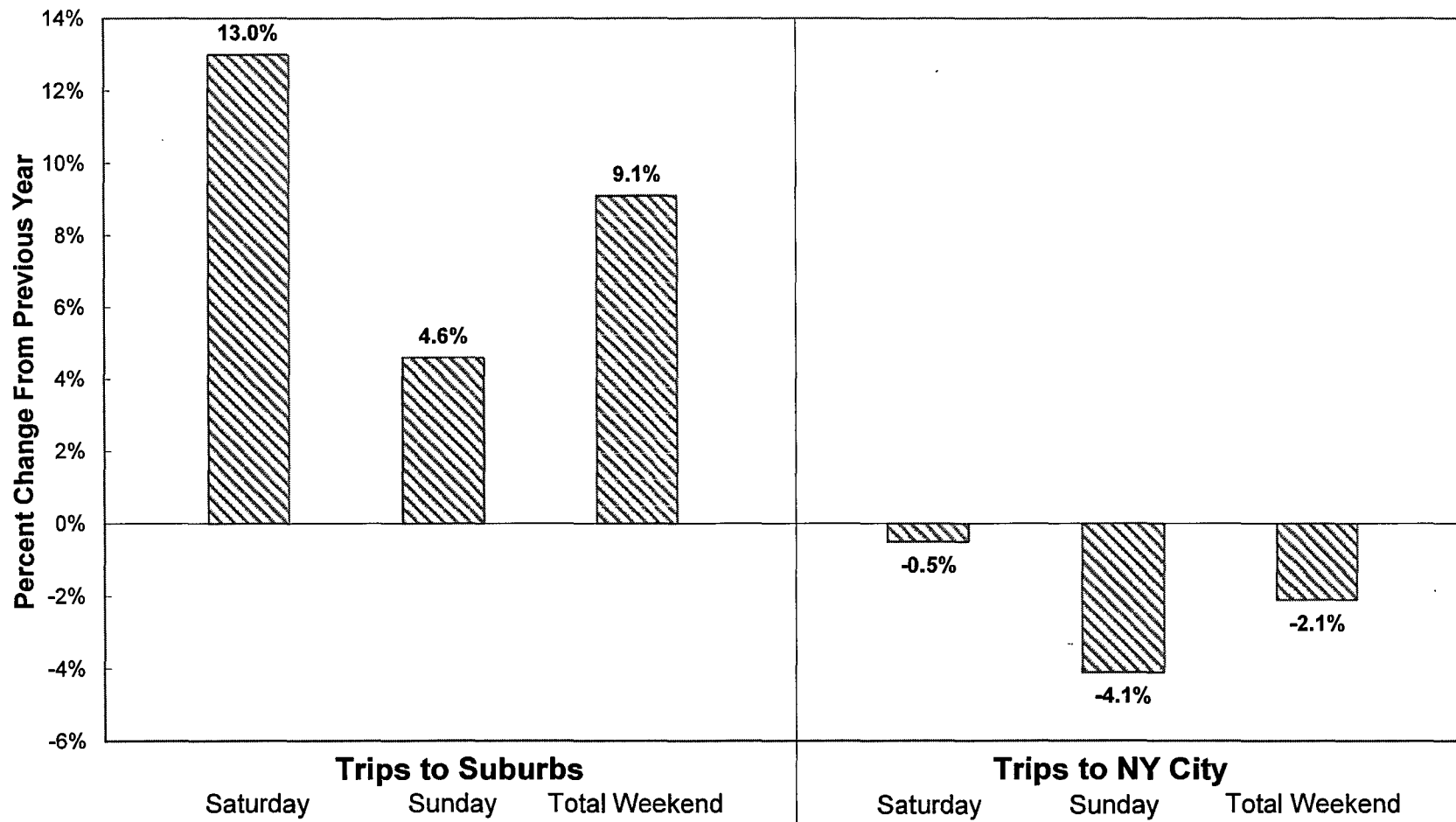


Figure 2

Table 1
2012 ANNUAL RIDERSHIP SUMMARY

	2012 ANNUAL RIDERSHIP	2011 ANNUAL RIDERSHIP (1)	CHANGE VS. 2011	
			AMOUNT	PERCENT
I) <u>EAST OF HUDSON</u>				
Harlem Line	26,647,872	26,440,580	207,292	0.8%
Hudson Line	15,853,088	15,804,399	48,689	0.3%
New Haven Line	38,840,260	38,346,200	494,060	1.3%
TOTAL EAST OF HUDSON	81,341,220	80,591,179	750,041	0.9%
II) <u>WEST OF HUDSON</u>				
Port Jervis Line	1,019,587	1,094,328	(74,741)	-6.8%
Pascack Valley Line	592,821	586,413	6,408	1.1%
TOTAL WEST OF HUDSON	1,612,408	1,680,741	(68,333)	-4.1%
TOTAL MN RAIL RIDERSHIP	82,953,628	82,271,920	681,708	0.8%
III) <u>CONNECTING SERVICES PROVIDED BY MNR CONTRACTORS</u>				
Hudson Rail Link	349,030	364,755	(15,725)	-4.3%
Haverstraw-Ossining Ferry	121,949	115,009	6,940	6.0%
Newburgh-Beacon Ferry	79,440	77,883	1,557	2.0%
TOTAL CONNECTING SERVICES	550,419	557,647	(7,228)	-1.3%
TOTAL MNR SYSTEM	83,504,047	82,829,567	674,480	0.8%

(1) 2011 ridership figures have been restated to reflect the 2012 calendar.

Table 2
HISTORICAL ANNUAL EAST OF HUDSON RIDERSHIP
(Based on Ticket Sales Data)
1983 - 2012

YEAR	HARLEM LINE			HUDSON LINE			NEW HAVEN LINE			TOTAL EAST OF HUDSON		
	Total Rides	% Change vs. Prev. Year	% Change vs. 1983	Total Rides	% Change vs. Prev. Year	% Change vs. 1983	Total Rides	% Change vs. Prev. Year	% Change vs. 1983	Total Rides	% Change vs. Prev. Year	% Change vs. 1983
1983 (1)	13,298,648	-----	-----	7,206,601	-----	-----	19,965,130	-----	-----	40,470,379	-----	-----
1984 (2)	15,430,756	16.0%	16.0%	8,469,329	17.5%	17.5%	23,014,181	15.3%	15.3%	46,914,266	15.9%	15.9%
1985	16,573,447	7.4%	24.6%	8,982,267	6.1%	24.6%	23,705,949	3.0%	18.7%	49,261,663	5.0%	21.7%
1986	17,643,070	6.5%	32.7%	9,363,475	4.2%	29.9%	24,750,694	4.4%	24.0%	51,757,239	5.1%	27.9%
1987	18,527,032	5.0%	39.3%	9,879,790	5.5%	37.1%	25,395,159	2.6%	27.2%	53,801,981	4.0%	32.9%
1988 (3)	18,886,777	1.9%	42.0%	10,100,457	2.2%	40.2%	25,522,340	0.5%	27.8%	54,509,574	1.3%	34.7%
1989	19,376,302	2.6%	45.7%	10,456,840	3.5%	45.1%	26,068,820	2.1%	30.6%	55,901,962	2.6%	38.1%
1990	19,243,844	-0.7%	44.7%	10,519,589	0.6%	46.0%	26,764,364	2.7%	34.1%	56,527,797	1.1%	39.7%
1991	18,968,063	-1.4%	42.6%	10,335,374	-1.8%	43.4%	26,677,194	-0.3%	33.6%	55,980,631	-1.0%	38.3%
1992	19,163,964	1.0%	44.1%	10,497,834	1.6%	45.7%	26,766,186	0.3%	34.1%	56,427,984	0.8%	39.4%
1993	19,732,533	3.0%	48.4%	10,902,088	3.9%	51.3%	27,147,722	1.4%	36.0%	57,782,343	2.4%	42.8%
1994	20,805,249	5.4%	56.4%	11,530,739	5.8%	60.0%	28,319,707	4.3%	41.8%	60,655,695	5.0%	49.9%
1995 (4)	20,811,260	0.0%	56.5%	11,613,711	0.7%	61.2%	28,499,726	0.6%	42.7%	60,924,697	0.4%	50.5%
1996	21,100,921	1.4%	58.7%	11,654,337	0.3%	61.7%	28,881,241	1.3%	44.7%	61,636,499	1.2%	52.3%
1997	21,490,250	1.8%	61.6%	11,748,777	0.8%	63.0%	29,324,454	1.5%	46.9%	62,563,481	1.5%	54.6%
1998	22,347,894	4.0%	68.0%	12,311,898	4.8%	70.8%	30,362,063	3.5%	52.1%	65,021,855	3.9%	60.7%
1999	23,210,661	3.9%	74.5%	12,765,657	3.7%	77.1%	31,094,818	2.4%	55.7%	67,071,136	3.2%	65.7%
2000	24,260,291	4.5%	82.4%	13,490,935	5.7%	87.2%	32,494,767	4.5%	62.8%	70,245,993	4.7%	73.6%
2001	24,646,907	1.6%	85.3%	13,846,907	2.6%	92.1%	32,932,154	1.3%	64.9%	71,425,968	1.7%	76.5%
2002	24,520,582	-0.5%	84.4%	14,011,218	1.2%	94.4%	33,104,880	0.5%	65.8%	71,636,680	0.3%	77.0%
2003	24,004,514	-2.1%	80.5%	13,738,727	-1.9%	90.6%	32,759,176	-1.0%	64.1%	70,502,417	-1.6%	74.2%
2004	24,038,871	0.1%	80.8%	13,615,526	-0.9%	88.9%	33,102,219	1.0%	65.8%	70,756,616	0.4%	74.8%
2005	24,754,160	3.0%	86.1%	14,137,886	3.8%	96.2%	33,891,520	2.4%	69.8%	72,783,566	2.9%	79.8%
2006	25,396,654	2.6%	91.0%	14,712,165	4.1%	104.1%	34,935,154	3.1%	75.0%	75,043,973	3.1%	85.4%
2007	26,418,859	4.0%	98.7%	15,451,901	5.0%	114.4%	36,360,339	4.1%	82.1%	78,231,099	4.2%	93.3%
2008	27,390,484	3.7%	106.0%	16,180,171	4.7%	124.5%	37,895,827	4.2%	89.8%	81,466,482	4.1%	101.3%
2009	26,163,326	-4.5%	96.7%	15,497,254	-4.2%	115.0%	36,314,980	-4.2%	81.9%	77,975,560	-4.3%	92.7%
2010	26,231,109	0.3%	97.2%	15,656,078	1.0%	117.2%	37,323,761	2.8%	86.9%	79,210,948	1.6%	95.7%
2011 (5,6)	26,440,580	0.8%	98.8%	15,804,399	0.9%	119.3%	38,346,200	2.7%	92.1%	80,591,179	1.7%	99.1%
2012 (7)	26,647,872	0.8%	100.4%	15,853,088	0.3%	120.0%	38,840,260	1.3%	94.5%	81,341,220	0.9%	101.0%

Notes:

- (1) Six week UTU strike, March-April 1983.
- (2) Completion of Upper Harlem Electrification 1984.
- (3) Ridership figures reflect impact of one-day strikes in September and November, 1988.
- (4) 1995 ridership figures reflect impact of service disruptions on 11/28 and 12/1.
- (5) 2011 ridership figures have been restated to reflect the 2012 calendar
- (6) 2011 ridership figures reflect impact of three-day shutdown due to Hurricane Irene
- (7) 2012 ridership figures reflect impact of three-day shutdown and residual ridership losses due to Hurricane Sandy

Ridership Calculations:

- (a) Ridership calculated using existing multipliers for commutation tickets (Calculated based on number of work days and non-work days in each month)
- (b) Ridership totals include intermediate riders and passengers purchasing cash fares.

FARE INCREASE HISTORY

DATE	NYS	CONN
1/84	20%	20%
1/86	11%	11%
1/90	15%	-----
7/91	-----	11%
1/92	-----	5%
1/93	-----	5%
1/94	-----	5%
11/95	9%	-----
1/96	-----	5%
1/97	-----	5%
1/98	-----	5%
5/03	25%	-----
7/03	-----	15%
1/05	-----	5.5%
3/05	5% Avg Yield	-----
3/08	4% Avg Yield	-----
6/09	10%	-----
12/10	7.5% Avg Yield	-----
1/12	-----	5.3%

Table 3
KEY 2012 COMPARISONS

I) OTHER TRANSIT AGENCIES	% Change vs. 2011
METRO-NORTH (1)	0.9%
LIRR (2)	0.5%
NJT Rail (3)	0.4%
NYCT Subway (4)	1.8%
MTA Bridges and Tunnels (5)	-0.7%
 II) REGIONAL ECONOMIC INDICATORS	 % Change vs. 2011
MNR COMMUTATION RIDERSHIP TO/FROM MANHATTAN (1)	-0.4%
Total NY City Employment (6)	2.0%
Private Sector Employment (6)	2.4%
Financial Activities Sector Employment (6)	0.8%
Professional and Business Services Sector Employment (6)	5.8%
 MNR NON-COMMUTATION RIDERSHIP TO/FROM MANHATTAN (1)	 2.0%
NY City Retail Sales (7)	NA
 MNR INTERMEDIATE RIDERSHIP (1)	 2.5%
Westchester-Putnam-Rockland Employment (6)	1.1%
Bridgeport-Stamford-Norwalk Employment (6)	0.3%

Notes:

- (1) Metro-North ridership trends reflect total monthly ridership, as reported by Revenue Accounting, based on data through December.
- (2) LIRR ridership trends reflect total monthly ridership, as reported by the LIRR, based on data through December.
- (3) NJ Transit ridership trends reflect total quarterly ridership, as reported by NJT, based on data through December.
- (4) NY City Subway trends reflect average weekday ridership, based on data through December.
- (5) MTA Bridges and Tunnels trends reflect average daily vehicles, based on data through December.
- (6) Regional employment trends reflect March 2012 rebenchmarking and are based on data through December.
(December data is preliminary)
- (7) Retail sales data is no longer available.

Table 4
TO/FROM GCT

TIME PERIOD	FALL 2012 RIDERSHIP	FALL 2011 RIDERSHIP	PERCENT CHANGE	HISTORICAL TRENDS	
				% CHANGE FALL 2011 vs. FALL 2010	% CHANGE FALL 2010 vs. FALL 2009
AM PEAK TRAINS					
Hudson	16,321	16,310	0.1%	2.8%	0.2%
Harlem	25,483	25,688	-0.8%	3.7%	0.0%
New Haven	31,480	31,340	0.4%	4.0%	1.0%
AM PEAK	73,284	73,338	-0.1%	3.6%	0.5%
PM PEAK TRAINS					
Hudson	14,784	15,239	-3.0%	4.4%	0.6%
Harlem	22,517	22,374	0.6%	2.1%	1.1%
New Haven	27,842	27,548	1.1%	2.1%	3.5%
PM PEAK	65,143	65,161	0.0%	2.6%	2.0%
AM REVERSE PEAK TRAINS (2)					
Hudson	638	645	-1.1%	3.0%	0.8%
Harlem	2,005	2,066	-3.0%	0.0%	3.4%
New Haven	3,574	3,464	3.2%	1.2%	13.5%
AM REVERSE PEAK	6,217	6,175	0.7%	1.0%	8.5%
WEEKDAY OFF-PEAK TRAINS					
Hudson	11,854	11,485	3.2%	4.5%	0.8%
Harlem	21,622	21,019	2.9%	4.1%	1.6%
New Haven	30,262	29,543	2.4%	3.6%	2.5%
WEEKDAY OFF-PEAK	63,738	62,047	2.7%	3.9%	1.9%
WEEKDAY TOTALS					
Hudson	43,597	43,679	-0.2%	3.8%	0.5%
Harlem	71,627	71,147	0.7%	3.2%	0.9%
New Haven	93,158	91,895	1.4%	3.2%	2.7%
WEEKDAY TOTALS	208,382	206,721	0.8%	3.3%	1.6%
WEEKEND TOTALS					
Hudson	36,241	36,597	-1.0%	0.1%	11.0%
Harlem	49,711	47,674	4.3%	3.2%	5.5%
New Haven	73,714	71,895	2.5%	3.0%	7.6%
WEEKEND TOTAL	159,666	156,166	2.2%	2.3%	7.7%
WEEKLY TOTALS					
Hudson	254,226	254,992	-0.3%	3.3%	1.9%
Harlem	407,846	403,409	1.1%	3.2%	1.4%
New Haven	539,504	531,370	1.5%	3.1%	3.3%
WEEKLY TOTAL	1,201,576	1,189,771	1.0%	3.2%	2.4%

(1) Based on GCT counts for a 100% ridership sample of inbound and outbound trains. Total weekly ridership was calculated as follows:

[(5 x Weekday) + Weekend] Fall 2012 counts reflect impacts of October 2012 schedule change.

(2) Reflects totals from GCT only. Total reverse commutation ridership is shown in Table 6.

Table 5
ANNUAL TRENDS BY MARKET
 (Based on Ticket Sales Data)

	COMMUTATION ⁽³⁾ 2012 vs. 2011	NON- COMMUTATION ⁽⁴⁾ 2012 vs. 2011	TOTAL MNR 2012 vs. 2011
1) TO/FROM MANHATTAN			
Hudson	-0.9%	2.2%	0.3%
Harlem	-0.1%	1.9%	0.6%
New Haven	-0.4%	2.0%	0.6%
TO/FROM MANHATTAN	-0.4%	2.0%	0.6%
2) INTERMEDIATE			
Hudson	-2.5%	2.0%	0.3%
Harlem	-0.4%	3.3%	1.5%
New Haven	2.0%	5.9%	3.8%
INTERMEDIATE	0.7%	4.2%	2.5%
3) TOTAL EAST OF HUDSON			
Hudson	-1.1%	2.2%	0.3%
Harlem	-0.2%	2.2%	0.8%
New Haven	0.2%	2.8%	1.3%
TOTAL EAST OF HUDSON	-0.2%	2.5%	0.9%

Notes:

- (1) Changes in ridership by market segment, adjusted for calendar impacts, derived from ticket sales.
- (2) Reflects January-December annualized growth rate.
- (3) Totals include trips made with monthly or weekly commutation tickets.
- (4) Totals include trips made with ten-trip peak, ten-trip off-peak, one way peak, one-way off-peak, senior citizen/disabled and miscellaneous one way tickets.

Table 6
**ANNUAL TRENDS BY LINE SEGMENT
 TO/FROM MANHATTAN**
 (Based on Ticket Sales Data)

	COMMUTATION ⁽³⁾ 2012 vs. 2011	NON- COMMUTATION ⁽⁴⁾ 2012 vs. 2011	TOTAL MNR 2012 vs. 2011
HUDSON LINE			
Bronx	-4.4%	1.6%	-2.1%
Lower Hudson	-0.5%	2.1%	0.4%
Upper Hudson	-0.9%	2.5%	0.7%
TOTAL HUDSON LINE	-0.9%	2.2%	0.3%
HARLEM LINE			
Bronx	-0.1%	9.5%	5.9%
Lower Harlem	0.4%	1.2%	0.7%
Upper Harlem	-0.9%	1.0%	-0.2%
Wassaic Branch	-7.5%	0.4%	-2.2%
TOTAL HARLEM LINE	-0.1%	1.9%	0.6%
NEW HAVEN LINE			
Inner New Haven	-0.5%	2.7%	0.6%
Outer New Haven	-0.1%	1.5%	0.7%
New Canaan Branch	-0.1%	0.1%	-0.1%
Danbury Branch	-1.1%	10.4%	2.2%
Waterbury Branch	-10.8%	0.6%	-1.0%
TOTAL NEW HAVEN LINE	-0.4%	2.0%	0.6%
TOTAL TO/FROM MANHATTAN	-0.4%	2.0%	0.6%

Notes:

- (1) Changes in ridership by market segment, adjusted for calendar impacts, derived from ticket sales.
- (2) Reflects January-December annualized growth rate.
- (3) Totals include trips made with monthly or weekly commutation tickets.
- (4) Totals include trips made with ten-trip peak, ten-trip off-peak, one way peak, one-way off-peak, senior citizen/disabled and miscellaneous one way tickets.

Table 7
REVERSE PEAK COMMUTATION
AM OUTBOUND TRAINS

I) FROM GCT (5AM - 9AM)

	FALL 2012	FALL 2011	% Change
HUDSON LINE	638	645	-1.1%
HARLEM LINE	2,005	2,066	-3.0%
NEW HAVEN LINE	3,574	3,464	3.2%
GCT TOTAL	6,217	6,175	0.7%

II) FROM HARLEM-125TH STREET (5AM - 9AM)

	FALL 2012	FALL 2011	% Change
HUDSON LINE	205	264	-22.3%
HARLEM LINE	702	656	7.0%
NEW HAVEN LINE	1,042	1,020	2.2%
HARLEM-125TH STREET TOTAL	1,949	1,940	0.5%

III) FROM THE BRONX AND LOWER WESTCHESTER ⁽¹⁾

STATION	FALL 2012	FALL 2011	% Change
FORDHAM (HARLEM)	1,318	1,226	7.5%
FORDHAM (NEW HAVEN)	1,697	1,490	13.9%
FORDHAM TOTAL	3,015	2,716	11.0%
MOUNT VERNON EAST	612	512	19.5%
NEW ROCHELLE	399	371	7.5%

IV) COMBINED TOTAL	12,192	11,714	4.1%
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(1) Includes trains arriving at White Plains and Stamford between approximately 7 AM and 10 AM.

Table 8
KEY INTERMEDIATE FALL RIDERSHIP

MORNING INBOUND (1)	FALL 2012	FALL 2011	%Change
WHITE PLAINS	505	426	19%
STAMFORD	2,900	2,741	6%
GREENWICH	540	550	-2%
PORT CHESTER	112	94	19%
TOTAL	4,057	3,811	6%

MORNING OUTBOUND (1)	FALL 2012	FALL 2011	%Change
WHITE PLAINS	3,136	2,979	5%
STAMFORD	2,377	2,584	-8%
GREENWICH	835	795	5%
PORT CHESTER	499	476	5%
TOTAL	6,847	6,834	0%

BOTH DIRECTIONS (1)	FALL 2012	FALL 2011	%Change
WHITE PLAINS	3,641	3,405	7%
STAMFORD	5,277	5,325	-1%
GREENWICH	1,375	1,345	2%
PORT CHESTER	611	570	7%
TOTAL	10,904	10,645	2%

(1) Includes trains arriving in station between approximately 7 AM and 10 AM.

Table 9
HISTORICAL ANNUAL WEST OF HUDSON RIDERSHIP
(Based on Ticket Sales Data)
1983 - 2012

YEAR	PORT JERVIS LINE			PASCACK VALLEY LINE			TOTAL WEST OF HUDSON		
	Total Rides	% Change vs. Prev. Year	% Change vs. 1983	Total Rides	% Change vs. Prev. Year	% Change vs. 1983	Total Rides	% Change vs. Prev. Year	% Change vs. 1983
1983 (1)	461,490	-----	-----	351,965	-----	-----	813,455	-----	-----
1984	516,296	11.9%	11.9%	417,345	18.6%	18.6%	933,641	14.8%	14.8%
1985	599,702	16.2%	29.9%	408,617	-2.1%	16.1%	1,008,319	8.0%	24.0%
1986	636,847	6.2%	38.0%	460,116	12.6%	30.7%	1,096,963	8.8%	34.9%
1987	674,040	5.8%	46.1%	470,657	2.3%	33.7%	1,144,697	4.4%	40.7%
1988 (2)	619,018	-8.2%	34.1%	463,059	-1.6%	31.6%	1,082,077	-5.5%	33.0%
1989	638,741	3.2%	38.4%	433,848	-6.3%	23.3%	1,072,589	-0.9%	31.9%
1990	710,645	11.3%	54.0%	403,024	-7.1%	14.5%	1,113,669	3.8%	36.9%
1991	715,002	0.6%	54.9%	397,349	-1.4%	12.9%	1,112,351	-0.1%	36.7%
1992	735,644	2.9%	59.4%	405,421	2.0%	15.2%	1,141,065	2.6%	40.3%
1993	769,372	4.6%	66.7%	403,922	-0.4%	14.8%	1,173,294	2.8%	44.2%
1994	848,953	10.3%	84.0%	427,087	5.7%	21.3%	1,276,040	8.8%	56.9%
1995	868,787	2.3%	88.3%	423,815	-0.8%	20.4%	1,292,602	1.3%	58.9%
1996	871,848	0.4%	88.9%	424,252	0.1%	20.5%	1,296,100	0.3%	59.3%
1997	862,118	-1.1%	86.8%	428,201	0.9%	21.7%	1,290,319	-0.4%	58.6%
1998	966,970	12.2%	109.5%	429,205	0.2%	21.9%	1,396,175	8.2%	71.6%
1999	1,048,634	8.4%	127.2%	433,725	1.1%	23.2%	1,482,359	6.2%	82.2%
2000	1,145,002	9.2%	148.1%	473,609	9.2%	34.6%	1,618,611	9.2%	99.0%
2001	1,192,779	4.2%	158.5%	462,305	-2.4%	31.3%	1,655,084	2.3%	103.5%
2002 (3)	1,131,932	-5.1%	145.3%	372,197	-19.5%	5.7%	1,504,129	-9.1%	84.9%
2003	1,107,828	-2.1%	140.1%	357,405	-4.0%	1.5%	1,465,233	-2.6%	80.1%
2004 (4,5)	1,217,730	9.9%	163.9%	400,429	12.0%	13.8%	1,618,159	10.4%	98.9%
2005	1,308,830	7.5%	183.6%	414,945	3.6%	17.9%	1,723,775	6.5%	111.9%
2006	1,383,368	5.7%	199.8%	423,136	2.0%	20.2%	1,806,504	4.8%	122.1%
2007	1,459,730	5.5%	216.3%	443,038	4.7%	25.9%	1,902,768	5.3%	133.9%
2008	1,535,758	5.2%	232.8%	553,347	24.9%	57.2%	2,089,105	9.8%	156.8%
2009	1,381,829	-10.0%	199.4%	541,758	-2.1%	53.9%	1,923,587	-7.9%	136.5%
2010	1,314,999	-4.8%	184.9%	569,746	5.2%	61.9%	1,884,745	-2.0%	131.7%
2011 (6,7)	1,094,328	-16.8%	137.1%	586,413	2.9%	66.6%	1,680,741	-10.8%	106.6%
2012 (8)	1,019,587	-6.8%	120.9%	592,821	1.1%	68.4%	1,612,408	-4.1%	98.2%

Notes:

- (1) NJ Transit strike March 1983
- (2) Significant ridership loss on Port Jervis Line due to trackwork delays 1988
- (3) Suspension of PATH service to Lower Manhattan after World Trade Center attack: Fall 2001
- (4) Restoration of PATH service to Lower Manhattan: Fall 2003
- (5) Opening of Secaucus Junction. December 2003
- (6) 2011 ridership figures have been restated to reflect the 2012 calendar.
- (7) Three-month suspension of Port Jervis Line service due to catastrophic damage from Hurricane Irene.
- (8) Reflects impact of three-day shutdown and residual ridership losses due to Hurricane Sandy.

FARE INCREASE HISTORY

DATE	PERCENT
1/86	11%
1/90	15%
11/95	9%
5/03	25%
3/05	5% Avg Yield
3/08	4% Avg Yield
6/09	10%
12/10	7.5% Avg Yield

Table 10
WEEKDAY INBOUND TRENDS BY TIME PERIOD (1)

TIME PERIOD	HUDSON LINE			HARLEM LINE			NEW HAVEN LINE			METRO-NORTH TOTALS		
	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change
AM PEAK INBOUND												
5 AM - 7 AM	1,853	1,877	-1.3%	2,149	2,128	1.0%	3,108	3,186	-2.4%	7,110	7,191	-1.1%
7 AM - 7:30 AM	1,247	1,274	-2.1%	3,230	3,341	-3.3%	3,384	3,419	-1.0%	7,861	8,034	-2.2%
7:30 AM - 8 AM	2,437	2,521	-3.3%	3,341	3,497	-4.5%	4,757	4,887	-2.7%	10,535	10,905	-3.4%
8 AM - 8:30 AM	3,835	3,985	-3.8%	5,760	5,784	-0.4%	7,436	7,424	0.2%	17,031	17,193	-0.9%
8:30 AM - 9 AM	4,041	3,946	2.4%	5,672	5,747	-1.3%	6,608	6,188	6.8% (2)	16,321	15,881	2.8% (2)
9 AM - 9:30 AM	1,782	1,596	11.7%	4,067	3,972	2.4%	3,946	3,947	0.0% (2)	9,795	9,515	2.9% (2)
9:30 AM - 10 AM	1,126	1,111	1.4%	1,264	1,219	3.7%	2,353	2,289	2.8%	4,743	4,619	2.7%
AM PEAK TOTAL	16,321	16,310	0.1%	25,483	25,688	-0.8%	31,592	31,340	0.8%	73,396	73,338	0.1%
OFF-PEAK INBOUND												
10 AM - 11 AM	972	951	2.2%	2,223	2,137	4.0%	2,388	2,316	3.1%	5,583	5,404	3.3%
11 AM - 1 PM	1,091	1,058	3.1%	1,738	1,614	7.7%	3,142	3,117	0.8%	5,971	5,789	3.1%
1 PM - 4 PM	1,135	1,181	-3.9%	1,766	1,855	-4.8%	2,244	2,283	-1.7%	5,145	5,319	-3.3%
4 PM - 7 PM	1,532	1,442	6.2%	3,211	3,068	4.7%	4,687	4,691	-0.1%	9,430	9,201	2.5%
7 PM - 10 PM	520	470	10.6%	1,518	1,372	10.6%	2,287	2,203	3.8%	4,325	4,045	6.9%
10 PM - 2 AM	279	264	5.7%	303	335	-9.6%	588	503	16.9%	1,170	1,102	6.2%
OFF-PEAK INBOUND TOTAL	5,529	5,366	3.0%	10,759	10,381	3.6%	15,336	15,113	1.5%	31,624	30,860	2.5%
WEEKDAY INBOUND TOTAL	21,850	21,676	0.8%	36,242	36,069	0.5%	46,928	46,453	1.0%	105,020	104,198	0.8%

Notes:

(1) - Based on GCT counts for a 100% ridership sample for all peak and off-peak trains.

(2) - These percent changes may reflect the impacts of ridership shifts due to the following schedule changes which have occurred during the past year:

- Additional New Haven Line inbound service.

Table 11
WEEKDAY OUTBOUND TRENDS BY TIME PERIOD (1)

TIME PERIOD	HUDSON LINE			HARLEM LINE			NEW HAVEN LINE			METRO-NORTH TOTALS		
	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change
PM PEAK OUTBOUND												
4 PM - 4:30 PM	960	1,021	-6.0%	1,202	1,204	-0.2%	1,493	1,401	6.6% (2)	3,655	3,626	0.8% (2)
4:30 PM - 5 PM	1,458	1,567	-7.0%	2,465	2,485	-0.8%	1,785	1,879	-5.0% (2)	5,708	5,931	-3.8% (2)
5 PM - 5:30 PM	2,321	2,409	-3.7%	3,288	3,213	2.3%	5,153	5,123	0.6%	10,762	10,745	0.2%
5:30 PM - 6 PM	3,865	3,915	-1.3%	3,956	3,862	2.4%	5,995	5,795	3.5%	13,816	13,572	1.8%
6 PM - 6:30 PM	2,526	2,565	-1.5%	4,283	4,336	-1.2%	5,444	5,416	0.5%	12,253	12,317	-0.5%
6:30 PM - 7 PM	1,554	1,598	-2.8%	2,772	2,739	1.2%	3,387	3,279	3.3%	7,713	7,616	1.3%
7 PM - 7:30 PM	1,260	1,309	-3.7%	3,281	3,284	-0.1%	2,916	2,873	1.5%	7,457	7,466	-0.1%
7:30 PM - 8 PM	840	855	-1.8%	1,270	1,251	1.5%	1,669	1,782	-6.3%	3,779	3,888	-2.8%
PM PEAK TOTAL	14,784	15,239	-3.0%	22,517	22,374	0.6%	27,842	27,548	1.1%	65,143	65,161	0.0%
AM REVERSE PEAK/OFF-PEAK OUTBOUND												
5 AM - 9 AM (AM Reverse Peak)	638	645	-1.1%	2,005	2,066	-3.0%	3,574	3,464	3.2% (2)	6,217	6,175	0.7% (2)
9 AM - 10 AM	205	242	-15.3%	465	469	-0.9%	574	593	-3.2%	1,244	1,304	-4.6%
10 AM - 1 PM	678	655	3.5%	1,350	1,235	9.3%	1,606	1,539	4.4%	3,634	3,429	6.0%
1 PM - 3 PM	1,148	1,068	7.5%	1,807	1,626	11.1%	2,323	2,149	8.1%	5,278	4,843	9.0%
3 PM - 4 PM	906	886	2.3%	1,737	1,697	2.4%	2,284	2,167	5.4%	4,927	4,750	3.7%
8 PM - 9 PM	851	856	-0.6%	2,122	2,105	0.8%	3,027	3,047	-0.7%	6,000	6,008	-0.1%
9 PM - 10 PM	1,005	994	1.1%	1,415	1,471	-3.8%	2,181	2,121	2.8%	4,601	4,586	0.3%
10 PM - 2 AM	1,532	1,418	8.0%	1,967	2,035	-3.3%	2,931	2,814	4.2%	6,430	6,267	2.6%
OTHER OUTBOUND TOTAL	6,963	6,764	2.9%	12,868	12,704	1.3%	18,500	17,894	3.4%	38,331	37,362	2.6%
WEEKDAY OUTBOUND TOTAL	21,747	22,003	-1.2%	35,385	35,078	0.9%	46,342	45,442	2.0%	103,474	102,523	0.9%

Notes.

(1) - Based on GCT counts for a 100% ridership sample for all peak and off-peak trains.

(2) - These percent changes may reflect the impacts of ridership shifts due to the following schedule changes which have occurred during the past year:

- Additional New Haven Line inbound and outbound service.

Table 12
SATURDAY TRENDS BY TIME PERIOD ⁽¹⁾

TIME PERIOD	HUDSON LINE			HARLEM LINE			NEW HAVEN LINE			METRO-NORTH TOTALS		
	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change
SATURDAY INBOUND												
5 AM - 10 AM	1,247	1,338	-6.8%	1,980	1,959	1.1%	2,503	2,577	-2.9%	5,730	5,874	-2.5%
10 AM - 1 PM	2,443	2,726	-10.4%	2,900	3,099	-6.4%	5,744	6,034	-4.8%	11,087	11,859	-6.5%
1 PM - 4 PM	1,826	1,761	3.7%	3,166	2,935	7.9%	4,194	3,843	9.1% (2)	9,186	8,539	7.6% (2)
4 PM - 7 PM	2,214	2,007	10.3%	2,878	2,624	9.7% (2)	3,585	3,583	0.1% (2)	8,677	8,214	5.6% (2)
7 PM - 10 PM	1,553	1,432	8.4%	2,750	2,157	27.5% (2)	2,870	2,475	16.0% (2)	7,173	6,064	18.3% (2)
10 PM - 2 AM	665	658	1.1%	852	798	6.8%	1,411	1,326	6.4% (2)	2,928	2,782	5.2% (2)
INBOUND TOTAL	9,948	9,922	0.3%	14,526	13,572	7.0%	20,307	19,838	2.4%	44,781	43,332	3.3%
SATURDAY OUTBOUND												
5 AM - 10 AM	1,440	1,060	35.8%	1,502	1,353	11.0%	1,741	1,540	13.1%	4,683	3,953	18.5%
10 AM - 1 PM	1,572	1,313	19.7%	2,001	1,687	18.6%	2,696	2,490	8.3%	6,269	5,490	14.2%
1 PM - 4 PM	1,620	1,680	-3.6%	2,338	2,102	11.2% (2)	3,299	2,899	13.8% (2)	7,257	6,681	8.6% (2)
4 PM - 7 PM	2,252	2,359	-4.5%	3,170	3,189	-0.6%	4,946	4,937	0.2% (2)	10,368	10,485	-1.1% (2)
7 PM - 10 PM	1,559	1,611	-3.2%	2,248	2,078	8.2% (2)	4,085	3,745	9.1% (2)	7,892	7,434	6.2% (2)
10 PM - 2 AM	1,898	1,865	1.8%	2,783	2,758	0.9%	3,710	3,730	-0.5% (2)	8,391	8,353	0.5% (2)
OUTBOUND TOTAL	10,341	9,888	4.6%	14,042	13,167	6.6%	20,477	19,341	5.9%	44,860	42,396	5.8%
SATURDAY TOTAL	20,289	19,810	2.4%	28,568	26,739	6.8%	40,784	39,179	4.1%	89,641	85,728	4.6%

Notes.

(1) - Based on GCT counts for a 100% ridership sample for all trains.

(2) - These percent changes may reflect the impacts of ridership shifts due to the following schedule changes which have occurred during the past year:

- Additional Upper/Lower Harlem Line Weekend Thru Service.

- Additional New Haven Line Inner/Outer Weekend Service.

Table 13
SUNDAY TRENDS BY TIME PERIOD (1)

TIME PERIOD	HUDSON LINE			HARLEM LINE			NEW HAVEN LINE			METRO-NORTH TOTALS		
	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change	FALL '12	FALL '11	% Change
SUNDAY INBOUND												
5 AM - 10 AM	874	912	-4.2%	1,321	1,515	-12.8%	1,422	1,684	-15.6%	3,617	4,111	-12.0%
10 AM - 1 PM	1,959	2,171	-9.8%	2,408	2,502	-3.8% (2)	4,598	4,813	-4.5% (2)	8,965	9,486	-5.5% (2)
1 PM - 4 PM	1,582	1,712	-7.6%	2,656	2,504	6.1% (2)	3,555	3,472	2.4% (2)	7,793	7,688	1.4% (2)
4 PM - 7 PM	1,749	1,958	-10.7%	2,149	1,936	11.0% (2)	2,992	2,937	1.9% (2)	6,890	6,831	0.9% (2)
7 PM - 10 PM	1,274	1,210	5.3%	1,710	1,612	6.1%	2,804	2,452	14.4% (2)	5,788	5,274	9.7% (2)
10 PM - 2 AM	522	460	13.5%	407	428	-4.9%	853	900	-5.2%	1,782	1,788	-0.3%
INBOUND TOTAL	7,960	8,423	-5.5%	10,651	10,497	1.5%	16,224	16,258	-0.2%	34,835	35,178	-1.0%
SUNDAY OUTBOUND												
5 AM - 10 AM	977	1,052	-7.1%	939	968	-3.0%	1,251	1,266	-1.2%	3,167	3,286	-3.6%
10 AM - 1 PM	1,388	1,450	-4.3%	1,834	1,619	13.3%	2,591	2,456	5.5%	5,813	5,525	5.2%
1 PM - 4 PM	1,481	1,540	-3.8%	2,098	1,912	9.7% (2)	3,372	2,943	14.6% (2)	6,951	6,395	8.7% (2)
4 PM - 7 PM	2,214	2,303	-3.9%	2,766	3,069	-9.9% (2)	4,772	5,173	-7.8% (2)	9,752	10,545	-7.5% (2)
7 PM - 10 PM	1,212	1,301	-6.8%	2,014	1,959	2.8% (2)	3,559	3,198	11.3% (2)	6,785	6,458	5.1% (2)
10 PM - 2 AM	720	718	0.3%	841	911	-7.7% (2)	1,161	1,422	-18.4% (2)	2,722	3,051	-10.8% (2)
OUTBOUND TOTAL	7,992	8,364	-4.4%	10,492	10,438	0.5%	16,706	16,458	1.5%	35,190	35,260	-0.2%
SUNDAY TOTAL	15,952	16,787	-5.0%	21,143	20,935	1.0%	32,930	32,716	0.7%	70,025	70,438	-0.6%

Notes

(1) - Based on GCT counts for a 100% ridership sample for all trains.

(2) - These percent changes may reflect the impacts of ridership shifts due to the following schedule changes which have occurred during the past year:

- Additional Lower/Upper Harlem Weekend Service.

- Additional Inner/Outer New Haven Line Weekend Service.

Staff Summary



Metropolitan Transportation Authority

Page 1 of 2

Subject SUBLEASE AGREEMENT
Department REAL ESTATE
Department Head Name JEFFREY B. ROSEN
Department Head Signature
Project Manager Name PAUL M. FITZPATRICK

Date APRIL 22, 2013
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref. #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	4/22/13	X		
2	Board	4/24/13	X		

Internal Approvals			
Order	Approval	Order	Approval
		1	Legal
3	Chief of Staff		
2	Chief Financial Officer		

AGENCY: MTA Metro-North ("Metro-North")

SUBLESSEE: City of Peekskill (the "City")

LOCATIONS: Parcel A – Adjacent to Travis Cove at the Louisa Street Bridge, along an embankment on the Hudson River west of the Hudson Line at MP 40-41, Monuments 215-216

Parcel B – Adjacent to Hudson Avenue, on a portion of the right of way west of the Hudson Line at MP 41, south of Monument 217

ACTIVITY: Sublease of Parcel A and Parcel B (the "Parcels") for construction and operation of a portion of Westchester RiverWalk

ACTION REQUESTED: Approval of terms

TERM: Ending one day earlier than Metro-North's lease with Midtown Trackage Ventures, LLC (the "Harlem-Hudson Lease")

SPACE: Parcel A: Approximately 15,000 square feet
Parcel B: Approximately 2,900 square feet

COMPENSATION: One dollar, payment waived

COMMENTS

The City of Peekskill plans to construct a continuous waterfront trail along the Peekskill waterfront, which includes the above parcels (the "Project"). The Project is part of the Westchester RiverWalk initiative, a planned 51.5 mile pathway paralleling the Hudson River in Westchester County, to increase public access to the Hudson River

Metro-North's Harlem/Hudson Lease for the Hudson Line, which includes the Parcels, permits the MTA to enter into sublease agreements. The City desires to execute a sublease of such parcels through the year 2274 (ending one day earlier than the Harlem/Hudson Lease). This sublease will allow the City and its contractors to enter onto the parcels to complete the portions of the Project that are to be located there, at the City's sole cost and expense and subject to Metro-North's approval of construction plans. Metro-North has confirmed that construction of the Project on the Parcels will not impact railroad operations.

An appraisal was obtained as required by to the Public Authorities Law. It estimated the value of the leasehold interests in Parcels A and B at \$13,000 and \$7,800, respectively. As permitted by the Public Authorities Law, Metro-North proposes to grant such rights to the City for \$1, payment waived, in consideration of the public purpose and benefit of the Project,

Staff Summary

FINANCE COMMITTEE MEETING Sublease (Cont'd.)



Metropolitan Transportation Authority

Page 2 of 2

and the sublease will stipulate that the subleased interest and its use will remain with the City. There is no reasonable alternative to the proposed subleases that would achieve the same purpose as such transfer.

Based on the foregoing, MTA Real Estate requests that the Board (a) determine that there is no reasonable alternative to the proposed subleases that would achieve the same public purpose, and (b) authorize entry into subleases with the City on the terms and conditions described above.



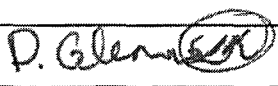
Metro-North Railroad

Action Item

April 2013

Staff Summary

Page 1 of 2

Subject Establishment of West Haven Station Fares	Date April 5, 2013
Department Operations Planning & Analysis	Vendor Name
Department Head Name D. Glenn	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager Name J. Fiegerman	Table of Contents Ref#

Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	M-N Comm. Mtg.	4/22	X			4	President		Budget
2	MTA Fin. Comm.	4/22	X				VP Operations		VP Capital Programs
3	MTA Board Mtg.	4/24	X			3	VP Financial Admin		Engr/Const
							Controller		Project Reporting

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	VP Planning		Government Relations		Labor Relations	2	General Counsel
	Press		VP Human Resources		Personnel		Other

Narrative

Purpose:

To authorize the establishment of fares for travel to/from the new West Haven Station, effective with the opening of the station which is tentatively scheduled for 3rd Quarter 2013.

Discussion:

Metro-North will commence service to/from West Haven station, tentatively scheduled for 3rd Quarter 2013. In conjunction with the opening of this station, Metro-North and Connecticut Department of Transportation (CDOT) have jointly agreed that the fares for travel to/from this station should be the same as the existing fares to the New Haven zone.

Examples of the proposed fares to/from West Haven Station are as follows:

Station Pair	One Way Peak/ Intermediate Fare	Monthly Commutation Fare
West Haven-GCT	\$20.50	\$436.00
West Haven-Greenwich	\$8.75	\$173.50
West Haven-Stamford	\$6.75	\$144.00
West Haven-Bridgeport	\$3.50	\$66.50
West Haven-New Haven	\$2.50	\$56.50

The MTA Board conducted a public hearing on this proposal pursuant to Section 1266 of the New York Public Authorities Law. The hearing took place on March 4, 2013. There were no public speakers at the hearing. The MTA public hearing was advertised in newspapers of general circulation as well as on seat notices distributed on Metro-North New Haven Line trains.

Staff Summary

Recommendation:

That the Board authorize the establishment of fares for travel to/from the new West Haven station, effective with the opening of the station which is tentatively scheduled for 3rd Quarter 2013.

Approved for Submission to the Board



Howard Permut, President

**METRO-NORTH/LONG ISLAND
COMMITTEE**

PROCUREMENTS

FOR BOARD

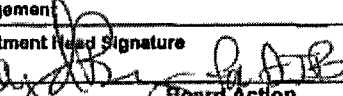
ACTION

April 22, 2013

MTA Long Island Rail Road

MTA Metro-North Railroad

MTA Capital Construction

Subject Request for Authorization to Award Various Procurements						Date April 24, 2013			
Department Procurement & Logistics						Department Law and Procurement - MTACC			
Department Head Name Dennis L. Mahon, Chief Procurement & Logistics Officer						Department Head Name Evan M. Eisland			
Department Head Signature 						Department Head Signature 			
Department Procurement and Material Management - MNR									
Department Head Name Anthony J. Bombace, Jr., Sr. Director, Procurement & Material Management									
Department Head Signature 									
Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LIRR/MNR Committee	4.22.13				X	President, LIRR		
2	MTA Board	4.24.13				X	President, MNR		
						X	President, MTACC		

PURPOSE:
 To obtain approval of the Board to award various contracts and purchase orders, and to inform the Long Island Rail Road Committee of these procurement actions.

DISCUSSION:

	# of Actions	\$ Amount
LIRR proposes to award Non-Competitive Procurements in the following categories:		
<u>Schedules Requiring Two-Thirds Vote</u>		
Schedule A: Non-Competitive Purchases and Public Work Contracts	2	\$12,200,000
<u>Schedules Requiring Majority Vote</u>		
Schedule E: Miscellaneous Procurement Contracts	1	\$11,200,000
Schedule G: Miscellaneous Service Contracts	1	\$40,000
SUBTOTAL:	4	\$23,440,000
MNR proposes to award Non-Competitive Procurements in the following categories:		
<u>Schedules Requiring Two-Thirds Vote</u>		
Schedule A: Non-Competitive Purchases and Public Work Contracts	1	\$1,735,880
<u>Schedules Requiring Majority Vote</u>		
Schedule G: Miscellaneous Service Contracts	1	\$62,500
Schedule H: Modifications to Personal/Miscellaneous Service Contracts	1	\$1,881,161
SUBTOTAL:	3	\$3,679,541
MTACC proposes to award Non-Competitive Procurements in the following categories:	NONE	

		<u># of Actions</u>	<u>\$ Amount</u>
LIRR proposes to award Competitive Procurements in the following categories:		NONE	
MNR proposes to award Competitive Procurements in the following categories:			
<u>Schedules Requiring Two-Thirds Vote:</u>			
Schedule C:	Competitive Requests for Proposals (Award of Purchase & Public Work Contracts)	1	\$26,514,000
<u>Schedules Requiring Majority Vote:</u>			
Schedule G:	Miscellaneous Service Contracts	8	\$5,500,000
	SUBTOTAL:	9	\$32,014,000
MTACC proposes to award Competitive Procurements in the following categories:			
<u>Schedules Requiring Majority Vote</u>			
Schedule I:	Modifications to Purchase and Public Work Contracts	4	\$6,144,000
	SUBTOTAL:	4	\$6,144,000
		<u># of Actions</u>	<u>\$ Amount</u>
LIRR proposes to award Ratifications in the following categories:		NONE	
MNR proposes to award Ratifications in the following categories:			
<u>Schedules Requiring Two-Thirds Vote:</u>			
Schedule D:	Ratification of Completed Procurement	1	\$350,000
	SUBTOTAL:	1	\$350,000
MTACC proposes to award Ratifications in the following categories:			
<u>Schedules Requiring Majority Vote</u>			
Schedule K:	Ratifications of Completed Procurement Actions	2	\$2,740,000
	SUBTOTAL:	2	\$2,740,000
		<u>TOTAL:</u>	<u>23</u>
			<u>\$68,367,541</u>
BUDGET IMPACT:			
The purchases/contracts will result in obligating LIRR operating and capital funds in the amount listed. Funds are available in the current operating/capital budgets for this purpose.			
RECOMMENDATION:			
That the purchases/contracts be approved as proposed. (Items are included in the resolution of approval at the beginning of the Procurement Section.)			

METROPOLITAN TRANSPORTATION AUTHORITY

WHEREAS, in accordance with Section 1265-a and Section 1209 of the Public Authorities law and the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive purchase and public work contracts, and the solicitation and award of request for proposals in regard to purchase and public work contracts; and

WHEREAS, in accordance with the All Agency Procurement Guidelines, the Board authorizes the award of certain non-competitive miscellaneous procurement contracts, and certain change orders to procurement, public work, and miscellaneous procurement contracts; and

WHEREAS, in accordance with Section 2879 of the Public Authorities Law and the All Agency Guidelines for Procurement of Services, the Board authorizes the award of certain service contracts and certain change orders to service contracts.

NOW, the Board resolves as follows:

1. As to each purchase and public work contract set forth in the annexed Schedule A, the Board declares competitive bidding to be impractical or inappropriate for the reasons specified therein and authorizes the execution of each such contract.

2. As to each request for proposals (for purchase and public work contracts) set forth in Schedule B for which it is deemed in the public interest to obtain authorization to solicit competitive proposals through a publicly advertised RFP for the reasons specified therein the Board declares it to be impractical or inappropriate to utilize a procurement process inviting sealed bids with award to the lowest responsive/responsible bidder.

3. As to each request for proposals (for purchase and public work contracts) set forth in Schedule C for which a recommendation is made to award the contract, the Board authorizes the execution of said contract.

4. The Board ratifies each action taken set forth in Schedule D for which ratification is requested.

5. The Board authorizes the execution of each of the following for which Board authorization is required: i) the miscellaneous procurement contracts set forth in Schedule E; ii) the personal service contracts set forth in Schedule F; iii) the miscellaneous service contracts set forth in Schedule G; iv) the modifications to personal/miscellaneous service contracts set forth in Schedule H; v) the contract modifications to purchase and public work contracts set forth in Schedule I; and vi) the modifications to miscellaneous procurement contracts set forth in Schedule J.

6. The Board ratifies each action taken set forth in Schedule K for which ratification is requested.

APRIL 2013

MTA LONG ISLAND RAIL ROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

Schedule A: Non-Competitive Purchases and Public Work Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive)

- | | | | |
|----|--|--|--------------------------------------|
| 1. | Loram Maintenance of Way, Inc.
Non-Competitive
Contract No. TBD | \$6,700,000
Not-to-Exceed | <u>Staff Summary Attached</u> |
|----|--|--|--------------------------------------|

LIRR requests MTA Board approval to award a non-competitive 36-month Public Works contract (two years plus one-year option) to Loram Maintenance of Way, Inc. (Loram) in an amount not-to-exceed \$6,700,000 (\$4,420,400 for two years, and \$2,279,600 for one-year option) for the services of the Rail-Vac Machine. LIRR utilizes Loram's Rail-Vac machine to excavate ballast along rights of way to ensure that any weak spots in the track bed are corrected to help avoid situations in which speed restrictions must be imposed as track safety measures. Loram has provided Rail-Vac services for LIRR pursuant to a prior MTA Board approved sole source contract.

- | | | | |
|----|--|--------------------|--------------------------------------|
| 2. | Vapor Stone Rail Systems
Non-Competitive
Contract No. TBD | \$5,500,000 | <u>Staff Summary Attached</u> |
|----|--|--------------------|--------------------------------------|

LIRR requests MTA Board approval to award a non-competitive contract to Vapor Stone Rail Systems (VSRS) in the total amount of \$5,500,000 to provide C-3 HVAC Controls Upgrade for LIRR's entire fleet of 134 C-3 Coach Cars over a four (4) year period. VSRS is the Original Equipment Manufacturer of the control box, control panel and train-line control software presently installed in the two Rooftop HVAC units on each C-3 Coach Car. These units were manufactured in the late 90s, making the HVAC technology 20 years old. VSRS previously overhauled and upgraded the C-3 HVAC units in between 2005 and 2006 increasing reliability and reducing the number of hot cars. The HVAC units now have obsolete and outdated control systems with analog communications control components that are difficult, and in some cases impossible, to procure for unscheduled and scheduled maintenance, which is necessary to maintain the operational reliability of the C-3 Coach Cars.

Procurements Requiring Majority Vote

Schedule E: Miscellaneous Procurement Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M Competitive)

- | | | | |
|----|--|---|--------------------------------------|
| 3. | Oracle USA, Inc.
Non-Competitive
Contract No. TBD | \$11,200,000
Not-to-Exceed | <u>Staff Summary Attached</u> |
|----|--|---|--------------------------------------|

LIRR requests, on behalf of MTA Bridges & Tunnels (B&T), MTA New York City Transit (NYCT) and MTA Metro-North Railroad (MNR), MTA Board approval to enter into a four-year agreement with Oracle USA, Inc. (Oracle), pursuant to a ride of Oracle's New York State Office of General Services Contract No. PT64000, for renewal of software maintenance and support and for the purchase of future Oracle licenses on an as needed basis for LIRR, MNR, NYCT and B&T. Oracle software products are used to support existing applications ensuring interoperability between databases and facilitating application integration in support of mission critical business requirements.

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP)

- Contract No. 0400000000000000000000000613**

Page 220

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



Item Number: 1

Vendor Name (& Location) Loram Maintenance of Way, Inc. (Hamel, MN)
Description Loram Rail-Vac Machine Services
Contract Term (including Options, if any) 3 years (2 years, plus one-year option)
Option(s) included in Total Amount? ☒ Yes ☐ No
Procurement Type ☐ Competitive ☒ Non-Competitive
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole Source, Public Works

Contact Number TBD	Renewal? ☒ Yes ☐ No
Total Amount: \$6,700,000 NTE	
Funding Source ☐ Operating ☐ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: Engineering Dept. /Kevin Tomlinson-Chief Engineer	
Contract Manager : Carl Cipriano	

Discussion:

LIRR requests MTA Board approval to award a non-competitive 36-month Public Works contract (two years plus one-year option) to Loram Maintenance of Way, Inc. (Loram) in an amount not-to-exceed \$6,700,000 (\$4,420,400 for two years, and \$2,279,600 for one-year option) for the services of the Rail-Vac Machine. LIRR utilizes Loram's Rail-Vac machine to excavate ballast along rights of way to ensure that any weak spots in the track bed are corrected to help avoid situations in which speed restrictions must be imposed as track safety measures.

The Rail-Vac machine conveys material through vacuum and airflow and excavates in a non-destructive manner thereby allowing work to be performed in the time between when trains pass through the section of track under repair. Loram is the only vendor who provides this equipment and these services that meet LIRR's operating profile for excavating ballast without damaging cables and pipes in third rail territory, performing cross-trenching excavation, and removing ballast from bridge decks and grade crossings without removing ties or rail.

Loram's pricing includes all equipment, labor, supervision and consumables (oil, hydraulic fluids, etc.) necessary to perform these services and is in accordance with all terms, conditions and specifications of the previous contracts. Pricing for this new requirement is based on previous (2010-2013) base contract pricing plus escalation based on the Consumer Price Index – All Urban Consumers – U.S. City Average. This escalation formula has resulted in an average annual increase of 1.5 % over four years. These rates are in compliance with prevailing wage rate requirements and are applicable to the scheduled timeframe of the work, as defined by the LIRR, and are therefore considered fair and reasonable. Entering into this contract at this time will also avoid the need to demobilize the equipment only to re-mobilize it at a later date at a cost of \$26,580. LIRR advertised its intent to procure the services on a sole source basis and no other firm expressed an interest in participating in this procurement. Funding for this contract is included in LIRR's capital budget for 2013 & 2014 and option years (if budgeted) will allow continued use of equipment at current contract rates and avoid future Mobilization charges.

LIRR requests MTA Board approval to award a Sole Source Blanket Purchase Order for a 36-month period to Loram Maintenance of Way, Inc. ("Loram") in an amount not-to-exceed \$6,700,000 for the services of the Rail-Vac Machine.

Schedule A: Non-Competitive Purchases and Public Works

Staff Summary



Long Island Rail Road

Item Number: 2

Vendor Name (& Location) Vapor Stone Rail Systems (Plattsburg, NY)
Description C-3 HVAC System Controller Upgrade for C-3 Coach
Contract Term (including Options, if any) 4 Years
Option(s) included in Total Amount? ☐ Yes ☒ No
Procurement Type ☐ Competitive ☒ Non-Competitive
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole Source

Contact Number TBD	Renewal? ☐ Yes ☒ No
Total Amount: \$5,500,000	
Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: Maintenance of Equipment, Daniel Cleary - CMO	
Contract Manager : Virginia Mahr	

Discussion:

LIRR requests MTA Board approval to award a non-competitive contract to Vapor Stone Rail Systems (VSRS) in the total amount of \$5,500,000 to provide C-3 HVAC Controls Upgrade for LIRR's entire fleet of 134 C-3 Coach Cars over a four (4) year period.

VSRS is the Original Equipment Manufacturer of the control box, control panel and train-line control software presently installed in the two Rooftop HVAC units on each C-3 Coach Car. These units were manufactured in the late 90s, making the HVAC technology 20 years old. VSRS previously overhauled and upgraded the C-3 HVAC units between 2005 and 2006 increasing reliability and reducing the number of hot cars. The HVAC units now have obsolete and outdated control systems with analog communications control components that are difficult, and in some cases impossible, to procure for unscheduled and scheduled maintenance, which is necessary to maintain the operational reliability of the C-3 Coach Cars.

VSRS was the only firm to respond to LIRR's advertised Request for Expression of Interest issued in July 2008 to provide an upgraded prototype C-3 HVAC unit control box assembly. As part of its response, VSRS provided to LIRR, at its own expense, two (2) state of the art control boxes utilizing digital communication control logic and an upgraded control panel for testing. These units were installed on a C-3 Coach (4033) for validation testing and, during the last two years, have been operating trouble free.

Pursuant to its statutory obligation under Section 1265-a(4)(b) of the Public Authorities Law, LIRR advertised its intent to award a sole source contract in the New York State Contract Reporter and New York Post. No other vendor expressed an interest in competing for this LIRR procurement.

The scope of the project is to upgrade the C-3 fleet HVAC Control System by replacing that obsolete system with a modern upgrade control system in all 134 C-3 Coach Cars for continued maintainability, reliability and customer comfort. LIRR intends to perform the upgrades over a four-year cycle at a rate of 34 Cars per year as defined by its Reliability Centered Maintenance (RCM) program. A review of the pricing by LIRR's Procurement & Logistics Department and Maintenance of Equipment Department (Fleet Engineering and Diesel Operations) found the pricing to be fair and reasonable. Pricing takes into account moving from a prototype to a production effort and will remain firm for the four-year duration of the program with a two year warranty on the system.

This procurement is to be funded by LIRR's operating budget.

Schedule I: Modifications to Purchase and Public Works Contracts

Staff Summary



Item Number: 3

Vendor Name (& Location) Oracle USA, Inc., 1910 Oracle Way, Reston, VA 20190
Description Renewal of Oracle Software Maintenance and Support
Contract Term (including Options, if any) May 30, 2013 – May 29, 2017
Option(s) included in Total Amount? ☐ Yes ☒ No
Procurement Type ☐ Competitive ☒ Non-Competitive
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole Source

Contact Number TBD	Renewal? ☒ Yes ☐ No
Total Amount: \$11,200,00.00 NTE	
Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: Information Technology, Scott Dietrich, CIO	
Contract Manager : Cliff De Risi/John Latterner	

Discussion:

I. PURPOSE/RECOMMENDATION

LIRR requests, on behalf of MTA Bridges & Tunnels (B&T), MTA New York City Transit (NYCT) and MTA Metro-North Railroad (MNR), MTA Board approval to enter into a four-year agreement with Oracle USA, Inc. (Oracle), pursuant to a ride of the Oracle's New York State Office of General Services Contract No. PT64000, for renewal of software maintenance, support and the purchase of future Oracle licenses on an as-needed basis for the LIRR, MNR, NYCT and B&T. Oracle software products are used to support existing applications ensuring interoperability between databases and facilitating application integration in support of mission critical business requirements.

II. BACKGROUND

Oracle software is an integral part of the MTA and constituent agencies providing PeopleSoft, Hyperion Budgeting, Service Oriented Architecture (SOA) middleware and Database application software, which have all been purchased in recent years. Oracle has purchased a number of other vendors such as Hyperion, BEA and PeopleSoft which is used by the BSC to consolidate all Enterprise Resource Planning (ERP) and purchasing functions at the BSC. Oracle Software is used in support of mission critical agency applications such as Ticket Selling Systems, Mail & Ride, Identity & Access Management, Corporate Time & Attendance, Document Management, and Corporate Asset Management Systems. This renewal is consistent with MTA and Agency directives to standardize on common systems, database software as well as middleware software to achieve a more integrated approach to processes which provides added flexibility and reduces the technology curve and training for the entire MTA. The services provided under the contract include software, maintenance and support needed to maintain the MTA agency database environments to ensure a state of good repair and continued availability for existing business applications. Oracle software will continue to be used to foster increased integration among the application products of key technology initiatives as required by the respective agency business users. Additionally, this common technology approach for software integration will result in cost savings by renewing software maintenance licenses jointly achieving price concessions.

The Oracle Software is proprietary to Oracle with no vendor having any rights to the Oracle source code, which is needed to perform the work. As has been done in the past, sole source advertisements have been placed in the New York State Contact Reporter and local newspapers. Oracle originally proposed a total of \$8,225,742.53 for the four-year period, which represented an uplift of 3% per year for all the MTA agencies. By leveraging the combined buying power of NYCT, LIRR, MNR and B&T for the software maintenance and support renewals, LIRR was able to limit the 3% uplift to the first year only, with no escalation in maintenance charges for years 2 through 4, for a total of \$7,864,686.88. This represents a cost savings of \$361,055.64 over the term of the agreement.

In addition to the renewal of maintenance and support costs, LIRR, MNR, NYCT and B&T anticipate future software purchases of Oracle software licenses in the combined amount of approximately \$3,300,000.00 over the four-year term. These projected purchases are required to support the expansion of database license and security compliance requirements for the three MTA agencies. Pricing

Schedule I: Modifications to Purchase and Public Works Contracts

Staff Summary



will be in accordance with the then current New York State Office of General Services discounts, with the ability to obtain additional discounts through further negotiations and combining purchases. Significant adverse information was discovered concerning Oracle. An award will not be made until the required approvals are obtained and Oracle is viewed to be a responsible vendor.

III. D/M/WBE INFORMATION

New York State has zero goals established for its Oracle contract.

IV. IMPACT ON FUNDING

The total not-to-exceed cost for this contract award for ongoing maintenance, software support and new licenses is in the amount not to exceed \$11,200,000.00. As stated above, all of this funding already has been included in each agency budget and financial plan. This contract is funded through the respective Agency Operating budgets.

The cost per Agency for the renewal of software maintenance and support over the 4-year period is as follows:

MTA NYCT - \$3,207,567.13
MTA LIRR - \$2,778,046.87
MTA MNR - \$1,385,932.11
MTA B&T - \$493,140.78

For the purchase of new licenses, the estimate is \$1,000,000.00 for NYCT, \$1,000,000.00 for LIRR, \$800,000.00 for MNR and \$500,000 for B&T.

V. ALTERNATIVES

There are no alternatives to this procurement. The Oracle software is proprietary and cannot be maintained or updated by any other vendor.

APRIL 2013

METRO-NORTH RAILROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

A. Non-Competitive Purchases and Public Work Contracts

(Staff Summaries required for all items greater than: \$100K; \$250K Other Non-Competitive)

1. Oldcastle Enclosure Solutions \$1,735,880 Staff Summary Attached
Blanket Purchase Agreement for Various Oldcastle Plastibeton Signal Cable Trays

Non-competitive, negotiated, three year, Blanket Purchase Agreement to Oldcastle Enclosure Solutions (Oldcastle), the Original Equipment Manufacturer (OEM), for the purchase of Various Signal Plastibeton Cable Trays. Cable trays are installed throughout Metro North Railroad (MNR) operating territory and must withstand extreme weights from heavily-loaded railroad equipment. They are situated in trenches to carry and protect signal, power and communication cable from damage and exposure to the elements. Since the 1990's, MNR has conducted numerous tests on various types of cable trays including stainless steel, fiberglass, standard concrete, plastic-based, and polymer concrete trays. Alternative plastic based interlocking trays were previously installed but resulted in poor performance, collapsing under the weight of yard traffic and facilitating combustion leading to cable damage. The specialized Plastibeton cable trays manufactured by Oldcastle are high density/heavy duty, fire resistant, polymer concrete trays and have proven to be the best units that can sustain heavy railroad trucks, cranes, catenary structures and other rail vehicles. The cable trays are also designed and tested to support 40,000 pounds and are not affected by water, acids, salts, chemicals, and extreme freeze/thaw cycles.

Additionally, these trays are successfully being used by railroads in the Northeast corridor including LIRR, Amtrak, New Jersey Transit and SEPTA, and meet the requirements for Low Smoke Zero Halogen (LSZH) which is a necessary protection for signal cables due to the potential for damage from brush fires, arcs from the third rail, and diesel locomotive exhaust sparks. The contract includes the ability for all MTA Agencies to take advantage of the MNR/Oldcastle favorable pricing structure should they decide to utilize the purchase agreement.

This purchase agreement will reduce administrative costs and advertising expenses, eliminate lead time for individual purchase orders and expedite material delivery. In requesting this Board authorization, MNR has complied with PAL§ 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers and with MTA All-Agency Procurement Guidelines for the purchase of sole source material. MNR shall continue to seek alternate suppliers through vendor outreach and advertisement.

Overall negotiations resulted in savings of 620,436 or 35%, when comparing the Oldcastle Enclosure Solutions' Best and Final Offer (BAFO) of \$1,735,880 to their initial proposed price of \$2,356,316. This purchase is 100% Federally funded.

Schedules Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP; No Staff Summary required if Sealed Bid Procurement.)

2. New York State Industries for the Disabled (NYSID) \$62,500 (not-to-exceed)
Document Scanning Services

Approval is requested for a New York State Preferred Source, four month, miscellaneous service contract to the New York State Industries for the Disabled (NYSID) to perform Document Scanning Services in accordance with Section 162 of the New York State Finance Law.

To advance special social and economic goals, the NYS Finance Law requires that all State agencies, political subdivisions and public benefit corporations obtain commodities and services from "preferred sources" when such commodities and services are on the List of Preferred Source Offerings and when they meet the form, function and utility required by the agencies. The service requirements must be defined in terms of the minimum essential requirements and every reasonable effort must be made to obtain services through the Preferred Source. The acquisition of document imaging and scanning services is one of the services listed and it is exempted from statutory competitive procurement requirements. The NYS Commissioner of General Services is responsible for reviewing and approving the prices of all services provided by Preferred Sources. In approving the prices, the NYS Office of General Services ensures that prices do not exceed 15% of the prevailing market prices among responsive and responsible offers for the same or equivalent services.

The scope of services includes scanning of maps and other documents related to MNR's track system, bridges, stations and property agreements currently maintained by MNR's Maintenance of Way. MNR employees, contractors and other authorized personnel regularly review and utilize these documents. The scanning project will allow for the records to be available for online access, thereby saving time and labor. It will also protect the records from physical damage due to repeated handling; permit transfer of original records to offsite storage, thereby saving office space; and provide a cost-effective method of producing backup copies of records that support mission-critical operations.

The total contract cost is not-to-exceed \$62,500. All pricing is deemed within 15% of the prevailing market prices as required by the NYS Preferred Source Law. This procurement is funded through a records management improvement grant provided by the New York State Education Department.

H. Modifications to Personal/Miscellaneous Service Contracts

(Approvals/Staff Summaries required for substantial change orders and change orders that cause the original contract to equal or exceed monetary or durational threshold required for Board approval)

3. **Smiths Detection** **\$1,881,161 (not-to-exceed)** **Staff Summary Attached**
Three Year Maint. & Support Services for the MNR (GCT) and LIRR (Penn Station) Chemical Detection Systems & Equipment (MNR = \$940,581 and LIRR = \$940,580)

Approval is requested for a three year, negotiated contract extension in the total not-to-exceed amount of \$1,881,161 to Smiths Detection for the MNR and LIRR Chemical Detection Systems. The term of the contract will be from April 2013 through March 2016 and it will provide comprehensive maintenance and support of the Chemical Detection Systems presently installed in both Grand Central Terminal (GCT) and Penn Station. Smiths Detection is the Original Equipment Manufacturer (OEM) and original software developer of the Chemical Detection Systems and is presently performing maintenance services satisfactorily.

In 2006, MTA Office of Security in conjunction with the Department of Homeland Security (DHS), evaluated and concluded that the sensor mechanisms within the devices that were developed by Argonne National Laboratories, are the premiere equipment for sensing chemical, biological and radiological agents. The detail of the systems' software and hardware is called the "Protect" system, and is licensed exclusively to Smiths Detection. In the event of a chemical attack at either of MTA's two high profile facilities, the installed system will provide essential detection and notification to key response MTA, MNR, & LIRR personnel. Smiths is the sole authorized maintainer and distributor for the Protect system, including software and hardware components. Services provided by Smiths include on-site weekly maintenance, system and network software support, hardware maintenance including replacement parts and on-going testing.

During the term of this contract, MTA, MNR and LIRR personnel will work with the Department of Homeland Security, as well as several National Laboratories to evaluate emerging technologies. The agencies will complete the review of available technologies and determine/recommend a future course of action which may include a procurement to solicit proposals for a new Chemical Detection platform or an upgrade to the existing Smiths Detection Protect System. Should the new system or upgrade be implemented prior to the conclusion of the three year maintenance period, the Railroads will activate a termination clause that will be part of the contract.

The total value of this contract for up to a three year period is not-to-exceed \$1,881,161 (MNR = \$940,581; LIRR= \$940,580) covering the term April 1, 2013-March 31, 2016. Under the contract, the MTA and the Railroads are afforded pricing negotiated by the U.S. General Services Administration (GSA) for comprehensive maintenance and support which increases by an acceptable 3% per year, based on the average rate of inflation. This procurement is to be funded by MTA HQ-Office of Security.

Schedule A: Non-Competitive Purchases and Public Work Contracts



Item Number: A

Vendor Name (& Location) Oldcastle Enclosure Solutions
Description : Purchase of Various Signal Plastibeton Cable Trays
Contract Term (Including Options, If any) Three (3) Years
Option(s) Included In Total Amount? ☐ Yes ☒ No
Procurement Type ☐ Competitive ☒ Non-competitive
Solicitation Type ☐ RFP ☐ Bid ☒ Other: Sole Source/OEM

Contract Number 8892-A	Renewal? ☐ Yes ☒ No
Total Amount: \$1,735,880 (not-to-exceed)	
Funding Source ☐ Operating ☐ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.	
Contract Manager: J. Walker	

Discussion:

Non-competitive, negotiated, three year, Blanket Purchase Agreement to Oldcastle Enclosure Solutions (Oldcastle), the Original Equipment Manufacturer (OEM), for the purchase of Various Signal Plastibeton Cable Trays. Cable trays are installed throughout Metro North Railroad (MNR) operating territory and must withstand extreme weights from heavily-loaded railroad equipment. They are situated in trenches to carry and protect signal, power and communication cable from damage and exposure to the elements. Since the 1990's, MNR has conducted numerous tests on various types of cable trays including stainless steel, fiberglass, standard concrete, plastic-based, and polymer concrete trays. Alternative plastic based interlocking trays were previously installed but resulted in poor performance, collapsing under the weight of yard traffic and facilitating combustion leading to cable damage. The specialized Plastibeton cable trays manufactured by Oldcastle are high density/heavy duty, fire resistant, polymer concrete trays and have proven to be the best units that can sustain heavy railroad trucks, cranes, catenary structures and other rail vehicles. The cable trays are also designed and tested to support 40,000 pounds and are not affected by water, acids, salts, chemicals, and extreme freeze/thaw cycles.

Additionally, these trays are successfully being used by railroads in the Northeast corridor including LIRR, Amtrak, New Jersey Transit and SEPTA, and meet the requirements for Low Smoke Zero Halogen (LSZH) which is a necessary protection for signal cables due to the potential for damage from brush fires, arcs from the third rail, and diesel locomotive exhaust sparks. The contract includes the ability for all MTA Agencies to take advantage of the MNR/Oldcastle favorable pricing structure should they decide to utilize the purchase agreement.

This purchase agreement will reduce administrative costs and advertising expenses, eliminate lead time for individual purchase orders and expedite material delivery. In requesting this Board authorization, MNR has complied with PAL§ 1265-a (3) regarding the posting of advertisements in order to identify potential alternate suppliers and with MTA All-Agency Procurement Guidelines for the purchase of sole source material. MNR shall continue to seek alternate suppliers through vendor outreach and advertisement.

Overall negotiations resulted in savings of 620,436 or 35%, when comparing the Oldcastle Enclosure Solutions' Best and Final Offer (BAFO) of \$1,735,880 to their initial proposed price of \$2,356,316. This purchase is 100% Federally funded.

Schedule H: Modifications to Personal Service and Miscellaneous Service Contracts



Item Number: H

Vendor Name (& Location) Smiths Detection		Contract Number 1000007489C	AWO/Modification #
Description Maintenance of the Chemical Detection System		Original Amount: \$3,963,017	
Contract Term (Including Options, If any) Three Years		Prior Modifications: \$129,179	
Option(s) Included in Total Amount? ☐ Yes ☒ No		Prior Budgetary Increases: \$	
Procurement Type ☐ Competitive ☒ Non-competitive		Current Amount: \$4,092,196	
Solicitation Type ☐ RFP ☐ Bid ☒ Other:		This Request: \$1,881, 161	
Funding Source ☐ Operating ☐ Capital ☐ Federal ☒ Other:		% of This Request to Current Amount: 46%	
Requesting Dept/Div & Dept/Div Head Name: Procurement & Material Management, Anthony V. Bombace, Jr.		% of Modifications (Including This Request) to Original Amount: 51%	

Discussion:

Approval is requested for a three year, negotiated contract extension in the total not-to-exceed amount of \$1,881,161 to Smiths Detection for the MNR and LIRR Chemical Detection Systems. The term of the contract will be from April 2013 through March 2016 and it will provide comprehensive maintenance and support of the Chemical Detection Systems presently installed in both Grand Central Terminal (GCT) and Penn Station. Smiths Detection is the Original Equipment Manufacturer (OEM) and original software developer of the Chemical Detection Systems and is presently performing maintenance services satisfactorily.

In 2006, MTA Office of Security in conjunction with the Department of Homeland Security (DHS), evaluated and concluded that the sensor mechanisms within the devices that were developed by Argonne National Laboratories, are the premiere equipment for sensing chemical, biological and radiological agents. The detail of the systems' software and hardware is called the "Protect" system, and is licensed exclusively to Smiths Detection. In the event of a chemical attack at either of MTA's two high profile facilities, the installed system will provide essential detection and notification to key response MTA, MNR, & LIRR personnel. Smiths is the sole authorized maintainer and distributor for the Protect system, including software and hardware components. Services provided by Smiths include on-site weekly maintenance, system and network software support, hardware maintenance including replacement parts and on-going testing.

During the term of this contract, MTA, MNR and LIRR personnel will work with the Department of Homeland Security, as well as several National Laboratories to evaluate emerging technologies. The agencies will complete the review of available technologies and determine/recommend a future course of action which may include a procurement to solicit proposals for a new Chemical Detection platform or an upgrade to the existing Smiths Detection Protect System. Should the new system or upgrade be implemented prior to the conclusion of the three year maintenance period, the Railroads will activate a termination clause that will be part of the contract.

The total value of this contract for up to a three year period is not-to-exceed \$1,881,161 (MNR = \$940,581; LIRR = \$940,580) covering the term April 1, 2013-March 31, 2016. Under the contract, the MTA and the Railroads are afforded pricing negotiated by the U.S. General Services Administration (GSA) for comprehensive maintenance and support which increases by an acceptable 3% per year, based on the average rate of inflation. This procurement is to be funded by MTA HQ-Office of Security.

APRIL 2013

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)
(Staff Summaries required for items requiring Board approval)

1. Prismatic Development Corporation \$26,514,000 Staff Summary Attached
Improved Station Access and Parking at North White Plains Station

Approval is requested to award a twenty month, competitively solicited and negotiated design-build contract (RFP process, 17 proposals received, three shortlisted) to Prismatic Development Corporation for station access and parking improvements at MNR's North White Plains Station.

There is currently a parking availability shortfall at North White Plains Station and with projections of ridership growth over the next few years, improving station access and providing additional parking for Metro-North's service territory will support customers. To address this growth, consultants were contracted to prepare an Environmental Assessment to study alternatives to improve parking and access to the station. The study resulted in the selection of a Preferred Alternative including an option to prepare a 30% design. On June 30, 2011 the FTA issued a Finding of No Significant Impact for MNR's Preferred Alternative, completing the federal environmental review process. The option for the 30% design was then awarded in November 2011.

Based on the 30% design of the Preferred Alternative, MNR requires the services of a design-builder to complete the 100% design for station access and parking improvements at North White Plains Station and then construct the same. The design-builder will first demolish a 109-space parking garage, a utility building and telecommunications equipment shed. Once demolition is complete, they will construct a 186,000 sq. ft. ground level plus four-story parking structure for approximately 500 parking spaces. The garage will include: bicycle and scooter parking spaces, administrative and storage space for the garage's operation, a utility room to include relocated existing and new utilities and other ancillary site improvements including pedestrian crosswalks, and options for 1,000-1500 sq. ft. of retail space and electric car charging stations.

Proposals were received from 17 firms and the Selection Committee shortlisted three for oral presentations and to eventually submit a Best and Final Offer. At the conclusion of the oral presentations, evaluations and BAFO process, the Selection Committee unanimously selected Prismatic Development Corporation (Prismatic) for award. Prismatic not only offered the lowest price but also proposed viable design and construction concepts that were deemed to be well engineered, time/labor efficient, and compliant with the intent of the preliminary design. Prismatic has been determined to be technically competent, capable, and compliant with the contract terms and conditions.

Prismatic's Best and Final Offer of \$26,514,000 is inclusive of the two options (for retail and car-changing), is 12% below MNR's in-house estimate and is deemed to be fair and reasonable. The period of performance of this contract is twenty months. Significant adverse information was discovered concerning Prismatic. An award will not be made until the required approvals are obtained and Prismatic is viewed to be a responsible vendor. This project is funded by a Federal Congestion Mitigation and Air Quality (CMAQ) improvement grant and MNR Capital Program.

Schedules Requiring Majority Vote:

G. Miscellaneous Service Contracts

(Staff Summaries required for all items greater than: \$100K Sole Source; \$250K Other Non-Competitive; \$1M RFP; No Staff Summary required if Sealed Bid Procurement.)

2. Westside Taxi - Beacon	\$15,000 (not-to-exceed)
Manny's Taxi - Brewster	\$60,000 "
Express Taxi - Croton Falls	\$25,000 "
Katonah Taxi - Katonah	\$100,000 "
Call-A-Cab - Poughkeepsie	\$10,000 "
Manny's Taxi - Southeast	\$40,000 "
All County Transportation - Tarrytown	\$250,000 "

MNR's Guaranteed Ride Home Program (GRHP) from Select MNR Train Stations

Approval is requested to award seven competitively solicited (eight bids received) five year, miscellaneous service contracts for Metro-North Railroad's Guaranteed Ride Home Program (GRHP). The GRHP is a no-cost program to MNR that is funded 100% by a Congestion Mitigation Air Quality Grant from the New York State Department of Transportation.

The MNR GRHP offers weekday taxi service to monthly Uni-Ticket customers at the MNR's Beacon, Brewster, Croton Falls, Katonah, Poughkeepsie, Southeast and Tarrytown stations at specified off peak times when regular connecting bus or ferry service is not scheduled or available. Uni-Ticket customers are offered up to two Guaranteed Ride Home trips per month within the travel zones specified in the GRHP. Bids to provide transportation service at MNR's stations were solely solicited from taxi companies authorized by the individual Towns of Beacon, Brewster, Katonah, Poughkeepsie and Tarrytown. A direct outreach was conducted for prospective taxi companies for the Towns of Croton Falls and Southeast. Under the contract, taxi companies are required to maintain all necessary licenses, permits and authorizations required to pick up and transport passengers within their territory and destination zones.

The overall rate(s) for taxi services have decreased by approximately 14% due to the competitive solicitation. Additionally, the unit prices per ride are comparable to other taxi companies in the area. Further, the prices quoted are all-inclusive fixed rates guaranteed for a five year period, and are deemed fair and reasonable. The total cost of the estimated services for all seven contracts is not-to- exceed \$500,000 for the contract term of five years.

3. **Cardno ATC**

\$5,000,000 (not-to-exceed)

Staff Summary Attached

Asbestos and Lead Air Monitoring and Testing Services

Approval is requested to award a sixty month competitively solicited miscellaneous service contract (RFP process, 11 proposals received, three short-listed) to Cardno ATC to perform on-call system-wide asbestos and lead air monitoring and testing services on an as-needed, task order basis.

MNR's Safety and Security Department (Safety) currently requires a firm to: (a) provide abatement project monitoring/supervision and air monitoring and analysis; (b) provide assistance to MNR for coordination efforts with all regulatory agencies; (c) provide design documents (specifications, drawings, estimates) to be utilized to solicit bids; and (d) provide assessments of work detailing the extent of contamination and the best method for remediation. Work is required throughout MNR's territory in both New York State and Connecticut.

Proposals were received from 11 firms and the Selection Committee short-listed three for oral presentations with two firms submitting a Best and Final Offer. At the conclusion of the process, the Selection Committee unanimously selected Cardno ATC for award. Not only did Cardno ATC offer the lowest price, but they proposed a thorough and comprehensive project plan. They have ample personnel resources with a diverse range of experience, which will encompass the full range of services specified by the RFP.

Cardno ATC's Best and Final Offer of \$4,939,295.52 is deemed to be fair and reasonable. The combined average cost of these services decreased by 5.3% when compared with the midpoint of the prior contract. Cardno ATC submitted competitive unit prices that were the lowest of the short-listed proposers, which are on average 9.8% below the in-house estimate. Cardno ATC's unit prices will be fixed for the new five year contract and are deemed fair and reasonable for the level of service to be provided. The total cost of these services is not-to-exceed \$5,000,000. The period of performance of this contract is sixty months and is funded by the MNR Operating Budget. Work performed on behalf of Capital Engineering and CDOT will be reimbursed accordingly on a task-by-task basis.

Staff Summary

Item Number C					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sen. VP – Administration, Raymond Burney					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	4-22-13	X		
2	MTA Board Mtg.	4-24-13	X		
Internal Approvals					
Order	Approval	Order	Approval		
	President		Sr. V.P. Operations		
	Sr. V.P. Admin.		V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
	Capital Programs				

SUMMARY INFORMATION	
Vendor Name Prismatic Development Corporation	Contract Number 14632
Description Improved Station Access and Parking at North White Plains Station	
Total Amount \$26,514,000	
Contract Term (including Options, if any) Twenty Months	
Option(s) included in Total Amount? ☒ Yes ☐ No	
Renewal? ☐ Yes ☒ No	
Procurement Type ☒ Competitive ☐ Non-competitive	
Solicitation Type ☒ RFP ☐ Bid ☐ Other:	
Funding Source ☐ Operating ☐ Capital ☒ Federal ☐ Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

MNR requests MTA Board approval to award a contract to Prismatic Development Corporation to design-build station access and parking improvements at MNR's North White Plains Station. The period of performance of this contract is 20 months.

II. BACKGROUND & DISCUSSION:

There is currently a parking availability shortfall at North White Plains Station and with projections of ridership growth over the next few years, improving station access and providing additional parking for Metro-North's service territory will support customers. To address this growth, consultants were contracted to prepare an Environmental Assessment to study alternatives to improve parking and access to the station. The study resulted in the selection of a Preferred Alternative including an option to prepare a 30% design. On June 30, 2011 the FTA issued a Finding of No Significant Impact for MNR's Preferred Alternative, completing the federal environmental review process. The option for the 30% design was then awarded in November 2011.

Based on the 30% design of the Preferred Alternative, MNR requires the services of a design-builder to complete the 100% design for station access and parking improvements at North White Plains Station and then construct the same. The design-builder will first demolish a 109-space parking garage, a utility building and telecommunications equipment shed. Once demolition is complete, they will construct a 186,000 sq. ft. ground level plus four-story parking structure for approximately 500 parking spaces. The garage will include: bicycle and scooter parking spaces, administrative and storage space for the garage's operation, a utility room to include relocated existing and new utilities and other ancillary site improvements including pedestrian crosswalks, and options for 1,000-1500 sq. ft. of retail space and electric car charging stations.

A Request for Proposal (RFP), dated September 14, 2012, was prepared and advertised in the MTA/MNR website, the New York State Contract Reporter, the New York Post and the Daily Challenge and direct outreach was made by MNR Procurement to prospective contractors and A/E's. On November 8, 2012, technical proposals were received from 17 design-build teams.

Staff Summary

The criteria for selection established in the RFP for the final round of evaluations are as follows:

1. Project Plan, understanding of the workscope requirements and schedule.
2. Past experience with similar projects.
3. Confidence level, commitment of relevant resources to the project.
4. Cost.

The Selection Committee was comprised of members representing MNR's Procurement and Material Management, Capital Engineering, and Business Development, Facilities and Marketing Departments. The Committee evaluated all proposals received in accordance with the selection criteria of the RFP and MNR's procurement procedures. Following the shortlisting process, the Committee selected three design-build teams: Prismatic Development Corporation (Prismatic), Halmar International (Halmar), and ECCO III Enterprises (ECCO). The Committee invited the three shortlisted design-build teams to prepare an oral presentation and submit a Best and Final Offer. Following oral presentations, evaluations and review, all three design-build teams were deemed to be technically competent, capable, and compliant with the contract terms and conditions and preliminary design.

Final BAFO prices, inclusive of two options, were submitted. Lump sum proposal prices were received in the following amounts: 1) Prismatic at \$26,514,000; 2) ECCO at \$27,193,778; 3) Halmar at \$29,498,440. In accordance with the criteria for selection, the Selection Committee unanimously recommended contract award to Prismatic. Prismatic not only offered the lowest price but also proposed viable design and construction concepts that were deemed to be well engineered, time/labor efficient, and compliant with the intent of the preliminary design. Prismatic has extensive experience with building parking garages, including the construction of three public parking garages for the new Yankee Stadium. Prismatic's proposal price of \$26,514,000 is 12% below MNR's in-house estimate and is deemed to be fair and reasonable. Significant adverse information was discovered concerning Prismatic. An award will not be made until the required approvals are obtained and Prismatic is viewed to be a responsible vendor.

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) established a 17% DBE goal for this project. The contract will not be awarded until DDCR requirements have been satisfied. Prismatic has achieved its previous DBE goals on MTA contracts.

IV. IMPACT ON FUNDING:

Board approval is requested in the amount of \$26,514,000. This project is funded by a Federal Congestion Mitigation and Air Quality (CMAQ) improvement grant and the MNR Capital Program.

V. ALTERNATIVES:

MNR does not have the available in-house staff with both the expertise and capability to perform the required design, build and construction services as specified.

Staff Summary

Item Number G					
Dept & Dept Head Name: Procurement & Material Management, Anthony J. Bombace, Jr.					
Division & Division Head Name: Sen. VP – Administration, Raymond Burrey					
Board Reviews					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	4-22-13	X		
2	MTA Board Mtg.	4-24-13	X		
Internal Approvals					
Order	Approval	Order	Approval		
X	President	HT	Sr. V.P. Operations		
X	Sr. V.P. Admin.		V.P. Planning		
X	V.P. Finance & IT	X	General Counsel		
X	Capital Programs				

SUMMARY INFORMATION	
Vendor Name Cardno ATC	Contract Number 17316
Description Asbestos and Lead Air Monitoring and Testing Services	
Total Amount \$5,000,000	
Contract Term (including Options, if any) 5 years	
Option(s) Included in Total Amount? ☐ Yes ☒ No	
Renewal? ☐ Yes ☒ No	
Procurement Type ☒ Competitive ☐ Non-competitive	
Solicitation Type ☒ RFP ☐ Bid ☐ Other:	
Funding Source ☒ Operating ☐ Capital ☐ Federal ☐ Other:	

Narrative

I. PURPOSE/RECOMMENDATION:

MNR requests MTA Board approval to award a competitively solicited miscellaneous service contract to Cardno ATC to perform on-call system-wide asbestos and lead air monitoring and testing services on an as-needed, task order basis. The period of performance is sixty months.

II. DISCUSSION:

MNR's Safety and Security Department (Safety) currently requires a firm to: (a) provide abatement project monitoring/supervision and air monitoring and analysis; (b) provide assistance to MNR for coordination efforts with all regulatory agencies; (c) provide design documents (specifications, drawings, estimates) to be utilized to solicit bids; and (d) provide assessments of work detailing the extent of contamination and the best method for remediation. Work is required throughout MNR's territory in both New York State and Connecticut.

A Request for Proposal (RFP), dated December 17, 2013, was prepared and advertised in the MTA/MNR website, the New York State Contract Reporter, the New York Post and the Daily Challenge, while direct outreach was made by MNR Procurement to prospective contractors. On January 18, 2013, technical and cost proposals were received from 11 firms.

The criteria for selection established in the RFP are as follows:

1. Project Plan, understanding of the workscope requirements and schedule.
2. Past experience with similar projects.
3. Confidence level, commitment of relevant resources to the project.
4. Cost

Staff Summary

The Selection Committee was comprised of members representing MNR's Procurement and Material Management, Safety and Security, Capital Engineering, Track & Structures, and MTA Real Estate Departments. The Committee evaluated the 11 proposals received in accordance with the selection criteria of the RFP and MNR's procurement procedures. As a result of the evaluation, the Committee selected for short-list: Cardno ATC, Leadcare Inc., and Warren Panzer Engineers, P.C. based on the ranking of their overall scores. The short-listed firms were invited to provide oral presentations to the Committee. Following the oral presentations, evaluations and review, both Cardno ATC and Leadcare Inc. were deemed to be the most technically competent and capable of performing the work. As such, both were invited to submit a Best and Final Offer.

Final BAFO prices were submitted in the following amounts: Cardno ATC at \$4,939,296 and Leadcare at \$5,159,333. In accordance with the criteria for selection, it was the unanimous decision of the Committee to recommend Cardno ATC for award. Not only did Cardno ATC offer the lowest price, but they proposed a thorough and comprehensive project plan. They have ample personnel resources with a diverse range of experience, which will encompass the full range of services specified by the RFP.

The combined average cost of these services decreased by 5.3% when compared with the midpoint of the prior contract. Cardno ATC submitted competitive unit prices that were the lowest of the short-listed proposers, which are on average 9.8% below the in-house estimate. Cardno ATC's unit prices will be fixed for the new five year contract and are deemed fair and reasonable for the level of service to be provided. The total cost of these services is not-to-exceed \$5,000,000.

III. D/M/WBE INFORMATION:

The MTA Department of Diversity and Civil Rights (DDCR) established a 17% DBE goal for this project. The contract will not be awarded until the MTA Department of Diversity and Civil Rights (DDCR) requirements have been satisfied.

IV. IMPACT ON FUNDING:

Board approval is requested for an award to Cardno ATC in the total not-to-exceed amount of \$5,000,000, for a duration of sixty months. This procurement will be funded by the MNR Operating Budget. Work performed on behalf of Capital Engineering and CDOT will be reimbursed accordingly on a task-by-task basis.

V. ALTERNATIVES:

MNR does not have the available in-house staff with both the expertise and experience to complete the full spectrum of system-wide asbestos and lead air monitoring and testing services.

APRIL 2013

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Majority Vote

Schedule I. Modifications To Purchase and Public Work Contracts

(Staff Summaries required for individual change orders greater than \$250K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least \$50K)

- | | | | |
|--------|--|--------------------|--------------------------------------|
| 1. | Tutor Perini Corporation
Contract No. CQ032
Modification No. 25 | \$762,000 | <u>Staff Summary Attached</u> |
| | <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification to the Contract for additional concrete infill at the Yard Lead Track (YLT) trench. This is a scope and budget transfer.</p> | | |
| 2. | Granite-Traylor-Frontier Joint Venture
Contract No. CQ031
Modification No. 91 | \$4,025,000 | <u>Staff Summary Attached</u> |
| | <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for a modification to the Contract for the construction of a reinforced concrete track slab with associated work for the Westbound Bypass (WBBY). This is a scope and budget transfer.</p> | | |
| 3 & 4. | Tutor Perini Corporation
Contract No. CH053
Modification No. 74 Part 1C (\$620,000)
Modification No. 101 (\$737,000) | \$1,357,000 | <u>Staff Summary Attached</u> |
| | <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for modifications to the Contract for: excavation, backfilling and compaction, and to furnish and install the conduits that will pass under and into the Motor Generator (MG) buildings at Harold Interlocking and Woodside Station and; for the installation of utilities to the northside of Microtunnel Run #12.</p> | | |

Schedule I: Modification to Purchase or Public Work Contracts



Item Number: 1

Vendor Name (& Location)	
Tutor Perini Corporation (Peekskill, New York)	
Description	
Plaza Substation and Queens Structures for the ESA Project	
Contract Term (including Options, if any)	
February 3, 2010 – August 13, 2014 (1,653 days)	
Option(s) included in Total Amount?	☐ Yes ☒ No ☐ n/a
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☐ Bid ☒ Other: Modification
Funding Source	
☐ Operating ☒ Capital ☒ Federal ☐ Other:	
Requesting Dept/Div & Dept/Div Head Name:	
East Side Access, A. Paskoff, P.E.	

Contract Number	AWO/Modification #
CQ032	25
Original Amount:	
	\$ 147,377,000
Prior Modifications:	
	\$ 18,910,986
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 166,287,986
This Request	
	\$ 762,000
% of This Request to Current Amount:	
	0.46%
% of Modifications (including This Request) to Original Amount:	
	13.35%

Discussion:

This Contract is for the structural and architectural rehabilitation to existing facilities along the existing 63rd Street Tunnel including construction of Plaza Interlocking and Facility Power Substation B10 for the East Side Access (ESA) Project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting Board approval to modify the contract for the additional concrete in-fill at the Yard Lead Track (YLT) trench. This is a scope and budget transfer.

The Yard Lead Track trench (YLT) is to be constructed at the base of the open cut excavation in Queens. As part of the concrete trench structure, concrete infill must be installed over the rock surface to provide a smooth face for application of the waterproofing membrane. Because of overbreak of the rock surface (rock excavation beyond design limits) during excavation by the previous contractor (Contract CQ031), concrete infill is required beyond the amounts specified in the contract drawings. This modification provides compensation to the contractor for placement of the additional concrete infill.

The Contractor submitted a cost proposal in the amount of \$820,389. MTACC's estimate is \$752,328. Negotiations were held and the parties agreed to the cost \$762,000 for the work. The negotiated cost is considered to be fair and reasonable. A portion of the funding for this modification will come from CQ031 as a credit for the portion of the infill to correct the overbreak not attributable to differing site conditions. The amount is currently being negotiated. The balance of the funding will come from the CQ032 contingency.

Schedule I: Modification to Purchase or Public Work Contracts



Item Number: 2

Vendor Name (& Location)	
Granite-Traylor-Frontier ("GTF"), Joint Venture	
Description	
Queens Bored Tunnels and Structures	
Contract Term (including Options, If any)	
40 Months	
Option(s) included in Total Amount?	☒ Yes ☐ No ☐ N/A
Procurement Type	☒ Competitive ☐ Non-competitive
Solicitation Type	☐ RFP ☒ Bid ☒ Other: Modification
Funding Source	
☐ Operating ☒ Capital ☒ Federal ☐ Other	
Requesting Dept/Div&Dept/Div Head Name:	
East Side Access, A. Paskoff, P.E.	

Contract Number	AWO/Modification #
CQ031	91
Original Amount:	
	\$ 659,200,700
Prior Modifications:	
	\$ 137,424,824 (includes an option of \$58,400,000)
Prior Budgetary Increases:	
	\$ 0
Current Amount:	
	\$ 796,625,524
This Request	
	\$ 4,025,000
% of This Request to Current Amount:	
	0.51%
% of Modifications (including This Request) to Original Amount:	
	21.46%

Discussion:

The work under this contract includes the construction of four soft-ground bored tunnels and miscellaneous demolition of surface structures for the East Side Access (ESA) project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting the Board approve a modification for the construction of a reinforced concrete track slab and associated work for the Westbound Bypass (WBBY). This is a scope and budget transfer.

This modification includes all labor, materials and equipment for the construction of approximately 600 linear feet of reinforced concrete track slab, partial demolitions of two tower foundations and removal of three catenary pole foundations.

When completed, the WBBY Approach Structure will provide a route for Amtrak trains from New England to the East River Tunnel (ERT) to bypass Harold Interlocking and reduce congestion with LIRR trains. This route will pass beneath existing Amtrak ERT Lines 2 and 4 in a tunnel to be constructed by future Contract CH057. In order to construct the WBBY tunnel, the existing Amtrak ERT Line 2 and 4 must be protected and supported on a concrete track slab to be constructed under this modification. In addition, to permit the construction of the track slab, two Amtrak tower foundations will need to be partially demolished and three catenary pole foundations will be completely removed.

To facilitate this work, Amtrak and the Long Island Railroad have scheduled track outages in July and August 2013. This presents a small window of opportunity to demolish the foundations and construct the track slab. This scope of work was originally part of contract CH057 however that contract will not be awarded in time to take advantage of the summer outages. MTACC has determined that the CQ031 Contractor, which is already onsite has the necessary resources and experience coordinating with the railroad, is in the best position to perform this work and support the fast-paced and time sensitive schedule.

The Contractor submitted a total cost of \$4,414,498 for this work, while MTACC's project estimate was \$3,732,620. Negotiations were held and the parties agreed to a cost of \$4,025,000. This cost is considered to be fair and reasonable. The addition of this work will require new milestones, and this work will not be linked to the revised substantial completion of CQ031. Funding is available will be transferred from the CH057 budget.

Schedule I: Modification to Purchase or Public Work Contracts



Item Numbers 3 & 4

Vendor Name (& Location) Tutor Perini Corporation		Contract Number CH053	AWO/Modification #s 74 Part IC & 101
Description Construct Harold Structures Part I for the East Side Access Project		Original Amount: \$ 139,280,000	
Contract Term (including Options, if any) 42 Months		Prior Modifications: \$ 74,107,616	
Option(s) included in Total Amount? ☒ Yes ☐ No ☐ N/A		Prior Budgetary Increases: \$ 0	
Procurement Type ☒ Competitive ☐ Non-competitive		Current Amount: \$ 213,387,616	
Solicitation Type ☐ RFP ☒ Bid ☒ Other: Modification		This Request \$ 1,357,000	
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other		% of This Request to Current Amount: .64%	
Requesting Dept/Div&Dept/Div Head Name: East Side Access, A. Paskoff, P.E.		% of Modifications (including This Request) to Original Amount: 54.18%	

Discussion:

This contract is for the construction of various civil infrastructure elements in Harold Interlocking and to expand the existing LIRR/AMTRAK right-of-way to enable mainline track diversions and facilitate the future construction of tunnels for the East Side Access ("ESA") Project. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC seeks Board approval for the following:

Modification No. 74 Part 1C - Conduits and ductbanks under MG Buildings at Harold and Woodside

This modification is for excavation, backfilling and compaction, and to furnish and install the conduits that will pass under and into the Motor Generator (MG) buildings at Harold Interlocking and Woodside Station.

As explained previously and in connection with related modifications, LIRR and Amtrak currently share power for their signals within the Harold Interlocking area. As part of the ESA project, signal power is being separated so that LIRR and Amtrak will have independent signal power (this work was not in the original contract and is part of an Errors and Omissions claim). This modification is for installation of conduits and ductbanks into the Motor Generator buildings to support the signal power separation. Because the CH053 Contractor will be performing the foundation work for the MG Buildings, it makes sense for that Contractor to also install the conduits and concrete encased ductbanks under the buildings and in the vicinity of the foundations.

The Contractor submitted a cost proposal of \$806,433 while the MTACC estimate was \$549,628. Negotiations were held, and the parties agreed to a cost of \$620,000, which is considered fair and reasonable. Funding for this modification will come from the Contract's contingency. There is no time impact associated with the modification. To the extent that this modification is the result of errors and omissions in design, MTACC intends to seek compensation for any resulting damages from the designer.

Modification No. 101 - Microtunnel Run #12 - North Side

This modification is for the installation of utilities to the northside of Microtunnel Run #12. Microtunnel Run #12 was added as a modification to this Contract to replace the original design of aerial crossings. The original design was rejected by Amtrak and LIRR because of the long-term track outages that would have been required for installation. Modification #80 was for the installation of utilities in and to the south of Microtunnel Run #12 and was approved by the Board in December 2012. At that time, the Board was informed that a future modification would address the work on the north side to allow for a potential redesign. The redesign has been completed and results in a shorter schedule and reduced resources. The north side work includes construction and installation of four manholes and 300' of reinforced concrete ductbank.

The Contractor submitted a cost proposal of \$944,169 while MTACC's estimate was \$750,447. Negotiations were held, and both parties agreed to \$737,000, which is considered fair and reasonable. There is no time impact associated with the modification. To the extent that this modification is the result of errors and omissions in design, MTACC intends to seek compensation for any resulting damages from the designer.

APRIL 2013

METRO-NORTH RAILROAD

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

D. Ratification of Completed Procurement Actions

(Ratifications are to be briefly summarized with Staff Summaries attached only for unusually large or especially significant items)

Penta Corporation \$350,000 (not-to-exceed)

Upgrade of Metro-North's Public Address System

Non-competitive, negotiated, 18-month, miscellaneous service contract with Penta Corporation to upgrade Metro-North's existing Public Address (PA) System hardware, database, talker servers and communications software located in Grand Central Terminal and the backup facility in North White Plains. Penta Corporation is the Original Equipment Manufacturer and original software developer of Metro-North's PA system. All consoles, ancillary equipment, microprocessor devices, and software are all proprietary to Penta, and any upgrade of existing systems is obtainable only through Penta Corporation. Penta was directed to begin work to mitigate risks associated with an existing contractor's failure to provide a completed replacement system design and the decreasing reliability of the existing PA system.

This upgrade will prolong system life by five years, and will also allow time for Metro-North to assess and implement a complete replacement. This procurement is funded by the Metro-North's Operating Budget. This upgrade will facilitate enhanced technology for audio and video communications in Metro-North's 99 outlying stations. Under this upgrade, Penta will test and provide alternatives for the discontinued sound cards, provide newer database versions, replace older computers with compatible current industrial model servers, and perform all necessary installations, configurations, testing and system commissioning.

The negotiated not-to-exceed upgrade cost of \$350K includes services of Penta's software engineers, technicians and project managers at the same rate provided in 2007 under prior contracts with Penta. Pricing for all upgraded equipment is also the same as the pricing currently in place with LIRR and NYCT. The \$350K upgrade cost also includes provisions for spare parts and one year maintenance and support coverage following a successful system acceptance. All pricing is deemed fair and reasonable. This procurement is funded by the Metro-North's Operating Budget.

APRIL 2013

LIST OF RATIFICATIONS FOR BOARD APPROVAL

Procurements Requiring Majority Vote:

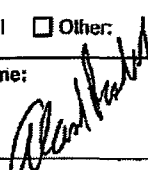
Schedule K. Ratification of Completed Procurement Actions (Involving Schedule E – J)
(Staff Summaries required for items requiring Board approval.)

- | | | |
|---|--------------------|--------------------------------------|
| 1. SCC-JJP Joint Venture
Contract No. CM013A
Modification No. 1 | \$340,000 | <u>Staff Summary Attached</u> |
| <p>Pursuant to Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a contract modification to the contract for revisions to the temporary street deck foundations.</p> | | |
| 2. Yonkers Contracting Company
Contract No. CM004
Modification No. 67 | \$2,400,000 | <u>Staff Summary Attached</u> |
| <p>Pursuant to Articles IX and X of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a contract modification for construction of the invert for Shaft #1. This is a scope and budget transfer.</p> | | |

Schedule K: Ratification of Completed Procurement Actions



Item Number: 1

Vendor Name (& Location) SCC-JJP Joint Venture		Contract Number CM013A	AWO/Modification # 1
Description 55 th Street Ventilation Facility for the East Side Access Project		Original Amount: \$ 56,044,000	
Contract Term (including Options, if any) 737 Calendar Days		Prior Modifications: \$ 0	
Option(s) included in Total Amount? ☐ Yes ☐ No ☒ N/A		Prior Budgetary Increases: \$ 0	
Procurement Type ☒ Competitive ☐ Non-competitive		Current Amount: \$ 56,044,000	
Solicitation Type ☐ RFP ☒ Bid ☒ Other: Modification		This Request \$ 340,000	
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:		% of This Request to Current Amount: 0.61%	
Requesting Dept/Div&Dept/Div Head Name: East Side Access, A. Paskoff, P.E. 		% of Modifications (Including This Request) to Original Amount: 0.61%	

Discussion:

This contract is for the construction of the 55th Street Ventilation Facility for the East Side Access ("ESA") project. In accordance with Article IX and X of the All-Agency Procurement Guidelines, MTACC is requesting that the Board ratify a contract modification for revisions to the temporary street deck foundations.

During the course its work, the contractor discovered a differing site condition in that the expected rock line had been over excavated during construction of an adjacent building. As a result, the Contractor had to revise its design for the temporary deck foundations from concrete capped drilled piles (into the rock) to deep concrete piers. In addition to the design costs, the Contractor incurred additional costs to excavate the piers.

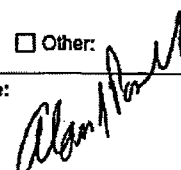
The Contractor submitted a cost proposal in the amount of \$362,356 while MTACC's estimate was \$381,510. Negotiations were held and the parties agreed to cost proposal in the amount of \$340,000 for the work which is considered to be fair and reasonable. Funding is available in the Contract's contingency and there will be no increase to the overall Project's budget.

In order to maintain project schedule, the MTACC President approved two retroactive memorandums for this work (one for the contractor to revise its design and the other for construction of the piers) on February 13, 2013 and April 4, 2013 and, the Contractor was directed to proceed with the work.

Schedule K: Ratification of Completed Procurement Actions



Item Number: 2

Vendor Name (& Location) Yonkers Contracting Company (Yonkers, New York)		Contract Number CM004	AWO/Modification # 67
Description 44 th Street Vent Plant and 245 Park Avenue Entrance for the ESA Project		Original Amount: \$ 40,765,000	
Contract Term (Including Options, if any) 737 Calendar Days		Prior Modifications: \$ 14,128,387	
Option(s) Included In Total Amount? ☐ Yes ☒ No		Prior Budgetary Increases: \$ 0	
Procurement Type ☒ Competitive ☐ Non-competitive		Current Amount: \$ 54,893,387	
Solicitation Type ☐ RFP ☒ Bid ☒ Other: Modification		This Request \$ 2,400,000	
Funding Source ☐ Operating ☒ Capital ☒ Federal ☐ Other:		% of This Request to Current Amount: 4.4%	
Requesting Dept/Div&Dept/Div Head Name: East Side Access, A. Paskoff, P.E. 		% of Modifications (Including This Request) to Original Amount: 40.5%	

Discussion:

The work under this Contract is to complete excavation/final lining of Shaft #1 and construct the 44th Street Ventilation Facility, and the 245 Park Avenue Entrance of the East Side Access (ESA) project. In accordance with Article IX and X of the All-Agency Procurement Guidelines, MTACC is requesting the Board ratify a contract modification for construction of the invert for Access Tunnel #1. This retroactive modification is a scope and budget transfer.

On October 24, 2012, bids were received for Contract CM012, Manhattan Structures II and Facilities Fit-Out. All of the bids were considerably higher than the budget and estimate for this work and were, therefore, rejected on November 21, 2012. The revised strategy for procurement of the work that was to be included in CM012 is to issue several modifications to current Contracts, and to solicit and award three new Contracts, CM005, CM006 and CM007.

The CM012 work being transferred into CM004 under this modification is for the construction of the invert for Access Tunnel #1. Access Tunnel # 1 has been identified as a key entrance point for the future CM005 and CM006 contracts and performing this work (together with the work discussed in Modification No. 68) ahead of award of those contracts, which are scheduled to be awarded in 2013, will free up a key access point for those follow-on contracts. The CM004 Contractor is already mobilized and on site completing final lining of Shaft #1 and can perform the additional work concurrently with his other ongoing work.

The work under this modification is as follows:

1. Install sub-soil drainage system and piping along 250' length of adit
2. Install a waterproofing substrate on sidewalls to a height 8' above invert along 250' length of adit
3. Construct 250' of reinforced concrete invert slab

The Contractor submitted a proposal for the Access Tunnel #1 Invert Scope Transfer in the amount of \$2,808,723 and the MTACC revised estimate was \$2,404,204. Negotiations were held and the parties agreed to a cost of \$2,400,000 for the work which is considered fair and reasonable. The funding for this modification will be transferred from the CM012 budget. This modification will result in a time extension of 168 non-compensable calendar days.

In order to provide this access into the caverns and avoid potential delays to future Contract CM005 (currently in the solicitation phase) the MTACC President approved a retroactive memorandum and the Contractor was directed to proceed with the work on March 25, 2013.



LONG ISLAND RAIL ROAD

A graphic featuring the text "MONTHLY OPERATING REPORT" in large, bold, black, sans-serif capital letters. The text is centered within a rectangular frame that has a dotted grid pattern. A diagonal dotted line runs from the bottom-left corner to the top-right corner of the frame.

**MONTHLY
OPERATING
REPORT**

March 2013

**Helena E. Williams
President**

04/22/13 *****

Performance Summary			2013 Data			2012 Data	
			Annual	YTD thru		YTD thru	
			Goal	Mar	Mar	Mar	Mar
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	System	Overall	95.1%	92.5%	93.0%	96.1%	96.2%
		AM Peak		85.5%	90.0%	95.0%	94.7%
		PM Peak		93.1%	90.3%	95.7%	94.8%
		Total Peak		89.1%	90.2%	95.3%	94.8%
		Off Peak Weekday		92.6%	93.4%	96.5%	96.5%
		Weekend		96.5%	95.8%	96.2%	97.3%
	Babylon Branch	Overall	95.1%	90.3%	92.1%	96.0%	95.7%
		AM Peak		82.3%	87.8%	96.7%	96.1%
		PM Peak		90.3%	89.3%	96.9%	94.4%
		Total Peak		85.9%	88.5%	96.8%	95.4%
		Off Peak Weekday		91.3%	93.0%	96.1%	95.4%
		Weekend		94.6%	95.9%	94.4%	96.9%
	Far Rockaway Branch	Overall	95.1%	95.5%	96.2%	97.2%	98.1%
		AM Peak		84.4%	91.2%	93.4%	94.5%
		PM Peak		93.7%	92.5%	95.5%	96.8%
		Total Peak		88.6%	91.8%	94.3%	95.6%
		Off Peak Weekday		97.3%	96.8%	98.1%	98.8%
		Weekend		98.2%	99.2%	98.5%	99.0%
	Huntington Branch	Overall	95.1%	91.5%	91.9%	95.4%	96.0%
		AM Peak		86.0%	90.4%	95.2%	93.8%
		PM Peak		95.2%	89.0%	93.5%	92.9%
		Total Peak		90.5%	89.7%	94.4%	93.3%
		Off Peak Weekday		86.9%	90.4%	95.6%	96.7%
		Weekend		97.7%	95.5%	96.0%	97.2%
	Hempstead Branch	Overall	95.1%	95.9%	96.5%	97.7%	97.7%
		AM Peak		89.5%	93.6%	97.7%	95.6%
		PM Peak		97.4%	94.0%	97.0%	96.8%
		Total Peak		93.2%	93.8%	97.4%	96.2%
		Off Peak Weekday		96.0%	96.8%	97.6%	97.7%
		Weekend		98.2%	98.6%	98.5%	98.9%
	Long Beach Branch	Overall	95.1%	92.9%	94.9%	96.9%	97.3%
		AM Peak		86.5%	91.3%	95.5%	96.1%
		PM Peak		92.2%	93.3%	94.6%	96.2%
		Total Peak		89.2%	92.3%	95.0%	96.2%
		Off Peak Weekday		91.9%	94.5%	97.7%	97.7%
		Weekend		99.1%	98.6%	97.4%	97.8%
	Montauk Branch	Overall	95.1%	92.6%	91.1%	94.5%	95.1%
		AM Peak		85.7%	89.3%	93.2%	94.6%
		PM Peak		93.8%	89.4%	94.7%	91.3%
		Total Peak		89.5%	89.4%	93.8%	93.2%
		Off Peak Weekday		94.9%	92.5%	95.4%	95.7%
		Weekend		90.8%	89.7%	93.3%	95.7%
	Oyster Bay Branch	Overall	95.1%	91.7%	93.0%	96.5%	96.0%
		AM Peak		87.1%	93.0%	97.4%	96.4%
		PM Peak		94.4%	88.8%	95.5%	93.7%
		Total Peak		90.5%	91.1%	96.5%	95.1%
		Off Peak Weekday		89.6%	92.9%	95.5%	95.8%
		Weekend		98.0%	96.1%	98.9%	97.9%

Performance Summary		2013 Data		2012 Data	
		Annual	YTD thru		YTD thru
		Goal	Mar	Mar	Mar
Port Jefferson Branch	Overall	95.1%	89.7%	89.5%	93.9%
	AM Peak		86.3%	88.5%	90.3%
	PM Peak		86.4%	83.6%	91.6%
	Total Peak		86.4%	86.2%	90.9%
	Off Peak Weekday		89.3%	89.8%	93.9%
	Weekend		94.3%	92.7%	98.0%
Port Washington Branch	Overall	95.1%	95.6%	95.2%	97.6%
	AM Peak		85.5%	90.3%	95.2%
	PM Peak		96.0%	93.4%	96.9%
	Total Peak		90.9%	91.9%	96.1%
	Off Peak Weekday		97.0%	96.1%	98.4%
	Weekend		99.3%	98.3%	98.5%
Ronkonkoma Branch	Overall	95.1%	89.7%	88.9%	93.7%
	AM Peak		87.0%	89.0%	92.2%
	PM Peak		93.3%	88.1%	96.8%
	Total Peak		89.9%	88.6%	94.2%
	Off Peak Weekday		87.4%	87.7%	94.4%
	Weekend		94.5%	91.9%	91.1%
West Hempstead Branch	Overall	95.1%	94.6%	95.1%	97.0%
	AM Peak		88.6%	93.1%	96.4%
	PM Peak		91.3%	89.9%	95.5%
	Total Peak		90.0%	91.3%	95.9%
	Off Peak Weekday		97.2%	97.3%	97.6%
	Weekend		100.0%	92.9%	100.0%
Operating Statistics					
Trains Scheduled			20,021	57,783	19,809
Avg. Delay per Late Train (min)			-12.7	-13.5	-11.8
excluding trains canceled or terminated					-12.3
Trains Over 15 min. Late			269	769	131
excluding trains canceled or terminated					397
Trains Canceled			116	350	21
Trains Terminated			79	215	20
Percent of Scheduled Trips Completed			99.0%	99.0%	99.8%
Consist Compliance					
(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)					
AM Peak			98.4%		
PM Peak			99.0%		
Total Peak			98.7%		

Categories Of Delay		Feb	2013 Data		2012 Data		YTD 2012 Vs 2013
			Mar	YTD Thru Mar	Mar	YTD Thru Mar	
Late Train Incidents	National Rail Passenger Corp	99	82	277	51	192	85
	Capital Programs	7	9	17	13	21	(4)
	Engineering	37	260	572	70	342	230
	Penn Station Central Control	9	16	30	7	20	10
	Maintenance of Equipment	165	179	455	140	436	19
	** Other / Miscellaneous	492	502	1,389	98	241	1,148
	Public	282	364	1,112	354	819	293
	Transportation	34	58	118	35	96	22
	Vandalism	2	7	25	4	27	(2)
	Maintenance of Way (Sched.)	3	21	31	9	22	9

**** Other / Miscellaneous includes weather related delays**



EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) OR TERMINATED (T) TRAINS

Date	Day	DESCRIPTION OF EVENT	Number of Late Trains									TOTAL		
			AM Peak			PM Peak			Off Peak			Late	Cxld	Term
			L	C	T	L	C	T	L	C	T			
3/7	Thu	Train 125 canceled in Lindenhurst due to equipment trouble				4	2		7	1	1	11	3	1
3/7	Thu	Motor vehicle on tracks west of Deer Park Station				8	1		2	1		10	2	0
3/8	Fri	Various delays system wide due to inclement weather	28						9			37	0	0
3/8	Fri	Amtrak related third rail cable fire in East River Tunnel	20		3				13			33	0	3
3/12	Tue	Train 653 with equipment trouble				2			10	1		12	1	0
3/15	Fri	Track condition in Queens Interlocking							21			21	0	0
3/16	Sat	Heavy holiday loading - St. Patrick's Day							26			26	0	0
3/18	Mon	Amtrak related third rail cable fire in East River Tunnels	11		2				2			13	0	2
3/18	Mon	Train 662 canceled in Jamaica due to equipment trouble				27		1	10			37	0	1
3/19	Tue	Train 3859 derailed west of Forest Hills (3/18)	23	11	8	15	6	1	63	1	1	101	18	10
3/19	Tue	Train 2739 striking an unauthorized person west of Mineola	4		1				21	4		25	4	1
3/20	Wed	Train 3859 derailed west of Forest Hills (3/18)	16	11	5	6	6	1	37	1		59	18	6
3/20	Wed	Broken rail between Brook Interlocking and East New York	15		7				14	1	3	29	1	10
3/21	Thu	Train 3859 derailed west of Forest Hills (3/18)	18	11	9	3	6	1	23	1		44	18	10
3/22	Fri	Train 3859 derailed west of Forest Hills (3/18)	7	11	9	4	6	1	20	1		31	18	10
3/25	Mon	Broken rail at Port Washington	6	5	4				8		2	14	5	6
3/26	Tue	Broken rail at Nassau Interlocking	68	10					30	1	1	98	11	1
3/28	Thu	Amtrak related signal trouble in JO Interlocking	14									14	0	0
3/28	Thu	Train 2866 canceled in Laurelton due to equipment trouble				6		1	2	1		8	1	1
3/31	Sun	Train 6101 striking an unauthorized person at Seaford							9		1	9		1
TOTAL FOR MONTH			230	59	48	75	27	6	327	14	9	632	100	63
												795		

Long Island Rail Road

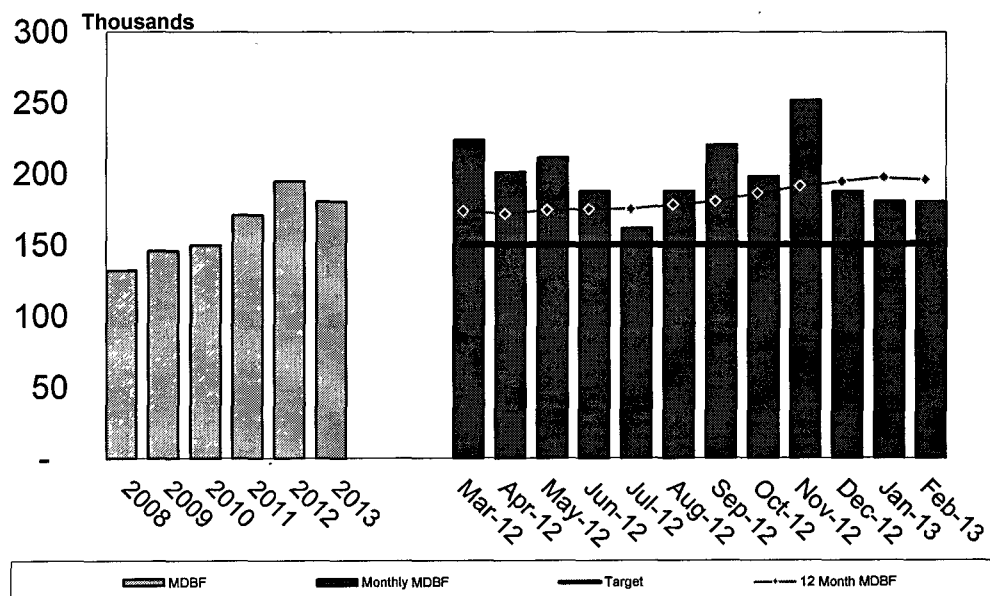
MEAN DISTANCE BETWEEN FAILURES

	2013 Data							2012 Data		
	Equip- ment Type	Total Fleet Size	MDBF Goal (miles)	February MDBF (miles)	February No. of Primary Failures	YTD MDBF thru February (miles)	12 month MDBF Rolling Avg (miles)	February MDBF (miles)	February No. of Primary Failures	YTD MDBF thru February (miles)
Mean Distance Between Failures	M-3	150	55,000	59,170	9	74,537	76,945	102,968	5	75,107
	M-7	836	350,000	396,144	11	372,045	395,836	508,059	9	429,353
	DM	22	18,000	30,039	2	31,207	29,822	32,595	2	22,929
	DE	23	18,000	27,553	3	19,452	24,827	11,507	7	11,743
	C-3	134	70,000	93,048	6	91,680	105,684	97,530	6	93,029
	Diesel	179	44,000	63,730	11	57,374	66,570	48,728	15	45,799
	Fleet	1,165	150,000	180,360	31	180,468	195,697	200,631	29	174,038

Mean Distance Between Failures (MDBF) is the average number of miles a railcar or locomotive travels before breaking down and causing a delay. The higher the MDBF, the more reliable the equipment and the service.

ALL FLEETS Mean Distance Between Failure

2008 - 2013





Long Island Rail Road

OPERATING REPORT FOR MONTH OF MARCH 2013

Standee Report

East Of Jamaica

East Of Jamaica			2013 Data	
			March	
			AM Peak	PM Peak
Daily Average	Babylon Branch	Program Standees	0	0
		Add'l Standees	14	4
		Total Standees	14	4
	Far Rockaway Branch	Program Standees	0	0
		Add'l Standees	2	0
		Total Standees	2	0
	Huntington Branch	Program Standees	0	0
		Add'l Standees	34	6
		Total Standees	34	6
	Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Long Beach Branch	Program Standees	0	0
		Add'l Standees	5	5
		Total Standees	5	5
	Montauk Branch	Program Standees	0	0
		Add'l Standees	2	0
		Total Standees	2	0
	Oyster Bay Branch	Program Standees	0	0
		Add'l Standees	58	0
		Total Standees	58	0
	Port Jefferson Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Port Washington Branch	Program Standees	8	0
		Add'l Standees	25	28
		Total Standees	33	28
	Ronkonkoma Branch	Program Standees	0	38
		Add'l Standees	14	22
		Total Standees	14	60
	West Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
System Wide PEAK			161	103

Definitions

Weekday standees are calculated based on the most recent average weekday customer counts

"Program Standees" is the average number of customers in excess of programmed seating capacity.

"Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains

Holidays and Special Events for which there are special equipment programs are not included



OPERATING REPORT FOR MONTH OF MARCH 2013

Standee Report

West Of Jamaica

			2013 Data	
			March	
			AM Peak	PM Peak
Daily Average	Babylon Branch	Program Standees	0	0
		Add'l Standees	13	4
		Total Standees	13	4
	Far Rockaway Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Huntington Branch	Program Standees	0	0
		Add'l Standees	13	22
		Total Standees	13	22
	Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	28
		Total Standees	0	28
	Long Beach Branch	Program Standees	18	0
		Add'l Standees	26	7
		Total Standees	44	7
	Montauk Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Oyster Bay Branch	Program Standees	0	0
		Add'l Standees	2	0
		Total Standees	2	0
	Port Jefferson Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
	Port Washington Branch	Program Standees	8	0
		Add'l Standees	25	28
		Total Standees	33	28
	Ronkonkoma Branch	Program Standees	30	18
		Add'l Standees	1	6
		Total Standees	31	24
	West Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	0
		Total Standees	0	0
System Wide PEAK			136	112

Definitions

Weekday standees are calculated based on the most recent average weekday customer counts

"Program Standees" is the average number of customers in excess of programmed seating capacity.

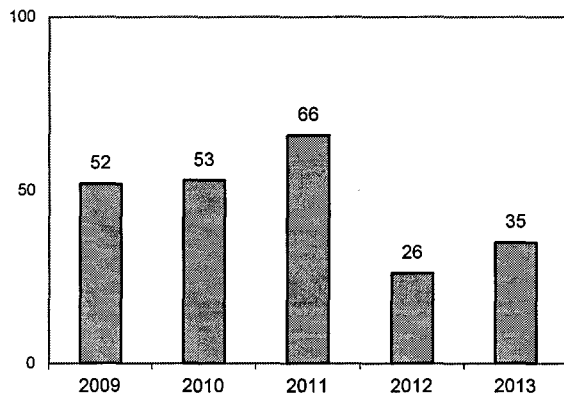
"Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within train

Holidays and Special Events for which there are special equipment programs are not included.

**OPERATING REPORT
FOR MONTH OF MARCH 2013**

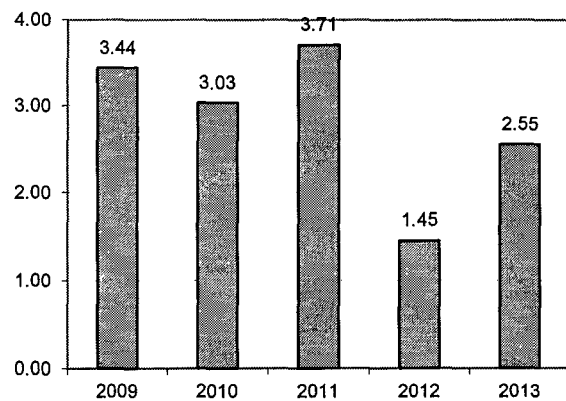
MTA Long Island Rail Road Summary of Employee Injuries thru February



Total Employee Injuries

Year	Total
2009	52
2010	53
2011	66
2012	26
2013	35

% change from last year: 34.6%



Employee FRA Reportable Injuries

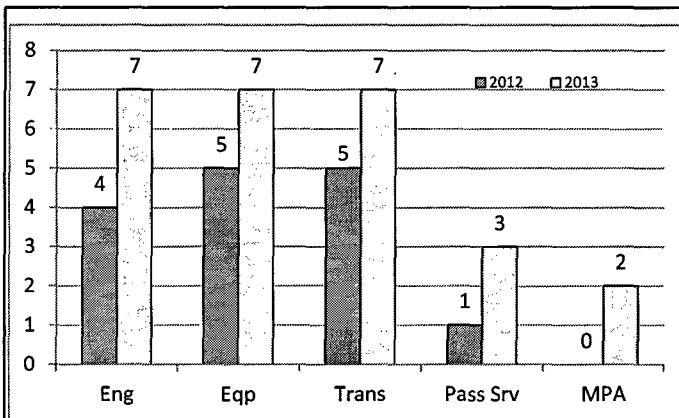
Year	Total	FRA FI*
2009	36	3.44
2010	34	3.03
2011	37	3.71
2012	15	1.45
2013	26	2.55

% change from last year: 75.9%

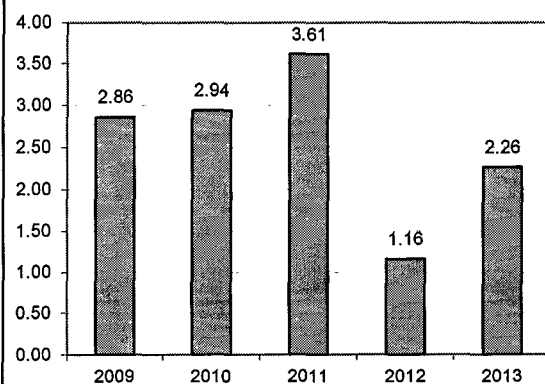
* Federal Railroad Administration Frequency Index

**OPERATING REPORT
FOR MONTH OF MARCH 2013**

MTA Long Island Rail Road Summary of Employee Injuries thru February



Employee Reportable Accidents Comparison by Department			
Department	2012	2013	% Change
Engineering	4	7	75%
Equipment	5	7	40%
Transportation	5	7	40%
Pass Serv	1	3	200%
MPA	-	2	200%



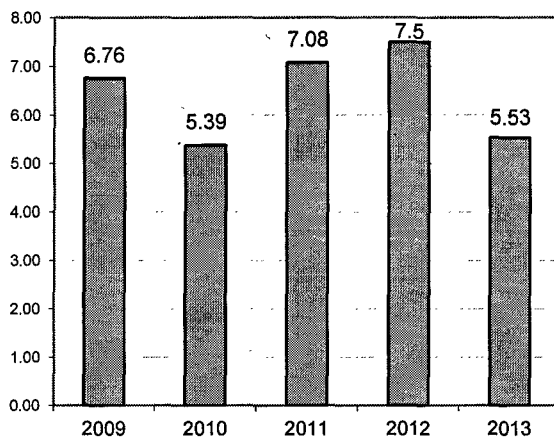
Employee Lost Time and Restricted Duty Injuries					
Year	LT	RD	LT FI*	RD FI*	LT&RD FI*
2009	30	0	2.86	0.00	2.86
2010	32	1	2.85	0.09	2.94
2011	34	2	3.41	0.20	3.61
2012	12	0	1.16	0.00	1.16
2013	23	0	2.26	0.00	2.26

% change from last year: 94.8%

* - Injuries per 200,000 hours worked

**OPERATING REPORT
FOR MONTH OF MARCH 2013**

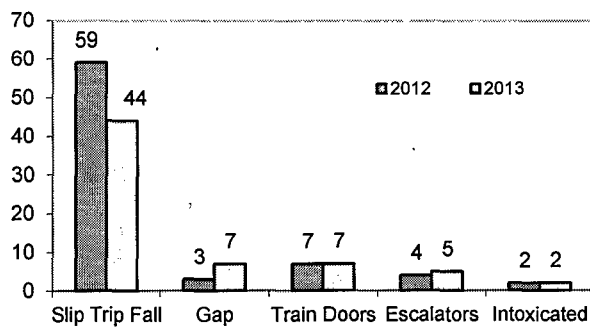
MTA Long Island Rail Road Summary of Customer Injuries thru February



Total Customer Injuries

Year	Total	FI*
2009	86	6.76
2010	65	5.39
2011	83	7.08
2012	96	7.5
2013	70	5.53

% change from last year: -26.3%



Top 5 Customer Injuries by Type

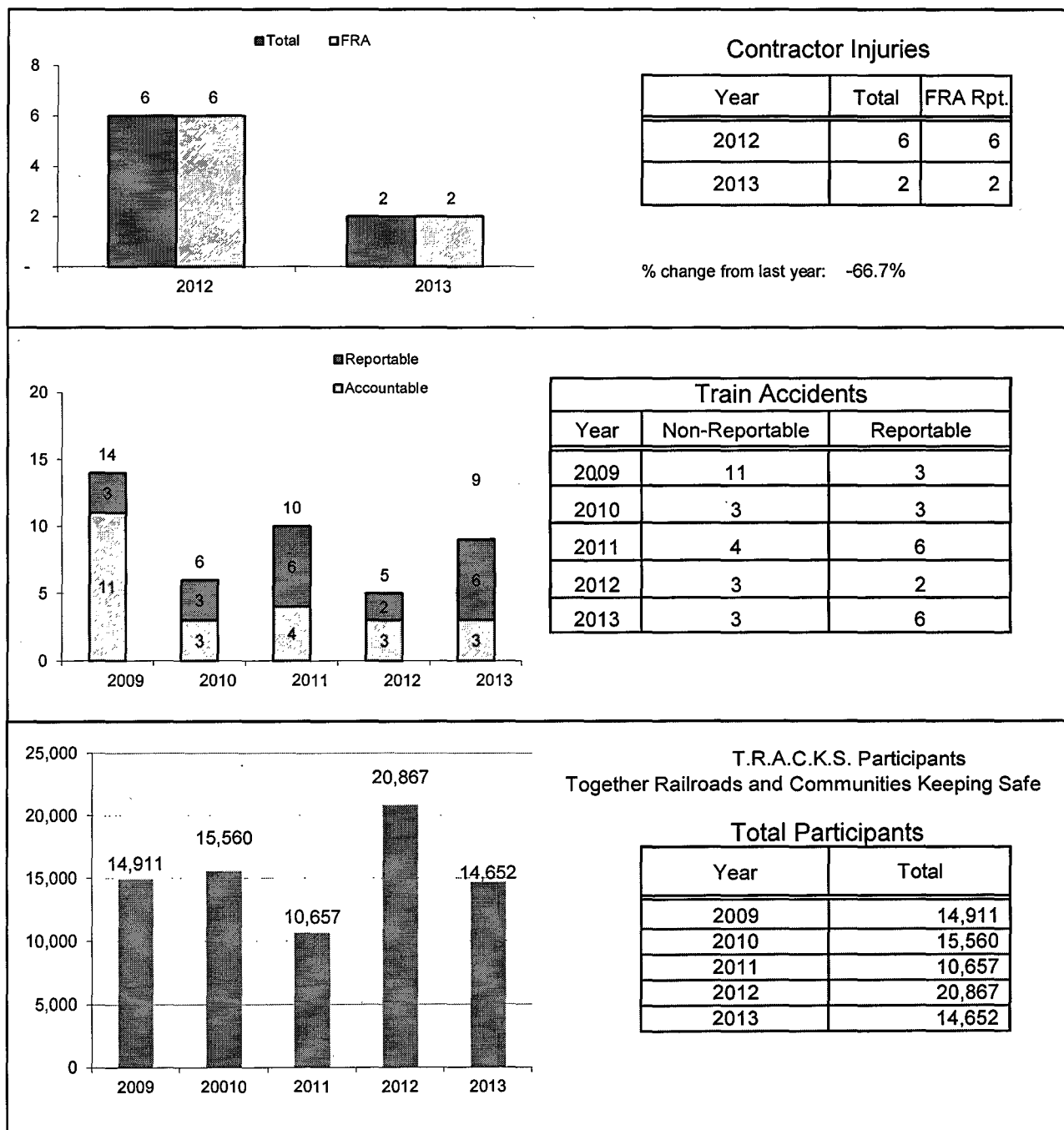
Year	Slip Trip Fall	Gap	Train Doors	Escalators	Intoxicated
2012	59	3	7	4	2
2013	44	7	7	5	2

*- Injuries per 1,000,000 rides

**OPERATING REPORT
FOR MONTH OF MARCH 2013**

MTA Long Island Rail Road

Summary of Contractor Injuries, Train Accidents & T.R.A.C.K.S. thru February





LONG ISLAND RAIL ROAD

A graphic featuring a grid of dotted lines with a line graph overlaid, showing an upward trend. The text "MONTHLY OPERATING REPORT" is centered over the grid.

**MONTHLY
OPERATING
REPORT**

February 2013

**Helena E. Williams
President**

04/22/13 *****

Performance Summary			2013 Data			2012 Data	
			Annual	YTD thru		YTD thru	
			Goal	Feb	Feb	Feb	Feb
On Time Performance (Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)	System	Overall	95.1%	93.6%	93.3%	96.4%	96.2%
		AM Peak		92.9%	92.4%	95.2%	94.6%
		PM Peak		92.9%	88.8%	94.1%	94.4%
		Total Peak		92.7%	90.6%	94.7%	94.5%
		Off Peak Weekday		94.2%	93.8%	96.5%	96.5%
		Weekend		93.1%	95.4%	98.3%	97.9%
	Babylon Branch	Overall	95.1%	93.2%	93.0%	95.9%	95.5%
		AM Peak		90.2%	90.8%	95.5%	95.8%
		PM Peak		92.5%	88.8%	93.9%	93.1%
		Total Peak		90.9%	89.7%	94.7%	94.6%
		Off Peak Weekday		93.8%	93.7%	95.3%	95.0%
		Weekend		95.5%	96.7%	99.0%	98.1%
	Far Rockaway Branch	Overall	95.1%	96.8%	96.6%	98.5%	98.5%
		AM Peak		94.2%	94.8%	95.9%	95.1%
		PM Peak		94.7%	91.9%	97.2%	97.6%
		Total Peak		94.2%	93.4%	96.5%	96.2%
		Off Peak Weekday		96.6%	96.6%	98.9%	99.2%
		Weekend		99.7%	99.8%	99.5%	99.2%
	Huntington Branch	Overall	95.1%	92.9%	92.1%	96.3%	96.3%
		AM Peak		93.7%	92.7%	93.3%	93.0%
		PM Peak		93.6%	85.7%	90.7%	92.5%
		Total Peak		93.5%	89.2%	92.1%	92.8%
		Off Peak Weekday		93.8%	92.3%	97.9%	97.3%
		Weekend		91.3%	94.3%	97.9%	97.7%
	Hempstead Branch	Overall	95.1%	96.7%	96.8%	98.1%	97.6%
		AM Peak		96.3%	95.7%	95.5%	94.4%
		PM Peak		95.3%	92.2%	96.7%	96.8%
		Total Peak		95.6%	93.9%	96.1%	95.5%
		Off Peak Weekday		96.6%	97.2%	98.3%	97.8%
		Weekend		98.0%	98.8%	99.5%	99.2%
	Long Beach Branch	Overall	95.1%	96.6%	95.9%	98.0%	97.6%
		AM Peak		94.7%	94.1%	97.3%	96.5%
		PM Peak		95.8%	94.0%	97.0%	97.1%
		Total Peak		95.0%	93.9%	97.1%	96.8%
		Off Peak Weekday		97.0%	95.9%	98.3%	97.7%
		Weekend		97.6%	98.3%	98.4%	98.0%
	Montauk Branch	Overall	95.1%	89.7%	90.1%	95.0%	95.4%
		AM Peak		91.4%	91.3%	96.3%	95.4%
		PM Peak		89.5%	86.7%	89.2%	89.4%
		Total Peak		90.6%	89.3%	93.2%	92.9%
		Off Peak Weekday		90.5%	91.1%	95.4%	95.8%
		Weekend		87.2%	89.1%	96.0%	96.8%
	Oyster Bay Branch	Overall	95.1%	93.6%	93.7%	96.1%	95.8%
		AM Peak		97.0%	96.1%	95.0%	95.8%
		PM Peak		90.4%	85.8%	93.3%	92.7%
		Total Peak		93.9%	91.3%	94.2%	94.4%
		Off Peak Weekday		94.0%	94.5%	96.3%	96.0%
		Weekend		91.9%	95.0%	98.3%	97.4%

Service during the period Friday, 2/08/13 through Monday, 2/11/13, was affected by Blizzard Nemo. Pre-published modified schedules were in effect for Saturday and Monday. The LIRR issued a pre-published weekend schedule for Sunday announcing no service east of Ronkonkoma, Babylon or Huntington. There were 407 fewer trains than the normal schedule for this period.

Performance Summary		2013 Data			2012 Data	
		Annual	YTD thru		YTD thru	
		Goal	Feb	Feb	Feb	Feb
Port Jefferson Branch	Overall	95.1%	89.4%	89.4%	92.7%	92.9%
	AM Peak		91.4%	89.7%	95.6%	93.3%
	PM Peak		87.2%	82.1%	85.7%	87.8%
	Total Peak		89.5%	86.2%	91.0%	90.7%
	Off Peak Weekday		91.0%	90.1%	91.0%	92.5%
	Weekend		86.0%	91.9%	98.0%	96.1%
Port Washington Branch	Overall	95.1%	96.4%	95.0%	96.8%	96.6%
	AM Peak		93.5%	92.9%	94.2%	93.1%
	PM Peak		97.2%	92.1%	96.1%	96.2%
	Total Peak		95.3%	92.4%	95.1%	94.7%
	Off Peak Weekday		96.6%	95.6%	96.9%	96.9%
	Weekend		97.6%	97.7%	99.5%	99.4%
Ronkonkoma Branch	Overall	95.1%	88.0%	88.2%	95.0%	95.2%
	AM Peak		91.5%	90.0%	94.2%	92.8%
	PM Peak		91.2%	85.3%	95.7%	96.7%
	Total Peak		91.1%	87.7%	94.8%	94.5%
	Off Peak Weekday		88.3%	87.5%	94.6%	95.3%
	Weekend		83.0%	90.5%	96.2%	95.8%
West Hempstead Branch	Overall	95.1%	93.5%	95.3%	97.5%	97.5%
	AM Peak		94.7%	95.5%	98.0%	96.6%
	PM Peak		85.1%	89.2%	95.0%	95.5%
	Total Peak		89.0%	91.8%	96.4%	96.0%
	Off Peak Weekday		96.4%	97.3%	98.1%	98.3%
	Weekend		75.0%	88.9%	100.0%	100.0%
Operating Statistics						
Trains Scheduled			17,715	37,783	18,436	38,083
Avg. Delay per Late Train (min)			-13.2	-13.2	-12.3	-12.3
excluding trains canceled or terminated						
Trains Over 15 min. Late			201	500	125	266
excluding trains canceled or terminated						
Trains Canceled			153	234	31	58
Trains Terminated			71	136	25	42
Percent of Scheduled Trips Completed			98.7%	99.0%	99.7%	99.7%
Consist Compliance						
(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)						
AM Peak			98.7%			
PM Peak			98.4%			
Total Peak			98.6%			

* Service during the period Friday, 2/08/13 through Monday, 2/11/13, was affected by Blizzard Nemo. Pre-published modified schedules were in effect for Saturday and Monday. The LIRR issued a pre-published weekend schedule for Sunday announcing no service east of Ronkonkoma, Babylon or Huntington. There were 407 fewer trains than the normal schedule for this period.



**OPERATING REPORT
FOR MONTH OF FEBRUARY 2013**

Categories Of Delay		2013 Data			2012 Data		YTD 2012 Vs 2013
		Jan	Feb	YTD Thru Feb	Feb	YTD Thru Feb	
Late Train Incidents	National Rail Passenger Corp	96	99	195	86	141	54
	Capital Programs	1	7	8	5	8	-
	Engineering	312	37	312	108	272	40
	Penn Station Central Control	5	9	14	6	13	1
	Maintenance of Equipment	112	165	276	131	296	(20)
	** Other / Miscellaneous	394	492	887	47	143	744
	Public	466	282	748	241	465	283
	Transportation	26	34	60	27	61	(1)
	Vandalism	16	2	18	8	23	(5)
	Maintenance of Way (Sched.)	7	3	10	9	13	(3)

**** Other / Miscellaneous includes weather related delays**

*Service during the period Friday, 2/08/13 through Monday, 2/11/13, was affected by Blizzard Nemo. Pre-published modified schedules were in effect for Saturday and Monday. The LIRR issued a pre-published weekend schedule for Sunday announcing no service east of Ronkonkoma, Babylon or Huntington. There were 407 fewer trains than the normal schedule for this period.

EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) OR TERMINATED (T) TRAINS

Date	Day	DESCRIPTION OF EVENT	Number of Late Trains									TOTAL		
			AM Peak			PM Peak			Off Peak			Late	Cxld	Term
			L	C	T	L	C	T	L	C	T			
2/7	Thurs	Police activity required at Bayshore Station							9	1		9	1	-
2/8	Fri	Snow storm	4			20	1		44	4	5	68	5	5
2/9	Sat	Snow storm							21	40	17	21	40	17
2/10	Sun	Snow storm							42	60	9	42	60	9
2/11	Mon	Snow storm	24	2	1		-	1	13	1	5	37	3	7
2/21	Thurs	Train 15 with equipment trouble west of Babylon Station	32	12					5	1		37	13	-
2/22	Fri	Train 2050 with inverter trouble at Pinelawn				6	3		18	2	1	24	5	1
2/22	Fri	Train 140 with equipment trouble at Woodside				8			4		1	12	-	1
2/25	Mon	Train 2076 with equipment trouble at Dunton				11		1	1			12	-	1
2/27	Wed	Amtrak related loss of DC power in JO and C Interlockings	53	2	3				17	5		70	7	3
2/27	Wed	Transformer fire west of East New York				1		3	5	2	12	6	2	15
TOTAL FOR MONTH			113	16	4	46	4	5	179	116	50	338	136	59
													533	

*Service during the period Friday, 2/08/13 through Monday, 2/11/13, was affected by Blizzard Nemo. Pre-published modified schedules were in effect for Saturday and Monday. The LIRR issued a pre-published weekend schedule for Sunday announcing no service east of Ronkonkoma, Babylon or Huntington. There were 407 fewer trains than the normal schedule for this period.

Long Island Rail Road

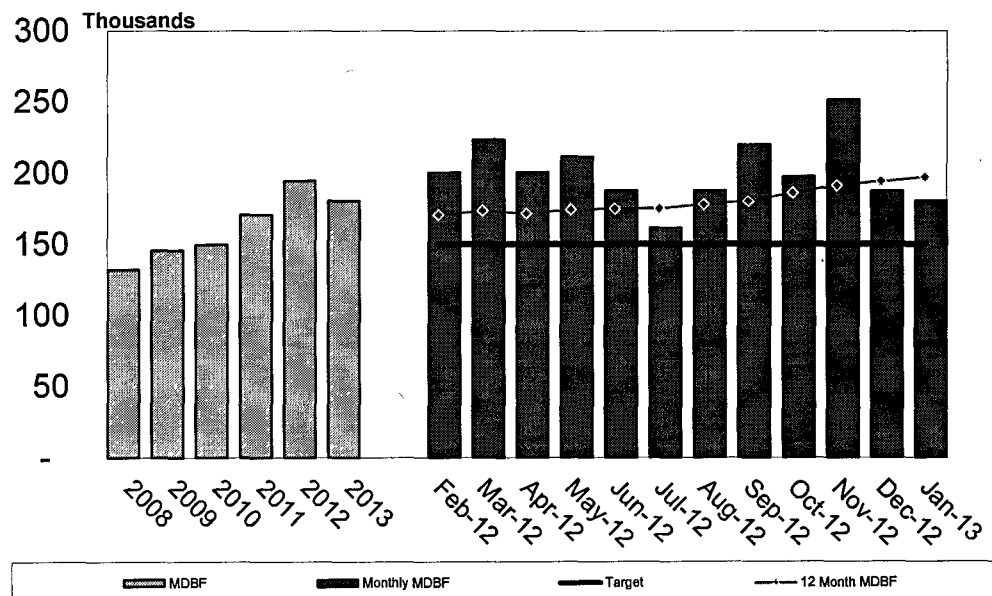
MEAN DISTANCE BETWEEN FAILURES

	Equip- ment Type	Total Fleet Size	2013 Data					2012 Data		
			MDBF Goal (miles)	January MDBF (miles)	January No. of Primary Failures	YTD MDBF thru January (miles)	12 month MDBF Rolling Avg (miles)	January MDBF (miles)	January No. of Primary Failures	YTD MDBF thru January (miles)
Mean Distance Between Failures	M-3	150	55,000	97,588	6	97,588	80,483	59,629	9	59,629
	M-7	836	350,000	353,109	14	353,109	403,025	374,865	13	374,865
	DM	22	18,000	32,375	2	32,375	29,998	18,096	4	18,096
	DE	23	18,000	15,402	6	15,402	22,574	11,979	7	11,979
	C-3	134	70,000	90,506	7	90,506	106,063	89,172	7	89,172
	Diesel	179	44,000	52,714	15	52,714	64,939	43,358	18	43,358
	Fleet	1,165	150,000	180,565	35	180,565	197,383	154,759	40	154,759

Mean Distance Between Failures (MDBF) is the average number of miles a railcar or locomotive travels before breaking down and causing a delay. The higher the MDBF, the more reliable the equipment and the service.

ALL FLEETS Mean Distance Between Failure

2008 - 2013





Long Island Rail Road

OPERATING REPORT FOR MONTH OF FEBRUARY 2013

Standee Report

East Of Jamaica

East Of Jamaica			2013 Data	
			February	
			AM Peak	PM Peak
Daily Average	Babylon Branch	Program Standees	0	0
		Add'l Standees	35	37
		Total Standees	35	37
	Far Rockaway Branch	Program Standees	0	0
		Add'l Standees	1	7
		Total Standees	1	7
	Huntington Branch	Program Standees	0	0
		Add'l Standees	4	4
		Total Standees	4	4
	Hempstead Branch	Program Standees	0	0
		Add'l Standees	8	13
		Total Standees	8	13
	Long Beach Branch	Program Standees	0	0
		Add'l Standees	10	13
		Total Standees	10	13
	Montauk Branch	Program Standees	0	0
		Add'l Standees	2	0
		Total Standees	2	0
	Oyster Bay Branch	Program Standees	0	0
		Add'l Standees	13	3
		Total Standees	13	3
	Port Jefferson Branch	Program Standees	0	0
		Add'l Standees	19	0
		Total Standees	19	0
	Port Washington Branch	Program Standees	8	0
		Add'l Standees	14	19
		Total Standees	22	19
	Ronkonkoma Branch	Program Standees	0	38
		Add'l Standees	0	10
		Total Standees	0	48
	West Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	1
		Total Standees	0	1
System Wide PEAK			114	144

Definitions

Weekday standees are calculated based on the most recent average weekday customer counts

"Program Standees" is the average number of customers in excess of programmed seating capacity.

"Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains.

Holidays and Special Events for which there are special equipment programs are not included



Long Island Rail Road

OPERATING REPORT FOR MONTH OF FEBRUARY 2013

Standee Report

West Of Jamaica

			2013 Data February	
			AM Peak	PM Peak
Daily Average	Babylon Branch	Program Standees	0	0
		Add'l Standees	52	49
		Total Standees	52	49
	Far Rockaway Branch	Program Standees	0	0
		Add'l Standees	1	21
		Total Standees	1	21
	Huntington Branch	Program Standees	0	0
		Add'l Standees	10	21
		Total Standees	10	21
	Hempstead Branch	Program Standees	0	0
		Add'l Standees	11	13
		Total Standees	11	13
	Long Beach Branch	Program Standees	18	0
		Add'l Standees	28	26
		Total Standees	46	26
	Montauk Branch	Program Standees	0	0
		Add'l Standees	7	0
		Total Standees	7	0
	Oyster Bay Branch	Program Standees	0	0
		Add'l Standees	16	6
		Total Standees	16	6
	Port Jefferson Branch	Program Standees	0	0
		Add'l Standees	25	0
		Total Standees	25	0
	Port Washington Branch	Program Standees	8	0
		Add'l Standees	37	56
		Total Standees	45	56
	Ronkonkoma Branch	Program Standees	30	18
		Add'l Standees	0	10
		Total Standees	30	28
	West Hempstead Branch	Program Standees	0	0
		Add'l Standees	0	12
		Total Standees	0	12
System Wide PEAK			241	232

Definitions

Weekday standees are calculated based on the most recent average weekday customer counts

"Program Standees" is the average number of customers in excess of programmed seating capacity

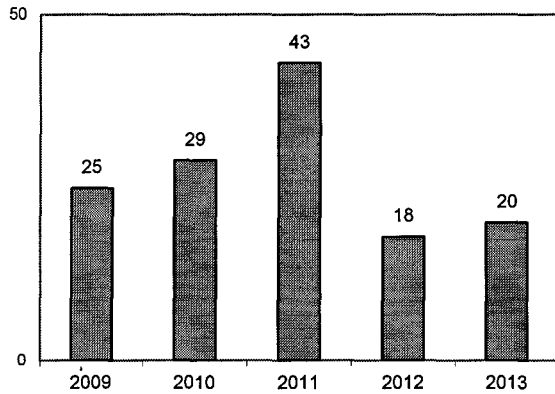
"Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains.

Holidays and Special Events for which there are special equipment programs are not included.

**OPERATING REPORT
FOR MONTH OF FEBRUARY 2013**

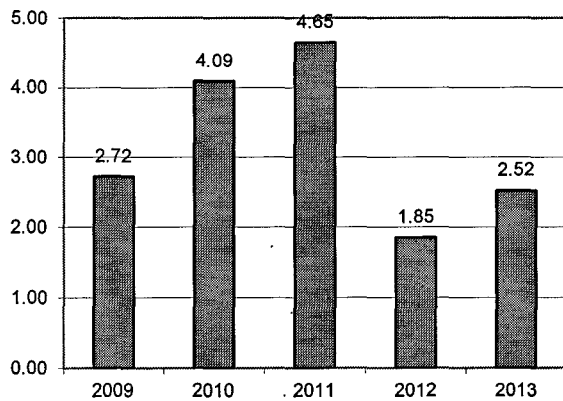
MTA Long Island Rail Road Summary of Employee Injuries thru January



Total Employee Injuries

Year	Total
2009	25
2010	29
2011	43
2012	18
2013	20

% change from last year: 11.1%



Employee FRA Reportable Injuries

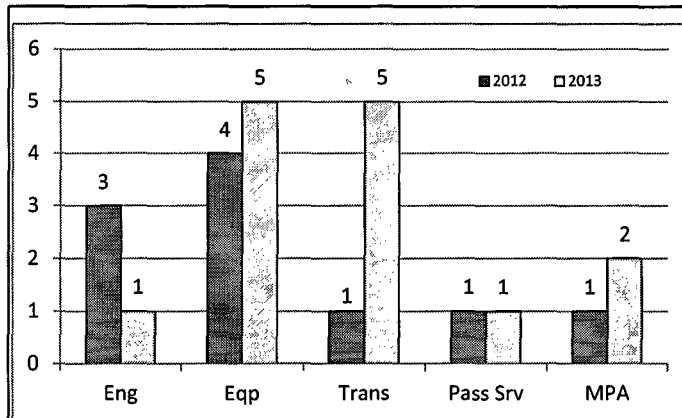
Year	Total	FRA FI*
2009	14	2.72
2010	19	4.09
2011	24	4.65
2012	10	1.85
2013	14	2.52

% change from last year: 36.2%

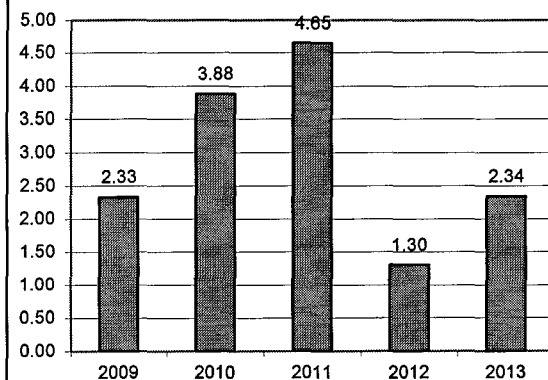
* Federal Railroad Administration Frequency Index

**OPERATING REPORT
FOR MONTH OF FEBRUARY 2013**

MTA Long Island Rail Road Summary of Employee Injuries thru January



Employee Reportable Accidents Comparison by Department			
Department	2012	2013	% Change
Engineering	3	1	-67%
Equipment	4	5	25%
Transportation	1	5	400%
Pass Serv	1	1	0%
MPA	1	2	100%



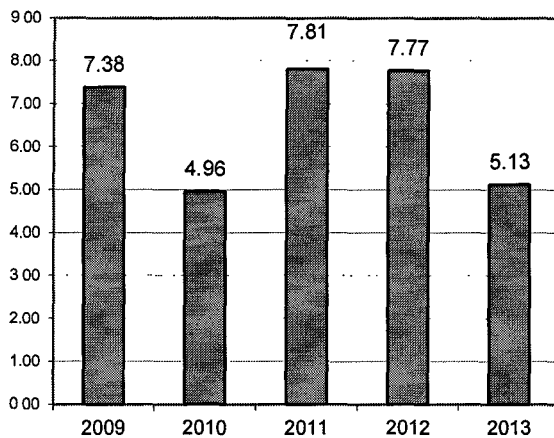
Employee Lost Time and Restricted Duty Injuries					
Year	LT	RD	LT FI*	RD FI*	LT&RD FI*
2009	12	0	2.33	0.00	2.33
2010	17	1	3.66	0.22	3.88
2011	24	0	4.65	0.00	4.65
2012	7	0	1.30	0.00	1.30
2013	13	0	2.34	0.00	2.34

% change from last year: 80.0%

* - Injuries per 200,000 hours worked

**OPERATING REPORT
FOR MONTH OF FEBRUARY 2013**

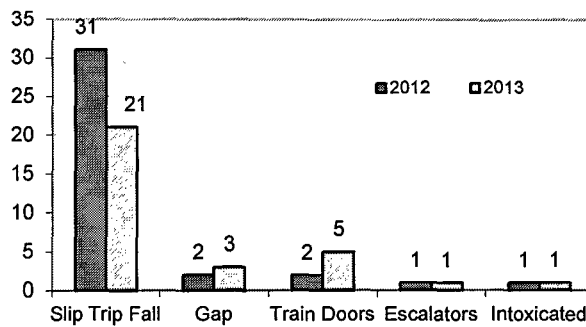
MTA Long Island Rail Road Summary of Customer Injuries thru January



Total Customer Injuries

Year	Total	FI*
2009	49	7.38
2010	31	4.96
2011	46	7.81
2012	50	7.77
2013	34	5.13

% change from last year: -34.0%



Top 5 Customer Injuries by Type

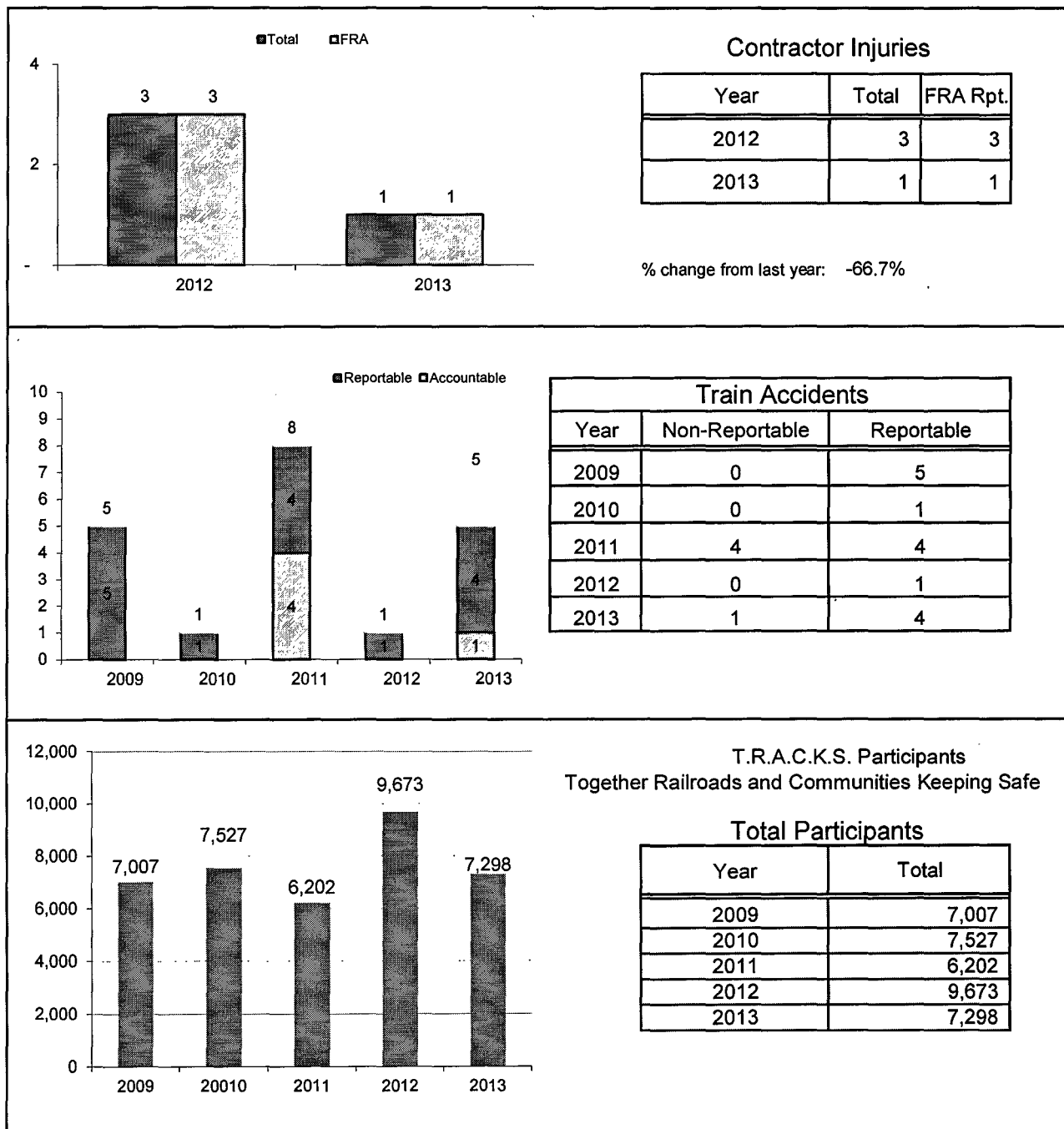
Year	Slip Trip Fall	Gap	Train Doors	Escalators	Intoxicated
2012	31	2	2	1	1
2013	21	3	5	1	1

*- Injuries per 1,000,000 rides

**OPERATING REPORT
FOR MONTH OF FEBRUARY 2013**

MTA Long Island Rail Road

Summary of Contractor Injuries, Train Accidents & T.R.A.C.K.S. thru January





Long Island Rail Road

Monthly Financial Report

February 2013

MTA LONG ISLAND RAIL ROAD

February Ridership and Financial Report

Executive Summary

Ridership

- During the month of February, total ridership was 6.0 million, which was 2.8% lower than February 2012 (adjusted for same number of work days) and 0.9% below the budget.
 - 2013 Total ridership through February was 12.6 million. This was 1.0% higher than 2012 (adjusted for same number of work days) and 0.2% lower than the 2013 budget.
 - Through February 2013, commutation ridership was 0.7% lower than 2012 (work day adjusted) and 1.2% lower than the 2013 budget.
 - Through February 2013, non-commutation ridership was 1.6% lower than 2012 and 1.3% higher than budget.
-

Revenues

- Farebox revenue through February totaling \$90.2 million was essentially on budget.
- Capital & Other Revenue of \$28.7 million was \$4.4 million lower than budget due to timing of project activity, partially offset by timing of advertising revenue.
- In summary, total LIRR revenue of \$118.9 million was \$4.6 million lower than the adopted budget.

Expenses

- Through February, total expenses of \$305.0 million were \$11.0 million less than budget.
- Straight-time payroll spending was \$3.9 million less than adopted budget due to the existence of vacant positions. At the end of February, 235 of 6,707 positions were vacant. These vacancies consisted primarily of maintenance and management positions.
- Year-to-date overtime hours worked was 20.8%, or almost 60,000 hours higher than the budget. The majority was due to weather-related overtime, which was 42,000 hours over budget and vacancy coverage, which was 34,000 hours over budget. The LIRR has established a corporate initiative to fill all vacant positions that contribute to overtime.
- Year-to-date overtime hours increased by 18.3% in 2013 compared to 2012. This increase is primarily caused by higher weather-related overtime.
- Other variances are primarily timing related.

Financial Performance Measures

- Through February, the Adjusted Farebox Operating Ratio was 51.3%, which is favorable to budget due to lower expenses.
- Through February, the Adjusted Cost per Passenger was \$14.92, which is lower than budget due to lower expenses.
- Through February, the Revenue per Passenger was \$7.16, which is on budget.

FINANCIAL REPORT
(\$ In Millions)
For the Month Ending February 28, 2013

REVENUE

Year-to-date February **Total Revenues** (including Capital and Other Reimbursements) of \$118.9 were \$(4.6) million or (3.7)% unfavorable to budget. The month of February of \$58.2 was unfavorable to budget by \$(2.8) million or (4.6)%.

- **Y-T-D Farebox Revenues** were \$(0.2) unfavorable to the budget. The month was \$(0.4) unfavorable to budget due to lower ridership.
- **Y-T-D Other Operating Revenues** were \$1.2 favorable to budget. The month was \$1.7 favorable due to higher advertising revenue.
- **Y-T-D Capital and Other Reimbursements** were \$(5.6) unfavorable to budget. The month was \$(4.1) unfavorable due to timing of project activity.

OPERATING EXPENSES

Year-to-date February **Total Expenses** (including depreciation and other) of \$305.0 were favorable to the budget by \$11.0 or 3.5%. The total expenses for the month of \$151.9 were favorable to budget by \$3.5 or 2.2%.

Labor Expenses, \$3.9 favorable Y-T-D; \$0.8 favorable for the month.

- **Payroll**, \$3.9 favorable Y-T-D; \$2.1 favorable for the month (primarily vacant positions).
- **Overtime**, \$(3.5) unfavorable Y-T-D; \$(3.1) unfavorable for the month (primarily weather-related overtime company-wide and open jobs in Maintenance of Equipment).
- **Health & Welfare**, \$1.8 favorable Y-T-D; \$0.9 favorable for the month (primarily vacant positions).
- **OPEB Current Payment**, \$1.8 favorable Y-T-D; \$1.2 favorable for the month (lower rates and fewer retirees/beneficiaries).
- **Other Fringe**, \$(0.1) unfavorable Y-T-D; \$(0.3) unfavorable for the month (higher FELA indemnity payments).

Non-Labor Expenses, \$6.5 favorable Y-T-D; \$2.7 favorable for the month.

- **Electric Power**, \$0.4 favorable Y-T-D; \$0.5 favorable for the month (primarily lower rates).
- **Fuel**, \$0.4 favorable Y-T-D; on budget for the month.
- **Maintenance and Other Operating Contracts**, \$1.3 favorable Y-T-D; \$1.0 favorable for the month (primarily timing).
- **Professional Services**, \$(0.1) unfavorable Y-T-D; \$0.9 favorable for the month (primarily timing of MTA Chargebacks and IT Hardware and Software).
- **Materials and Supplies**, \$3.3 favorable Y-T-D; \$(0.6) unfavorable for the month (pool material charge-outs greater than reclaims, partially offset by timing of capital material usage).
- **Other Business Expenses**, \$0.8 favorable Y-T-D; \$0.5 favorable for the month (primarily timing of expenses).

Depreciation and Other, \$0.6 favorable Y-T-D; on budget for the month.

FAREBOX OPERATING RATIO

The year-to-date Farebox Operating Ratio was 41.3%, 0.7 percentage points lower than year-to-date January. The Farebox Operating Ratio for the month of February of 40.5% was 0.3 percentage points below the budget resulting from lower revenue, partially offset by lower expenses. The adjusted year-to-date Farebox Operating Ratio was 51.3%. 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.

TABLE 1

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
February 2013

(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)			
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Revenue												
Farebox Revenue	\$44.548	\$44.181	(\$0.367)	(0.8)	\$0.000	\$0.000	\$0.000	-	\$44.548	\$44.181	(\$0.367)	(0.8)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.696	4.387	1.691	62.7	0.000	0.000	0.000	-	2.696	4.387	1.691	62.7
Capital & Other Reimbursements	0.000	0.000	0.000	-	13.704	9.593	(4.111)	(30.0)	13.704	9.593	(4.111)	(30.0)
Total Revenue	\$47.244	\$48.568	\$1.324	2.8	\$13.704	\$9.593	(\$4.111)	(30.0)	\$60.948	\$58.161	(\$2.787)	(4.6)
Expenses												
<i>Labor:</i>												
Payroll	\$33.796	\$33.222	\$0.574	1.7	\$4.981	\$3.505	\$1.476	29.6	\$38.777	\$36.727	\$2.050	5.3
Overtime	6.544	9.795	(3.251)	(49.7)	0.450	0.287	0.163	36.3	\$6.994	10.081	(3.087)	(44.1)
Health and Welfare	8.913	8.138	0.775	8.7	0.830	0.671	0.159	19.2	\$9.743	8.809	0.934	9.6
OPEB Current Payment	5.571	4.362	1.208	21.7	0.000	0.000	0.000	-	\$5.571	4.362	1.208	21.7
Pensions	15.628	15.722	(0.094)	(0.6)	1.122	1.028	0.094	8.4	\$16.750	16.750	0.000	0.0
Other Fringe Benefits	9.458	10.097	(0.639)	(6.8)	1.000	0.671	0.329	32.9	\$10.458	10.768	(0.310)	(3.0)
Reimbursable Overhead	(1.110)	(1.185)	0.075	6.8	1.110	1.185	(0.075)	(6.8)	\$0.000	0.000	0.000	-
Total Labor Expenses	\$78.800	\$80.152	(\$1.352)	(1.7)	\$9.493	\$7.347	\$2.146	22.6	\$88.293	\$87.498	\$0.794	0.9
<i>Non-Labor:</i>												
Electric Power	\$8.576	\$8.034	\$0.542	6.3	\$0.000	\$0.000	\$0.000	-	\$8.576	\$8.034	\$0.542	6.3
Fuel	2.374	2.338	0.036	1.5	0.000	0.000	0.000	-	\$2.374	2.338	0.036	1.5
Insurance	1.392	1.348	0.044	3.2	0.318	0.127	0.191	60.2	\$1.710	1.474	0.236	13.8
Claims	0.283	0.264	0.020	6.9	0.000	0.000	0.000	-	\$0.283	0.264	0.020	6.9
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	\$0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	5.094	4.048	1.046	20.5	0.506	0.530	(0.024)	(4.6)	\$5.600	4.577	1.023	18.3
Professional Service Contracts	2.615	2.264	0.351	13.4	0.537	0.001	0.536	99.8	\$3.152	2.265	0.887	28.1
Materials & Supplies	8.281	10.017	(1.736)	(21.0)	2.739	1.570	1.169	42.7	\$11.020	11.587	(0.567)	(5.1)
Other Business Expenses	1.152	0.709	0.443	38.5	0.111	0.019	0.092	82.6	\$1.263	0.728	0.535	42.3
Total Non-Labor Expenses	\$29.767	\$29.021	\$0.747	2.5	\$4.211	\$2.246	\$1.965	46.7	\$33.978	\$31.267	\$2.711	8.0
<i>Other Expense Adjustments:</i>												
Other	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Depreciation & Other Post Employment Benefits	\$108.567	\$109.172	(\$0.605)	(0.6)	\$13.704	\$9.593	\$4.111	30.0	\$122.271	\$118.765	\$3.506	2.9
Depreciation	\$26.129	\$26.072	\$0.057	0.2	\$0.000	\$0.000	\$0.000	-	\$26.129	\$26.072	\$0.057	0.2
Other Post Employment Benefits	6.800	6.888	(0.088)	(1.3)	0.000	0.000	0.000	-	\$6.800	6.888	(0.088)	(1.3)
Environmental Remediation	0.167	0.167	0.000	0.2	0.000	0.000	0.000	-	\$0.167	0.167	0.000	0.2
Total Expenses	\$141.663	\$142.298	(\$0.635)	(0.4)	\$13.704	\$9.593	\$4.111	30.0	\$155.367	\$151.891	\$3.476	2.2
Net Surplus/(Deficit)	(\$94.419)	(\$93.730)	\$0.689	0.7	\$0.000	(\$0.000)	\$0.000	-	(\$94.419)	(\$93.730)	\$0.689	0.7
<i>Cash Conversion Adjustments</i>												
Depreciation	26.129	26.072	(0.057)	(0.2)	0.000	0.000	0.000	-	26.129	26.072	(0.057)	(0.2)
Operating/Capital	(0.983)	(0.254)	0.729	74.1	0.000	0.000	0.000	-	(0.983)	(0.254)	0.729	74.1
Other Cash Adjustments	8.242	30.707	22.465	*	0.000	0.000	0.000	-	8.242	30.707	22.465	*
Total Cash Conversion Adjustments	\$33.388	\$56.525	\$23.137	69.3	0.000	\$0.000	\$0.000	-	\$33.388	\$56.525	\$23.137	69.3
Net Cash Surplus/(Deficit)	(\$61.031)	(\$37.205)	\$23.826	39.0	\$0.000	(\$0.000)	\$0.000	-	(\$61.031)	(\$37.205)	\$23.826	39.0

TABLE 2

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
February Year-To-Date
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Budget	Actual	Favorable (Unfavorable)		Budget	Actual	Favorable (Unfavorable)		Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$90.421	\$90.213	(\$0.208)	(0.2)	\$0.000	\$0.000	\$0.000	-	\$90.421	\$90.213	(\$0.208)	(0.2)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	5.378	6.578	1.200	22.3	0.000	0.000	0.000	-	5.378	6.578	1.200	22.3
Capital & Other Reimbursements	0.000	0.000	0.000	-	27.721	22.145	(5.576)	(20.1)	27.721	22.145	(5.576)	(20.1)
Total Revenue	\$95.799	\$96.791	\$0.992	1.0	\$27.721	\$22.145	(\$5.576)	(20.1)	\$123.520	\$118.936	(\$4.584)	(3.7)
Expenses												
Labor:												
Payroll	\$72.971	\$71.323	\$1.648	2.3	\$10.067	\$7.811	\$2.256	22.4	\$83.038	\$79.134	\$3.904	4.7
Overtime	12.799	16.765	(3.966)	(31.0)	0.976	0.539	0.437	44.7	13.775	17.304	(3.529)	(25.6)
Health and Welfare	17.823	16.176	1.647	9.2	1.685	1.487	0.198	11.7	19.508	17.663	1.845	9.5
OPEB Current Payment	11.141	9.380	1.761	15.8	0.000	0.000	0.000	-	11.141	9.380	1.761	15.8
Pensions	31.221	31.231	(0.010)	(0.0)	2.279	2.269	0.010	0.4	33.500	33.500	0.000	0.0
Other Fringe Benefits	19.504	20.116	(0.612)	(3.1)	2.030	1.486	0.544	26.8	21.534	21.602	(0.068)	(0.3)
Reimbursable Overhead	(2.282)	(2.618)	0.336	14.7	2.282	2.618	(0.336)	(14.7)	0.000	0.000	0.000	-
Total Labor Expenses	\$163.177	\$162.372	\$0.805	0.5	\$19.319	\$16.211	\$3.108	16.1	\$182.496	\$178.583	\$3.913	2.1
Non-Labor:												
Electric Power	\$17.164	\$16.776	\$0.388	2.3	\$0.000	\$0.000	\$0.000	-	\$17.164	\$16.776	\$0.388	2.3
Fuel	4.937	4.568	0.369	7.5	0.000	0.000	0.000	-	4.937	4.568	0.369	7.5
Insurance	2.784	2.685	0.099	3.5	0.637	0.308	0.329	51.7	3.421	2.993	0.428	12.5
Claims	0.567	0.507	0.060	10.6	0.000	0.000	0.000	-	0.567	0.507	0.060	10.6
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	9.695	8.346	1.349	13.9	1.033	1.128	(0.095)	(9.2)	10.728	9.474	1.254	11.7
Professional Service Contracts	4.842	4.624	0.218	4.5	1.067	1.375	(0.308)	(28.8)	5.909	5.999	(0.090)	(1.5)
Materials & Supplies	16.555	15.692	0.863	5.2	5.443	3.056	2.387	43.9	21.998	18.748	3.250	14.8
Other Business Expenses	2.388	1.733	0.655	27.4	0.222	0.068	0.154	69.3	2.610	1.801	0.809	31.0
Total Non-Labor Expenses	\$58.932	\$54.930	\$4.002	6.8	\$8.402	\$5.935	\$2.467	29.4	\$67.334	\$60.865	\$6.469	9.6
Other Expense Adjustments												
Other	\$0.000	\$0.000	(\$0.000)	-	\$0.000	\$0.000	\$0.000	-	0.000	\$0.000	(\$0.000)	-
Total Other Expense Adjustments	\$0.000	\$0.000	(\$0.000)	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	(\$0.000)	-
Total Expenses before Depreciation & Other Post Employment Benefits	\$222.109	\$217.303	\$4.806	2.2	\$27.721	\$22.145	\$5.576	20.1	\$249.830	\$239.448	\$10.382	4.2
Depreciation	\$52.258	\$52.143	0.115	0.2	\$0.000	\$0.000	\$0.000	-	\$52.258	\$52.143	\$0.115	0.2
Other Post Employment Benefits	13.600	13.120	0.480	3.5	0.000	0.000	0.000	-	13.600	13.120	0.480	3.5
Environmental Remediation	0.334	0.333	0.001	0.2	0.000	0.000	0.000	-	0.334	0.333	0.001	0.2
Total Expenses	\$288.301	\$282.899	\$5.402	1.9	\$27.721	\$22.145	\$5.576	20.1	\$316.022	\$305.045	\$10.977	3.5
Net Surplus/(Deficit)	(\$192.502)	(\$186.109)	\$6.393	3.3	\$0.000	\$0.000	\$0.000	-	(\$192.502)	(\$186.109)	\$6.393	3.3
Cash Conversion Adjustments												
Depreciation	52.258	52.143	(0.115)	(0.2)	0.000	0.000	0.000	-	52.258	52.143	(0.115)	(0.2)
Operating/Capital	(1.936)	(2.091)	(0.155)	(8.0)	0.000	0.000	0.000	-	(1.936)	(2.091)	(0.155)	(8.0)
Other Cash Adjustments	9.270	26.725	17.455	*	0.000	0.000	0.000	-	9.270	26.725	17.455	*
Total Cash Conversion Adjustments	\$59.592	\$76.777	\$17.185	28.8	\$0.000	\$0.000	\$0.000	-	\$59.592	\$76.777	\$17.185	28.8
Net Cash Surplus/(Deficit)	(\$132.910)	(\$109.332)	\$23.578	17.7	\$0.000	\$0.000	\$0.000	-	(\$132.910)	(\$109.332)	\$23.578	17.7

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

February 2013					Year-to-Date February 2013				
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance		
		\$	%		\$	%			
Revenue									
Farebox Revenue	Non Reimb.	(0.367)	(0.8)	Lower ridership \$(0.396), partially offset by higher yield \$0.029.	(0.208)	(0.2)	Lower ridership \$(0.196) and lower yield \$(0.012).		
Other Operating Revenue	Non Reimb.	1.691	62.7	Primarily due to higher rent and advertising guarantee revenue.	1.200	22.3	Primarily due to higher rent and advertising guarantee revenue.		
Capital & Other Reimbursements	Reimb.	(4.111)	(30.0)	Primarily due to timing of project activity.	(5.576)	(20.1)	Primarily due to timing of project activity.		
Expenses									
Payroll	Non Reimb.	0.574	1.7	Primarily vacant position, lower rates and lower penalty payments.	1.648	2.3	Primarily vacant position, lower rates and lower penalty payments		
	Reimb.	1.476	29.6	Primarily due to vacant positions, timing of project activity and other reimbursements.	2.256	22.4	Primarily due to vacant positions, timing of project activity and other reimbursements.		
Overtime	Non Reimb.	(3.251)	(49.7)	Primarily weather-related overtime and vacancy/absentee coverage.	(3.966)	(31.0)	Higher weather-related overtime, open job coverage, rates and crew book overtime, partially offset by lower maintenance-related overtime and holiday overtime.		
	Reimb.	0.163	36.3	Primarily due to timing of project activity.	0.437	44.7	Primarily due to timing of project activity.		
Health and Welfare	Non Reimb.	0.775	8.7	Vacant positions and lower rates.	1.647	9.2	Lower rates and vacant positions.		
	Reimb.	0.159	19.2	Primarily due to timing of project activity.	0.198	11.7	Primarily due to timing of project activity.		
OPEB Current Payment	Non Reimb.	1.208	21.7	Lower rates and fewer retirees/beneficiaries.	1.761	15.8	Lower rates and fewer retirees/beneficiaries.		

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

February 2013				Year-to-Date February 2013			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Pensions	Non Reimb.	(0.094)	(0.6)	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was over estimated.	(0.010)	(0.0)	
	Reimb.	0.094	8.4	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was over estimated.	0.010	0.4	
Other Fringe Benefits	Non Reimb.	(0.639)	(6.8)	Higher FELA indemnity payments and higher Railroad Retirement tax rates.	(0.612)	(3.1)	Higher Railroad Retirement Tax and rates, partially offset by timing of FELA indemnity payments.
	Reimb.	0.329	32.9	Primarily due to timing of project activity.	0.544	26.8	Primarily due to timing of project activity.
Electric Power	Non Reimb.	0.542	6.3	Primarily due to accrual adjustments for traction power expenses, lower rates and consumption.	0.388	2.3	Primarily due to lower non-traction electricity rates and consumption.
Fuel	Non Reimb.	0.036	1.5		0.369	7.5	Primarily due to lower and timing of natural gas payments, partially offset by higher diesel fuel rates.
Insurance	Non Reimb.	0.044	3.2	Timing of premium payments.	0.099	3.5	Timing of premium payments.
	Reimb.	0.191	60.2	Force Account Insurance associated with project activity.	0.329	51.7	Force Account Insurance associated with project activity.
Claims	Non Reimb.	0.020	6.9	Decrease in non-employee Indemnity payments and lower public liability expenses.	0.060	10.6	Decrease in non-employee Indemnity payments and lower public liability expenses.
Maintenance & Other Operating Contracts	Non Reimb.	1.046	20.5	Primarily lower emergency busing needs and timing of payments for IESS and security guard services, vegetation management and various other maintenance and other operating contracts.	1.349	13.9	Primarily due to timing of payments for emergency busing, rubbish removal, IESS and security guard services, elevator/escalator maintenance and communication expenses, fewer environmental and plant maintenance services and timing of vegetation management activities, partially offset by the timing of non-revenue vehicle maintenance repairs.
	Reimb.	(0.024)	(4.6)	Primarily due to timing of project activity.	(0.095)	(9.2)	Primarily due to timing of project activity.

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

February 2013				Year-to-Date February 2013			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Professional Service Contracts	Non Reimb.	0.351	13.4	Primarily due to timing of payments and activities for IT software and hardware.	0.218	4.5	Primarily due to timing of payments and activities for IT software.
	Reimb.	0.536	99.8	Primarily due to timing of project activity.	(0.308)	(28.8)	Primarily due to timing of project activity.
Materials & Supplies	Non Reimb.	(1.736)	(21.0)	Primarily pool material chargeouts greater than reclaims and unanticipated structural work at Atlantic Terminal, partially offset by the timing of chargeouts material for diesel fleet modifications and lower use of running repair material in the MU Car and Support Shops.	0.863	5.2	Primarily due to lower usage of running repair material in the Support Shops (Truck, Wheel, A/C and Electronic Shops), lower usage of PI/running repair material in the MU Car Shop and timing of charge-outs for fleet modification material, partially offset by higher charge-outs of RCM material from the Support Shops and chargeouts greater than reclaims of pool material.
	Reimb.	1.169	42.7	Primarily due to timing of project activity and timing of payments for project material.	2.387	43.9	Primarily due to timing of project activity and timing of payments for project material.
Other Business Expenses	Non Reimb.	0.443	38.5	Timing of bad debt expenses and employee expenses, lower debit/credit card fees and higher restitution of property damage reimbursements.	0.655	27.4	Lower debit/credit card fees and timing of employee expenses, bad debt and office supplies and higher restitution of property damage reimbursements.
	Reimb.	0.092	82.6	Primarily due to timing of project activity.	0.154	69.3	Primarily due to timing of project activity.
Depreciation	Non Reimb.	0.057	0.2	Primarily timing.	0.115	0.2	Primarily timing.
Other Post Employment Benefits	Non Reimb.	(0.088)	(1.3)	Higher GASB adjustment to reflect the value associated with unfunded accrued liability for post employment benefits.	0.480	3.5	Lower GASB adjustment to reflect the value associated with unfunded accrued liability for post employment benefits.

Table 4

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
CASH RECEIPTS and EXPENDITURES
February 2013
(\$ in millions)

	Month				Year-to-Date			
	Favorable (Unfavorable)				Favorable (Unfavorable)			
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Receipts								
Farebox Revenue	\$46.965	\$46.203	(\$0.762)	(1.6)	\$95.254	\$95.460	\$0.206	0.2
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.681	4.934	2.253	84.0	5.373	7.267	1.894	35.3
Capital & Other Reimbursements	11.553	13.448	1.895	16.4	21.263	27.645	6.382	30.0
Total Receipts	\$61.199	\$64.584	\$3.385	5.5	\$121.890	\$130.372	\$8.482	7.0
Expenditures								
<i>Labor:</i>								
Payroll	\$38.652	\$36.492	\$2.160	5.6	\$83.378	\$78.551	\$4.827	5.8
Overtime	6.994	10.041	(3.047)	(43.6)	15.067	18.679	(3.612)	(24.0)
Health and Welfare	9.743	0.181	9.562	98.1	19.508	17.166	2.342	12.0
OPEB Current Payment	5.571	(0.040)	5.611	*	11.142	9.133	2.009	18.0
Pensions	16.750	16.749	0.001	0.0	33.500	34.161	(0.661)	(2.0)
Other Fringe Benefits	10.260	9.248	1.012	9.9	20.981	18.477	2.504	11.9
GASB	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor Expenditures	\$87.970	\$72.671	\$15.299	17.4	\$183.576	\$176.166	\$7.410	4.0
<i>Non-Labor:</i>								
Electric Power	\$8.808	\$3.856	\$4.952	56.2	\$17.628	\$11.116	\$6.512	36.9
Fuel	2.374	1.950	0.424	17.8	4.937	4.084	0.853	17.3
Insurance	2.168	0.044	2.124	98.0	5.736	4.720	1.016	17.7
Claims	0.134	0.095	0.039	29.4	0.268	1.725	(1.457)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	4.717	3.823	0.894	19.0	8.962	7.980	0.982	11.0
Professional Service Contracts	2.509	3.090	(0.581)	(23.1)	5.802	6.137	(0.335)	(5.8)
Materials & Supplies	9.905	13.024	(3.119)	(31.5)	20.518	22.517	(1.999)	(9.7)
Other Business Expenses	1.228	0.896	0.332	27.0	2.539	1.875	0.664	26.1
Total Non-Labor Expenditures	\$31.843	\$26.777	\$5.066	15.9	\$66.390	\$60.155	\$6.235	9.4
<i>Other Expenditure Adjustments:</i>								
Other	2.417	2.071	0.346	14.3	4.834	3.863	0.971	20.1
Total Other Expenditure Adjustments	\$2.417	\$2.071	\$0.346	14.3	\$4.834	\$3.863	\$0.971	20.1
Total Expenditures	\$122.230	\$101.520	\$20.710	16.9	\$254.800	\$240.184	\$14.616	5.7
Cash Timing and Availability Adjustment	0.000	(0.270)	(0.270)	-	0.000	0.481	0.481	-
Net Cash Deficit (excludes opening balance)	(\$61.031)	(\$37.205)	\$23.826	39.0	(\$132.910)	(\$109.332)	\$23.578	17.7
Subsidies								
MTA	61.031	37.200	(23.831)	(39.0)	132.910	109.330	(23.580)	(17.7)

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2012 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN FEBRUARY BUDGET AND ACTUAL CASH BASIS

Table 5

Generic Revenue or Expense Category	February 2013			Year-to-Date as of February 28, 2013		
	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%		\$	%	
Receipts						
Farebox Revenue	(0.762)	(1.6)	Lower Metrocard/AirTrain sales \$(0.550) and lower ridership \$(0.396), partially offset by higher advance sales impact \$0.155 and higher yields \$0.029.	0.206	0.2	Higher advance sales impact \$1.315, partially offset by lower Metrocard/AirTrain sales \$(0.901), lower ridership \$(0.196) and lower yields \$(0.012).
Other Operating Revenue	2.253	84.0	Primarily due to the timing of rental revenue.	1.894	35.3	Primarily due to the timing of rental revenue, partially offset by the timing of intercompany receipts and freight revenue.
Capital and Other Reimbursements	1.895	16.4	Timing of activity and reimbursement for capital and other reimbursements.	6.382	30.0	Timing of activity and reimbursement for capital and other reimbursements.
Expenditures						
Labor:						
Payroll	2.160	5.6	Primarily due to lower headcount, rates and penalty payments.	4.827	5.8	Primarily due to lower headcount, rates and penalty payments.
Overtime	(3.047)	(43.6)	Primarily weather-related overtime and vacancy/absentee coverage.	(3.612)	(24.0)	Higher weather-related overtime, open job coverage, rates and crew book overtime, partially offset by lower maintenance-related overtime and holiday overtime.
Health and Welfare	9.562	98.1	Primarily due to the timing of payments.	2.342	12.0	Primarily due to the timing of payments, lower rates and lower headcount.
OPEB Current Payment	5.611	*	Primarily due to the timing of payments.	2.009	18.0	Primarily due to the timing of payments, lower rates and lower retirees.
Pensions	0.001	0.0		(0.661)	(2.0)	Timing of payments.

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2012 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN FEBRUARY BUDGET AND ACTUAL CASH BASIS

Table 5

Generic Revenue or Expense Category	February 2013			Year-to-Date as of February 28, 2013		
	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%		\$	%	
Other Fringe Benefits	1.012	9.9	Primarily the timing of FELA claim payments.	2.504	11.9	Primarily the timing of FELA payments and lower Railroad Retirement payments.
Non-Labor:						
Electric Power	4.952	56.2	Primarily due to the timing of payments and lower rates.	6.512	36.9	Primarily due to the timing of payments and lower rates.
Fuel	0.424	17.8	Primarily due to lower natural gas consumption.	0.853	17.3	Primarily due to lower natural gas consumption and timing of payments.
Insurance	2.124	98.0	Timing of insurance premium payments.	1.016	17.7	Timing of payments.
Claims	0.039	29.4	Timing of payments.	(1.457)	*	Timing of payment for claims.
Maintenance and Other Operating Contracts	0.894	19.0	Timing of payments.	0.982	11.0	Timing of payments.
Professional Service Contracts	(0.581)	(23.1)	Primarily the payment of prior year advertising.	(0.335)	(5.8)	Primarily the timing of payments.
Materials and Supplies	(3.119)	(31.5)	Primarily the timing of program, production plan, and operating funded capital material and supplies.	(1.999)	(9.7)	Primarily the timing of program, production plan, and operating funded capital material and supplies.
Other Business Expenses	0.332	27.0	Primarily due to the timing of employee and miscellaneous expense payments and lower debit/credit card fees.	0.664	26.1	Primarily due to the timing of employee and miscellaneous expense payments and lower debit/credit card fees.
Other Expenditure Adjustments	0.346	14.3	Lower Metrocard/AirTrain pass through payments.	0.971	20.1	Lower Metrocard/AirTrain pass through payments.

Table 6

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
CASH CONVERSION (CASH FLOW ADJUSTMENTS)
February 2013
(\$ in millions)

	Month				Year-to-Date			
	Budget	Actual	Favorable (Unfavorable)		Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
<u>Receipts</u>								
Farebox Revenue	\$2.417	\$2.022	(\$0.395)	(16.4)	\$4.833	\$5.247	\$0.414	8.6
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	(0.015)	0.547	0.562	*	(0.005)	0.689	0.694	*
Capital & Other Reimbursements	(2.151)	3.855	6.006	*	(6.458)	5.499	11.957	*
Total Receipts	\$0.251	\$6.423	\$6.172	*	(\$1.630)	\$11.436	\$13.066	*
<u>Expenditures</u>								
<i>Labor:</i>								
Payroll	\$0.125	\$0.235	\$0.110	87.8	(\$0.340)	\$0.583	\$0.923	*
Overtime	0.000	0.040	0.040	-	(1.292)	(1.375)	(0.083)	(6.4)
Health and Welfare	0.000	8.628	8.628	-	0.000	0.497	0.497	-
OPEB Current Payment	(0.000)	4.403	4.403	*	(0.001)	0.246	0.247	*
Pensions	0.000	0.001	0.001	-	0.000	(0.661)	(0.661)	-
Other Fringe Benefits	0.198	1.520	1.322	*	0.553	3.125	2.572	*
GASB	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor Expenditures	\$0.323	\$14.827	\$14.504	*	(\$1.080)	\$2.416	\$3.497	*
<i>Non-Labor:</i>								
Electric Power	(\$0.232)	\$4.178	\$4.410	*	(\$0.464)	\$5.659	\$6.123	*
Fuel	0.000	0.387	0.387	-	0.000	0.484	0.484	-
Insurance	(0.458)	1.431	1.889	*	(2.315)	(1.727)	0.588	25.4
Claims	0.149	0.169	0.020	13.3	0.299	(1.218)	(1.517)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	0.883	0.754	(0.129)	(14.6)	1.766	1.494	(0.272)	(15.4)
Professional Service Contracts	0.643	(0.825)	(1.468)	*	0.107	(0.138)	(0.245)	*
Materials & Supplies	1.115	(1.437)	(2.552)	*	1.480	(3.770)	(5.250)	*
Other Business Expenses	0.035	(0.168)	(0.203)	*	0.071	(0.075)	(0.146)	*
Total Non-Labor Expenditures	\$2.135	\$4.490	\$2.354	*	\$0.944	\$0.710	(\$0.234)	(24.8)
<i>Other Expenditure Adjustments:</i>								
Other	(2.417)	(2.071)	0.346	14.3	(4.834)	(3.863)	0.971	20.1
Total Other Expenditure Adjustments	(\$2.417)	(\$2.071)	\$0.346	14.3	(\$4.834)	(\$3.863)	\$0.971	20.1
Total Expenditures before Depreciation	\$0.041	\$17.246	\$17.205	*	(\$4.970)	(\$0.736)	\$4.234	85.2
Depreciation Adjustment	26.129	26.072	(0.057)	(0.2)	52.258	52.143	(0.115)	(0.2)
Other Post Employment Benefits	6.800	6.888	0.088	1.3	13.600	13.120	(0.480)	(3.5)
Environmental Remediation	0.167	0.167	(0.000)	(0.2)	0.334	0.333	(0.001)	(0.2)
Total Expenditures	\$33.137	\$60.371	\$17.234	52.0	\$61.222	\$64.861	\$3.639	5.9
Cash Timing and Availability Adjustment	0.000	(0.270)	(0.270)	-	0.000	0.481	0.481	-
Total Cash Conversion Adjustments	\$33.388	\$56.525	\$23.137	69.3	\$59.592	\$76.777	\$17.185	28.8

MTA LONG ISLAND RAIL ROAD
2013 February Financial Plan
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	February 2013						February Year-to-Date					
	Adopted Budget		Actuals		Var. - Fav./Unfav)		Adopted Budget		Actuals		Var. - Fav./Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME												
<u>Scheduled Service</u> ¹	43,283	\$2.1	41,862	\$2.1	1,421	\$0.1	85,026	\$4.2	83,937	\$4.2	1,089	\$0.0
					3.3%	2.7%					1.3%	1.2%
<u>Unscheduled Service</u>	9,397	0.5	9,218	0.5	179	(0.0)	18,987	0.9	19,025	1.0	(38)	(0.1)
					1.9%	-3.0%					-0.2%	-8.1%
<u>Programmatic/Routine Maintenance</u>	39,060	1.8	31,826	1.5	7,234	0.3	78,024	3.6	70,684	3.2	7,340	0.4
					18.5%	19.0%					9.4%	11.3%
<u>Unscheduled Maintenance</u>	513	0.0	292	0.0	221	0.0	1,188	0.1	1,080	0.0	108	0.0
					43.1%	43.1%					9.1%	9.1%
<u>Vacancy/Absentee Coverage</u>	30,520	1.5	49,670	2.4	(19,150)	(0.9)	55,460	2.8	89,028	4.3	(33,568)	(1.5)
					-62.7%	-58.8%					-60.5%	-54.6%
<u>Weather Emergencies</u>	11,401	0.5	56,111	2.6	(44,710)	(2.1)	22,922	1.1	64,615	3.0	(41,694)	(1.9)
					*	*					*	*
<u>Safety/Security/Law Enforcement</u> ²	-	0.0	-	0.0			-	0.0	-	0.0		
<u>Other</u> ³	1,464	0.1	1,903	0.8	(438)	(0.7)	2,929	0.1	3,423	1.0	(494)	(0.9)
					-29.9%	*					-16.9%	*
Subtotal	135,638	\$6.5	190,882	\$9.8	(55,244)	(\$3.3)	264,536	\$12.8	331,792	\$16.8	(67,256)	(\$4.0)
					-40.7%	-49.7%					-25.4%	-31.0%
REIMBURSABLE OVERTIME	8,634	\$0.4	5,591	\$0.3	3,043	\$0.2	18,838	\$1.0	10,628	\$0.5	8,210	\$0.4
					35.2%	36.3%					43.6%	44.7%
TOTAL OVERTIME	144,273	\$7.0	196,474	\$10.1	(52,201)	(\$3.1)	283,375	\$13.8	342,420	\$17.3	(59,046)	(\$3.5)
					-36.2%	-44.2%					-20.8%	-25.6%

¹ Includes Service Delay, Tour Length and Holiday overtime.

² Not Applicable

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

Totals may not add due to rounding.

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

* Exceeds 100%

MTA LONG ISLAND RAIL ROAD
2013 February Financial Plan
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	Monthly			Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u>	1,421	\$0.1		1,089	\$0.0	
	3.3%	2.7%		1.3%	1.2%	
<u>Unscheduled Service</u>	179	(0.0)		(38)	(0.1)	
	1.9%	-3.0%		-0.2%	-8.1%	
<u>Programmatic/Routine Maintenance</u>	7,234	0.3	Lower than anticipated maintenance needs in Engineering and Maintenance of Equipment.	7,340	0.4	Lower than anticipated maintenance needs in Engineering and Maintenance of Equipment.
	18.5%	19.0%		9.4%	11.3%	
<u>Unscheduled Maintenance</u>	221	0.0		108	0.0	
	43.1%	43.1%		9.1%	9.1%	
<u>Vacancy/Absentee Coverage</u>	(19,150)	(0.9)	Primarily due to open jobs in Maintenance of Equipment. There are an average 88 of open jobs in this department. Availability in Transportation and Customer Service is lower than projected.	(33,568)	(1.5)	Primarily due to open jobs in Maintenance of Equipment. There are an average 96 of open jobs in this department YTD. In addition, availability in Customer Service is lower than projected.
	-62.7%	-58.8%		-60.5%	-54.6%	
<u>Weather Emergencies</u>	(44,710)	(2.1)	Due to Winter Storm of February 8-9.	(41,694)	(1.9)	Due to Winter Storm of February 8-9.
	*	*		*	*	
<u>Safety/Security/Law Enforcement</u>						
<u>Other</u>	(438)	(0.7)	Due to variance between actual and forecasted wage rates including double-time payments.	(494)	(0.9)	Due to variance between actual and forecasted wage rates including double-time payments.
	-29.9%	*		-16.9%	*	
Subtotal	(55,244)	(\$3.3)		(67,255)	(\$4.0)	
	-40.7%	-49.7%		-25.4%	-31.0%	
REIMBURSABLE OVERTIME						
	3,043	\$0.2	Under-run due to timing of Audio-Visual Paging Expansion (AVPS) and Positive Train Control resulting from latest project schedule requirements.	8,210	\$0.4	Due to timing of AVPS Expansion, PNLA-Positive Train Control, ESA and Forest City/Ratner projects.
	35.2%	36.3%		43.6%	44.7%	
TOTAL OVERTIME	(52,201)	(\$3.1)		(59,046)	(\$3.5)	
	-36.2%	-44.2%		-20.8%	-25.6%	
* Exceeds 100%						

METROPOLITAN TRANSPORTATION AUTHORITY - LONG ISLAND RAIL ROAD
2013 Overtime Reporting
Overtime Legend

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
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
TOTAL FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS by FUNCTION and DEPARTMENT
NON-REIMBURSABLE and REIMBURSABLE
END-of-MONTH FEBRUARY 2013

	Budget	Actual	Favorable/ (Unfavorable) Variance
Administration			
Executive VP	3	5	(2)
Labor Relations	18	18	0
Procurement & Logistics (excl. Stores)	84	79	5
Human Resources	32	28	4
Sr VP Administration	2	2	0
Strategic Investments	35	28	7
President	4	4	0
VP & CFO	2	8	(6)
Information Technology	160	151	9
Controller	42	40	2
Management & Budget	18	18	0
Process Re-Engineering	7	6	1
VP - East Side Access & Special Projects	32	27	5
Market Dev. & Public Affairs	59	53	6
Gen. Counsel & Secretary	30	31	(1)
Diversity Management	1	1	0
System Safety/Training	69	70	(1)
Security	6	6	0
Sr VP Operations/Service Planning	24	19	5
Total Administration	628	594	34
Operations			
Train Operations	1,910	1,887	23
Customer Services	293	288	5
Total Operations	2,203	2,175	28
Maintenance			
Engineering	1,589	1,527	62
Equipment	2,052	1,964	88
Procurement (Stores)	92	92	-
Total Maintenance	3,733	3,583	150
Engineering/Capital			
Department of Project Management	143	120	23
Total Engineering/Capital	143	120	23
Baseline Total Positions	6,707	6,472	235
Non-Reimbursable	6,062	5,983	79
Reimbursable	645	489	156
Total Full-Time	6,707	6,472	235
Total Full-Time-Equivalents	-	-	-

**MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS
NON-REIMBURSABLE and REIMBURSABLE
END-OF-MONTH FEBRUARY 2013**

Explanation of Variances
NON-REIMBURSABLE POSITIONS - Favorable 79 positions due to open positions in the Equipment Department and vacancies company-wide.
REIMBURSABLE POSITIONS - Favorable 156 positions primarily due to the timing of project activity.

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
TOTAL FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS by FUNCTION and OCCUPATION
END-of-MONTH FEBRUARY 2013

	<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable) Variance</u>
Administration			
Managers/Supervisors	324	291	33
Professional, Technical, Clerical	304	303	1
Operational Hourlies			-
Total Administration	628	594	34
Operations			
Managers/Supervisors	322	303	19
Professional, Technical, Clerical	162	159	3
Operational Hourlies	1,719	1,713	6
Total Operations	2,203	2,175	28
Maintenance			
Managers/Supervisors	723	641	82
Professional, Technical, Clerical	268	255	13
Operational Hourlies	2,742	2,687	55
Total Maintenance	3,733	3,583	150
Engineering/Capital			
Managers/Supervisors	112	97	15
Professional, Technical, Clerical	31	23	8
Operational Hourlies	-		-
Total Engineering/Capital	143	120	23
Total Positions			
Managers/Supervisors	1,481	1,332	149
Professional, Technical, Clerical	765	740	25
Operational Hourlies	4,461	4,400	61
Total Positions	6,707	6,472	235

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
RIDERSHIP
(In Thousands)

RIDERSHIP	February 2013				Year-to-Date February 2013			
	Budget	Actual	Favorable/ (Unfavorable) Variance	%	Budget	Actual	Favorable/ (Unfavorable) Variance	%
Monthly	3.536	3.503	(0.033)	-0.9%	7.412	7.319	(0.092)	-1.2%
Weekly	0.125	0.126	0.000	0.2%	0.259	0.259	0.000	0.2%
Total Commutation	3.661	3.629	(0.033)	-0.9%	7.671	7.579	(0.092)	-1.2%
One-Way Full Fare	0.563	0.560	(0.003)	-0.5%	1.155	1.186	0.031	2.7%
One-Way Off-Peak	1.181	1.121	(0.060)	-5.1%	2.496	2.445	(0.051)	-2.1%
All Other	0.670	0.711	0.041	6.2%	1.355	1.440	0.085	6.3%
Total Non-Commutation	2.413	2.392	(0.022)	-0.9%	5.006	5.070	0.065	1.3%
Total	6.075	6.021	(0.054)	-0.9%	12.676	12.649	(0.027)	-0.2%

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
MONTHLY PERFORMANCE INDICATORS
February 2013

		<u>MONTH</u>			<u>VARIANCE</u>	
		<u>2013</u>	<u>Adopted Budget</u>	<u>2012</u>	<u>vs. Budget</u>	<u>vs. 2012</u>
Farebox Operating Ratio	Standard ⁽¹⁾	40.5%	40.8%	45.9%	-0.3%	-5.4%
	Adjusted ⁽²⁾	51.5%	50.6%	61.9%	0.9%	-10.4%
Cost Per Passenger	Standard ⁽¹⁾	\$18.17	\$18.03	\$15.63	(\$0.14)	(\$2.54)
	Adjusted ⁽²⁾	\$15.67	\$15.36	\$13.16	(\$0.31)	(\$2.51)
Passenger Revenue/Passenger ⁽³⁾		\$7.36	\$7.36	\$7.17	\$0.00	\$0.19
		<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
		<u>2013</u>	<u>Adopted Budget</u>	<u>2012</u>	<u>vs. Budget</u>	<u>vs. 2012</u>
Farebox Operating Ratio	Standard ⁽¹⁾	41.3%	40.5%	44.7%	0.8%	-3.4%
	Adjusted ⁽²⁾	51.3%	50.0%	56.3%	1.3%	-5.0%
Cost Per Passenger	Standard ⁽¹⁾	\$17.34	\$17.67	\$15.99	\$0.33	(\$1.35)
	Adjusted ⁽²⁾	\$14.92	\$15.12	\$13.53	\$0.20	(\$1.39)
Passenger Revenue/Passenger ⁽³⁾		\$7.16	\$7.16	\$7.15	\$0.00	\$0.01

(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

MTA LONG ISLAND RAIL ROAD

MONTHLY RIDERSHIP REPORT

FEBRUARY 2013

FEBRUARY 2013 RIDERSHIP AND REVENUE REPORT MTA LONG ISLAND RAIL ROAD EXECUTIVE SUMMARY

February

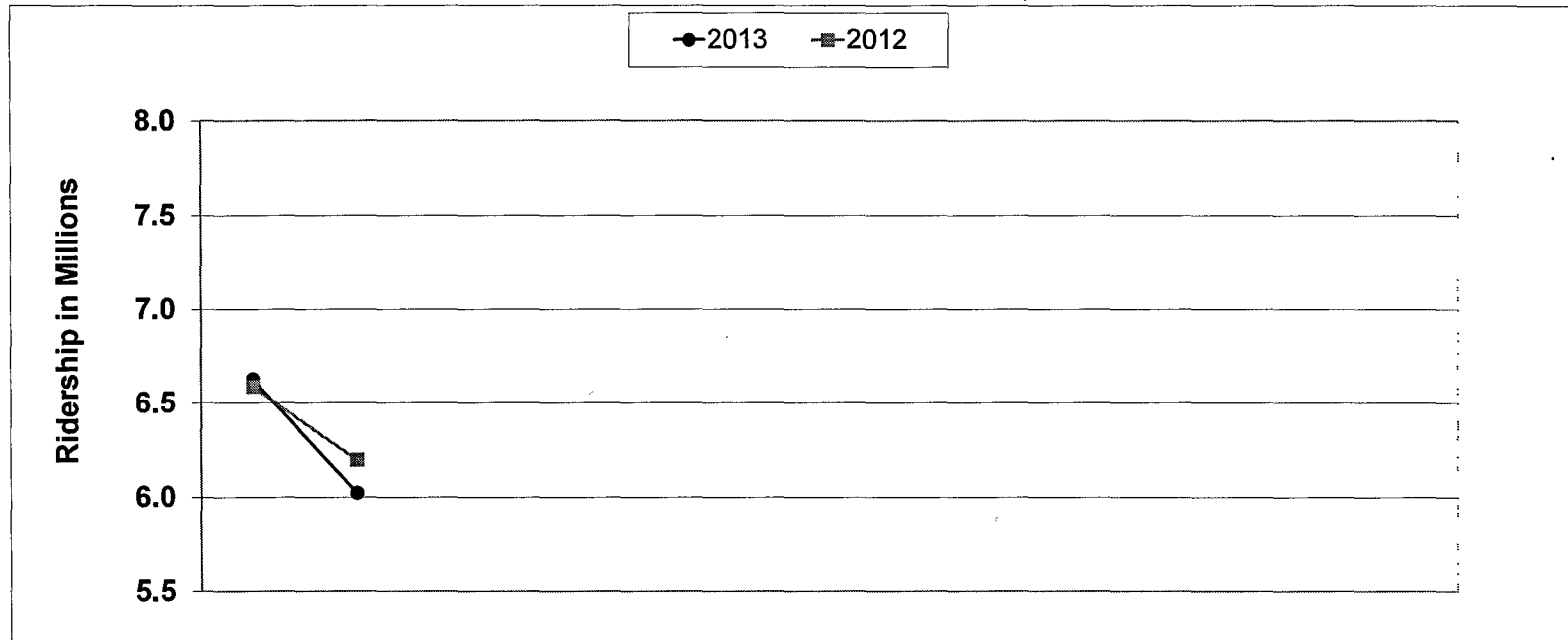
- February 2013 total ridership was 6.0 million vs. 6.2 million in February 2012, a decrease of 174,683 passengers, or a 2.8% decrease compared to February 2012 (calendar adjusted for one less work day this February; 2012 was a leap year). The loss in ridership was negatively impacted by the snow storm (NEMO) on February 8th as a result of significant snowfall affecting Long Island and the NY Metro area.
- February 2013 commutation ridership was 3.6 million vs. 3.7 million in February 2012, a decrease of 26,134 passengers, or a decrease of 0.7% (calendar adjusted).
- February 2013 non-commutation ridership was 2.4 million vs. 2.5 million in February 2012, a decrease of 148,549 passengers, or a decrease of 5.8%.
- February 2013 revenue was \$44.2 million vs. \$45.5 million, a decrease of \$1,320,453 or a decrease of 2.9% compared to February 2012.

Year-To-Date

- 2013 YTD total ridership was 12.6 million vs. 12.8 million in 2012, a decrease of 133,327 or a 1.0% decrease compared to 2012, and 0.2% below budget.
- 2013 YTD commutation ridership was 7.6 million vs. 7.6 million in 2012, a decrease of 52,351 or a 0.7% decrease compared to 2012, and 1.2% below budget.
- 2013 YTD non-commutation ridership was 5.1 million vs. 5.2 million in 2012, a decrease of 80,976 or a decrease of 1.6% compared to 2012, and 1.3% above budget.
- 2013 YTD revenue was \$90.2 million vs. \$91.3 million in 2012, a decrease of \$1,053,483 or a decrease of 1.2% compared to 2012 and 0.2% below budget.

FEBRUARY RIDERSHIP

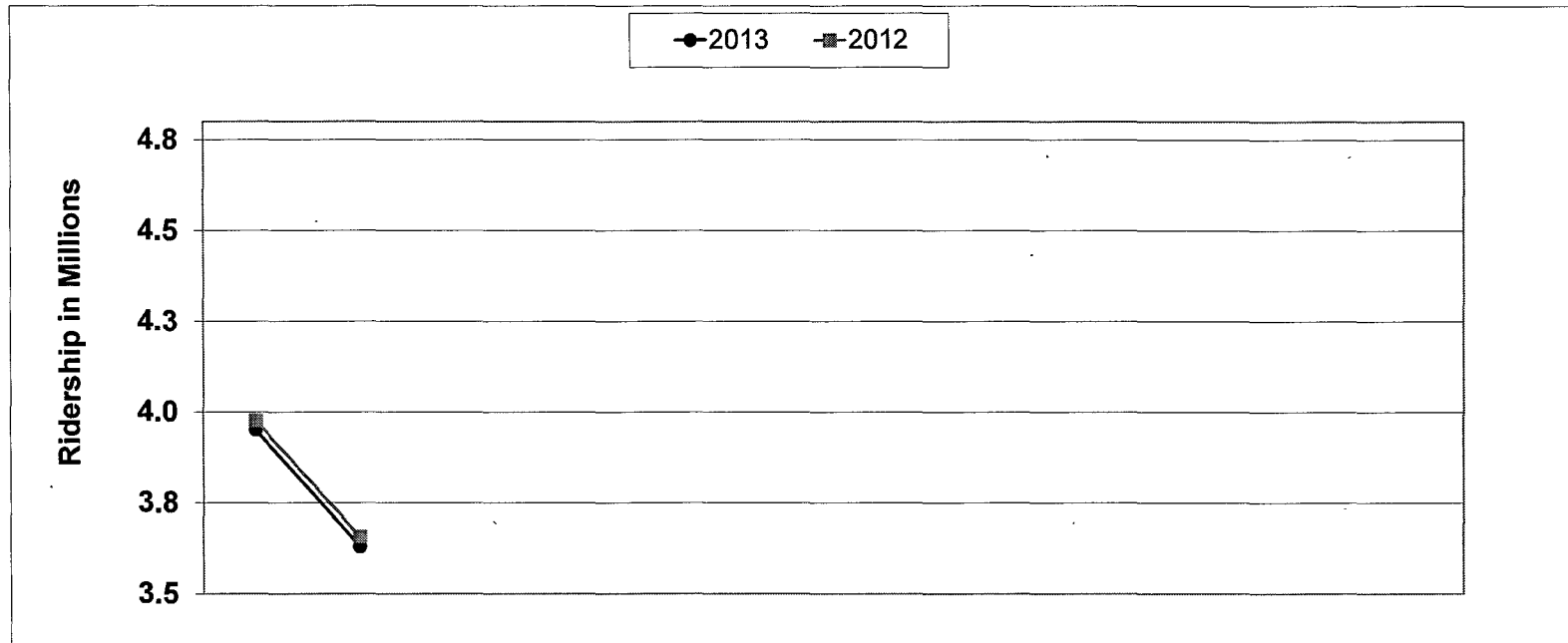
- February's Total Ridership was -2.8% below '12 and -0.9% below Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	6.6	6.0											12.6
2012	6.6	6.2											12.8
PCT CHG.	0.6%	-2.8%											-1.0%

FEBRUARY COMMUTATION RIDERSHIP

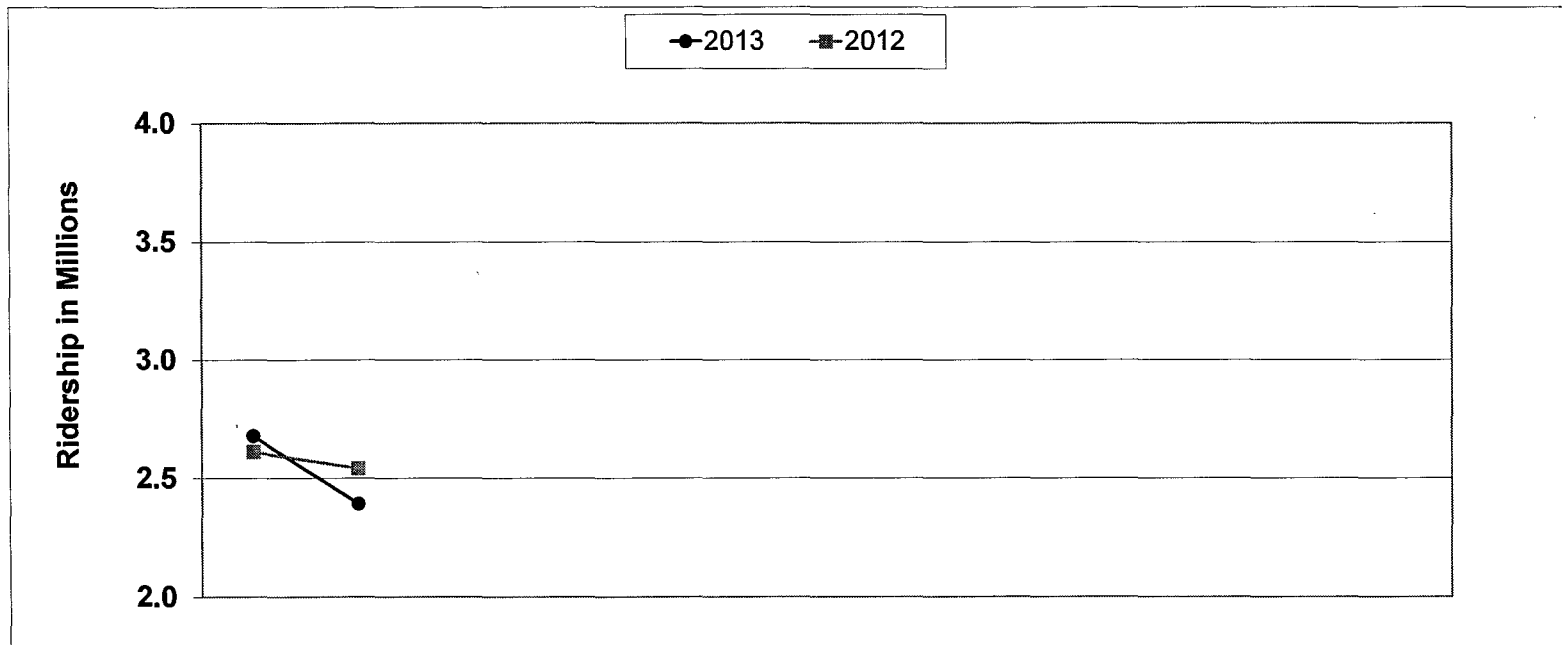
- February's Commutation Ridership was -0.7% below '12 and -0.9% below Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	3.9	3.6											7.6
2012	4.0	3.7											7.6
PCT CHG.	-0.7%	-0.7%											-0.7%

FEBRUARY NON-COMMUTATION RIDERSHIP

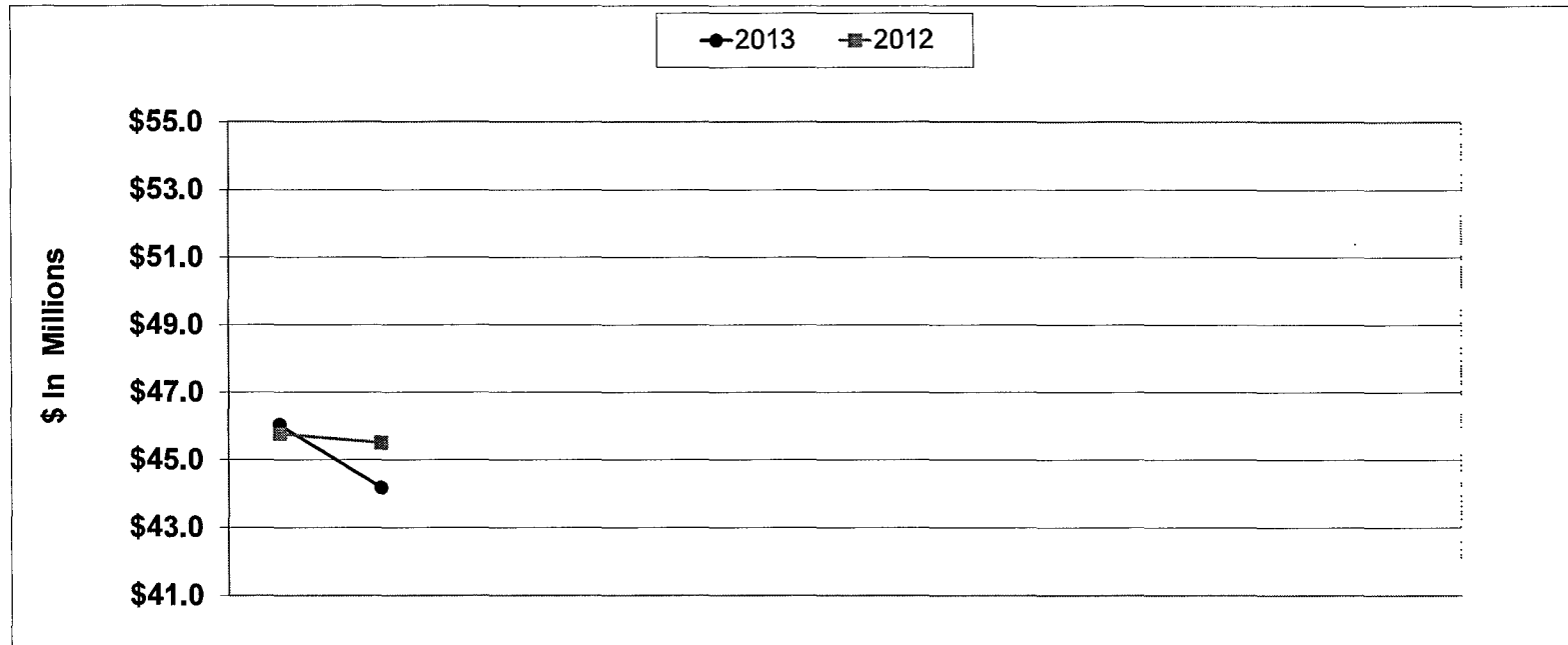
- February's Non-Commutation Ridership was -5.8% below '12 and -0.9% below Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	2.7	2.4											5.1
2012	2.6	2.5											5.2
PCT CHG.	2.6%	-5.8%											-1.6%

FEBRUARY REVENUE

- February's Total Revenue was -2.9% below '12 and -0.8% below Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	\$46.0	\$44.2											\$90.2
2012	\$45.8	\$45.5											\$91.3
PCT CHG.	0.6%	-2.9%											-1.2%

**MTA LONG ISLAND RAIL ROAD
RIDERSHIP SUMMARY
FEBRUARY 2013**

TICKET TYPE/SERVICE	FEBRUARY 2013	FEBRUARY 2012	CHANGE VS. 2012	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	3,628,852	3,654,986	(26,134)	-0.7%
NON-COMMUTATION RIDERSHIP	2,391,827	2,540,376	(148,549)	-5.8%
TOTAL RIDERSHIP	6,020,679	6,195,362	(174,683)	-2.8%

**MTA LONG ISLAND RAIL ROAD
RIDERSHIP SUMMARY
2013 YEAR-TO-DATE**

TICKET TYPE/SERVICE	FEBRUARY 2013	FEBRUARY 2012	CHANGE VS. 2012	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	7,578,633	7,630,984	(52,351)	-0.7%
NON-COMMUTATION RIDERSHIP	5,070,314	5,151,290	(80,976)	-1.6%
TOTAL RIDERSHIP	12,648,947	12,782,274	(133,327)	-1.0%

* 2012 ridership numbers were adjusted using 2013 factors.

**MTA LONG ISLAND RAIL ROAD
REVENUE SUMMARY
FEBRUARY 2013**

REVENUE	FEBRUARY 2013	FEBRUARY 2012	CHANGE VS. 2012	
			AMOUNT	PERCENT
COMMUTATION REVENUE	\$25,241,510	\$25,387,078	(\$145,568)	-0.6%
NON-COMMUTATION REVENUE	\$18,939,437	\$20,114,323	(\$1,174,885)	-5.8%
TOTAL REVENUE	\$44,180,948	\$45,501,401	(\$1,320,453)	-2.9%

**MTA LONG ISLAND RAIL ROAD
REVENUE SUMMARY
2013 YEAR-TO-DATE**

REVENUE	FEBRUARY 2013	FEBRUARY 2012	CHANGE VS. 2012	
			AMOUNT	PERCENT
COMMUTATION REVENUE	\$50,000,105	\$50,489,267	(\$489,162)	-1.0%
NON-COMMUTATION REVENUE	\$40,212,503	\$40,776,823	(\$564,321)	-1.4%
TOTAL REVENUE	\$90,212,608	\$91,266,090	(\$1,053,483)	-1.2%



Long Island Rail Road

Monthly Financial Report

January 2013

MTA LONG ISLAND RAIL ROAD

January Ridership and Financial Report

Executive Summary

Ridership

- During the month of January, total ridership was 6.6 million, which was .6% higher than January 2012 (adjusted for same number of work days) and 0.4% above the budget.
 - In January 2013, commutation ridership was 0.7% lower than 2012 (work day adjusted) and 1.5% lower than the 2013 adopted budget.
 - In January 2013, non-commutation ridership was 2.6% higher than 2012 and 3.3% above the adopted budget.
-

Revenues

- Farebox revenue in January totaling \$46.0 million was \$0.2 million above the adopted budget due to higher ridership.
- Capital & Other Revenue of \$14.7 million was \$2.0 million lower than adopted budget due to timing of project activity and timing of freight and advertising revenue.
- In summary, total LIRR revenue of \$60.8 million was \$1.8 million lower than the adopted budget.

Expenses

- In January, total expenses of \$153.2 million were \$7.5 million less than adopted budget.
- Straight-time payroll spending was \$1.9 million less than adopted budget due to the existence of vacant positions. At the end of January, 290 of 6,723 positions were vacant. These vacancies consisted primarily of maintenance and management positions.
- Overtime hours worked was 4.9% higher than the adopted budget due to vacancy/absentee coverage, partially offset by mild weather and lower project activity.
- Other variances are primarily timing related.

Financial Performance Measures

- In January, the Adjusted Farebox Operating Ratio was 51.1%, which is favorable to adopted budget due to lower expenses.
- In January, the Adjusted Cost per Passenger was \$14.24, which is lower than budget due to lower expenses and higher ridership.
- In January, the Revenue per Passenger was \$6.97, which is on budget.

FINANCIAL REPORT
(\$ In Millions)
For the Month Ending January 31, 2013

REVENUE

January **Total Revenues** (including Capital and Other Reimbursements) of \$60.8 were \$(1.8) or (2.9)% unfavorable to the budget.

- **Farebox Revenues** were \$0.2 favorable to the budget primarily due to higher ridership.
- **Other Operating Revenues** were \$(0.5) unfavorable to budget due to timing of freight and advertising revenue.
- **Capital and Other Reimbursements** were \$(1.5) unfavorable to the budget due to timing of project activity.

OPERATING EXPENSES

Total Expenses (including depreciation and other) of \$153.2 were favorable to the budget by \$7.5 or 4.7%.

Labor Expenses, \$3.1 favorable to the budget.

- **Payroll**, \$1.9 favorable (primarily vacant positions).
- **Overtime**, \$(0.4) unfavorable (primarily open jobs in Maintenance of Equipment due to higher than expected attrition/promotions in 2012, partially offset by mild weather and lower project overtime).
- **Health & Welfare**, \$0.9 favorable (lower rates and vacant positions).
- **OPEB Current Payment**, \$0.6 favorable (lower rates and retirees).
- **Pension**, on budget.
- **Other Fringe**, \$0.2 favorable (primarily lower FELA indemnity claims, partially offset by higher Railroad Retirement Taxes).

Non-Labor Expenses, \$3.8 favorable to the budget.

- **Electric Power**, \$(0.2) unfavorable (primarily higher traction power, partially offset by lower non-traction electricity).
- **Fuel**, \$0.3 favorable (primarily misclassification of natural gas expenses. To be corrected in the first quarter).
- **Insurance**, \$0.2 favorable (primarily Force Account Insurance).
- **Claims**, on budget.
- **Maintenance and Other Operating Contracts**, \$0.2 favorable (primarily timing).
- **Professional Services**, \$(1.0) unfavorable (timing of concrete tie replacement expenses).
- **Materials and Supplies**, \$3.8 favorable (primarily timing of capital activity and material reclaims greater than charge-outs).
- **Other Business Expenses**, \$0.3 favorable (primarily timing of expenses).

Depreciation and Other, \$0.6 favorable (timing of Other Post-Employment Benefits and Depreciation).

FAREBOX OPERATING RATIO

The January Farebox Operating Ratio of 42.0% was 1.8 percentage points above budget resulting from lower expenses and higher revenue. The adjusted January Farebox Operating Ratio was 51.1%. 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.

TABLE 1

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
January 2013
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
			Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)	
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Revenue												
Farebox Revenue	\$45.873	\$46.032	\$0.159	0.3	\$0.000	\$0.000	\$0.000	-	\$45.873	\$46.032	\$0.159	0.3
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.682	2.191	(0.491)	(18.3)	0.000	0.000	0.000	-	2.682	2.191	(0.491)	(18.3)
Capital & Other Reimbursements	0.000	0.000	0.000	-	14.017	12.552	(1.465)	(10.4)	14.017	12.552	(1.465)	(10.4)
Total Revenue	\$48.555	\$48.223	(\$0.332)	(0.7)	\$14.017	\$12.552	(\$1.465)	(10.4)	\$62.572	\$60.775	(\$1.797)	(2.9)
Expenses												
Labor:												
Payroll	\$39.175	\$38.101	\$1.074	2.7	\$5.086	\$4.306	\$0.780	15.3	\$44.261	\$42.407	\$1.854	4.2
Overtime	6.255	6.970	(0.715)	(11.4)	0.526	0.253	0.273	51.9	\$6.781	7.223	(0.442)	(6.5)
Health and Welfare	8.910	8.037	0.873	9.8	0.855	0.817	0.038	4.5	\$9.765	8.854	0.911	9.3
OPEB Current Payment	5.570	5.017	0.553	9.9	0.000	0.000	0.000	-	\$5.570	5.017	0.553	9.9
Pensions	15.593	15.509	0.084	0.5	1.157	1.241	(0.084)	(7.3)	\$16.750	16.750	0.000	0.0
Other Fringe Benefits	10.046	10.019	0.027	0.3	1.030	0.814	0.216	20.9	\$11.076	10.834	0.242	2.2
Reimbursable Overhead	(1.172)	(1.433)	0.261	22.3	1.172	1.433	(0.261)	(22.3)	\$0.000	0.000	0.000	-
Total Labor Expenses	\$84.377	\$82.221	\$2.156	2.6	\$9.826	\$8.864	\$0.962	9.8	\$94.203	\$91.085	\$3.118	3.3
Non-Labor:												
Electric Power	\$8.588	\$8.741	(\$0.153)	(1.8)	\$0.000	\$0.000	\$0.000	-	\$8.588	\$8.741	(\$0.153)	(1.8)
Fuel	2.563	2.230	0.333	13.0	0.000	0.000	0.000	-	\$2.563	2.230	0.333	13.0
Insurance	1.392	1.338	0.054	3.9	0.319	0.181	0.138	43.2	\$1.711	1.519	0.192	11.2
Claims	0.284	0.243	0.041	14.4	0.000	0.000	0.000	-	\$0.284	0.243	0.041	14.4
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	\$0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	4.601	4.298	0.303	6.6	0.527	0.599	(0.072)	(13.6)	\$5.128	4.897	0.231	4.5
Professional Service Contracts	2.227	2.360	(0.133)	(6.0)	0.530	1.374	(0.844)	*	\$2.757	3.734	(0.977)	(35.4)
Materials & Supplies	8.274	5.675	2.599	31.4	2.704	1.486	1.218	45.0	\$10.978	7.161	3.817	34.8
Other Business Expenses	1.236	1.024	0.212	17.2	0.111	0.049	0.062	56.0	\$1.347	1.073	0.274	20.4
Total Non-Labor Expenses	\$29.165	\$25.910	\$3.255	11.2	\$4.191	\$3.688	\$0.503	12.0	\$33.356	\$29.598	\$3.758	11.3
Other Expense Adjustments:												
Other	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Depreciation & Other Post Employment Benefits	\$113.542	\$108.131	\$5.411	4.8	\$14.017	\$12.552	\$1.465	10.4	\$127.559	\$120.683	\$6.876	5.4
Depreciation	\$26.129	\$26.072	\$0.057	0.2	\$0.000	\$0.000	\$0.000	-	\$26.129	\$26.072	\$0.057	0.2
Other Post Employment Benefits	6.800	6.233	0.567	8.3	0.000	0.000	0.000	-	\$6.800	6.233	0.567	8.3
Environmental Remediation	0.167	0.167	0.000	0.2	0.000	0.000	0.000	-	\$0.167	0.167	0.000	0.2
Total Expenses	\$146.538	\$140.602	\$6.036	4.1	\$14.017	\$12.552	\$1.465	10.4	\$160.655	\$153.154	\$7.501	4.7
Net Surplus/(Deficit)	(\$98.083)	(\$92.379)	\$5.704	5.8	\$0.000	\$0.000	\$0.000	-	(\$98.083)	(\$92.379)	\$5.704	5.8
Cash Conversion Adjustments												
Depreciation	26.129	26.072	(0.057)	(0.2)	0.000	0.000	0.000	-	26.129	26.072	(0.057)	(0.2)
Operating/Capital	(0.953)	(1.836)	(0.883)	(92.7)	0.000	0.000	0.000	-	(0.953)	(1.836)	(0.883)	(92.7)
Other Cash Adjustments	1.028	(3.982)	(5.010)	*	0.000	0.000	0.000	-	1.028	(3.982)	(5.010)	*
Total Cash Conversion Adjustments	\$26.204	\$20.253	(\$5.951)	(22.7)	0.000	\$0.000	\$0.000	-	\$26.204	\$20.253	(\$5.951)	(22.7)
Net Cash Surplus/(Deficit)	(\$71.879)	(\$72.126)	(\$0.247)	(0.3)	\$0.000	\$0.000	\$0.000	-	(\$71.879)	(\$72.126)	(\$0.247)	(0.3)

TABLE 2

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
January Year-To-Date
(\$ In millions)

	Nonreimbursable				Reimbursable				Total			
			Favorable (Unfavorable)				Favorable (Unfavorable)				Favorable (Unfavorable)	
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Revenue												
Farebox Revenue	\$45.873	\$46.032	\$0.159	0.3	\$0.000	\$0.000	\$0.000	-	\$45.873	\$46.032	\$0.159	0.3
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.682	2.191	(0.491)	(18.3)	0.000	0.000	0.000	-	2.682	2.191	(0.491)	(18.3)
Capital & Other Reimbursements	0.000	0.000	0.000	-	14.017	12.552	(1.465)	(10.4)	14.017	12.552	(1.465)	(10.4)
Total Revenue	\$48.555	\$48.223	(\$0.332)	(0.7)	\$14.017	\$12.552	(\$1.465)	(10.4)	\$62.572	\$60.775	(\$1.797)	(2.9)
Expenses												
Labor:												
Payroll	\$39.175	\$38.101	\$1.074	2.7	\$5.086	\$4.306	\$0.780	15.3	\$44.261	\$42.407	\$1.854	4.2
Overtime	6.255	6.970	(0.715)	(11.4)	0.526	0.253	0.273	51.9	\$6.781	7.223	(0.442)	(6.5)
Health and Welfare	8.910	8.037	0.873	9.8	0.855	0.817	0.038	4.5	\$9.765	8.854	0.911	9.3
OPEB Current Payment	5.570	5.017	0.553	9.9	0.000	0.000	0.000	-	\$5.570	5.017	0.553	9.9
Pensions	15.593	15.509	0.084	0.5	1.157	1.241	(0.084)	(7.3)	\$16.750	16.750	0.000	0.0
Other Fringe Benefits	10.046	10.019	0.027	0.3	1.030	0.814	0.216	20.9	\$11.076	10.834	0.242	2.2
Reimbursable Overhead	(1.172)	(1.433)	0.261	22.3	1.172	1.433	(0.261)	(22.3)	\$0.000	0.000	0.000	-
Total Labor Expenses	\$84.377	\$82.221	\$2.156	2.6	\$9.826	\$8.864	\$0.962	9.8	\$94.203	\$91.085	\$3.118	3.3
Non-Labor:												
Electric Power	\$8.588	\$8.741	(\$0.153)	(1.8)	\$0.000	\$0.000	\$0.000	-	\$8.588	\$8.741	(\$0.153)	(1.8)
Fuel	2.563	2.230	0.333	13.0	0.000	0.000	0.000	-	\$2.563	2.230	0.333	13.0
Insurance	1.392	1.338	0.054	3.9	0.319	0.181	0.138	43.2	\$1.711	1.519	0.192	11.2
Claims	0.284	0.243	0.041	14.4	0.000	0.000	0.000	-	\$0.284	0.243	0.041	14.4
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	\$0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	4.601	4.298	0.303	6.6	0.527	0.599	(0.072)	(13.6)	\$5.128	4.897	0.231	4.5
Professional Service Contracts	2.227	2.360	(0.133)	(6.0)	0.530	1.374	(0.844)	*	\$2.757	3.734	(0.977)	(35.4)
Materials & Supplies	8.274	5.675	2.599	31.4	2.704	1.486	1.218	45.0	\$10.978	7.161	3.817	34.8
Other Business Expenses	1.236	1.024	0.212	17.2	0.111	0.049	0.062	56.0	\$1.347	1.073	0.274	20.4
Total Non-Labor Expenses	\$29.165	\$25.910	\$3.255	11.2	\$4.191	\$3.688	\$0.503	12.0	\$33.366	\$29.598	\$3.768	11.3
Other Expense Adjustments												
Other	\$0.000	\$0.000	(\$0.000)	-	\$0.000	\$0.000	\$0.000	-	0.000	\$0.000	(\$0.000)	-
Total Other Expense Adjustments	\$0.000	\$0.000	(\$0.000)	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	(\$0.000)	-
Total Expenses before Depreciation & Other Post Employment Benefits	\$113.542	\$108.131	\$5.411	4.8	\$14.017	\$12.552	\$1.465	10.4	\$127.559	\$120.683	\$6.876	5.4
Depreciation	\$26.129	\$26.072	0.057	0.2	\$0.000	\$0.000	\$0.000	-	\$26.129	\$26.072	\$0.057	0.2
Other Post Employment Benefits	6.800	6.233	0.567	8.3	0.000	0.000	0.000	-	\$6.800	6.233	0.567	8.3
Environmental Remediation	0.167	0.167	0.000	0.2	0.000	0.000	0.000	-	\$0.167	0.167	0.000	0.2
Total Expenses	\$146.638	\$140.602	\$6.036	4.1	\$14.017	\$12.552	\$1.465	10.4	\$160.685	\$153.154	\$7.501	4.7
Net Surplus/(Deficit)	(\$98.083)	(\$92.379)	\$5.704	5.8	\$0.000	\$0.000	\$0.000	-	(\$98.083)	(\$92.379)	\$5.704	5.8
Cash Conversion Adjustments												
Depreciation	26.129	26.072	(0.057)	(0.2)	0.000	0.000	0.000	-	26.129	26.072	(0.057)	(0.2)
Operating/Capital	(0.953)	(1.836)	(0.883)	(92.7)	0.000	0.000	0.000	-	(0.953)	(1.836)	(0.883)	(92.7)
Other Cash Adjustments	1.028	(3.982)	(5.010)	*	0.000	0.000	0.000	-	1.028	(3.982)	(5.010)	*
Total Cash Conversion Adjustments	\$26.204	\$20.253	(\$5.951)	(22.7)	\$0.000	\$0.000	\$0.000	-	\$26.204	\$20.253	(\$5.951)	(22.7)
Net Cash Surplus/(Deficit)	(\$71.879)	(\$72.126)	(\$0.247)	(0.3)	\$0.000	\$0.000	\$0.000	-	(\$71.879)	(\$72.126)	(\$0.247)	(0.3)

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

January 2013					Year-to-Date January 2013		
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Revenue							
Farebox Revenue	Non Reimb.	0.159	0.3	Higher ridership \$0.185, partially offset by lower yield \$(0.026).			
Other Operating Revenue	Non Reimb.	(0.491)	(18.3)	Primarily due to lower advertising guarantee revenue.			
Capital & Other Reimbursements	Reimb.	(1.465)	(10.4)	Primarily due to timing of project activity.			
Expenses							
Payroll	Non Reimb.	1.074	2.7	Primarily vacant positions and lower rates.			
	Reimb.	0.780	15.3	Primarily due to timing of project activity and other reimbursements.			
Overtime	Non Reimb.	(0.715)	(11.4)	Primarily higher vacancy/absentee coverage and rates, partially offset by lower relief-day, pure overtime and holiday overtime.			
	Reimb.	0.273	51.9	Primarily due to timing of project activity.			
Health and Welfare	Non Reimb.	0.873	9.8	Vacant positions and lower rates.			
	Reimb.	0.038	4.5	Primarily due to timing of project activity.			
OPEB Current Payment	Non Reimb.	0.553	9.9	Lower rates and fewer retirees/beneficiaries.			
Pensions	Non Reimb.	0.084	0.5	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was under estimated.			
	Reimb.	(0.084)	(7.3)	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was under estimated.			

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

January 2013				Year-to-Date January 2013			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Other Fringe Benefits	Non Reimb.	0.027	0.3	Lower FELA indemnity payments, partially offset by higher Railroad Retirement tax rates.			
	Reimb.	0.216	20.9	Primarily due to timing of project activity.			
Electric Power	Non Reimb.	(0.153)	(1.8)	Primarily due to accrual adjustments for traction power expenses, partially offset by lower non-traction electricity.			
	Reimb.	0.000	-				
Fuel	Non Reimb.	0.333	13.0	Primarily due to misclassification of natural gas expenses, partially offset by higher diesel fuel rates.			
Insurance	Non Reimb.	0.054	3.9	Timing of premium payments.			
	Reimb.	0.138	43.2	Force Account Insurance associated with project activity.			
Claims	Non Reimb.	0.041	14.4	Decrease in non-employee Indemnity payments.			
Maintenance & Other Operating Contracts	Non Reimb.	0.303	6.6	Primarily due to timing of expenses, expense misclassifications and prior period adjustments.			
	Reimb.	(0.072)	(13.6)	Primarily due to timing of project activity.			
Professional Service Contracts	Non Reimb.	(0.133)	(6.0)	Primarily due to the misclassification of charges for parking facilities maintenance, partially offset by lower consulting fees for the Equipment Department and lower outside training.			
	Reimb.	(0.844)	*	Primarily due to timing of project activity and concrete tie replacement project.			

TABLE 3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL: ACCRUAL BASIS

January 2013					Year-to-Date January 2013		
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Materials & Supplies	Non Reimb.	2.599	31.4	Primarily pool material reclaims greater than chargeouts, the timing of payments for non stock materials, lower use of running repair material in the Support Shops and lower materials for periodic inspections in the Car Shop and material for diesel fleet modifications.			
	Reimb.	1.218	45.0	Primarily due to timing of project activity and timing of payments for project material.			
Other Business Expenses	Non Reimb.	0.212	17.2	Timing of bad debt expenses, office supplies and miscellaneous expenses.			
	Reimb.	0.062	56.0	Primarily due to timing of project activity.			
Depreciation	Non Reimb.	0.057	0.2	Primarily timing.			
Other Post Employment Benefits	Non Reimb.	0.567	8.3	Lower GASB adjustment to reflect the value associated with unfunded accrued liability for post employment benefits.			

Table 4

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
CASH RECEIPTS and EXPENDITURES
January 2013
(\$ in millions)

	Month				Year-to-Date			
	Favorable (Unfavorable)				Favorable (Unfavorable)			
	Budget	Actual	Variance	Percent	Budget	Actual	Variance	Percent
Receipts								
Farebox Revenue	\$48.289	\$49.257	\$0.968	2.0	\$48.289	\$49.257	\$0.968	2.0
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.692	2.334	(0.358)	(13.3)	2.692	2.334	(0.358)	(13.3)
Capital & Other Reimbursements	9.710	14.197	4.487	46.2	9.710	14.197	4.487	46.2
Total Receipts	\$60.691	\$65.787	\$5.096	8.4	\$60.691	\$65.787	\$5.096	8.4
Expenditures								
<i>Labor:</i>								
Payroll	\$44.726	\$42.059	\$2.667	6.0	\$44.726	\$42.059	\$2.667	6.0
Overtime	8.073	8.637	(0.564)	(7.0)	8.073	8.637	(0.564)	(7.0)
Health and Welfare	9.765	16.985	(7.220)	(73.9)	9.765	16.985	(7.220)	(73.9)
OPEB Current Payment	5.571	9.174	(3.603)	(64.7)	5.571	9.174	(3.603)	(64.7)
Pensions	16.750	17.412	(0.662)	(4.0)	16.750	17.412	(0.662)	(4.0)
Other Fringe Benefits	10.721	9.228	1.493	13.9	10.721	9.228	1.493	13.9
GASB	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor Expenditures	\$95.606	\$103.495	(\$7.889)	(8.3)	\$95.606	\$103.495	(\$7.889)	(8.3)
<i>Non-Labor:</i>								
Electric Power	\$8.820	\$7.260	\$1.560	17.7	\$8.820	\$7.260	\$1.560	17.7
Fuel	2.563	2.134	0.429	16.7	2.563	2.134	0.429	16.7
Insurance	3.568	4.676	(1.108)	(31.1)	3.568	4.676	(1.108)	(31.1)
Claims	0.134	1.630	(1.496)	*	0.134	1.630	(1.496)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	4.245	4.157	0.088	2.1	4.245	4.157	0.088	2.1
Professional Service Contracts	3.293	3.047	0.246	7.5	3.293	3.047	0.246	7.5
Materials & Supplies	10.613	9.494	1.119	10.5	10.613	9.494	1.119	10.5
Other Business Expenses	1.311	0.979	0.332	25.3	1.311	0.979	0.332	25.3
Total Non-Labor Expenditures	\$34.547	\$33.378	\$1.169	3.4	\$34.547	\$33.378	\$1.169	3.4
<i>Other Expenditure Adjustments:</i>								
Other	2.417	1.792	0.625	25.9	2.417	1.792	0.625	25.9
Total Other Expenditure Adjustments	\$2.417	\$1.792	\$0.625	25.9	\$2.417	\$1.792	\$0.625	25.9
Total Expenditures	\$132.570	\$138.664	(\$6.094)	(4.6)	\$132.570	\$138.664	(\$6.094)	(4.6)
Cash Timing and Availability Adjustment	0.000	0.751	0.751	-	0.000	0.751	0.751	-
Net Cash Deficit (excludes opening balance)	(\$71.879)	(\$72.126)	(\$0.247)	(0.3)	(\$71.879)	(\$72.126)	(\$0.247)	(0.3)
Subsidies								
MTA	71.879	72.130	0.251	0.3	71.879	72.130	0.251	0.3

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
EXPLANATION OF VARIANCES BETWEEN ADOPTED BUDGET AND ACTUAL CASH BASIS

Table 5

Generic Revenue or Expense Category	January 2013			Year-to-Date as of January 31, 2013		
	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%		\$	%	
Receipts						
Farebox Revenue	0.968	2.0	Higher advance sales impact \$1,160 and higher ridership \$0,185, partially offset by lower Metrocard/AirTrain sales \$(0,351) and lower yields \$(0,026).	0.968	2.0	
Other Operating Revenue	(0.358)	(13.3)	Primarily due to the timing of rental revenue.	(0.358)	(13.3)	
Capital and Other Reimbursements	4.487	46.2	Timing of activity and reimbursement for capital and other reimbursements.	4.487	46.2	
Expenditures						
Labor:						
Payroll	2.667	6.0	Primarily due to lower heads.	2.667	6.0	
Overtime	(0.564)	(7.0)	Primarily higher vacancy/absentee coverage.	(0.564)	(7.0)	
Health and Welfare	(7.220)	(73.9)	Primarily due to the timing of payments.	(7.220)	(73.9)	
OPEB Current Payment	(3.603)	(64.7)	Primarily due to the timing of payments.	(3.603)	(64.7)	
Pensions	(0.662)	(4.0)	Timing of payments.	(0.662)	(4.0)	
Other Fringe Benefits	1.493	13.9	Primarily the timing of FELA claim payments.	1.493	13.9	
Non-Labor:						
Electric Power	1.560	17.7	Primarily due to the timing of payments.	1.560	17.7	
Fuel	0.429	16.7	Primarily due to timing of payments.	0.429	16.7	
Insurance	(1.108)	(31.1)	Timing of insurance premium payments.	(1.108)	(31.1)	
Claims	(1.496)	*	Timing of payment for claims.	(1.496)	*	
Professional Service Contracts	0.246	7.5	Primarily the timing of MTA Chargeback payments.	0.246	7.5	
Materials and Supplies	1.119	10.5	Primarily the timing of program, production plan, and operating funded capital material and supplies.	1.119	10.5	
Other Business Expenses	0.332	25.3	Primarily due to the timing of office supplies and miscellaneous payments.	0.332	25.3	
Other Expenditure Adjustments	0.625	25.9	Lower Metrocard/AirTrain pass through payments.	0.625	25.9	

Table 6

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
CASH CONVERSION (CASH FLOW ADJUSTMENTS)

January 2013

(\$ in millions)

	Month				Year-to-Date			
	Budget	Actual	Favorable (Unfavorable)		Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Revenue	\$2.416	\$3.225	\$0.809	33.5	\$2.416	\$3.225	\$0.809	33.5
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	0.010	0.143	0.133	*	0.010	0.143	0.133	*
Capital & Other Reimbursements	(4.307)	1.645	5.952	*	(4.307)	1.645	5.952	*
Total Receipts	(\$1.881)	\$5.013	\$6.894	*	(\$1.881)	\$5.013	\$6.894	*
Expenditures								
<i>Labor:</i>								
Payroll	(\$0.465)	\$0.348	\$0.813	*	(\$0.465)	\$0.348	\$0.813	*
Overtime	(1.292)	(1.414)	(0.122)	(9.5)	(1.292)	(1.414)	(0.122)	(9.5)
Health and Welfare	0.000	(8.131)	(8.131)	-	0.000	(8.131)	(8.131)	-
OPEB Current Payment	(0.001)	(4.156)	(4.156)	*	(0.001)	(4.156)	(4.156)	*
Pensions	0.000	(0.662)	(0.662)	-	0.000	(0.662)	(0.662)	-
Other Fringe Benefits	0.355	1.605	1.250	*	0.355	1.605	1.250	*
GASB	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor Expenditures	(\$1.403)	(\$12.410)	(\$11.007)	*	(\$1.403)	(\$12.410)	(\$11.007)	*
<i>Non-Labor:</i>								
Electric Power	(\$0.232)	\$1.481	\$1.713	*	(\$0.232)	\$1.481	\$1.713	*
Fuel	0.000	0.097	0.097	-	0.000	0.097	0.097	-
Insurance	(1.857)	(3.157)	(1.300)	(70.0)	(1.857)	(3.157)	(1.300)	(70.0)
Claims	0.150	(1.387)	(1.537)	*	0.150	(1.387)	(1.537)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	0.883	0.740	(0.143)	(16.2)	0.883	0.740	(0.143)	(16.2)
Professional Service Contracts	(0.536)	0.687	1.223	*	(0.536)	0.687	1.223	*
Materials & Supplies	0.365	(2.332)	(2.697)	*	0.365	(2.332)	(2.697)	*
Other Business Expenses	0.036	0.093	0.057	*	0.036	0.093	0.057	*
Total Non-Labor Expenditures	(\$1.191)	(\$3.780)	(\$2.588)	*	(\$1.191)	(\$3.780)	(\$2.588)	*
<i>Other Expenditure Adjustments:</i>								
Other	(2.417)	(1.792)	0.625	25.9	(2.417)	(1.792)	0.625	25.9
Total Other Expenditure Adjustments	(\$2.417)	(\$1.792)	\$0.625	25.9	(\$2.417)	(\$1.792)	\$0.625	25.9
Total Expenditures before Depreciation	(\$5.011)	(\$17.982)	(\$12.971)	*	(\$5.011)	(\$17.982)	(\$12.971)	*
Depreciation Adjustment	26.129	26.072	(0.057)	(0.2)	26.129	26.072	(0.057)	(0.2)
Other Post Employment Benefits	6.800	6.233	(0.567)	(8.3)	6.800	6.233	(0.567)	(8.3)
Environmental Remediation	0.167	0.167	(0.000)	(0.2)	0.167	0.167	(0.000)	(0.2)
Total Expenditures	\$28.085	\$14.489	(\$13.596)	(48.4)	\$28.085	\$14.489	(\$13.596)	(48.4)
Cash Timing and Availability Adjustment	0.000	0.751	0.751	-	0.000	0.751	0.751	-
Total Cash Conversion Adjustments	\$26.204	\$20.253	(\$5.951)	(22.7)	\$26.204	\$20.253	(\$5.951)	(22.7)

MTA LONG ISLAND RAIL ROAD
2013 February Financial Plan
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	January 2013						January Year-to-Date					
	Adopted Budget		Actuals		Var. - Fav./ (Unfav)		Adopted Budget		Actuals		Var. - Fav./ (Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Scheduled Service ¹	41,744	\$2.1	42,075	\$2.1	(331)	(\$0.0)	41,744	\$2.1	42,075	\$2.1	(331)	(\$0.0)
					-0.8%	-0.4%					-0.8%	-0.4%
Unscheduled Service	9,590	0.5	9,807	0.5	(217)	(0.1)	9,590	0.5	9,807	0.5	(217)	(0.1)
					-2.3%	-13.4%					-2.3%	-13.4%
Programmatic/Routine Maintenance	38,964	1.8	38,857	1.7	107	0.1	38,964	1.8	38,857	1.7	107	0.1
					0.3%	3.5%					0.3%	3.5%
Unscheduled Maintenance	675	0.0	788	0.0	(113)	(0.0)	675	0.0	788	0.0	(113)	(0.0)
					-16.7%	-16.7%					-16.7%	-16.7%
Vacancy/Absentee Coverage	24,940	1.3	39,358	1.9	(14,418)	(0.6)	24,940	1.3	39,358	1.9	(14,418)	(0.6)
					-57.8%	-49.6%					-57.8%	-49.6%
Weather Emergencies	11,521	0.5	8,504	0.4	3,017	0.1	11,521	0.5	8,504	0.4	3,017	0.1
					26.2%	27.6%					26.2%	27.6%
Safety/Security/Law Enforcement ²	-	0.0	-	0.0	-	-	-	0.0	-	0.0	-	-
Other ³	1,464	0.1	1,520	0.3	(56)	(0.2)	1,464	0.1	1,520	0.3	(56)	(0.2)
					-3.8%	*					-3.8%	*
Subtotal	128,898	\$6.3	140,910	\$7.0	(12,012)	(\$0.7)	128,898	\$6.3	140,910	\$7.0	(12,012)	(\$0.7)
					-9.3%	-11.4%					-9.3%	-11.4%
REIMBURSABLE OVERTIME	10,204	\$0.5	5,037	\$0.3	5,167	\$0.3	10,204	\$0.5	5,037	\$0.3	5,167	\$0.3
					50.6%	52.0%					50.6%	52.0%
TOTAL OVERTIME	139,102	\$6.8	145,947	\$7.2	(6,845)	(\$0.4)	139,102	\$6.8	145,947	\$7.2	(6,845)	(\$0.4)
					-4.9%	-5.5%					-4.9%	-5.5%

¹ Includes Service Delay, Tour Length and Holiday overtime.

² Not Applicable

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

Totals may not add due to rounding.

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

* Exceeds 100%

MTA LONG ISLAND RAIL ROAD
2013 February Financial Plan
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	Monthly			Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u>	(331)	(\$0.0)		(331)	(\$0.0)	
	-0.8%	-0.4%		-0.8%	-0.4%	
<u>Unscheduled Service</u>	(217)	(0.1)	Due to unforeseen operational issues which require the use of additional overtime.	(217)	(0.1)	
	-2.3%	-13.4%		-2.3%	-13.4%	
<u>Programmatic/Routine Maintenance</u>	107	0.1	Lower than anticipated maintenance needs in Engineering..	107	0.1	
	0.3%	3.5%		0.3%	3.5%	
<u>Unscheduled Maintenance</u>	(113)	(0.0)	Due to train/car accident at Brentwood Station.	(113)	(0.0)	
	-16.7%	-16.7%		-16.7%	-16.7%	
<u>Vacancy/Absentee Coverage</u>	(14,418)	(0.6)	Primarily due to open jobs in Maintenance of Equipment. There are an average of 104 open jobs in this department.	(14,418)	(0.6)	
	-57.8%	-49.6%		-57.8%	-49.6%	
<u>Weather Emergencies</u>	3,017	0.1	Due to mild winter weather.	3,017	0.1	
	26.2%	27.6%		26.2%	27.6%	
<u>Safety/Security/Law Enforcement</u>						
<u>Other</u>	(56)	(0.2)	Due to variance between actual and forecasted wage rates.	(56)	(0.2)	
	-3.8%	*		-3.8%	*	
Subtotal	(12,012)	(\$0.7)		(12,012)	(\$0.7)	
	-9.3%	-11.4%		-9.3%	-11.4%	
REIMBURSABLE OVERTIME	5,167	\$0.3	Due to timing of ESA and Forest City/Ratner projects.	5,167	\$0.3	
	50.6%	52.0%		50.6%	52.0%	
TOTAL OVERTIME	(6,845)	(\$0.4)		(6,845)	(\$0.4)	
	-4.9%	-6.5%		-4.9%	-6.5%	
* Exceeds 100%						

METROPOLITAN TRANSPORTATION AUTHORITY - LONG ISLAND RAIL ROAD
2013 Overtime Reporting
Overtime Legend

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
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
TOTAL FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS by FUNCTION and DEPARTMENT
NON-REIMBURSABLE and REIMBURSABLE
END-of-MONTH JANUARY 2013

	Budget	Actual	Favorable/ (Unfavorable) Variance
Administration			
Executive VP	3	5	(2)
Labor Relations	18	18	0
Procurement & Logistics (excl. Stores)	84	81	3
Human Resources	32	28	4
Sr VP Administration	2	2	0
Strategic Investments	35	27	8
President	4	4	0
VP & CFO	2	8	(6)
Information Technology	160	151	9
Controller	42	38	4
Management & Budget	18	18	0
Process Re-Engineering	7	6	1
VP - East Side Access & Special Projects	32	28	4
Market Dev. & Public Affairs	59	57	2
Gen. Counsel & Secretary	30	31	(1)
Diversity Management	1	1	0
System Safety/Training	69	70	(1)
Security	6	6	0
Sr VP Operations/Service Planning	24	19	5
Total Administration	628	598	30
Operations			
Train Operations	1,911	1,866	45
Customer Services	293	286	7
Total Operations	2,204	2,152	52
Maintenance			
Engineering	1,589	1,508	81
Equipment	2,067	1,963	104
Procurement (Stores)	92	92	-
Total Maintenance	3,748	3,563	185
Engineering/Capital			
Department of Project Management	143	120	23
Total Engineering/Capital	143	120	23
Baseline Total Positions	6,723	6,433	290
Non-Reimbursable	6,103	5,843	260
Reimbursable	620	590	30
Total Full-Time	6,723	6,433	290
Total Full-Time-Equivalents	-	-	-

**MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS
NON-REIMBURSABLE and REIMBURSABLE
END-OF-MONTH JANUARY 2013**

Explanation of Variances
NON-REIMBURSABLE POSITIONS - Favorable 260 positions due to higher attrition in the Equipment Department and vacancies in the Transportation Department (Management and Train and Engine Service Personnel).
REIMBURSABLE POSITIONS - Favorable 30 positions primarily due to the timing of project activity.

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
TOTAL FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS by FUNCTION and OCCUPATION
END-of-MONTH JANUARY 2013

	<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable) Variance</u>
Administration			
Managers/Supervisors	324	293	31
Professional, Technical, Clerical	304	305	(1)
Operational Hourlies			-
Total Administration	628	598	30
Operations			
Managers/Supervisors	322	300	22
Professional, Technical, Clerical	162	159	3
Operational Hourlies	1,720	1,693	27
Total Operations	2,204	2,152	52
Maintenance			
Managers/Supervisors	723	641	82
Professional, Technical, Clerical	268	254	14
Operational Hourlies	2,757	2,668	89
Total Maintenance	3,748	3,563	185
Engineering/Capital			
Managers/Supervisors	112	96	16
Professional, Technical, Clerical	31	24	7
Operational Hourlies	-		-
Total Engineering/Capital	143	120	23
Total Positions			
Managers/Supervisors	1,481	1,330	151
Professional, Technical, Clerical	765	742	23
Operational Hourlies	4,477	4,361	116
Total Positions	6,723	6,433	290

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
RIDERSHIP
(In Thousands)

RIDERSHIP	January 2013			
	Adopted Budget	Actual	Favorable/ (Unfavorable) Variance	%
Monthly	3.876	3.816	(0.060)	-1.5%
Weekly	0.134	0.134	0.000	0.1%
Total Commutation	4.009	3.950	(0.059)	-1.5%
One-Way Full Fare	0.592	0.625	0.034	5.7%
One-Way Off-Peak	1.315	1.324	0.009	0.7%
All Other	0.686	0.729	0.044	6.4%
Total Non-Commutation	2.592	2.678	0.086	3.3%
Total	6.602	6.628	0.027	0.4%

MTA LONG ISLAND RAIL ROAD
FEBRUARY FINANCIAL PLAN - 2013 ADOPTED BUDGET
MONTHLY PERFORMANCE INDICATORS
January 2013

		<u>MONTH</u>			<u>VARIANCE</u>	
		<u>2013</u>	<u>Adopted Budget</u>	<u>2012</u>	<u>vs. Budget</u>	<u>vs. 2012</u>
Farebox Operating Ratio	Standard ⁽¹⁾	42.0%	40.2%	43.7%	1.8%	-1.7%
	Adjusted ⁽²⁾	51.1%	49.4%	51.2%	1.7%	-0.1%
Cost Per Passenger	Standard ⁽¹⁾	\$16.59	\$17.34	\$16.35	\$0.75	(\$0.24)
	Adjusted ⁽²⁾	\$14.24	\$14.89	\$13.89	\$0.65	(\$0.35)
Passenger Revenue/Passenger ⁽³⁾		\$6.97	\$6.97	\$7.14	\$0.00	(\$0.17)
		<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
		<u>2013</u>	<u>Adopted Budget</u>	<u>2012</u>	<u>vs. Budget</u>	<u>vs. 2012</u>
Farebox Operating Ratio	Standard ⁽¹⁾	42.0%	40.2%	43.7%	1.8%	-1.7%
	Adjusted ⁽²⁾	51.1%	49.4%	51.2%	1.7%	-0.1%
Cost Per Passenger	Standard ⁽¹⁾	\$16.59	\$17.34	\$16.35	\$0.75	(\$0.24)
	Adjusted ⁽²⁾	\$14.24	\$14.89	\$13.89	\$0.65	(\$0.35)
Passenger Revenue/Passenger ⁽³⁾		\$6.97	\$6.97	\$7.14	\$0.00	(\$0.17)

(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

MTA LONG ISLAND RAIL ROAD

MONTHLY RIDERSHIP REPORT

JANUARY 2013

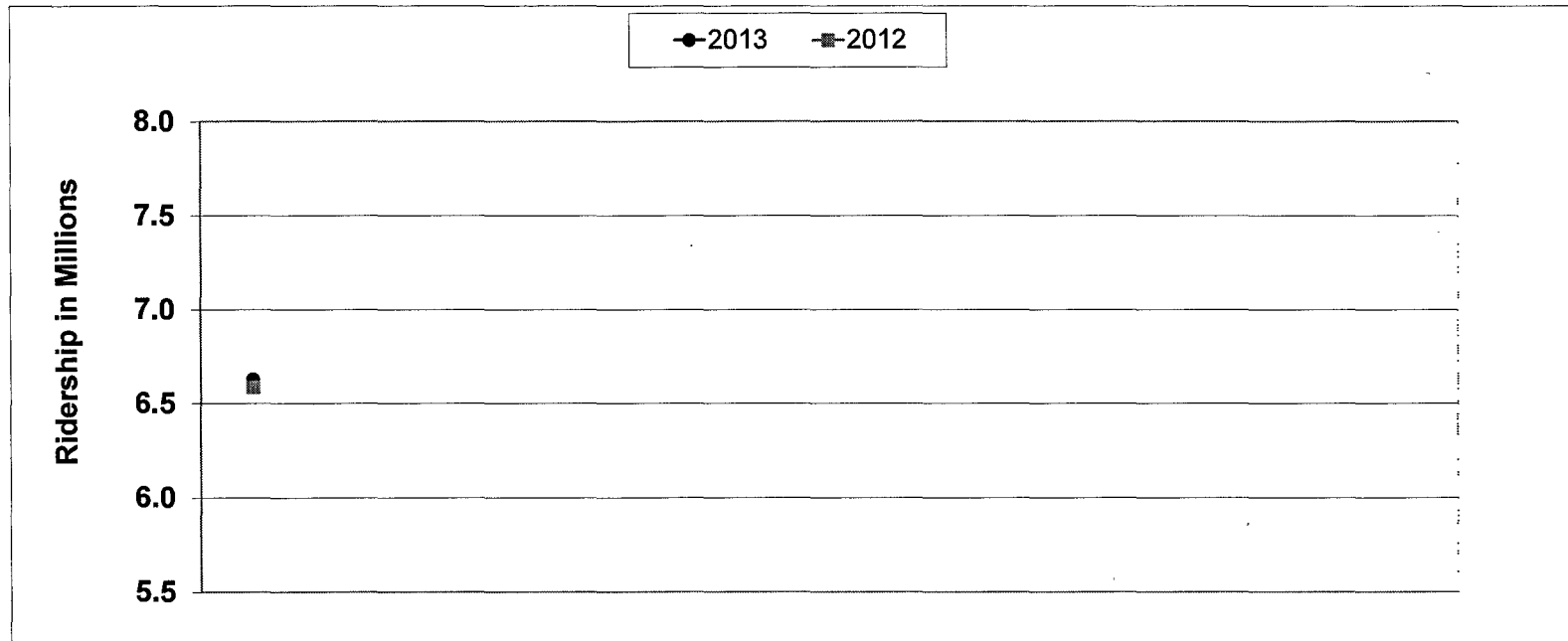
JANUARY 2013 RIDERSHIP AND REVENUE REPORT MTA LONG ISLAND RAIL ROAD EXECUTIVE SUMMARY

January

- January 2013 total ridership was 6.6 million vs. 6.6 million in January 2012, an increase of 41,356 passengers, or a 0.6% increase compared to January 2012.
- January 2013 commutation ridership was 3.9 million vs. 4.0 million in January 2012, a decrease of 26,217 passengers, or a decrease of 0.7%.
- January 2013 non-commutation ridership was 2.7 million vs. 2.6 million in January 2012, an increase of 67,573 passengers, or an increase of 2.6%.
- January 2013 revenue was \$46.0 million vs. \$45.8 million, an increase of \$266,971 or an increase of 0.6% compared to January 2012.

JANUARY RIDERSHIP

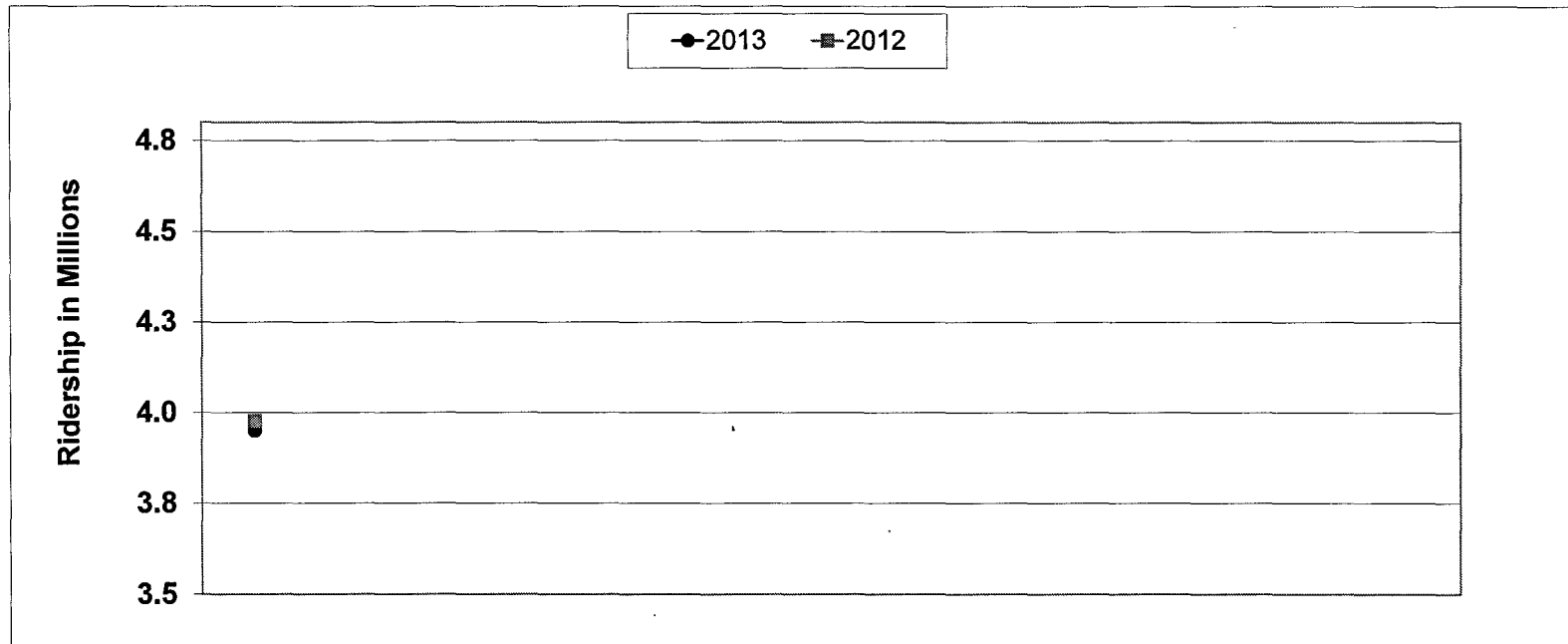
- January's Total Ridership was 0.6% above '12 and 0.4% above budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	6.6												6.6
2012	6.6												6.6
PCT CHG.	0.6%												0.6%

JANUARY COMMUTATION RIDERSHIP

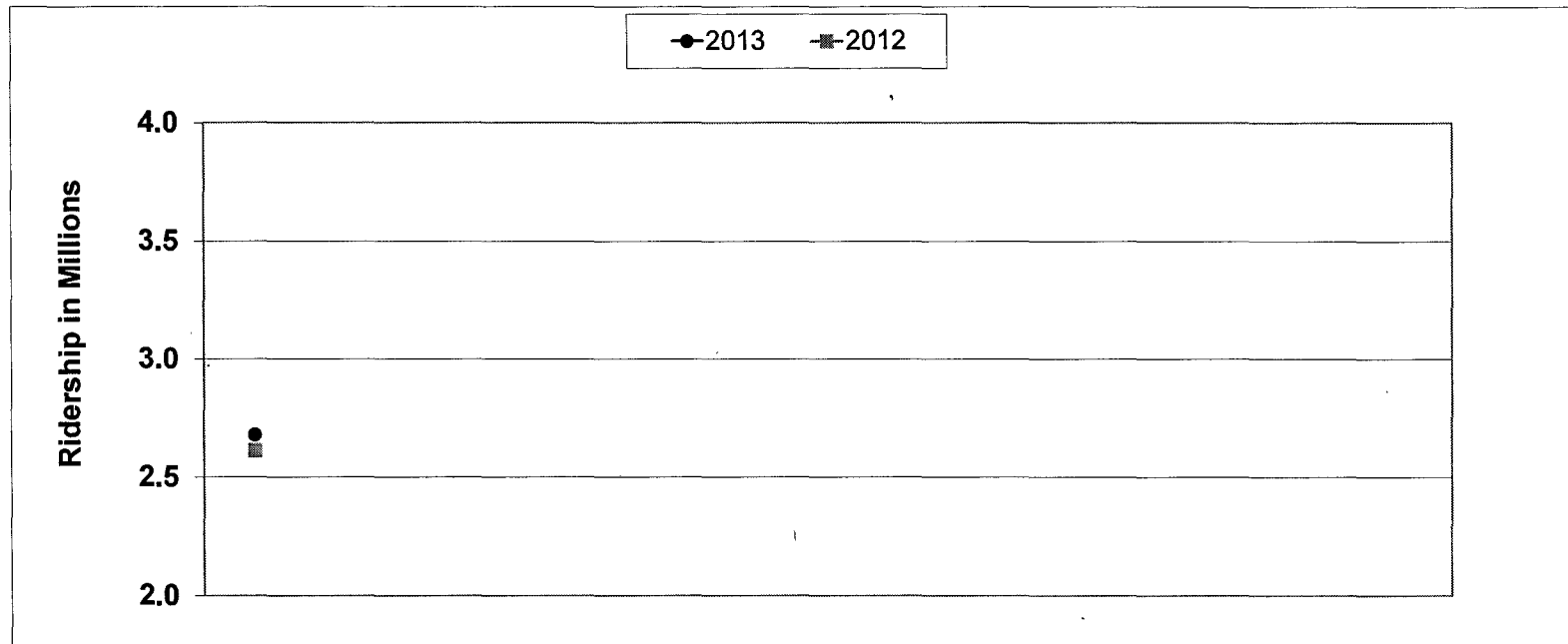
- January's Commutation Ridership was -0.7% below '12 and -1.5% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	3.9												3.9
2012	4.0												4.0
PCT CHG.	-0.7%												-0.7%

JANUARY NON-COMMUTATION RIDERSHIP

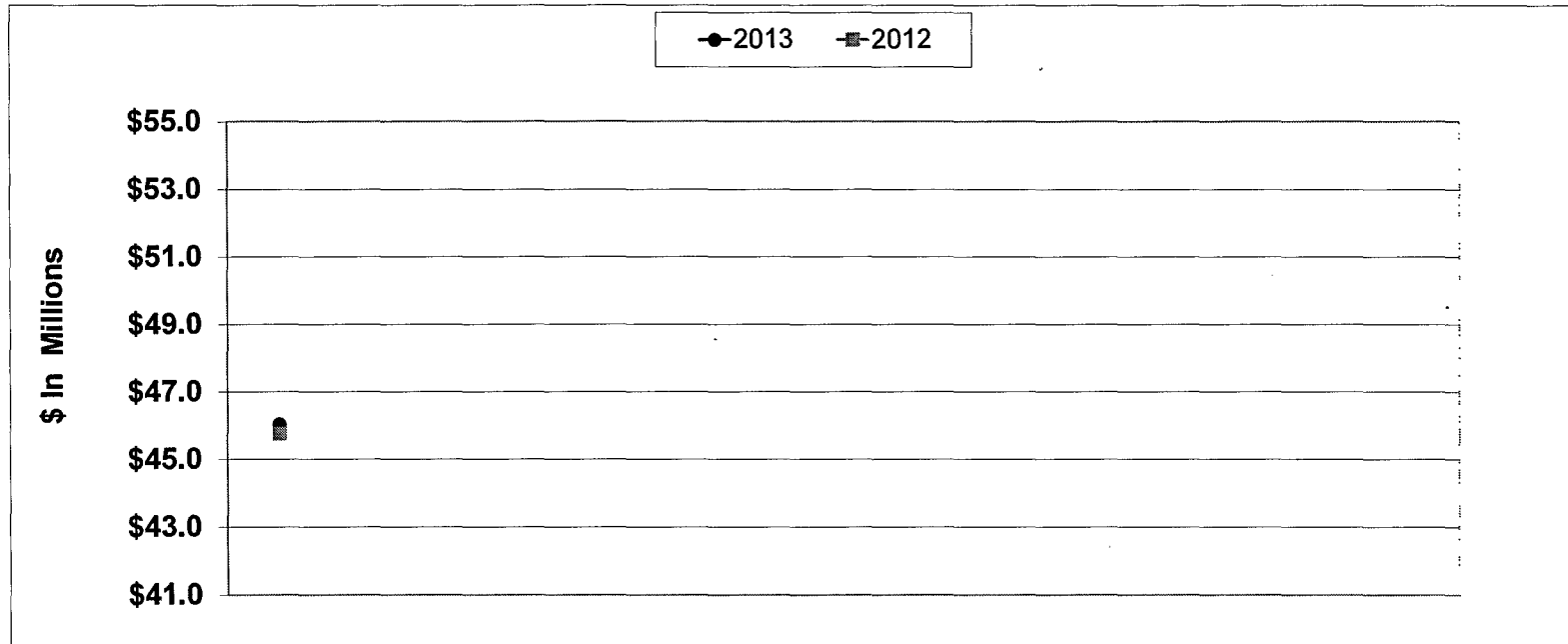
- January's Non-Commutation Ridership was 2.6% above '12 and 3.3% above budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	2.7												2.7
2012	2.6												2.6
PCT CHG.	2.6%												2.6%

JANUARY REVENUE

- January's Total Revenue was 0.6% above '12 and 0.3% above budget.



	Y-T-D												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2013	\$46.0												\$46.0
2012	\$45.8												\$45.8
PCT CHG.	0.6%												0.6%

**MTA LONG ISLAND RAIL ROAD
RIDERSHIP SUMMARY
JANUARY 2013**

TICKET TYPE/SERVICE	JANUARY 2013	JANUARY 2012	CHANGE VS. 2012	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	3,949,781	3,975,998	(26,217)	-0.7%
NON-COMMUTATION RIDERSHIP	2,678,487	2,610,914	67,573	2.6%
TOTAL RIDERSHIP	6,628,268	6,586,912	41,356	0.6%

**MTA LONG ISLAND RAIL ROAD
RIDERSHIP SUMMARY
2013 YEAR-TO-DATE**

TICKET TYPE/SERVICE	JANUARY 2013	JANUARY 2012	CHANGE VS. 2012	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	3,949,781	3,975,998	(26,217)	-0.7%
NON-COMMUTATION RIDERSHIP	2,678,487	2,610,914	67,573	2.6%
TOTAL RIDERSHIP	6,628,268	6,586,912	41,356	0.6%

* 2012 ridership numbers were adjusted using 2013 factors.

**MTA LONG ISLAND RAIL ROAD
REVENUE SUMMARY
JANUARY 2013**

REVENUE	JANUARY 2013	JANUARY 2012	CHANGE VS. 2012	
			AMOUNT	PERCENT
COMMUTATION REVENUE	\$24,758,594	\$25,102,188	(\$343,594)	-1.4%
NON-COMMUTATION REVENUE	\$21,273,066	\$20,662,501	\$610,565	3.0%
TOTAL REVENUE	\$46,031,660	\$45,764,689	\$266,971	0.6%

**MTA LONG ISLAND RAIL ROAD
REVENUE SUMMARY
2013 YEAR-TO-DATE**

REVENUE	JANUARY 2013	JANUARY 2012	CHANGE VS. 2012	
			AMOUNT	PERCENT
COMMUTATION REVENUE	\$24,758,594	\$25,102,188	(\$343,594)	-1.4%
NON-COMMUTATION REVENUE	\$21,273,066	\$20,662,501	\$610,565	3.0%
TOTAL REVENUE	\$46,031,660	\$45,764,689	\$266,971	0.6%

**LONG ISLAND RAIL ROAD
CAPITAL PROGRAM HIGHLIGHTS & UPDATES
MARCH 2013**

PN-EC: LITTLE NECK STATION PLATFORM IMPROVEMENTS

Project Budget: \$1.30M

Milestone: Construction Start

The replacement of the existing guardrails and handrails on the platform, stairs, and ramps at Little Neck Station commenced with installation of the new platform guardrails. The work will also include replacement of one eastbound and two westbound platform shelters and installation of a new full service Ticket Vending Machine on the westbound platform. Project Beneficial use is planned for Spring 2014.

PN-TD: DIRECT FIXATION FASTENER REPLACEMENT

DFF Budget: \$15.33M

Milestone: Contract Award

A Design-Build Contract for Replacement of the Direct Fixation Fastener System on the Massapequa Park Viaduct was awarded to Kiewit Infrastructure Co. for \$11,618,000. New direct fixation fasteners will be installed on the track slabs supporting the two tracks. The work also includes localized concrete repairs to track slab structure. The Direct Fixation Fastener System work is planned for completion by the end of this year.

PN-UB: MASSAPEQUA STATION PLATFORM REHABILITATION

Project Budget: \$20.52M

Milestone: Contract Award

A Construction Contract for the Replacement of the Center Island Platform at Massapequa Station was awarded to Fortunato Sons Contracting Inc. for \$11,877,407. The work includes demolition and reconstruction of the 12-car platform with a new canopy, waiting room, stairs, elevator and escalator, lighting, and signage. The project work also incorporates the rehabilitation of 2 underpasses and the west pedestrian walkway and the painting of the Broadway Bridge Overpass. Project Beneficial Use is planned for Spring 2015.

PN-BA: COLONIAL ROAD IMPROVEMENT PROJECT - DESIGN

Project Budget: \$3.00M

Milestone: FONSI Issued

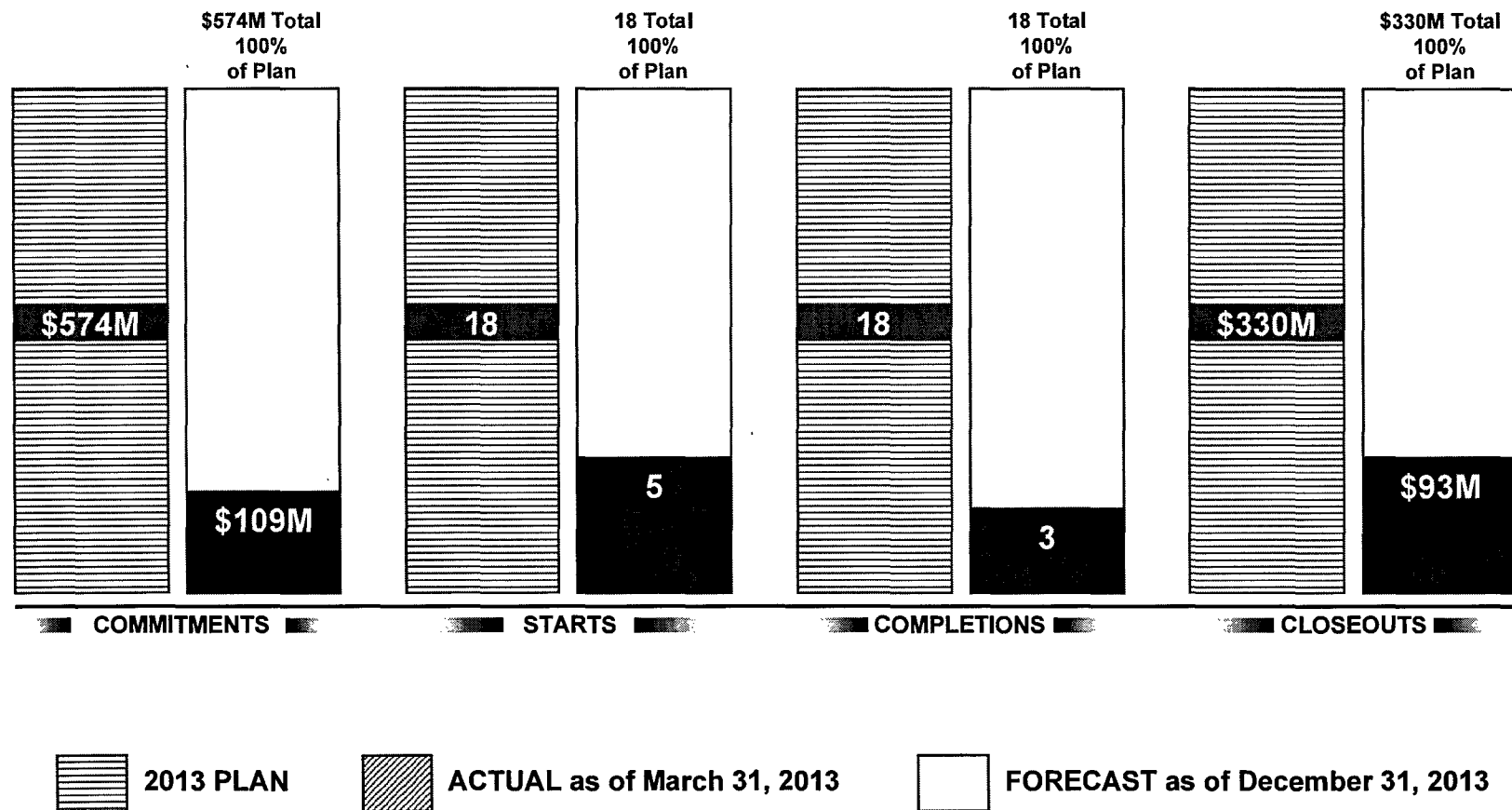
The Federal Transit Administration [FTA] reviewed the Environmental Assessment and issued a Finding of No Significant Impact [FONSI] for the Colonial Road Improvements project. The work will include an extension to the existing Great Neck pocket track and installation of a crossover from the pocket track to the Main Line, replacement of the Colonial Road Bridge, and drainage improvements at the track level. These infrastructure improvements are part of the LIRR's efforts to improve service on the Port Washington Branch and to bring LIRR service to Grand Central Terminal. 60% Design is planned for completion in June.

MENTORING ACTIVITIES

- Hillside Support Facility Platform Elevator Replacements: South elevator work completed.
- Richmond Hill Sheridan Shop Roof Replacement: Work continued.
- Richmond Hill Storage Facility Fit-out: Work completed.
- HVAC Replacement West Side Yard: Equipment on order.
- Supplemental HVAC at JCC: Submittals in progress.
- NYSDOT Bridges Packages #1 and #2: Contracts issued for \$0.89M and \$0.84M respectively.
- Lawrence, Laurelton, and Merillon Ave Pavement: Contract issued for \$0.42M.

2013 LIRR Capital Program Goals

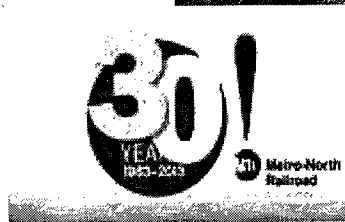
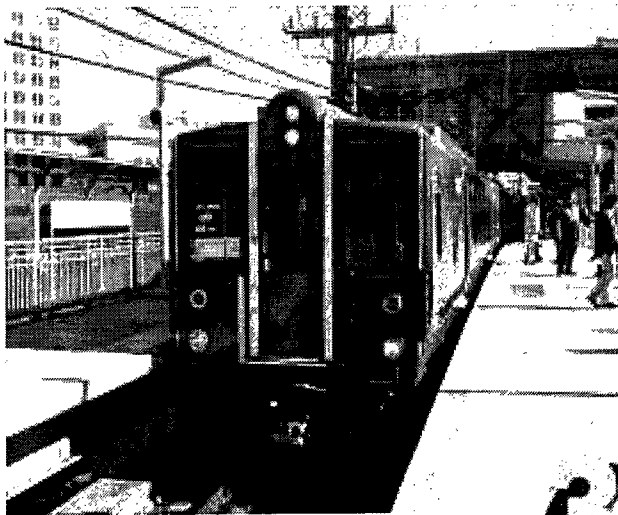
Page 323





Metro-North Railroad

**Status of Operations &
Safety Report
April 2013**



MONTHLY OPERATING REPORT

April 2013

Performance Summary			2013 Data			2012 Data	
			Annual Goal	March	YTD thru March	March	YTD thru March
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	System	Overall	97.8%	98.0%	97.6%	98.8%	98.8%
		AM Peak	97.0%	96.7%	95.6%	98.9%	98.7%
		AM Reverse Peak	97.6%	98.0%	96.9%	98.4%	98.4%
		PM Peak	98.0%	98.0%	97.8%	99.2%	99.1%
		Total Peak		97.4%	96.7%	99.0%	98.8%
		Off Peak Weekday	97.9%	98.4%	97.9%	98.8%	98.8%
		Weekend	97.9%	98.5%	98.4%	98.8%	99.0%
	Hudson Line	Overall	98.2%	98.6%	98.4%	98.8%	98.9%
		AM Peak	98.0%	98.3%	97.1%	99.0%	99.0%
		AM Reverse Peak	98.5%	99.5%	97.9%	99.1%	98.4%
		PM Peak	98.4%	96.9%	98.5%	99.2%	99.0%
		Total Peak		97.8%	97.8%	99.1%	99.0%
		Off Peak Weekday	98.1%	99.6%	99.1%	98.8%	98.8%
		Weekend	98.2%	98.3%	98.5%	98.3%	99.0%
	Harlem Line	Overall	98.3%	98.7%	98.2%	99.2%	99.0%
		AM Peak	98.0%	97.9%	96.7%	99.3%	98.4%
		AM Reverse Peak	98.0%	99.2%	97.9%	97.9%	98.0%
		PM Peak	98.5%	98.8%	98.1%	99.7%	99.6%
		Total Peak		98.4%	97.4%	99.2%	98.8%
		Off Peak Weekday	98.4%	99.0%	98.5%	99.3%	99.1%
		Weekend	98.5%	98.6%	98.9%	99.2%	99.1%
	New Haven Line	Overall	97.2%	97.2%	96.6%	98.6%	98.7%
		AM Peak	95.7%	94.8%	93.9%	98.6%	98.7%
		AM Reverse Peak	96.8%	96.2%	95.5%	98.5%	98.8%
		PM Peak	97.5%	98.2%	97.3%	98.8%	98.8%
		Total Peak		96.3%	95.5%	98.7%	98.7%
		Off Peak Weekday	97.5%	97.3%	96.9%	98.4%	98.6%
		Weekend	97.4%	98.5%	98.0%	98.8%	98.9%
Operating Statistics							
	Trains Scheduled			18,242	52,537	18,222	52,756
	Avg. Delay per Late Train (min) excluding trains canceled or terminated			12.6	13.2	15.4	13.9
	Trains Over 15 min. Late excluding trains canceled or terminated		1,000	70	303	59	136
	Trains Canceled		160	2	20	6	21
	Trains Terminated		160	20	58	6	26
	Percent of Scheduled Trips Completed		99.8%	99.9%	99.9%	99.9%	99.9%
Consist Compliance <i>(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)</i>	System	Overall	98.6%	99.8%	99.7%	99.9%	99.8%
		AM Peak	97.7%	99.5%	99.3%	99.6%	99.5%
		AM Reverse Peak	97.7%	100.0%	99.9%	100.0%	100.0%
		PM Peak	97.3%	99.9%	99.6%	99.9%	99.9%
		Total Peak		99.7%	99.5%	99.8%	99.7%
		Off Peak Weekday	99.3%	99.9%	99.9%	99.9%	99.9%
		Weekend	99.3%	99.8%	99.8%	99.9%	99.8%
	Hudson Line	AM Peak	99.0%	100.0%	99.9%	100.0%	100.0%
		PM Peak	99.0%	100.0%	99.9%	99.9%	99.9%
	Harlem Line	AM Peak	99.0%	100.0%	99.9%	100.0%	99.9%
		PM Peak	99.0%	100.0%	99.9%	100.0%	99.9%
	New Haven Line	AM Peak	96.0%	98.7%	98.4%	99.0%	98.8%
		PM Peak	95.0%	99.8%	99.2%	99.9%	99.8%

Categories of Delay		2013 Data			2012 Data	
		February	March	YTD thru March	March	YTD thru March
Train Delay Incidents Resulting in Late Trains. <i>(Each delay incurred by a late train is considered a separate train delay incident. Therefore, the number of train delay incidents is higher than the number of late trains for the month.)</i>	Maintenance of Way	130	119	575	69	244
	Capital Projects	0	3	5	3	7
	Maintenance of Equipment	109	136	412	116	264
	Operations Services	16	15	43	3	16
	Police Incidents	33	70	131	37	80
	Other	0	3	5	3	7
	Customers	73	33	129	33	68
	3rd Party Operations <i>(Other railroads, marine traffic, etc.)</i>	0	1	1	4	5
	Weather and Environmental	74	10	186	3	22



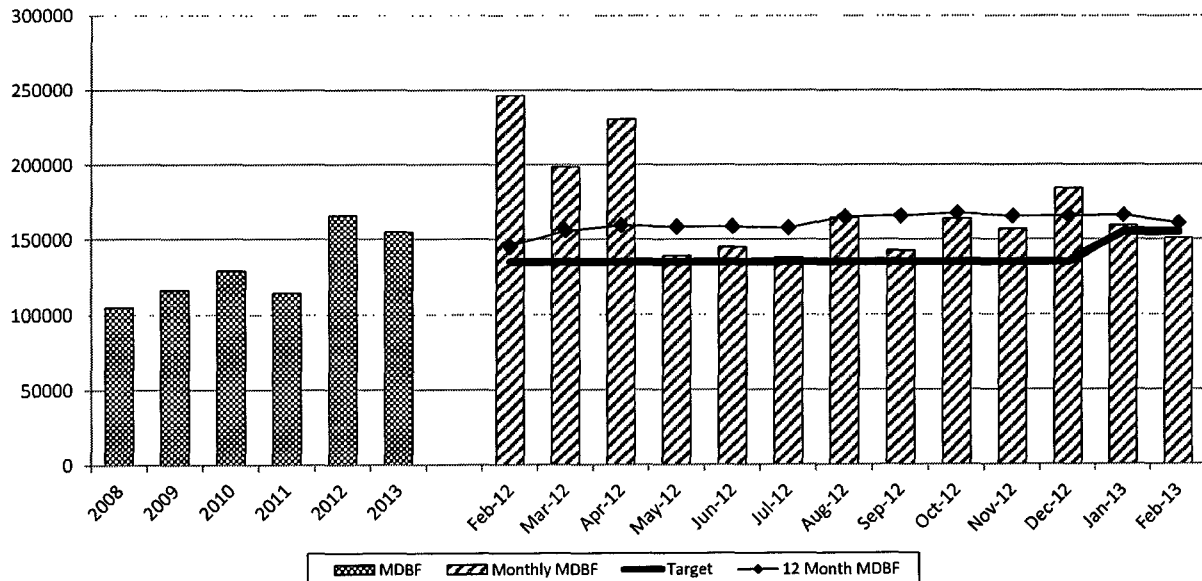
EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) OR TERMINATED (T) TRAINS

Date	Day	DESCRIPTION OF EVENT	Number of Late Trains															TOTAL		
			AM Peak			AM Reverse			PM Peak			Off Peak			Weekend			Late	Cxd	Term
L	C	T	L	C	T	L	C	T	L	C	T	L	C	T	L	C	T			
03/04	Mon	Train 1511 struck a trespasser at Noroton Heights, causing congestion.	20	0	4	8	0	1	0	0	0	5	0	0	0	0	0	33	0	5
03/08	Fri	Train 849 lost brake pressure at 125th Street Station, causing congestion.	0	0	0	0	0	0	16	0	0	12	0	0	0	0	0	28	0	0
03/28	Thr	Train 918 was terminated at 125th Street Station due to loss of power.	11	0	1	0	0	0	0	0	0	0	0	0	0	0	0	11	0	1
TOTAL FOR MONTH			31	0	5	8	0	1	16	0	0	17	0	0	0	0	0	72	0	6
																		78		

	Equip- ment Type	Total Fleet Size	2013 Data						2012 Data		
			MDBF Goal (miles)	Feb MDBF (miles)	Primary Failure Goal	Feb No. of Primary Failures	YTD MDBF thru Feb (miles)	12 month MDBF Rolling Avg (miles)	Feb MDBF (miles)	Feb No. of Primary Failures	YTD MDBF thru Feb (miles)
Mean Distance Between Failures	M2	175	80,000	116,451	7	6	88,430	109,313	191,802	6	151,659
	M4/M6	99	60,000	52,604	7	6	53,760	62,143	514,068	1	102,078
	M8	178	240,000	178,722	4	6	288,204	144,635	490,550	1	230,851
	M3	140	130,000	137,225	2	2	189,829	368,141	287,262	0	556,327
	M7	336	450,000	276,672	4	6	505,943	708,790	568,622	3	588,172
	Coach	213	290,000	242,550	5	5	215,996	374,760	432,205	3	265,180
	P-32	31	35,000	56,926	5	3	30,484	34,072	57,609	3	50,754
	BL-20	12	12,000	11,189	3	2	16,162	11,404	7,223	6	10,797
	Fleet	1184	155,000	150,751	37	36	155,002	160,696	246,146	23	189,337
	M2/4/6/8		120,000	115,926	18	18	118,627	103,618	269,431	8	145,691
	M3/7		310,000	241,810	6	8	411,109	632,144	664,376	3	680,894
	Diesel/Coach		120,000	140,590	13	10	111,342	136,370	246,146	12	123,738

Mean Distance Between Failures (MDBF) is the average number of miles a railcar or locomotive travels in revenue service before breaking down and causing a delay. The higher the MDBF, the more reliable the equipment and the service.

ALL FLEETS Mean Distance Between Failures 2008 - 2013



West of Hudson Performance Summary			2013 Data			2012 Data							
			Annual Goal	March	YTD thru March	March	YTD thru March						
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	West of Hudson Total	Overall	96.4%	97.8%	96.9%	95.0%	97.0%						
		AM Peak	97.3%	98.6%	97.7%	94.8%	97.0%						
		PM Peak	96.8%	98.2%	97.7%	98.3%	98.8%						
		Total Peak		98.4%	97.7%	96.5%	97.8%						
		Off Peak Weekday	95.9%	98.7%	96.7%	96.5%	97.4%						
		Weekend	95.9%	95.0%	96.3%	89.2%	95.2%						
	Pascack Line	Overall	97.0%	97.6%	97.1%	96.0%	97.9%						
		Valley Line	AM Peak	98.0%	97.6%	98.2%	97.2%	98.2%					
			PM Peak	97.5%	98.6%	98.4%	99.4%	98.8%					
			Total Peak		98.1%	98.3%	98.2%	98.5%					
			Off Peak Weekday	96.5%	99.1%	96.6%	96.8%	98.5%					
			Weekend	96.5%	94.2%	96.6%	91.2%	96.1%					
	Port Jervis Line	Overall	95.5%	98.0%	96.7%	93.6%	95.8%						
		AM Peak	96.0%	100.0%	97.0%	91.7%	95.4%						
		PM Peak	96.0%	97.6%	97.0%	97.0%	98.7%						
		Total Peak		98.8%	97.0%	94.3%	97.0%						
		Off Peak Weekday	95.0%	98.0%	96.8%	96.1%	95.7%						
		Weekend	95.0%	96.5%	96.0%	85.9%	93.5%						
Operating Statistics													
Trains Scheduled		1,705			4,965		1,686		4,897				
Avg. Delay per Late Train (min) excluding trains canceled or terminated		20.1			20.0		18.6		20.3				
Trains Over 15 min. Late excluding trains canceled or terminated		80			14		52		26		52		
Trains Canceled		2			13		2		4				
Trains Terminated		5			11		7		11				
Percent of Scheduled Trips Completed			99.8%			99.6%		99.5%		99.5%		99.7%	

MARCH 2013 STANDEE REPORT

East of Hudson

			MAR 2012	YTD 2012	MAR 2012	YTD 2012
Daily Average AM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	1
		Total Standees	0	0	0	1
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	18	23	20	44
		Total Standees	18	23	20	44
	EAST OF HUDSON TOTAL - AM PEAK		18	23	20	45
Daily Average PM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	1
		Total Standees	0	0	0	1
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	0	1	0	4
		Total Standees	0	1	0	4
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	1	1	2	22
		Total Standees	1	1	2	22
	EAST OF HUDSON TOTAL - PM PEAK		1	2	2	27

West of Hudson

			MAR 2012	YTD 2012	MAR 2012	YTD 2012
Daily Average AM Peak	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	6	2	0	0
		Total Standees	6	2	0	0
	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	WEST OF HUDSON TOTAL - AM PEAK		6	2	0	0
Daily Average PM Peak	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	WEST OF HUDSON TOTAL - PM PEAK		0	0	0	0

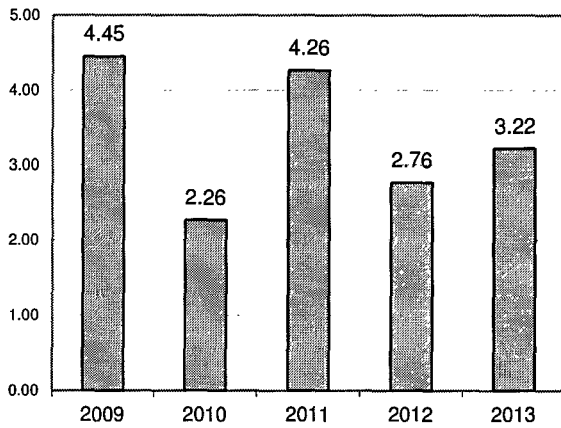
Definitions

Weekday standees are calculated based on the most recent average weekday customer counts for the train's maximum load point. For Hudson, Harlem and most New Haven Line trains, this point occurs at GCT/125th St., however; for certain New Haven Line trains, this maximum load point is east of Stamford.

"Program Standees" is the average number of customers in excess of programmed seating capacity. "Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains. Holidays and Special Events for which there are special equipment programs are not included.

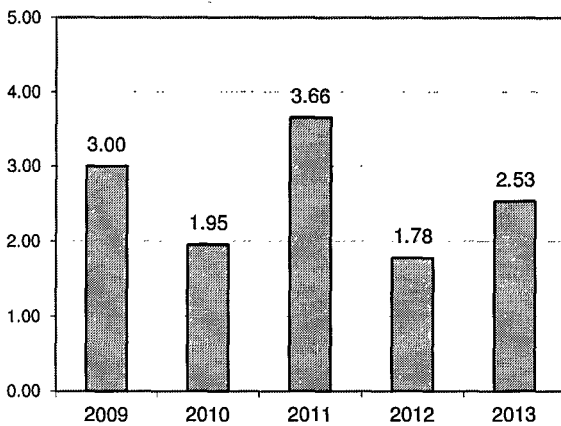
MTA Metro-North Railroad Summary of Employee Injuries thru February



Total Employee Injuries

Year	Total	Total FI*
2009	46	4.45
2010	22	2.26
2011	42	4.26
2012	28	2.76
2013	33	3.22

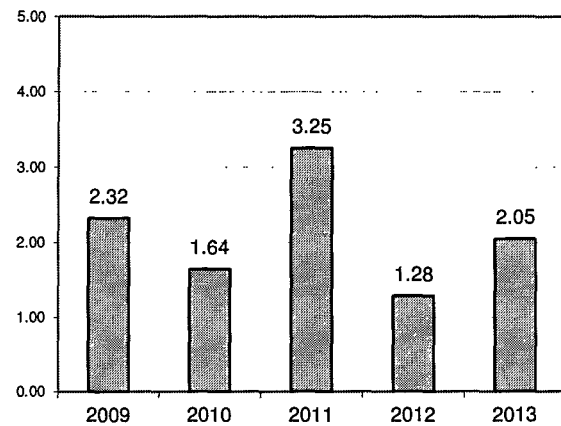
% change from last year: 16.3%
2013 Total FI Goal 2.80



Employee FRA Reportable Injuries

Year	Total	FRA FI*
2009	31	3.00
2010	19	1.95
2011	36	3.66
2012	18	1.78
2013	26	2.53

% change from last year: 42.6%
2013 FRA FI Goal 2.35



Employee Lost Time and Restricted Duty Injuries

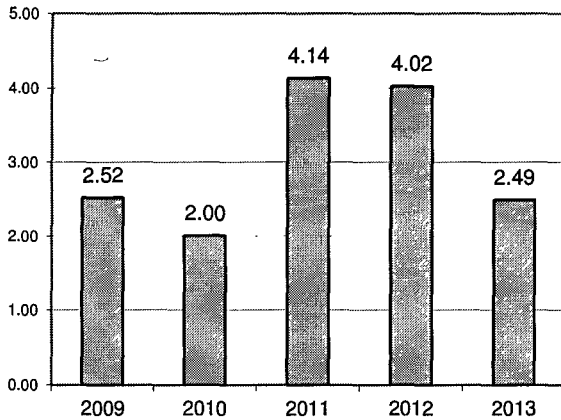
Year	LT	RD	LT FI*	RD FI*	LT&RD FI*
2009	21	3	2.03	0.29	2.32
2010	14	2	1.44	0.21	1.64
2011	26	6	2.64	0.61	3.25
2012	12	1	1.18	0.10	1.28
2013	18	3	1.75	0.29	2.05

% change from last year: 59.4%
2013 LT&RD FI Goal 1.75

* - Injuries per 200,000 hours worked

MTA Metro-North Railroad

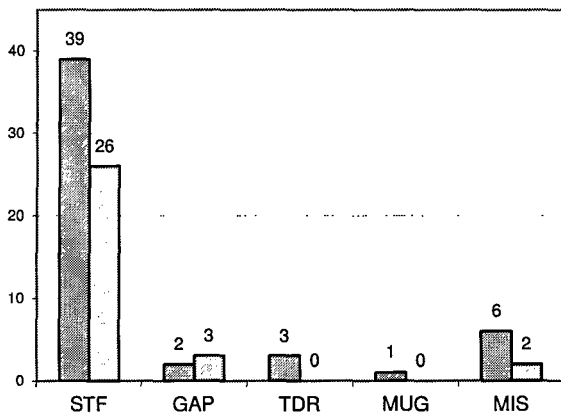
Summary of Customer/Contractor Injuries thru February



Total Customer Injuries

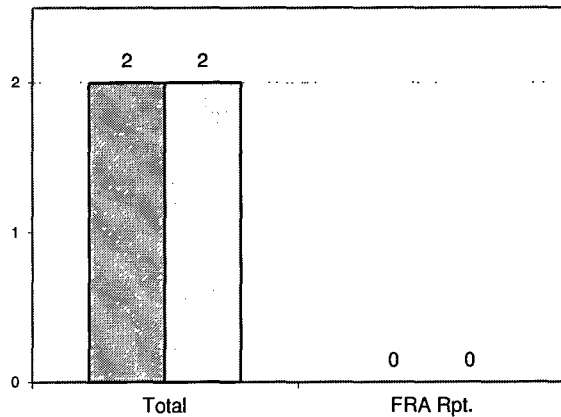
Year	Total	Total FI*
2009	30	2.52
2010	23	2.00
2011	48	4.14
2012	51	4.02
2013	31	2.49

% change from last year: -38.1%
2013 Total FI Goal 2.70



Top 5 Customer Injuries by Type

Year	Slip/Trip/Fall	Gap	Train Doors	Mugging	Misc.
2012	39	2	3	1	6
2013	26	3	0	0	2



Contractor Injuries

Year	Total	FRA Rpt.
2012	2	0
2013	2	0
% Chg	0.0%	0.0%

* - Injuries per 1,000,000 rides

Performance Summary			2013 Data			2012 Data	
			Annual Goal	February	YTD thru February	February	YTD thru February
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	System	Overall	97.8%	97.6%	97.3%	98.8%	98.8%
		AM Peak	97.0%	97.7%	95.1%	98.4%	98.6%
		AM Reverse Peak	97.6%	97.3%	96.3%	98.6%	98.4%
		PM Peak	98.0%	97.2%	97.7%	98.8%	99.0%
		Total Peak		97.4%	96.3%	98.6%	98.7%
		Off Peak Weekday	97.9%	97.6%	97.7%	98.6%	98.8%
		Weekend	97.9%	98.2%	98.4%	99.3%	99.1%
	Hudson Line	Overall	98.2%	98.8%	98.3%	98.9%	98.9%
		AM Peak	98.0%	99.6%	96.5%	98.7%	99.1%
		AM Reverse Peak	98.5%	99.5%	97.0%	97.0%	98.0%
		PM Peak	98.4%	99.2%	99.3%	98.9%	98.9%
		Total Peak		99.4%	97.7%	98.6%	98.9%
		Off Peak Weekday	98.1%	98.8%	98.8%	98.7%	98.8%
		Weekend	98.2%	97.7%	98.5%	99.7%	99.3%
	Harlem Line	Overall	98.3%	98.3%	97.9%	98.8%	98.9%
		AM Peak	98.0%	99.1%	96.0%	98.2%	97.9%
		AM Reverse Peak	98.0%	97.8%	97.2%	99.1%	98.1%
		PM Peak	98.5%	97.0%	97.7%	99.6%	99.5%
		Total Peak		98.1%	96.8%	98.9%	98.5%
		Off Peak Weekday	98.4%	98.0%	98.2%	98.6%	99.1%
		Weekend	98.5%	99.1%	99.1%	99.2%	99.1%
	New Haven Line	Overall	97.2%	96.5%	96.3%	98.6%	98.8%
		AM Peak	95.7%	95.4%	93.4%	98.5%	98.8%
		AM Reverse Peak	96.8%	95.8%	95.1%	98.9%	99.0%
		PM Peak	97.5%	96.1%	96.8%	98.3%	98.7%
		Total Peak		95.7%	95.0%	98.4%	98.8%
		Off Peak Weekday	97.5%	96.6%	96.7%	98.5%	98.6%
		Weekend	97.4%	97.7%	97.6%	99.3%	99.0%
Operating Statistics							
Trains Scheduled				16,047	34,295	16,872	34,534
Avg. Delay per Late Train (min) <i>excluding trains canceled or terminated</i>				14.6	13.4	13.1	13.1
Trains Over 15 min. Late <i>excluding trains canceled or terminated</i>			1,000	107	233	39	77
Trains Canceled			160	11	18	10	15
Trains Terminated			160	15	38	9	20
Percent of Scheduled Trips Completed			99.8%	99.8%	99.8%	99.9%	99.9%
Consist Compliance <i>(Percent of trains where the number of seats provided was greater than or equal to the required number of seats per loading standards)</i>	System	Overall	98.6%	99.6%	99.7%	99.8%	99.8%
		AM Peak	97.7%	99.1%	99.2%	99.5%	99.4%
		AM Reverse Peak	97.7%	99.5%	99.8%	100.0%	100.0%
		PM Peak	97.3%	99.4%	99.4%	99.9%	99.9%
		Total Peak		99.3%	99.4%	99.7%	99.7%
		Off Peak Weekday	99.3%	99.8%	99.8%	99.8%	99.8%
		Weekend	99.3%	99.9%	99.9%	99.8%	99.8%
	Hudson Line	AM Peak	99.0%	100.0%	99.9%	100.0%	100.0%
		PM Peak	99.0%	99.8%	99.8%	100.0%	100.0%
	Harlem Line	AM Peak	99.0%	99.9%	99.9%	99.9%	99.9%
		PM Peak	99.0%	99.6%	99.8%	100.0%	99.9%
	New Haven Line	AM Peak	96.0%	97.8%	98.2%	98.8%	98.6%
		PM Peak	95.0%	99.1%	98.9%	99.9%	99.8%

Categories of Delay		2013 Data			2012 Data	
		January	February	YTD thru February	February	YTD thru February
Train Delay Incidents Resulting in Late Trains. <i>(Each delay incurred by a late train is considered a separate train delay incident. Therefore, the number of train delay incidents is higher than the number of late trains for the month.)</i>	Maintenance of Way	326	130	456	73	175
	Capital Projects	2	0	2	4	4
	Maintenance of Equipment	167	109	276	77	148
	Operations Services	12	16	28	2	13
	Police Incidents	28	33	61	32	43
	Other	2	0	2	4	4
	Customers	23	73	96	11	35
	3rd Party Operations <i>(Other railroads, marine traffic, etc.)</i>	0	0	0	0	1
	Weather and Environmental	102	74	176	16	19



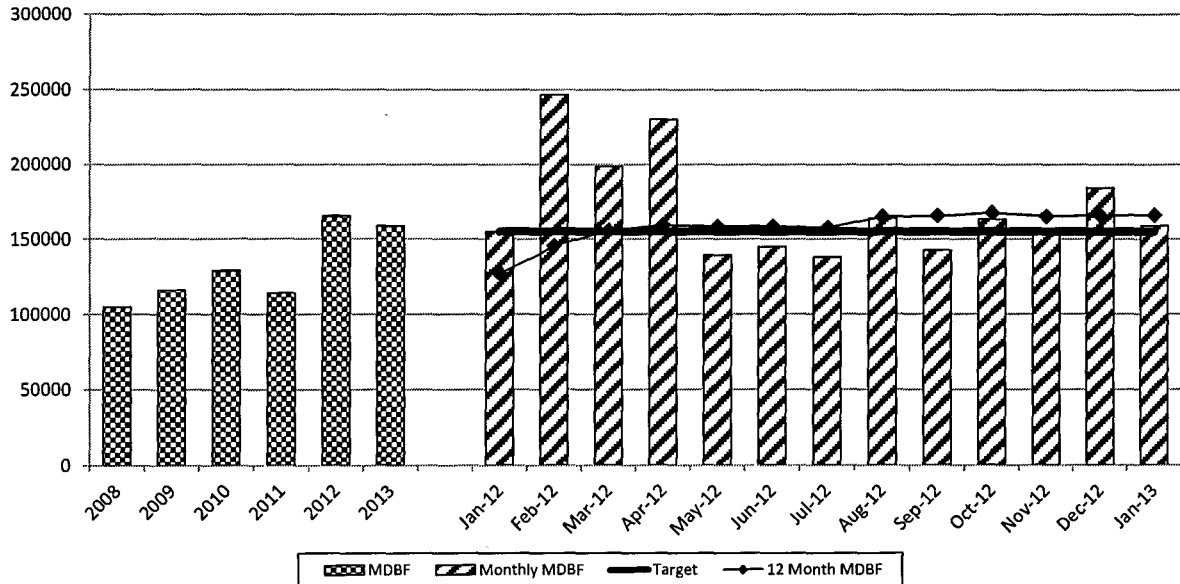
EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) OR TERMINATED (T) TRAINS

Date	Day	DESCRIPTION OF EVENT	Number of Late Trains															TOTAL		
			AM Peak			AM Reverse			PM Peak			Off Peak			Weekend			Late	Cxd	Term
			L	C	T	L	C	T	L	C	T	L	C	T	L	C	T			
02/08	Fri	Weather conditions from Blizzard Nemo affecting service.	0	0	0	0	0	0	1	0	0	10	1	1	0	0	0	11	1	1
02/11	Mon	Residual weather conditions affecting service, mainly on the New Haven line.	25	4	0	5	0	0	0	0	0	10	0	1	0	0	0	40	4	1
02/11	Mon	Congestion from GCT to cp112 due to track circuit down on track 1 at 72nd Street and 3rd Rail coast between 77th and 79th Street.	0	0	0	0	0	0	17	0	0	0	0	0	0	0	0	17	0	0
02/11	Mon	Congestion from cp5 to GCT due to disabled train 2774, track circuit down on track 1 at GCT.	0	0	0	0	0	0	3	0	0	12	0	0	0	0	0	15	0	0
02/11	Mon	Train 1731 grounded 3rd Rail on track 1 between New Haven track 1 and Harlem track 1 at cp112's interlocking, causing congestion.	0	0	0	10	0	0	0	0	0	3	0	0	0	0	0	13	0	0
02/12	Tue	Train 1368 struck a trespasser on track 2 at Woodlawn, 3rd Rail de-energized from cp112-cp212 on track 3 north of Woodlawn.	0	0	0	0	0	0	23	0	1	8	0	0	0	0	0	31	0	1
TOTAL FOR MONTH			25	4	0	15	0	0	44	0	1	43	1	2	0	0	0	127	5	3
																		135		

	Equip- ment Type	Total Fleet Size	2013 Data						2012 Data		
			MDBF Goal (miles)	Jan MDBF (miles)	Primary Failure Goal	Jan No. of Primary Failures	YTD MDBF thru Jan (miles)	12 month MDBF Rolling Avg (miles)	Jan MDBF (miles)	Jan No. of Primary Failures	YTD MDBF thru Jan (miles)
Mean Distance Between Failures	M2	175	80,000	73,146	7	11	73,146	113,500	127,573	10	127,573
	M4/M6	99	60,000	54,750	7	7	54,750	68,204	56,299	9	56,299
	M8	170	240,000	616,649	4	2	616,649	146,655	144,285	3	144,285
	M3	140	130,000	295,038	2	1	295,038	475,154	269,065	0	269,065
	M7	336	450,000	1,881,569	4	1	1,881,569	786,369	607,722	3	607,722
	Coach	213	290,000	197,028	5	7	197,028	395,087	193,597	7	193,597
	P-32	31	35,000	21,670	5	9	21,670	34,103	46,613	4	46,613
	BL-20	12	12,000	26,107	3	1	26,107	10,633	21,521	2	21,521
	Fleet	1176	155,000	158,926	37	39	158,926	166,025	154,952	38	154,952
	M2/4/6/8		120,000	121,058	18	20	121,058	107,836	100,695	22	61,253
	M3/7		310,000	1,088,304	6	2	1,088,304	724,126	697,411	3	502,718
	Diesel/Coach		120,000	94,138	13	17	94,138	135,177	121,590	13	134,006

Mean Distance Between Failures (MDBF) is the average number of miles a railcar or locomotive travels in revenue service before breaking down and causing a delay. The higher the MDBF, the more reliable the equipment and the service.

ALL FLEETS
Mean Distance Between Failures
2008 - 2013



West of Hudson Performance Summary			2013 Data			2012 Data			
			Annual Goal	February	YTD thru February	February	YTD thru February		
On Time Performance <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	West of Hudson Total	Overall	96.4%	97.1%	96.5%	98.7%	98.1%		
		AM Peak	97.3%	98.9%	97.1%	98.9%	98.2%		
		PM Peak	96.8%	98.8%	97.5%	99.6%	99.0%		
		Total Peak		98.8%	97.3%	99.3%	98.6%		
		Off Peak Weekday	95.9%	96.4%	95.6%	98.1%	97.9%		
		Weekend	95.9%	96.0%	97.0%	98.8%	97.8%		
	Pascack Line	Overall	97.0%	96.7%	96.8%	99.3%	98.9%		
		Valley Line	AM Peak	98.0%	99.3%	98.4%	100.0%	98.8%	
			PM Peak	97.5%	99.2%	98.2%	99.3%	98.6%	
			Total Peak		99.3%	98.3%	99.7%	98.7%	
			Off Peak Weekday	96.5%	95.0%	95.2%	99.0%	99.5%	
			Weekend	96.5%	96.8%	97.8%	99.5%	98.3%	
	Port Jervis Line	Overall	95.5%	97.6%	96.1%	97.7%	96.9%		
		AM Peak	96.0%	98.2%	95.4%	97.5%	97.5%		
		PM Peak	96.0%	98.2%	96.7%	100.0%	99.6%		
		Total Peak		98.2%	96.0%	98.8%	98.5%		
		Off Peak Weekday	95.0%	98.5%	96.3%	96.8%	95.5%		
		Weekend	95.0%	94.7%	95.7%	97.7%	96.9%		
Operating Statistics									
Trains Scheduled		1,545			3,260	1,565	3,211		
Avg. Delay per Late Train (min) excluding trains canceled or terminated		22.8			20.0	23.6	22.6		
Trains Over 15 min. Late excluding trains canceled or terminated		80			13	38	11	26	
Trains Canceled		4			11	0	2		
Trains Terminated		5			6	1	4		
Percent of Scheduled Trips Completed			99.8%			99.4%	99.5%	99.9%	99.8%

FEBRUARY 2013 STANDEE REPORT

East of Hudson

			FEB 2012	YTD 2012	FEB 2013	YTD 2013
Daily Average AM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	2	1	2	1
		Total Standees	2	1	2	1
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	20	18	93	58
		Total Standees	20	18	93	58
	EAST OF HUDSON TOTAL - AM PEAK		22	19	95	59
Daily Average PM Peak	Hudson Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	1
		Total Standees	0	0	0	1
	Harlem Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	14	7
		Total Standees	0	0	14	7
	New Haven Line	Program Standees	0	0	0	0
		Add'l Standees	1	2	30	32
		Total Standees	1	2	30	32
	EAST OF HUDSON TOTAL - PM PEAK		1	2	44	40

West of Hudson

West of Hudson			FEB 2012	YTD 2012	FEB 2013	YTD 2013
Daily Average AM Peak	Port Jervis Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	Pascack Valley Line	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
	WEST OF HUDSON TOTAL - AM PEAK		0	0	0	0
	Daily Average PM Peak	Port Jervis Line	Program Standees	0	0	0
Add'l Standees			0	0	0	0
Total Standees			0	0	0	0
Pascack Valley Line		Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
		Total Standees	0	0	0	0
WEST OF HUDSON TOTAL - PM PEAK		0	0	0	0	

Definitions

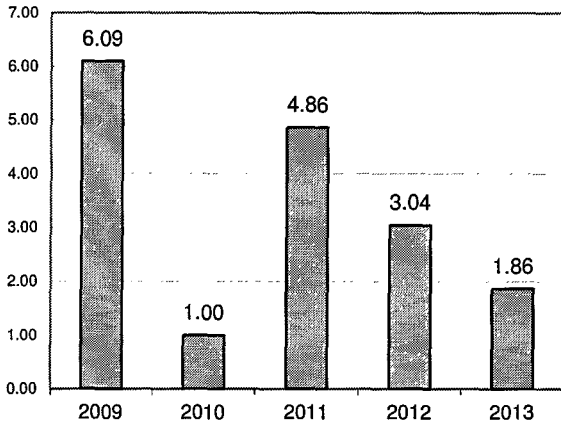
Weekday standees are calculated based on the most recent average weekday customer counts for the train's maximum load point. For Hudson, Harlem and most New Haven Line trains, this point occurs at GCT/125th St.. However, for certain New Haven Line trains, this maximum load point is east of Stamford.

"Program Standees" is the average number of customers in excess of programmed seating capacity.

"Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

Note: These statistics do not include the effects of daily ridership variation or uneven distribution of customers within trains. Holidays and Special Events for which there are special equipment programs are not included.

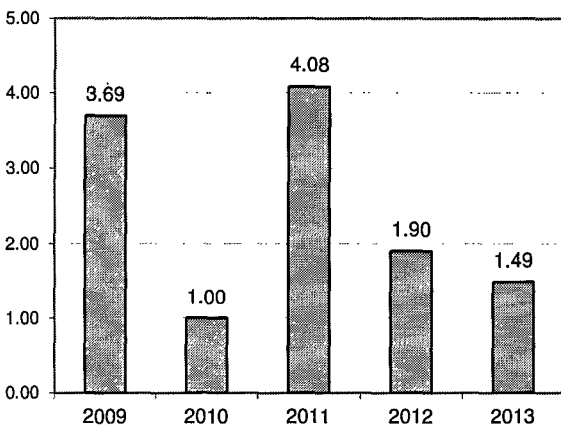
MTA Metro-North Railroad Summary of Employee Injuries thru January



Total Employee Injuries

Year	Total	Total FI*
2009	33	6.09
2010	5	1.00
2011	25	4.86
2012	16	3.04
2013	10	1.86

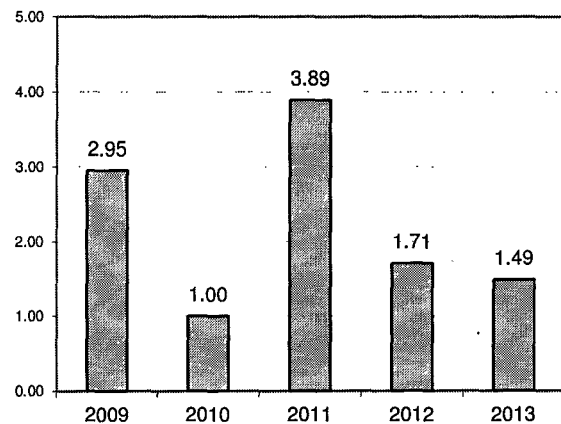
% change from last year: -38.8%
2013 Total FI Goal 2.80



Employee FRA Reportable Injuries

Year	Total	FRA FI*
2009	20	3.69
2010	5	1.00
2011	21	4.08
2012	10	1.90
2013	8	1.49

% change from last year: -21.6%
2013 FRA FI Goal 2.35



Employee Lost Time and Restricted Duty Injuries

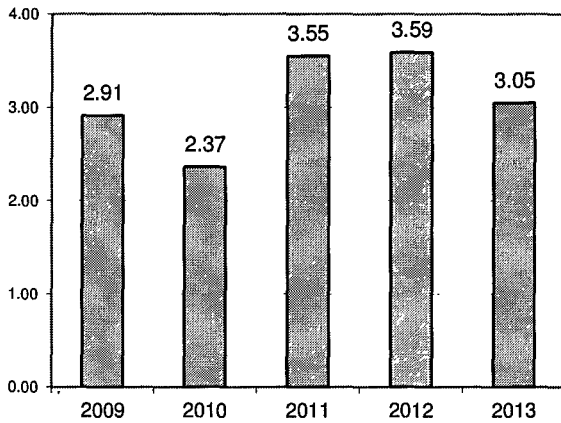
Year	LT	RD	LT FI*	RD FI*	LT&RD FI*
2009	14	2	2.58	0.37	2.95
2010	4	1	0.80	0.20	1.00
2011	16	4	3.11	0.78	3.89
2012	8	1	1.52	0.19	1.71
2013	7	1	1.30	0.19	1.49

% change from last year: -12.9%
2013 LT&RD FI Goal 1.75

* - Injuries per 200,000 hours worked

MTA Metro-North Railroad

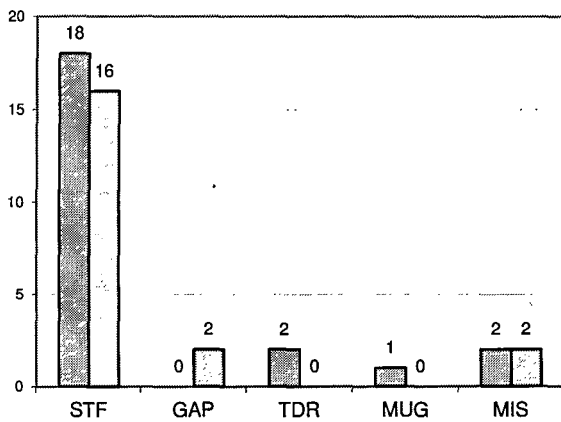
Summary of Customer/Contractor Injuries thru January



Total Customer Injuries

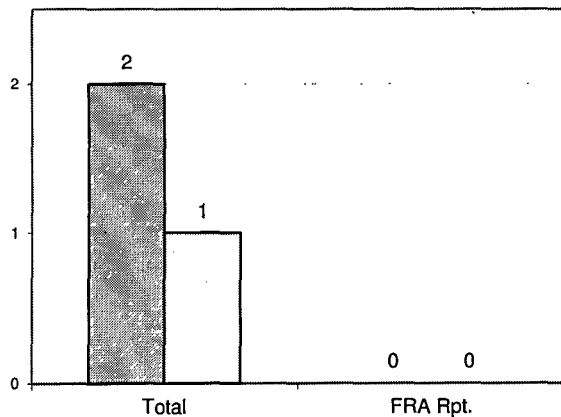
Year	Total	Total FI*
2009	18	2.91
2010	14	2.37
2011	21	3.55
2012	23	3.59
2013	20	3.05

% change from last year: -15.1%
2013 Total FI Goal 2.70



Top 5 Customer Injuries by Type

Year	Slip/Trip/Fall	Gap	Train Doors	Mugging	Misc.
2012	18	0	2	1	2
2013	16	2	0	0	2



Contractor Injuries

Year	Total	FRA Rpt.
2012	2	0
2013	1	0
% Chg	-50.0%	0.0%

* - Injuries per 1,000,000 rides



Metro-North Railroad

**Financial and Ridership Report
April 2013**



FINANCIAL STATEMENTS
MONTH ENDED: FEBRUARY 28, 2013

OFFICE OF VICE PRESIDENT OF FINANCE & INFORMATION SYSTEMS

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

Overall February financial results were favorable vs. the Adopted Budget. Total year-to-date passenger revenues were 3.7% lower than the Adopted Budget due to lost ridership from the February snow storm and lower than projected ridership growth. Passenger Revenue shortfalls to budget were slightly offset by higher GCT retail revenue. Operating expenditures were 4.2% lower than projected due primarily to timing differences in non-payroll expenses partially offset by snow storm coverage costs. Capital program expenditures (and reimbursements) were \$5.8 million lower than Budget due to revised timing of various budgeted projects (NH Shop Complex, Positive Train Control, and Track Program work) and the reallocation of forces to operations storm coverage during February.

Ridership

February YTD ridership of 12.7 million was 1.3% lower than 2012 and 3.6% below the Adopted Budget. Ridership was lower than the Adopted Budget on all lines and across all ticket types. The most significant impact was on the New Haven Line which was a result of several days of lost service due to the February snow storm. Also contributing to lower ridership are business office dislocations in lower Manhattan caused by Tropical Storm Sandy, as well as slower than projected growth in non-commutation sales.

East of Hudson

- February ridership of 5.9 million was 4.3% lower than the Adopted Budget.
- YTD ridership of 12.4 million was 3.4% lower than the Adopted Budget and 1.1% lower than 2012.
- Commutation ridership was 1.8% lower YTD and 1.9% lower for the month vs. the Adopted Budget.
- Non-commutation ridership for February was also lower than the Adopted Budget (5.8% YTD and 7.8% for the month).

West of Hudson

- February YTD ridership was 13.2% lower than the Adopted Budget due to the February snow storm, the residual impact of Tropical Storm Sandy on lower Manhattan employment, reduced Port Jervis and Pascack Valley Line service due to Tropical Storm Sandy and the absence of full of PATH service between Hoboken and the World Trade Center until the end of January.

Revenue and Reimbursements

Total Revenue and Reimbursements of \$121.7 million through February was \$8.8 million, or 6.7% lower than the Adopted Budget:

- Fare Box Revenue of \$91.6 million was \$3.5 million lower than the Adopted Budget due to lower ridership.
- Other Operating Revenue of \$9.0 million was \$0.5 million above the Adopted Budget due to higher GCT event bookings.
- Capital and Other Reimbursements of \$21.2 million was \$5.8 million lower than the Adopted Budget due to scheduling changes in a number of projects.

Expenses

Total non-reimbursable and reimbursable expenses of \$241.5 million through February were \$15.4 million (6.0%) lower than the Adopted Budget:

- \$15.1 million was attributable to lower non-labor costs. These were primarily driven by lower contract service expenditures, lower electric power costs, and timing of capital projects.
- Total Labor costs (operating and capital) were \$0.3 million (0.2%) below the Adopted Budget due to favorable healthcare premiums partly offset by higher overtime related to the February snow storm.

Financial Performance Measures

- Adjusted Farebox Operating Ratio of 60.9% through February was 0.7% higher than the Adopted Budget
- Adjusted Cost per Passenger of \$13.31 for the period was \$0.08 lower than the Budget.
- Revenue per Passenger of \$7.44 for the period was on target to the Budget.

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

REVENUE

Total Revenue – \$8.8 million (6.7%) lower than the Adopted Budget through February.

- **Fare Box Revenue** – year-to-date and the month were lower than the Adopted Budget by \$3.5 million (3.7%) and \$2.2 million (4.6%), respectively, due to ridership losses from the February snow storm and slower than projected ridership growth.
- **Other Operating Revenue** – year-to-date and the month were higher than the Adopted Budget by \$0.5 million and \$0.3 million, respectively, due to improved GCT event related income.
- **Capital and Other Reimbursements** – \$5.8 million lower than the Adopted Budget due to timing changes in several projects. (NH Shop Complex, Positive Train Control, and Track Program work). For the month of February, Capital and Other Reimbursements were \$2.6 million lower than the Adopted Budget.

EXPENSES

Total Expenses – Year-to-date expenses of \$241.5 million were \$15.4 million (6.0%) lower than the Adopted Budget. For the month, expenses were \$3.3 million (2.7%) lower than the Budget.

- **Labor expenses** (including fringes and overhead recoveries) were \$140.7 million YTD. This was \$0.3 million (0.2%) lower than the Adopted Budget primarily due to vacancies and favorable healthcare premiums, partially offset by retiree vacation/sick leave payments and overtime coverage related to the February snow storm. For the month, labor expenses were \$1.8 million higher than the Adopted Budget.
- **Non-Labor Expenses**
YTD non-labor expenses were \$51.5 million, \$11.4 million lower than the Adopted Budget and \$3.2 million lower for the month.
 - **Electric Power** – \$1.8 million lower year-to-date due to lower consumption. For the month, expenses were \$0.3 million lower than the Adopted Budget.
 - **Maintenance & Other Operating Contracts** – \$3.9 million lower than the Adopted Budget primarily due to lower costs for maintenance repairs, utilities, police services and timing of reimbursable capital project activity. For the month, expenses were \$0.8 million lower than the Adopted Budget.
 - **Professional Services** – \$1.7 million below the Adopted Budget primarily due to the timing of expenses for IT related work, legal expenses, and bridge inspections. For the month, expenses were \$1.0 million lower than the Adopted Budget.
 - **Materials & Supplies** – year-to-date expenditures were \$2.8 million below the Adopted Budget primarily due to timing differences in reimbursable capital project activity (\$2.7 million related to Danbury Branch Signal System, NH Yard Component Change-out Shop, Positive Train Control and GCT Fire Life Safety projects). For the month, expenses were \$0.8 million lower than the Adopted Budget.
 - **Other Business Expenses** – \$0.6 million lower than the Adopted Budget primarily due to a settlement for GCT electrical vault damage and the timing of expenses for printing/stationary supplies and other miscellaneous purchases. For the month, expenses were \$0.2 million lower than the Adopted Budget.
- **Depreciation and Other Non Cash Liability Adjustments** – \$49.3 million year-to-date (\$24.6 million for the month) which was \$3.8 million lower than the Adopted Budget due to the timing of recording completed capital projects.

CASH DEFICIT

Cash Deficit through February of \$50.1 million was \$18.2 million favorable to the Adopted Budget due to the timing differences and lower expenses noted above.

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

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$46.382	\$44.228	(\$2.155)	(4.6)	\$0.000	\$0.000	\$0.000	-	\$46.382	\$44.228	(\$2.155)	(4.6)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	4.094	4.423	0.329	8.0	0.000	0.000	0.000	-	4.094	4.423	0.329	8.0
Capital & Other Reimbursements:												
MTA	0.000	0.000	0.000	-	7.439	5.926	(1.512)	(20.3)	7.439	5.926	(1.512)	(20.3)
CDOT	0.000	0.000	0.000	-	4.112	3.294	(0.818)	(19.9)	4.112	3.294	(0.818)	(19.9)
Other	0.000	0.000	0.000	-	0.839	0.542	(0.297)	(35.3)	0.839	0.542	(0.297)	(35.3)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	12.390	9.762	(2.627)	(21.2)	12.390	9.762	(2.627)	(21.2)
Total Revenue/Receipts	\$50.476	\$48.650	(\$1.826)	(3.6)	\$12.390	\$9.762	(\$2.627)	(21.2)	\$62.866	\$58.413	(\$4.453)	(7.1)
Expenses												
Labor:												
Payroll	\$31.887	\$33.113	(\$1.225)	(3.8)	\$3.098	\$2.618	\$0.480	15.5	\$34.986	\$35.731	(\$0.745)	(2.1)
Overtime	4.567	5.230	(0.664)	(14.5)	1.060	0.989	0.070	6.6	5.626	6.219	(0.593)	(10.5)
Health and Welfare	8.059	8.003	0.056	0.7	1.037	0.850	0.188	18.1	9.096	8.853	0.244	2.7
OPEB Current Payment	1.583	1.504	0.079	5.0	0.000	0.000	0.000	-	1.583	1.504	0.079	5.0
Pensions	5.679	5.889	(0.210)	(3.7)	0.622	0.447	0.176	28.2	6.302	6.336	(0.034)	(0.5)
Other Fringe Benefits	7.795	8.535	(0.740)	(9.5)	0.692	0.708	(0.015)	(2.2)	8.488	9.243	(0.755)	(8.9)
Reimbursable Overhead	(2.683)	(2.287)	(0.396)	(14.8)	2.644	2.236	0.408	15.4	(0.039)	(0.051)	0.012	30.9
Total Labor	\$56.888	\$59.987	(\$3.099)	(5.4)	\$9.154	\$7.847	\$1.306	14.3	\$66.042	\$67.835	(\$1.793)	(2.7)
Non-Labor:												
Electric Power	\$7.528	\$7.233	\$0.295	3.9	\$0.000	\$0.005	(\$0.005)	-	\$7.528	\$7.238	\$0.290	3.9
Fuel	2.685	2.680	0.005	0.2	0.000	0.000	(0.000)	-	2.685	2.680	0.005	0.2
Insurance	0.982	0.948	0.033	3.4	0.275	0.208	0.068	24.6	1.257	1.156	0.101	8.0
Claims	0.059	0.031	0.028	47.1	0.000	0.000	0.000	-	0.059	0.031	0.028	47.1
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	7.250	6.865	0.584	8.1	1.087	0.836	0.252	23.1	8.337	7.501	0.836	10.0
Professional Service Contracts	1.929	1.217	0.712	36.9	0.639	0.304	0.335	52.5	2.568	1.520	1.047	40.8
Materials & Supplies	5.027	4.900	0.127	2.5	1.155	0.532	0.624	54.0	6.182	5.431	0.751	12.1
Other Business Expenses	1.963	1.846	0.117	6.0	0.079	0.031	0.048	60.4	2.042	1.877	0.165	8.1
Total Non-Labor	\$27.422	\$25.520	\$1.902	6.9	\$3.236	\$1.915	\$1.321	40.8	\$30.658	\$27.435	\$3.223	10.5
Other Adjustments:												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$84.310	\$85.507	(\$1.197)	(1.4)	\$12.390	\$9.762	\$2.627	21.2	\$96.699	\$95.270	\$1.430	1.5
Depreciation	20.182	18.289	1.893	9.4	0.000	0.000	0.000	-	20.182	18.289	1.893	9.4
OPEB Obligation	6.339	6.339	(0.000)	0.0	0.000	0.000	0.000	-	6.339	6.339	(0.000)	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	\$110.832	\$110.136	\$0.696	0.6	\$12.390	\$9.762	\$2.627	21.2	\$123.221	\$119.898	\$3.323	2.7
Net Surplus/(Deficit)	(\$60.355)	(\$61.486)	(\$1.130)	(1.9)	\$0.000	\$0.000	\$0.000	-	(\$60.355)	(\$61.486)	(\$1.130)	(1.9)
Cash Conversion Adjustments:												
Depreciation	20.182	18.289	(1.893)	(9.4)	0.000	0.000	0.000	-	20.182	18.289	(1.893)	(9.4)
Operating/Capital	(1.190)	(0.568)	0.622	52.3	0.000	0.000	0.000	-	(1.190)	(0.568)	0.622	52.3
Other Cash Adjustments	15.082	23.214	8.132	53.9	0.000	0.000	0.000	-	15.082	23.214	8.132	53.9
Total Cash Conversion Adjustments	\$34.074	\$40.936	\$6.861	20.1	\$0.000	\$0.000	\$0.000	-	\$34.074	\$40.936	\$6.861	20.1
Net Cash Surplus/(Deficit)	(\$26.281)	(\$20.550)	\$5.731	21.8	\$0.000	\$0.000	\$0.000	-	(\$26.281)	(\$20.550)	\$5.731	21.8

-- Results are preliminary and subject to audit review.
-- Differences are due to rounding.
* Variance exceeds 100%.

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

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$95.031	\$91.553	(\$3.479)	(3.7)	\$0.000	\$0.000	\$0.000	-	\$95.031	\$91.553	(\$3.479)	(3.7)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	8.487	8.998	0.512	6.0	0.000	0.000	0.000	-	8.487	8.998	0.512	6.0
Capital & Other Reimbursements:												
MTA	0.000	0.000	0.000	-	15.618	12.411	(3.207)	(20.5)	15.618	12.411	(3.207)	(20.5)
CDOT	0.000	0.000	0.000	-	9.772	7.653	(2.119)	(21.7)	9.772	7.653	(2.119)	(21.7)
Other	0.000	0.000	0.000	-	1.621	1.130	(0.491)	(30.3)	1.621	1.130	(0.491)	(30.3)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	27.011	21.194	(5.816)	(21.5)	27.011	21.194	(5.816)	(21.5)
Total Revenue/Receipts	\$103.518	\$100.551	(\$2.967)	(2.9)	\$27.011	\$21.194	(\$5.816)	(21.5)	\$130.529	\$121.745	(\$8.784)	(6.7)
Expenses												
Labor:												
Payroll	\$68.726	\$69.748	(\$1.020)	(1.5)	\$6.457	\$5.653	\$0.804	12.5	\$75.183	\$75.399	(\$0.216)	(0.3)
Overtime	9.664	10.375	(0.712)	(7.4)	2.207	2.301	(0.094)	(4.2)	11.870	12.676	(0.806)	(6.8)
Health and Welfare	17.574	16.787	0.787	4.5	2.164	1.723	0.442	20.4	19.738	18.510	1.229	6.2
OPEB Current Payment	3.167	3.110	0.057	1.8	0.000	0.000	0.000	-	3.167	3.110	0.057	1.8
Pensions	12.223	12.352	(0.129)	(1.1)	1.297	0.941	0.356	27.5	13.520	13.292	0.227	1.7
Other Fringe Benefits	16.157	16.390	(0.233)	(1.4)	1.443	1.538	(0.095)	(6.6)	17.601	17.928	(0.328)	(1.9)
Reimbursable Overhead	(5.560)	(5.189)	(0.371)	(6.7)	5.479	5.008	0.471	8.6	(0.081)	(0.181)	0.100	*
Total Labor	\$121.951	\$123.571	(\$1.620)	(1.3)	\$19.047	\$17.163	\$1.884	9.9	\$140.998	\$140.734	\$0.264	0.2
Non-Labor:												
Electric Power	\$15.057	\$13.238	\$1.819	12.1	\$0.000	\$0.005	(\$0.005)	-	\$15.057	\$13.244	\$1.813	12.0
Fuel	\$5.347	\$5.081	\$0.266	5.0	\$0.000	\$0.001	(\$0.001)	-	\$5.347	\$5.081	\$0.266	5.0
Insurance	1.964	1.897	0.066	3.4	0.570	0.431	0.139	24.3	2.533	2.328	0.205	8.1
Claims	0.114	0.034	0.080	70.2	0.000	0.000	0.000	-	0.114	0.034	0.080	70.2
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	14.760	11.984	2.776	18.8	2.187	1.106	1.081	49.4	16.946	13.089	3.857	22.8
Professional Service Contracts	3.720	2.107	1.613	43.4	1.196	1.066	0.130	10.9	4.916	3.173	1.743	35.5
Materials & Supplies	10.017	9.910	0.106	1.1	3.879	1.188	2.691	69.4	13.896	11.098	2.797	20.1
Other Business Expenses	3.938	3.236	0.701	17.8	0.132	0.235	(0.103)	(77.8)	4.070	3.471	0.599	14.7
Total Non-Labor	\$54.916	\$47.488	\$7.428	13.5	\$7.964	\$4.031	\$3.933	49.4	\$62.880	\$51.519	\$11.361	18.1
Other Adjustments												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adj.	\$176.867	\$171.059	\$5.808	3.3	\$27.011	\$21.194	\$5.816	21.5	\$203.878	\$192.253	\$11.624	5.7
Depreciation	40.365	36.579	3.786	9.4	0.000	0.000	0.000	-	40.365	36.579	3.786	9.4
OPEB Obligation	12.679	12.679	(0.000)	0.0	0.000	0.000	0.000	-	12.679	12.679	(0.000)	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	\$229.910	\$220.317	\$9.594	4.2	\$27.011	\$21.194	\$5.816	21.5	\$256.921	\$241.511	\$15.410	6.0
Net Surplus/(Deficit)	(\$126.392)	(\$119.766)	\$6.626	5.2	\$0.000	\$0.000	\$0.000	-	(\$126.392)	(\$119.766)	\$6.626	5.2
Cash Conversion Adjustments:												
Depreciation	40.365	36.579	(3.786)	(9.4)	0.000	0.000	0.000	-	40.365	36.579	(3.786)	(9.4)
Operating/Capital	(3.839)	(2.083)	1.756	45.7	0.000	0.000	0.000	-	(3.839)	(2.083)	1.756	45.7
Other Cash Adjustments	21.591	35.199	13.608	63.0	0.000	0.000	0.000	-	21.591	35.199	13.608	63.0
Total Cash Conversion Adjustments	\$58.117	\$69.695	\$11.578	19.9	\$0.000	\$0.000	\$0.000	-	\$58.117	\$69.695	\$11.578	19.9
Net Cash Surplus/(Deficit)	(\$68.275)	(\$50.071)	\$18.204	26.7	\$0.000	\$0.000	\$0.000	-	(\$68.275)	(\$50.071)	\$18.204	26.7

-- Results are preliminary and subject to audit review.
-- Differences are due to rounding.
* Variance exceeds 100%.

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
FAREBOX REVENUE	Non-Reimb	(\$2.155)	(4.6%)	Reflects slower than projected ridership growth and ridership losses from February snow storm.	(\$3.479)	(3.7%)	Reflects slower than projected ridership growth and ridership losses from February snow storm.
OTHER OPERATING REVENUE	Non-Reimb	\$0.329	8.0%	Primarily reflects higher net GCT revenues partly offset by seasonal timing differences in advertising revenue.	\$0.512	6.0%	Primarily reflects higher net GCT revenues partly offset by seasonal timing differences in advertising revenue.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$2.627)	(21.2%)	Lower reimbursements reflect scheduling changes in capital project expenditures.	(\$5.816)	(21.5%)	Lower reimbursements reflect scheduling changes in capital project expenditures.
PAYROLL	Non-Reimb	(\$1.225)	(3.8%)	Primarily due to retiree vacation/sick leave payments partially offset by vacancies.	(\$1.020)	(1.5%)	Reflects lower than projected activity on the Cyclical Track Program 2013 and delays on the NH Rail Yard - Component Change out Shop and the Positive Train Control project.
	Reimb	\$0.480	15.5%	Reflects lower than projected activity on the Cyclical Track Program 2013, Rock Slope Remediation, Miscellaneous I&C H & H and the M-8 NHL Purchase and delays on the NH Rail Yard - Component Change out Shop, Positive Train Control, CDOT Bridge, Catenary "C1B" and the NHL Stations PH II.	\$0.804	12.5%	
OVERTIME	Non-Reimb	(\$0.664)	(14.5%)	Higher overtime requirements due to February snow storm cleanup and repair of facilities to restore service.	(\$0.712)	(7.4%)	Higher overtime requirements due to February snow storm cleanup and repair of facilities to restore service.
	Reimb	\$0.070	6.6%	Reflects delay on the NHL Stations PH II, Cos Cobb West Substation and the Signal System Replacement project.	(\$0.094)	(4.2%)	Reflects higher than projected activity on the GCT T.O. /Switch Renewal partially by the delay of the Cos Cobb West Substation and the Signal System Replacement project.
HEALTH AND WELFARE	Reimb	\$0.188	18.1%	Reflects lower project activity.	\$0.442	20.4%	Reflects lower project activity.
OPEB CURRENT PAYMENT	Non-Reimb	\$0.079	5.0%	Primarily lower than projected premiums.	\$0.057	1.8%	
PENSIONS	Reimb	\$0.176	28.2%	Reflects lower project activity.	\$0.356	27.5%	Reflects lower project activity.
OTHER FRINGE BENEFITS	Non-Reimb	(\$0.740)	(9.5%)	Reflects higher railroad taxes, employee reimbursements and employee claims.	(\$0.233)	(1.4%)	Reflects rate differentials and project adjustments
	Reimb	(\$0.015)	(2.2%)	Reflects rate differentials and project adjustments	(\$0.095)	(6.6%)	

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
REIMBURSABLE OVERHEAD	Non-Reimb	(\$0.396)	(14.8%)	Reflects lower capital project activity for the following projects 2013 Cycial Track Program, Positive Train Control, PBX Equipment Upgrade and NH Rail Yard - Component Change out Shop	(\$0.371)	(6.7%)	Reflects lower capital project activity for the following projects 2013 Cycial Track Program, Positive Train Control, PBX Equipment Upgrade, NH Rail Yard - Component Change out Shop, and Signal System Replacement.
	Reimb	\$0.408	15.4%	Reflects lower project activity	\$0.471	8.6%	Reflects lower project activity.
ELECTRIC POWER	Non-Reimb	\$0.295	3.9%	Primarily due primarily to lower usage.	\$1.819	12.1%	Primarily due primarily to lower usage
FUEL	Non-Reimb	\$0.005	0.2%		\$0.266	5.0%	Reflects the timing of payments.
CLAIMS	Non-Reimb	\$0.028	47.1%	Primarily due to lower net claims for the period	\$0.080	70.2%	Primarily due to lower net claims YTD.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$0.584	8.1%	Reflects lower costs for maintenance contracts, Grand Central utilities, MTA Police, ferry services, snow removal and security.	\$2.776	18.8%	Reflects lower costs for maintenance contracts, Grand Central utilities, MTA Police, snow removal, telephone usage and security.
	Reimb	\$0.252	23.1%	Reflects delay on the Positive Train Control partially offset by higher project activity on the NHL - C&S Signal System Repl Study and the timing of expenses for the West of Hudson Track Program.	\$1.081	49.4%	Reflects delay on the Positive Train Control Project
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$0.712	36.9%	Favorable variance reflects timing differences for IT costs, legal expenses, temporary services, medical services, and bank fees	\$1.613	43.4%	Favorable variance reflects the timing of expenses for IT costs, legal expenses, advertising, bridge inspections, temporary services, medical services, and outside training
	Reimb	\$0.335	52.5%	Reflects delays on the NHL Signal System, Replace 5 Anchor Bridge Substations with Wayside Substation and the M-8 Car Procurement projects	\$0.130	10.9%	Reflects delays on NHL Signal System, Replace 5 Anchor Bridge Substations with Wayside Substation, Overhead Bridge Program- EOFH, M-8 Car Procurement and the Positive Train Control project partially offset by the higher activity on the New Haven Station and Cos Cob Substation projects.

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
MATERIAL AND SUPPLIES	Reimb	\$0.624	54.0%	Reflects delay on the Positive Train Control, PBX Equipment Upgrade, NHL Rail Yard Component Change Out Shop and the Replacement/Repair Undergrade Bridges and the timing of expenses on the GCT T.O./Switch renewal project	\$2.691	69.4%	Reflects delay on the NHL Rail Yard Component Change Out Shop, Danbury Branch Signal System, Positive Train Control and the PBX Equipment Upgrade, the timing of expenses on the GCT T.O./Switch renewal, and lower project activity on the GCT Fire Life Safety project
OTHER BUSINESS EXPENSES	Non-Reimb	\$0.117	6.0%	Reflects the timing of expenses for printing/stationary supplies and other miscellaneous purchases	\$0.701	17.8%	Primarily due to a settlement for GCT electrical vault damage and the timing of expenses for printing/stationary supplies and other miscellaneous purchases.
	Reimb	\$0.048	60.4%	Reflects lower activity on the Positive Train Control project.	(\$0.103)	(77.8%)	Primarily reflects higher activity on the Tarrytown Station Improvement project.
DEPRECIATION	Non-Reimb	\$1.893	9.4%	Timing of capitalization of assets.	\$3.786	9.4%	Timing of capitalization of assets
OPERATING CAPITAL	Non-Reimb	\$0.622	52.3%	Reflects lower activity during the period on the GP 35 Locomotive Overhaul and the Ticket Vending Machine Upgrade projects partially offset by the payment for prior year Vehicle Replacement purchase.	\$1.756	45.7%	Reflects lower activity during the period on the Purchase of a Production Switch Tamper, the GP 35 Locomotive Overhaul and Ticket Vending Machines Upgrade projects, partially offset by higher activity than budgeted for the Harmon Material Distribution Center Roof Repair and force account support for NYPA projects.

* Variance exceeds 100%.

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

SCHEDULE III

	February 2013				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Receipts	\$47.022	\$44.573	(\$2.449)	(5.2)	\$96.295	\$95.034	(\$1.261)	(1.3)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	5.329	5.294	(0.035)	(0.7)	10.953	10.335	(0.618)	(5.6)
Capital & Other Reimbursements:								
MTA	11.492	3.832	(7.660)	(66.7)	20.610	10.308	(10.302)	(50.0)
CDOT	4.390	0.222	(4.168)	(94.9)	9.876	5.316	(4.560)	(46.2)
Other	0.776	3.011	2.235	*	1.451	5.789	4.338	*
Total Capital and Other Reimbursements	16.658	7.065	(9.593)	(57.6)	31.937	21.413	(10.524)	(33.0)
Total Receipts	\$69.009	\$56.932	(\$12.077)	(17.5)	\$139.185	\$126.782	(\$12.403)	(8.9)
Expenditures								
Labor:								
Payroll	\$35.733	\$34.196	\$1.537	4.3	\$79.662	\$72.728	\$6.934	8.7
Overtime	5.344	6.443	(1.099)	(20.6)	12.762	14.260	(1.498)	(11.7)
Health and Welfare	10.293	2.792	7.501	72.9	20.585	17.936	2.649	12.9
OPEB Current Payment	1.583	0.293	1.290	81.5	3.167	3.110	0.057	1.8
Pensions	0.221	0.232	(0.011)	(5.0)	0.498	0.542	(0.044)	(8.8)
Other Fringe Benefits	8.411	8.927	(0.516)	(6.1)	17.755	17.590	0.165	0.9
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor	\$61.585	\$52.883	\$8.702	14.1	\$134.429	\$126.166	\$8.263	6.1
Non-Labor:								
Electric Power	\$7.711	\$7.306	\$0.405	5.3	\$15.428	\$9.392	\$6.036	39.1
Fuel	2.385	1.810	0.575	24.109	4.748	3.810	0.938	19.8
Insurance	1.580	0.000	1.580	100.0	2.832	0.000	2.832	100.0
Claims	0.057	0.126	(0.069)	*	0.114	0.165	(0.051)	(44.7)
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	8.037	4.906	3.131	39.0	20.647	14.999	5.648	27.4
Professional Service Contracts	2.243	2.085	0.158	7.0	4.266	4.471	(0.205)	(4.8)
Materials & Supplies	6.801	6.576	0.225	3.3	15.487	9.354	6.133	39.6
Other Business Expenditures	4.591	1.790	2.801	61.0	8.909	8.496	0.413	4.6
Total Non-Labor	\$33.405	\$24.599	\$8.806	26.4	\$72.431	\$50.687	\$21.744	30.0
Other Adjustments:								
Other	0.300	0.000	0.300	100.0	0.600	0.000	0.600	100.0
Other Post Employment Benefits	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.300	\$0.000	\$0.300	100.0	\$0.600	\$0.000	\$0.600	100.0
Total Expenditures	\$95.290	\$77.482	\$17.808	18.7	\$207.460	\$176.853	\$30.607	14.8
Net Cash Deficit (excludes Opening Cash Balance)	(\$26.281)	(\$20.550)	\$5.731	21.8	(\$68.275)	(\$50.071)	\$18.204	26.7
Subsidies								
MTA	17.772	20.812	3.040	17.1	50.047	41.537	(8.510)	(17.0)
CDOT	8.509	0.000	(8.509)	(100.0)	18.228	7.713	(10.515)	(57.7)
Total Subsidies	\$26.281	\$20.812	(\$5.469)	(20.8)	\$68.275	\$49.250	(\$19.025)	(27.9)
Cash Timing and Availability Adjustment	\$0.000	(\$0.262)	(\$0.262)	-	\$0.000	\$0.738	\$0.738	-

- Results are preliminary and subject to audit review.

- Differences are due to rounding.

* Variance exceeds 100%.

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

Generic Receipt or Expense Category	February, 2013			Year-To-Date as of February 28, 2013		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
FARE REVENUE	(2.449)	(5.2%)	Primarily due to lower than projected ridership.			
OTHER REVENUE				(0.618)	(5.6%)	Timing differences in Amtrak reimbursements and advertising receipts, as well as lower parking and miscellaneous receipts, partially offset by lower payments in the period for GCT Lasalle charges.
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(7.660)	(66.7%)	Lower project activity, as well as timing difference in receipts.	(10.302)	(50.0%)	Lower project activity, as well as timing difference in receipts.
CDOT	(4.168)	(94.9%)	Receipt timing difference.	(4.560)	(46.2%)	Lower project activity, as well as timing difference in receipts.
OTHER	2.235	*	Primarily due to cash timing difference for prior period activity (Primarily GCT Vault), as well as higher advances.	4.338	*	Primarily due to cash timing difference for prior period activity (Primarily GCT Vault), as well as higher advances.
PAYROLL	1.537	4.3%	Higher vacancies than assumed in the budget, as well as lower capital project activity.	6.934	8.7%	Payment timing differences payroll taxes, lower capital project activity, as well as higher vacancies.
OVERTIME	(1.099)	(20.6%)	Higher overtime requirements primarily due to increase level of weather emergency coverage.	(1.498)	(11.7%)	Higher overtime requirements primarily due to increase level of weather emergency coverage, as well as higher capital project activity.
HEALTH & WELFARE	7.501	72.9%	Timing for NYSHIP/Empire Plan payments	2.649	12.9%	Lower NYSHIP/Empire Plan payments for the period.
OPEB CURRENT PAYMENT	1.290	81.5%	Timing for retiree health payments.			
PENSIONS	(0.011)	(5.0%)	Nothing material to report.	(0.044)	(8.8%)	Nothing material to report.
OTHER FRINGE BENEFITS	(0.516)	(6.1%)	Higher railroad retirement tax payments.			
ELECTRIC POWER	0.405	5.3%	Primarily reflects lower usage on the New Haven Line, partially offset by higher Non-Traction electric costs.	6.036	39.1%	Payment timing to New York Power Authority, as well as lower usage and price on both Harlem/Hudson and New Haven lines.

* Variance exceeds 100%

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

Generic Receipt or Expense Category	February, 2013			Year-To-Date as of February 28, 2013		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
FUEL	0.575	24.1%	Lower payments in the month for Revenue Vehicle Diesel Fuel.	0.938	19.8%	Lower payments for both Revenue Vehicle Diesel Fuel and Non-Revenue Fuel.
INSURANCE	1.580	100.0%	Payment timing for station liability and automobile premiums.	2.832	100.0%	Payment timing for station liability, excess liability, and automobile premiums.
CLAIMS	(0.069)	*	Nothing material to report.	0.051	44.7%	Nothing material to report.
MAINTENANCE & OTHER OPERATING CONTRACTS	3.131	39.0%	Lower capital project activity (Positive Train Control, Locomotive Overhaul for GP 35 and other miscellaneous projects), as well as payment timing for steam utility other various contractual services.	5.648	27.4%	Timing in payments for capital project activity (Danbury Branch Signal, purchase of Production Tamper, Locomotive overhaul), and steam utility, partially offset by higher payments for revenue vehicle repairs, and other miscellaneous contractual services.
PROFESSIONAL SERVICE CONTRACTS	0.158	7.0%	Net payment timing differences for both operating and capital project expenditures.			
MATERIALS & SUPPLIES				6.133	39.6%	Payment timing difference for capital projects for New Haven Rail Yard - Component Change Out Shop, GCT Switch, Danbury Branch Signal) and various other material purchases.
OTHER BUSINESS EXPENSES	2.801	61.0%	Payment timing for NJ Transit subsidy, and lower miscellaneous expenses.			
MTA SUBSIDY RECEIPTS	3.040	17.1%	Higher subsidy draw due to lower receipts, as well as lower CDOT subsidy payments, partially offset by lower payroll and non-payroll disbursements.	(8.510)	(17.0%)	Lower subsidy draw due to a lower net cash deficit (as result of lower disbursements), and the change in available bank balance, partially offset by lower receipts, and lower CDOT subsidy payments.
CDOT SUBSIDY RECEIPTS	(8.509)	(100.0%)	Payment timing differences.	(10.515)	(57.7%)	Lower due to payment timing differences.
TOTAL SUBSIDY RECEIPTS	(5.469)	(20.8%)		(19.025)	(27.9%)	

* Variance exceeds 100%

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

	February 2013				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Revenue	\$0.640	\$0.345	(\$0.294)	(46.0)	\$1.264	\$3.481	\$2.218	*
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.235	0.871	(0.364)	(29.4)	2.466	1.337	(1.130)	(45.8)
<i>Capital & Other Reimbursements:</i>		0.000			0.000	0.000		
MTA	4.053	(2.094)	(6.148)	*	4.992	(2.103)	(7.095)	*
CDOT	0.278	(3.072)	(3.350)	*	0.104	(2.337)	(2.441)	*
Other	(0.063)	2.469	2.532	*	(0.170)	4.659	4.829	*
Total Capital and Other Reimbursements	4.268	(2.697)	(6.966)	*	4.926	0.219	(4.708)	(95.6)
Total Revenue/Receipts	\$6.143	(\$1.481)	(\$7.624)	*	\$8.656	\$5.037	(\$3.619)	(41.8)
Expenditures								
<i>Labor:</i>								
Payroll	(\$0.747)	\$1.535	\$2.282	*	(\$4.479)	\$2.671	\$7.150	*
Overtime	0.282	(0.224)	(0.506)	*	(0.892)	(1.584)	(0.692)	(77.7)
Health and Welfare	(1.196)	6.061	7.257	*	(0.847)	0.574	1.421	*
OPEB Current Payment	0.000	1.211	0.000		0.000	(0.000)	(0.000)	-
Pensions	6.081	6.104	0.023	0.4	13.022	12.750	(0.271)	(2.1)
Other Fringe Benefits	0.077	0.316	0.239	*	(0.154)	0.338	0.493	*
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.039)	(0.051)	(0.012)	(30.9)	(0.081)	(0.181)	(0.100)	*
Total Labor	\$4.457	\$14.952	\$10.495	*	\$6.569	\$14.568	\$7.999	*
<i>Non-Labor:</i>								
Electric Power	(\$0.183)	(\$0.068)	\$0.115	62.9	(\$0.371)	\$3.852	\$4.223	*
Fuel	0.300	0.870	0.570	*	0.599	1.271	0.672	*
Insurance	(0.323)	1.156	1.479	*	(0.299)	2.328	2.627	*
Claims	0.002	(0.095)	(0.097)	*	0.000	(0.131)	(0.131)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	0.300	2.595	2.295	*	(3.701)	(1.910)	1.791	48.4
Professional Service Contracts	0.325	(0.565)	(0.889)	*	0.650	(1.298)	(1.948)	*
Materials & Supplies	(0.619)	(1.145)	(0.526)	(85.0)	(1.591)	1.744	3.336	*
Other Business Expenses	(2.549)	0.087	2.636	*	(4.839)	(5.025)	(0.186)	(3.8)
Total Non-Labor	(\$2.747)	\$2.836	\$5.583	*	(\$9.551)	\$0.832	\$10.383	*
<i>Other Adjustments:</i>								
Other	(0.300)	0.000	0.300	100.0	(0.600)	0.000	0.600	100.0
Total Other Adjustments	(\$0.300)	\$0.000	\$0.300	100.0	(\$0.600)	\$0.000	\$0.600	100.0
Total Expenditures Adjustments before Non-Cash Liability Adjs.	\$1.409	\$17.788	\$16.378	*	(\$3.582)	\$15.400	\$18.983	*
Depreciation	20.182	18.289	(1.893)	(9.4)	40.365	36.579	(3.786)	(9.4)
OPEB Obligation	6.339	6.339	0.000	0.0	12.679	12.679	0.000	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenditures Adjustments	\$27.931	\$42.416	\$14.485	51.9	\$49.461	\$64.658	\$15.197	30.7
Total Cash Conversion Adjustments	\$34.074	\$40.936	\$6.861	20.1	\$58.117	\$69.695	\$11.578	19.9

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

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

	February			February Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u> ¹	(3,405)	(\$0.0)		(1,103)	\$0.2	
	-9.2%	-2.4%		-1.3%	4.9%	
<u>Unscheduled Service</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Programmatic/Routine Maintenance</u>	1,035	\$0.0		(2,248)	(\$0.1)	
	5.7%	3.9%		-6.2%	-7.7%	
<u>Unscheduled Maintenance</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Vacancy/Absentee Coverage</u> ²	3,414	\$0.1		3,103	\$0.1	
	21.5%	20.7%		10.3%	8.2%	
<u>Weather Emergencies</u>	(11,975)	(\$0.6)	February snow storm cleanup and repair of facilities to restore service.	(2,725)	(\$0.1)	
	-65.7%	-66.5%		-7.5%	-8.2%	
<u>Safety/Security/Law Enforcement</u> ³	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Other</u> ⁴	(4,401)	(\$0.2)	Reflects timing differences related to payroll and calendar cutoff dates.	(16,352)	(\$0.8)	Reflects timing differences related to payroll and calendar cutoff dates.
	*	*		*	*	
Subtotal	(15,332)	(\$0.7)		(19,326)	(\$0.7)	
	-16.7%	-14.5%		-10.0%	-7.4%	
REIMBURSABLE OVERTIME	1,748	\$0.1		(807)	(\$0.1)	
	8.0%	6.7%		-1.8%	-4.3%	
TOTAL OVERTIME	(13,584)	(\$0.6)		(20,133)	(\$0.8)	

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

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

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

³ Not Applicable

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

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

	February						February Year-to-Date					
	Adopted Budget		Actuals		Var. - Fav./(Unfav)		Adopted Budget		Actuals		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME												
<u>Scheduled Service</u> ¹	36,951	\$2.0	40,356	\$2.1	(3,405)	(\$0.0)	84,206	\$4.6	85,310	\$4.4	(1,103)	\$0.2
					-9.2%	-2.4%					-1.3%	4.9%
<u>Unscheduled Service</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Programmatic/Routine Maintenance</u>	18,118	\$0.8	17,083	\$0.8	1,035	\$0.0	36,101	\$1.7	38,349	\$1.8	(2,248)	(\$0.1)
					5.7%	3.9%					-6.2%	-7.7%
<u>Unscheduled Maintenance</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Vacancy/Absentee Coverage</u> ²	15,880	\$0.7	12,466	\$0.6	3,414	\$0.1	30,102	\$1.3	27,000	\$1.2	3,103	\$0.1
					21.5%	20.7%					10.3%	8.2%
<u>Weather Emergencies</u>	18,238	\$0.9	30,214	\$1.5	(11,975)	(\$0.6)	36,368	\$1.7	39,093	\$1.9	(2,725)	(\$0.1)
					-65.7%	-66.5%					-7.5%	-8.2%
<u>Safety/Security/Law Enforcement</u> ³	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Other</u> ⁴	2,787	\$0.1	7,188	\$0.3	(4,401)	(\$0.2)	7,420	\$0.3	23,772	\$1.1	(16,352)	(\$0.8)
					*	*					*	*
Subtotal	91,975	\$4.6	107,306	\$5.2	(15,332)	(\$0.7)	194,198	\$9.7	213,524	\$10.4	(19,326)	(\$0.7)
					-16.7%	-14.5%					-10.0%	-7.4%
REIMBURSABLE OVERTIME	21,802	\$1.1	20,054	\$1.0	1,748	\$0.1	46,079	\$2.2	46,886	\$2.3	(807)	(\$0.1)
					8.0%	6.7%					-1.8%	-4.3%
TOTAL OVERTIME	113,777	\$5.6	127,361	\$6.2	(13,584)	(\$0.6)	240,277	\$11.9	260,410	\$12.7	(20,133)	(\$0.8)
					-11.9%	-10.5%					-8.4%	-6.8%

Totals may not add due to rounding.

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

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

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

³ Not Applicable

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

MTA METRO-NORTH RAILROAD
2013 Overtime Report
Overtime Legend

REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS

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

MTA METRO-NORTH RAILROAD
2013 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
February 28, 2013

<u>Department</u>	<u>2013 Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Administration			
President	3	2	1
Labor Relations	9	7	2
Safety	22	18	4
COS/Corporate & Public Affairs	16	15	1
Legal	18	17	1
Claims Services	14	13	1
Environmental Compliance & Svce	7	7	-
VP Administration	3	3	-
VP Human Resources	3	3	0
Human Resources	30	29	1
Training	47	46	1
Employee Relations & Diversity	4	3	1
VP Planning	2	2	-
Operations Planning & Analysis	17	16	1
Capital Planning & Programming	15	13	2
Business Development, Facilities & Mktg (1)	22	22	-
Long Range Planning	8	7	1
VP Finance & Information Systems	2	1	1
Controller	78	80	(2)
Information Technology & Project Mgmt	90	80	10
Budget	20	18	2
Customer Service (2) (3)	45	42	3
Procurement & Material Mgmt (4)	40	29	11
Total Administration	515	474	41
Operations			
Operations Administration	60	49	11
Operations Services	1,759	1,765	(6)
Customer Service (2) (3)	233	222	11
Business Development, Facilities & Mktg (1)	38	33	5
Metro-North West	26	29	(3)
Total Operations	2,116	2,097	19
Maintenance			
GCT	370	353	17
Maintenance of Equipment	1,301	1,264	36
Maintenance of Way	1,675	1,646	30
Procurement & Material Mgmt (4)	120	126	(6)
Total Maintenance	3,466	3,389	77
Engineering/Capital			
Construction Management	40	34	6
Engineering & Design	60	55	5
Total Engineering/Capital	100	89	11
Total Positions	6,197	6,048	149
Non-Reimbursable	5,601	5,687	(86)
Reimbursable	595	361	234
Total Full-Time	6,196	6,047	149
Total Full-Time-Equivalents (of part-time positions)	1	1	-

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

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

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

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

MTA METRO-NORTH RAILROAD
2013 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
February 28, 2013

FUNCTION/OCCUPATION	2013 Budget	Actual	Favorable (Unfavorable) Variance
Administration (1)			
Managers/Supervisors	182	161	21
Professional, Technical, Clerical	333	313	20
Operational Hourlies	-	-	-
Total Administration	515	474	41
Operations (1)			
Managers/Supervisors	154	146	8
Professional, Technical, Clerical	228	225	3
Operational Hourlies	1,734	1,726	8
Total Operations	2,116	2,097	19
Maintenance (1)			
Managers/Supervisors	516	488	29
Professional, Technical, Clerical	480	491	(11)
Operational Hourlies	2,469	2,410	59
Total Maintenance	3,466	3,389	77
Engineering/Capital			
Managers/Supervisors	48	37	11
Professional, Technical, Clerical	52	52	0
Operational Hourlies	-	-	-
Total Engineering/Capital	100	89	11
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	901	831	69
Professional, Technical, Clerical	1,093	1,080	13
Operational Hourlies	4,203	4,136	66
Total Positions	6,197	6,048	149

Notes

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

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

February 28, 2013

<u>Agency-wide (Non-Reimbursable and Reimbursable)</u>	<u>2013 Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Explanation of Variances</u>
<i>Functional Classification:</i>				
Operations (1)	2,116	2,097	19	Reflects vacancies in operation and customer services staffing (Ticket Sellers and Service Attendant positions)
Maintenance (1)	3,466	3,389	77	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)	515	474	41	Reflects timing differences in hiring IT, Procurement and Customer Service personnel.
Engineering / Capital	100	89	11	
Total Agency-wide Headcount	6,197	6,048	149	
Non-Reimbursable	5,601	5,687	(86)	
Reimbursable	595	361	234	

Notes

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

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

	Month of February		Variance		Year-to-Date February		Variance	
	Budget	Actual	Fav (Unfav) Amount	%	Budget	Actual	Fav (Unfav) Amount	%
<u>Farebox Revenue</u>								
Harlem Line	\$13.785	\$13.377	(\$0.407)	-3.0	\$28.293	\$27.485	(\$0.807)	-2.9
Hudson Line	\$9.845	\$9.563	(\$0.283)	-2.9	\$20.118	\$19.481	(\$0.637)	-3.2
New Haven Line	\$22.700	\$21.252	(\$1.447)	-6.4	\$46.515	\$44.513	(\$2.001)	-4.3
Total Farebox Revenue	\$46.330	\$44.192 ⁽¹⁾	(\$2.138)	-4.6	\$94.926	\$91.479 ⁽¹⁾	(\$3.446)	-3.6
 <u>Ridership</u>								
Harlem Line	2.045	1.979	(0.065)	-3.2	4.293	4.162	(0.131)	-3.0
Hudson Line	1.183	1.151	(0.032)	-2.7	2.479	2.402	(0.077)	-3.1
New Haven Line	2.919	2.753	(0.166)	-5.7	6.113	5.879	(0.234)	-3.8
Total Ridership East of Hudson	6.146	5.884	(0.263)	-4.3	12.885	12.443	(0.442)	-3.4
West of Hudson	0.129	0.112	(0.017)	-13.1	0.265	0.230	(0.035)	-13.2
Total Ridership	6.276	5.996	(0.280)	-4.5	13.150	12.673	(0.477)	-3.6

(1) Excludes West of Hudson Mail & Ride revenue totaling \$0.036 million for the month and \$0.73 million year-to-date.

East of Hudson:

Year-to-date ridership was 12.4 million, 3.4% lower than Budget and 1.1% lower than 2012 reflecting the impact of the February snow storm as well as business office dislocations in lower Manhattan caused by Tropical Storm Sandy, and slower than projected growth in non-commutation sales. For the month, ridership of 5.9 million was 4.3% lower than budget and 2.0% lower than February 2012. The most significant impact was on the New Haven Line which was a result of several days of lost service due to the February snow storm. Also contributing to lower ridership are

Commutation ridership was 1.8% lower year-to-date and 1.9% lower for the month vs. budget. Compared to 2012, February year-to-date commutation ridership was 0.4% lower. Non-commutation ridership was 5.8% below budget year-to-date and 2.3% lower than 2012. For the month, non-commutation ridership was 7.8% lower than budget and 4.4% worse than 2012.

West of Hudson:

West of Hudson ridership was 13.1% lower for the month and 13.2% lower year-to-date vs. 2013 Adopted Budget reflecting the impact of the February snow storm, as well as the residual impact of Tropical Storm Sandy on both lower Manhattan employment Port Jervis and Pascack Valley Line service levels, and the absence of full of PATH service between Hoboken and the World Trade Center until the end of January.

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

	MONTH			VARIANCE	
	2013	BUDGET	2012	BUDGET	2012
Farebox Operating Ratio					
Standard ⁽¹⁾	53.4%	56.6%	59.2%	-3.2%	-5.8%
Adjusted ⁽²⁾	59.3%	62.1%	66.8%	-2.8%	-7.5%
Cost per Passenger					
Standard ⁽¹⁾	\$14.23	\$13.50	\$12.37	(\$0.73)	(\$1.86)
Adjusted ⁽²⁾	\$13.99	\$13.25	\$12.19	(\$0.74)	(\$1.80)
Passenger Revenue/Passenger ⁽³⁾	\$7.60	\$7.63	\$7.32	(\$0.03)	\$0.28
	YEAR-TO-DATE			VARIANCE	
	2013	BUDGET	2012	BUDGET	2012
Farebox Operating Ratio					
Standard ⁽¹⁾	54.9%	54.8%	58.6%	0.1%	-3.7%
Adjusted ⁽²⁾	60.9%	60.2%	65.7%	0.7%	-4.8%
Cost per Passenger					
Standard ⁽¹⁾	\$13.55	\$13.62	\$12.51	\$0.07	(\$1.04)
Adjusted ⁽²⁾	\$13.31	\$13.39	\$12.32	\$0.08	(\$0.99)
Passenger Revenue/Passenger ⁽³⁾	\$7.44	\$7.46	\$7.33	(\$0.02)	\$0.11

(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.

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

Overall January financial results were favorable vs. the Adopted Budget. Total operating revenues were 2.2% lower than the Adopted Budget due to lower ridership slightly offset by higher GCT retail revenue. Operating expenditures were 7.5% lower than projected due primarily to timing differences in non-payroll expenses and lower employee benefit and propulsion costs. Capital program expenditures (and reimbursements) were \$3.2 million lower than Budget due to revised timing of various budgeted projects (NH Shop Complex, Positive Train Control, and Track Program work).

Ridership

Total ridership of 6.7 million for January was virtually unchanged vs. January 2012 (0.3% lower) but 2.7% below the Adopted Budget. Ridership was lower than the Adopted Budget on all lines and across all ticket types reflecting the lingering impact of business office dislocation in lower Manhattan caused by Tropical Storm Sandy. In addition, the abnormally mild winter in 2012 drove a higher January budget for non-commutation sales growth which was not realized.

East of Hudson

- January ridership of 6.6 million was 2.7% lower than the Adopted Budget.
- Commutation ridership was 1.8% lower than the Adopted Budget.
- Non-commutation ridership for January was 3.9% lower than the Adopted Budget.

West of Hudson

- January ridership was 13.4% lower than the Adopted Budget due to the impacts of Tropical Storm Sandy on lower Manhattan and the absence of PATH service between Hoboken and the World Trade Center until the end of January.

Revenue and Reimbursements

Total Revenue and Reimbursements of \$63.3 million through January was \$4.3 million, or 6.4% lower than the Adopted Budget:

- Fare Box Revenue of \$47.3 million was \$1.3 million lower than the Adopted Budget due to lower ridership.
- Other Operating Revenue of \$4.6 million was \$0.2 million above the Adopted Budget due to higher GCT retail net revenue.
- Capital and Other Reimbursements of \$11.4 million was \$3.2 million lower than the Adopted Budget due to scheduling changes in a number of projects.

Expenses

Total non-reimbursable and reimbursable expenses of \$121.6 million through January were \$12.1 million (9.0%) lower than the Adopted Budget:

- \$8.1 million was attributable to lower non-labor costs. These were primarily driven by lower contract service expenditures, lower electric power costs, and timing differences of capital projects.
- Total Labor costs (operating and capital) were \$2.1 million (2.7%) below the Adopted Budget due to vacancies, favorable healthcare premiums and lower employee claim payments.

Financial Performance Measures

- Adjusted Farebox Operating Ratio of 62.5% for January was 4.1% higher than the Adopted Budget due to lower expenses.
- Adjusted Cost per Passenger of \$12.71 for the period was \$0.81 lower than the Adopted Budget due to lower expenses.
- Revenue per Passenger of \$7.30 for the period was on target to the Budget.

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

REVENUE

Total Revenue – \$4.3 million (6.4%) lower than the Adopted Budget for January.

- **Fare Box Revenue** – \$1.3 million (2.7%) lower than the Adopted Budget primarily due to lower ridership.
- **Other Operating Revenue** – \$0.2 million higher than Adopted Budget primarily due to higher GCT net retail revenue.
- **Capital and Other Reimbursements** – \$3.2 million lower than the Adopted Budget due to timing differences/rescheduling in expenditures for capital projects (NH Shop Complex, Positive Train Control, and Track Program work).

EXPENSES

Total Expenses – January was \$12.1 million (9.0%) lower than Adopted.

- **Labor expenses** (including fringes and overhead recoveries) were \$2.1 million (2.7%) lower than the Adopted Budget for January primarily due to vacancies, favorable healthcare premiums and lower employee claim payments.
- **Non-Labor Expenses**
Total non-labor expenses were \$8.1 million lower than Adopted Budget.
 - **Electric Power** – \$1.5 million lower than Adopted Budget due to lower traction power prices and consumption.
 - **Fuel** – \$0.3 million below the Adopted Budget.
 - **Maintenance & Other Operating Contracts** – \$3.0 million lower than the Adopted Budget primarily due to lower costs for maintenance repairs, utilities, police services and timing differences in reimbursable capital project activity.
 - **Professional Services** – \$0.7 million below Adopted Budget primarily due to the timing of expenses for IT costs, legal expenses, and bridge inspections.
 - **Materials & Supplies** – year-to-date expenditures were \$2.0 million below the Adopted Budget due to timing differences in reimbursable capital project activity (\$2.1 million related to Danbury Branch Signal System, NH Yard Component Change-out Shop, and GCT Fire Life Safety projects).
 - **Other Business Expenses** – \$0.4 million lower than the Adopted Budget primarily due to a settlement for GCT electrical vault damage.
- **Depreciation and Other Non Cash Liability Adjustments** – \$24.6 million in total which was \$1.9 million lower than the Adopted Budget due to the timing of depreciation expense.

CASH DEFICIT

Cash Deficit for January was \$12.5 million below the Adopted Budget due to the timing differences and lower expenses noted above.

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

SCHEDULE I - A

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$48.649	\$47.325	(\$1.324)	(2.7)	\$0.000	\$0.000	\$0.000	-	\$48.649	\$47.325	(\$1.324)	(2.7)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	4.393	4.576	0.183	4.2	0.000	0.000	0.000	-	4.393	4.576	0.183	4.2
Capital & Other Reimbursements:												
MTA	0.000	0.000	0.000	-	8.179	6.485	(1.694)	(20.7)	8.179	6.485	(1.694)	(20.7)
CDOT	0.000	0.000	0.000	-	5.660	4.360	(1.300)	(23.0)	5.660	4.360	(1.300)	(23.0)
Other	0.000	0.000	0.000	-	0.782	0.588	(0.195)	(24.9)	0.782	0.588	(0.195)	(24.9)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	14.621	11.432	(3.189)	(21.8)	14.621	11.432	(3.189)	(21.8)
Total Revenue/Receipts	\$53.042	\$51.901	(\$1.142)	(2.2)	\$14.621	\$11.432	(\$3.189)	(21.8)	\$67.663	\$63.333	(\$4.331)	(6.4)
Expenses												
Labor:												
Payroll	\$36.838	\$36.633	\$0.205	0.6	\$3.359	\$3.035	\$0.324	9.6	\$40.198	\$39.669	\$0.529	1.3
Overtime	5.097	5.145	(0.048)	(0.9)	1.147	1.311	(0.164)	(14.3)	6.244	6.457	(0.212)	(3.4)
Health and Welfare	9.515	8.784	0.731	7.7	1.127	0.873	0.254	22.5	10.642	9.657	0.985	9.3
OPEB Current Payment	1.583	1.605	(0.022)	(1.4)	0.000	0.000	0.000	-	1.583	1.605	(0.022)	(1.4)
Pensions	6.544	6.463	0.081	1.2	0.674	0.494	0.180	26.8	7.218	6.956	0.261	3.6
Other Fringe Benefits	8.362	7.855	0.507	6.1	0.751	0.830	(0.079)	(10.6)	9.113	8.685	0.428	4.7
Reimbursable Overhead	(2.877)	(2.902)	0.025	0.9	2.835	2.772	0.063	2.2	(0.042)	(0.130)	0.088	*
Total Labor	\$65.063	\$63.584	\$1.479	2.3	\$9.893	\$9.316	\$0.577	5.8	\$74.956	\$72.900	\$2.056	2.7
Non-Labor:												
Electric Power	\$7.529	\$6.006	\$1.524	20.2	\$0.000	\$0.000	\$0.000	-	\$7.529	\$6.006	\$1.524	20.2
Fuel	2.662	2.401	0.261	9.8	0.000	0.000	(0.000)	-	2.662	2.401	0.261	9.8
Insurance	0.982	0.949	0.033	3.4	0.294	0.223	0.071	24.1	1.276	1.172	0.104	8.1
Claims	0.056	0.003	0.053	94.6	0.000	0.000	0.000	-	0.056	0.003	0.053	94.6
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	7.510	5.318	2.192	29.2	1.099	0.270	0.829	75.4	8.610	5.588	3.021	35.1
Professional Service Contracts	1.791	0.890	0.900	50.3	0.557	0.762	(0.205)	(36.8)	2.348	1.653	0.696	29.6
Materials & Supplies	4.990	5.010	(0.020)	(0.4)	2.724	0.657	2.067	75.9	7.714	5.667	2.047	26.5
Other Business Expenses	1.974	1.390	0.584	29.6	0.053	0.203	(0.150)	*	2.027	1.594	0.433	21.4
Total Non-Labor	\$27.494	\$21.968	\$5.526	20.1	\$4.728	\$2.116	\$2.612	55.2	\$32.222	\$24.084	\$8.138	25.3
Other Adjustments:												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$92.557	\$85.552	\$7.005	7.6	\$14.621	\$11.432	\$3.189	21.8	\$107.178	\$96.984	\$10.194	9.5
Depreciation	20.182	18.289	1.893	9.4	0.000	0.000	0.000	-	20.182	18.289	1.893	9.4
OPEB Obligation	6.339	6.339	(0.000)	0.0	0.000	0.000	0.000	-	6.339	6.339	(0.000)	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	\$119.079	\$110.181	\$8.898	7.5	\$14.621	\$11.432	\$3.189	21.8	\$133.700	\$121.613	\$12.087	9.0
Net Surplus/(Deficit)	(\$66.037)	(\$58.280)	\$7.757	11.7	\$0.000	(\$0.000)	(\$0.000)	-	(\$66.037)	(\$58.280)	\$7.757	11.7
Cash Conversion Adjustments:												
Depreciation	20.182	18.289	(1.893)	(9.4)	0.000	0.000	0.000	-	20.182	18.289	(1.893)	(9.4)
Operating/Capital	(2.649)	(1.515)	1.134	42.8	0.000	0.000	0.000	-	(2.649)	(1.515)	1.134	42.8
Other Cash Adjustments	6.509	11.985	5.476	84.1	0.000	0.000	0.000	-	6.509	11.985	5.476	84.1
Total Cash Conversion Adjustments	\$24.043	\$28.759	\$4.716	19.6	\$0.000	\$0.000	\$0.000	-	\$24.043	\$28.759	\$4.716	19.6
Net Cash Surplus/(Deficit)	(\$41.994)	(\$29.521)	\$12.473	29.7	\$0.000	(\$0.000)	(\$0.000)	-	(\$41.994)	(\$29.521)	\$12.473	29.7

-- Results are preliminary and subject to audit review.
-- Differences are due to rounding.
* Variance exceeds 100%.

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

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$48.649	\$47.325	(\$1.324)	(2.7)	\$0.000	\$0.000	\$0.000	-	\$48.649	\$47.325	(\$1.324)	(2.7)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	4.393	4.576	0.183	4.2	0.000	0.000	0.000	-	4.393	4.576	0.183	4.2
Capital & Other Reimbursements:												
MTA	0.000	0.000	0.000	-	8.179	6.485	(1.694)	(20.7)	8.179	6.485	(1.694)	(20.7)
CDOT	0.000	0.000	0.000	-	5.660	4.360	(1.300)	(23.0)	5.660	4.360	(1.300)	(23.0)
Other	0.000	0.000	0.000	-	0.782	0.588	(0.195)	(24.9)	0.782	0.588	(0.195)	(24.9)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	14.621	11.432	(3.189)	(21.8)	14.621	11.432	(3.189)	(21.8)
Total Revenue/Receipts	\$53.042	\$51.901	(\$1.142)	(2.2)	\$14.621	\$11.432	(\$3.189)	(21.8)	\$67.663	\$63.333	(\$4.331)	(6.4)
Expenses												
Labor:												
Payroll	\$36.838	\$36.633	\$0.205	0.6	\$3.359	\$3.035	\$0.324	9.6	\$40.198	\$39.669	\$0.529	1.3
Overtime	5.097	5.145	(0.048)	(0.9)	1.147	1.311	(0.164)	(14.3)	6.244	6.457	(0.212)	(3.4)
Health and Welfare	9.515	8.784	0.731	7.7	1.127	0.873	0.254	22.5	10.642	9.657	0.985	9.3
OPEB Current Payment	1.583	1.605	(0.022)	(1.4)	0.000	0.000	0.000	-	1.583	1.605	(0.022)	(1.4)
Pensions	6.544	6.463	0.081	1.2	0.674	0.494	0.180	26.8	7.218	6.956	0.261	3.6
Other Fringe Benefits	8.362	7.855	0.507	6.1	0.751	0.830	(0.079)	(10.6)	9.113	8.685	0.428	4.7
Reimbursable Overhead	(2.877)	(2.902)	0.025	0.9	2.835	2.772	0.063	2.2	(0.042)	(0.130)	0.088	-
Total Labor	\$65.063	\$63.584	\$1.479	2.3	\$9.893	\$9.316	\$0.577	5.8	\$74.956	\$72.900	\$2.056	2.7
Non-Labor:												
Electric Power	\$7.529	\$6.006	\$1.524	20.2	\$0.000	\$0.000	\$0.000	-	\$7.529	\$6.006	\$1.524	20.2
Fuel	2.662	2.401	0.261	9.8	0.000	0.000	(0.000)	-	2.662	2.401	0.261	9.8
Insurance	0.982	0.949	0.033	3.4	0.294	0.223	0.071	24.1	1.276	1.172	0.104	8.1
Claims	0.056	0.003	0.053	94.6	0.000	0.000	0.000	-	0.056	0.003	0.053	94.6
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	7.510	5.318	2.192	29.2	1.099	0.270	0.829	75.4	8.610	5.588	3.021	35.1
Professional Service Contracts	1.791	0.890	0.900	50.3	0.557	0.762	(0.205)	(36.8)	2.348	1.653	0.696	29.6
Materials & Supplies	4.990	5.010	(0.020)	(0.4)	2.724	0.657	2.067	75.9	7.714	5.667	2.047	26.5
Other Business Expenses	1.974	1.390	0.584	29.6	0.053	0.203	(0.150)	-	2.027	1.594	0.433	21.4
Total Non-Labor	\$27.494	\$21.968	\$5.526	20.1	\$4.728	\$2.116	\$2.612	55.2	\$32.222	\$24.084	\$8.138	25.3
Other Adjustments												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$92.557	\$85.552	\$7.005	7.6	\$14.621	\$11.432	\$3.189	21.8	\$107.178	\$96.984	\$10.194	9.5
Depreciation	20.182	18.289	1.893	9.4	0.000	0.000	0.000	-	20.182	18.289	1.893	9.4
OPEB Obligation	6.339	6.339	(0.000)	0.0	0.000	0.000	0.000	-	6.339	6.339	(0.000)	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenses	\$119.079	\$110.181	\$8.898	7.5	\$14.621	\$11.432	\$3.189	21.8	\$133.700	\$121.613	\$12.087	9.0
Net Surplus/(Deficit)	(\$66.037)	(\$58.280)	\$7.757	11.7	\$0.000	(\$0.000)	(\$0.000)	-	(\$66.037)	(\$58.280)	\$7.757	11.7
Cash Conversion Adjustments:												
Depreciation	20.182	18.289	(1.893)	(9.4)	0.000	0.000	0.000	-	20.182	18.289	(1.893)	(9.4)
Operating/Capital	(2.649)	(1.515)	1.134	42.8	0.000	0.000	0.000	-	(2.649)	(1.515)	1.134	42.8
Other Cash Adjustments	6.509	11.985	5.476	84.1	0.000	0.000	0.000	-	6.509	11.985	5.476	84.1
Total Cash Conversion Adjustments	\$24.043	\$28.759	\$4.716	19.6	\$0.000	\$0.000	\$0.000	-	\$24.043	\$28.759	\$4.716	19.6
Net Cash Surplus/(Deficit)	(\$41.994)	(\$29.521)	\$12.473	29.7	\$0.000	(\$0.000)	(\$0.000)	-	(\$41.994)	(\$29.521)	\$12.473	29.7

- Results are preliminary and subject to audit review.
- Differences are due to rounding.
* Variance exceeds 100%.

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	January Month and YTD vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance
		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	\$0.183	4.2%	Primarily reflects higher net GCT revenues partly offset by seasonal timing differences in advertising revenue.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$3.189)	(21.8%)	Lower reimbursements reflect scheduling changes in capital project expenditures.
PAYROLL	Reimb	\$0.324	9.6%	Reflects lower than projected activity on the Cyclical Track Program 2013 and delays on the NH Rail Yard - Component Change out Shop.
OVERTIME	Reimb	(\$0.164)	(14.3%)	Reflects higher than projected activity on the Mainline Turnouts and the Danbury Branch Signal System.
HEALTH AND WELFARE	Non-Reimb	\$0.731	7.7%	Primarily lower than projected premiums.
	Reimb	\$0.254	22.5%	Reflects lower project activity.
PENSIONS	Reimb	\$0.180	26.8%	Reflects lower project activity.
OTHER FRINGE BENEFITS	Non-Reimb	\$0.507	6.1%	Reflects favorable employee claims payments offset by higher railroad taxes and employee reimbursements.
	Reimb	(\$0.079)	(10.6%)	Reflects rate differentials and project adjustments

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	January Month and YTD vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance
		\$	%	
ELECTRIC POWER	Non-Reimb	\$1.524	20.2%	Primarily due to lower rates and consumption.
FUEL	Non-Reim	\$0.261	9.8%	Reflects the timing of payments.
INSURANCE	Non-Reimb	\$0.033	3.4%	Lower liability insurance expense for the month.
	Reimb	\$0.071	24.1%	Reflects lower project activity.
CLAIMS	Non-Reimb	\$0.053	94.6%	Primarily due to lower net claims for the period.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$2.192	29.2%	Lower costs for maintenance contracts, Grand Central utilities, MTA Police services, environmental compliance, security camera repairs, and snow removal.
	Reimb	\$0.829	75.4%	Reflects delay on the Positive Train Control and Design Guard Booths at Stamford and East Bridgeport and the timing of expenses for the Haverstraw - Ossining , Newburgh - Beacon Ferry Operations, and NHL - Relay Protection for Traction Power Sub Station.

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	January Month and YTD vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance
		\$	%	
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$0.900	50.3%	Favorable variance reflects the timing of expenses for IT costs, legal expenses, and bridge inspections.
	Reimb	(\$0.205)	(36.8%)	Reflects higher activity on the West Haven Station, partially offset by delays on NHL Signal System, Replace 5 Anchor Bridge Substations with Wayside Substation, Overhead Bridge Program- EOFH and the Positive Train Control project.
MATERIAL AND SUPPLIES	Reimb	\$2.067	75.9%	Reflects delay on the NHL Rail Yard Component Change Out Shop, Danbury Branch Signal System and Positive Train Control, the timing of expenses on the GCT T.O./Switch renewal, and lower activity on the GCT Fire Life Safety project.
OTHER BUSINESS EXPENSES	Non-Reimb	\$0.584	29.6%	Primarily due to a settlement for GCT electrical vault damage.
	Reimb	(\$0.150)	*	Reflects higher activity on the Tarrytown Station Improvement and insignificant variances on several other projects.
DEPRECIATION	Non-Reimb	\$1.893	9.4%	Timing of capitalization of assets.
OPERATING CAPITAL	Non-Reimb	\$1.134	42.8%	Reflects lower activity during the period on the Purchase of a Production Switch Tamper, Hi Rail Bucket Truck, and of Ticket Vending Machines Upgrade projects, partially offset by higher activity than budgeted for the Harmon Material Distribution Center Roof Repair, and force account support for NPA projects.

* Variance exceeds 100%.

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

SCHEDULE III

	January 2013				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Receipts	\$49.273	\$50.461	\$1.188	2.4	\$49.273	\$50.461	\$1.188	2.4
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	5.624	5.041	(0.583)	(10.4)	5.624	5.041	(0.583)	(10.4)
<i>Capital & Other Reimbursements:</i>								
MTA	9.118	6.476	(2.642)	(29.0)	9.118	6.476	(2.642)	(29.0)
CDOT	5.486	5.094	(0.392)	(7.1)	5.486	5.094	(0.392)	(7.1)
Other	0.675	2.778	2.103	*	0.675	2.778	2.103	*
Total Capital and Other Reimbursements	15.279	14.348	(0.931)	(6.1)	15.279	14.348	(0.931)	(6.1)
Total Receipts	\$70.176	\$69.850	(\$0.326)	(0.5)	\$70.176	\$69.850	(\$0.326)	(0.5)
Expenditures								
<i>Labor:</i>								
Payroll	\$43.929	\$38.532	\$5.397	12.3	\$43.929	\$38.532	\$5.397	12.3
Overtime	7.418	7.817	(0.399)	(5.4)	7.418	7.817	(0.399)	(5.4)
Health and Welfare	10.293	15.144	(4.851)	(47.1)	10.293	15.144	(4.851)	(47.1)
OPEB Current Payment	1.583	2.817	(1.234)	(77.9)	1.583	2.817	(1.234)	(77.9)
Pensions	0.277	0.310	(0.033)	(11.9)	0.277	0.310	(0.033)	(11.9)
Other Fringe Benefits	9.344	8.663	0.681	7.3	9.344	8.663	0.681	7.3
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Labor	\$72.844	\$73.283	(\$0.439)	(0.6)	\$72.844	\$73.283	(\$0.439)	(0.6)
<i>Non-Labor:</i>								
Electric Power	\$7.717	\$2.086	\$5.631	73.0	\$7.717	\$2.086	\$5.631	73.0
Fuel	2.363	2.000	0.363	15.4	2.363	2.000	0.363	15.4
Insurance	1.252	0.000	1.252	100.0	1.252	0.000	1.252	100.0
Claims	0.057	0.039	0.018	31.6	0.057	0.039	0.018	31.6
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	12.610	10.093	2.517	20.0	12.610	10.093	2.517	20.0
Professional Service Contracts	2.023	2.386	(0.363)	(17.9)	2.023	2.386	(0.363)	(17.9)
Materials & Supplies	8.686	2.778	5.908	68.0	8.686	2.778	5.908	68.0
Other Business Expenditures	4.318	6.706	(2.388)	(55.3)	4.318	6.706	(2.388)	(55.3)
Total Non-Labor	\$39.026	\$26.088	\$12.938	33.2	\$39.026	\$26.088	\$12.938	33.2
<i>Other Adjustments:</i>								
Other	0.300	0.000	0.300	100.0	0.300	0.000	0.300	100.0
Other Post Employment Benefits	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.300	\$0.000	\$0.300	100.0	\$0.300	\$0.000	\$0.300	100.0
Total Expenditures	\$112.170	\$99.371	\$12.799	11.4	\$112.170	\$99.371	\$12.799	11.4
Net Cash Deficit (excludes Opening Cash Balance)	(\$41.994)	(\$29.521)	\$12.473	29.7	(\$41.994)	(\$29.521)	\$12.473	29.7
Subsidies								
MTA	32.275	20.725	(11.550)	(35.8)	32.275	20.725	(11.550)	(35.8)
CDOT	9.719	7.713	(2.006)	(20.6)	9.719	7.713	(2.006)	(20.6)
Total Subsidies	\$41.994	\$28.438	(\$13.556)	(32.3)	\$41.994	\$28.438	(\$13.556)	(32.3)
Cash Timing and Availability Adjustment	\$0.000	\$1.000	\$1.000	-	\$0.000	\$1.000	\$1.000	-

- Results are preliminary and subject to audit review.
- Differences are due to rounding.
* Variance exceeds 100%.

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

Generic Receipt or Expense Category	January Month and YTD vs Budget		
	Variance Fav (Unfav)		Reason for Variance
	\$	%	
OTHER OPERATING REVENUE	(0.583)	(10.4%)	Lower parking revenue and net timing differences for Amtrak reimbursements and payment of GCT retail expenses.
CAPITAL AND OTHER REIMBURSEMENTS:			
MTA	(2.642)	(29.0%)	Timing difference in receipts, as well as lower project activity
CDOT	(0.392)	(7.1%)	Lower activity, partially offset by receipt timing differences.
OTHER	2.103	*	Primarily due to cash timing difference for prior period activity (Primarily GCT Vault).
PAYROLL	5.397	12.3%	Payment timing differences payroll taxes and retiree payouts, as well as higher vacancies.
OVERTIME	(0.399)	(5.4%)	Primarily due to higher capital project activity.
HEALTH & WELFARE	(4.851)	(47.1%)	Payment timing for NYSHIP health insurance premiums.
OPEB CURRENT PAYMENT	(1.234)	(77.9%)	Payment timing for retiree health insurance premiums.
PENSIONS	(0.033)	(11.9%)	Nothing material to report.
OTHER FRINGE BENEFITS	0.681	7.3%	Lower employee claim payments.
ELECTRIC POWER	5.631	73.0%	Payment timing differences to New York Power Authority, as well as lower price and usage on both the Harlem Hudson and New Haven Lines.
FUEL	0.363	15.4%	Lower payments in the month for both Revenue Vehicle Diesel Fuel and Non-Revenue Fuel.

* Variance exceeds 100%

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

Generic Receipt or Expense Category	January Month and YTD vs Budget		
	Variance Fav (Unfav)		Reason for Variance
	\$	%	
INSURANCE	1,252	100.0%	Payment timing for excess liability insurance premium.
CLAIMS	0.018	31.6%	Nothing material to report.
MAINTENANCE & OTHER OPERATING CONTRACTS	2,517	20.0%	Timing in payments for capital project activity (Danbury Branch Signal, purchase of Production Tamper) and lower utilities, partially offset by higher payments in the month for equipment overhauls, real estate rentals, and other miscellaneous contractual services.
PROFESSIONAL SERVICES	(0.363)	(17.9%)	Payment timing differences for capital engineering services and IT service fees, partially offset by lower payments in the month for legal fees and medical services.
MATERIALS & SUPPLIES	5,908	68.0%	Payment timing difference for capital projects (New Haven Rail Yard - Component Change Out Shop, GCT Switch, Danbury Branch Signal) and various other material purchases.
OTHER BUSINESS EXPENSES	(2,388)	(55.3%)	Payment timing for NJ Transit subsidy (January and February paid in the month).
MTA SUBSIDY RECEIPTS	(11,550)	(35.8%)	Lower subsidy draw due to a lower net cash deficit (primarily as result of lower non-payroll disbursements), and the change in available bank balance, partially offset by lower CDOT subsidy payments.
CDOT SUBSIDY RECEIPTS	(2,006)	(20.6%)	Payment timing difference.
TOTAL SUBSIDY RECEIPTS	(13,556)	(32.3%)	

* Variance exceeds 100%

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

	January 2013				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable)		Adopted Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Revenue	\$0.624	\$3.136	\$2.512	*	\$0.624	\$3.136	\$2.512	*
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	1.231	0.465	(0.766)	(62.2)	1.231	0.465	(0.766)	(62.2)
Capital & Other Reimbursements:								
MTA	0.939	(0.009)	(0.948)	*	0.939	(0.009)	(0.948)	*
CDOT	(0.174)	0.734	0.908	*	(0.174)	0.734	0.908	*
Other	(0.107)	2.190	2.298	*	(0.107)	2.190	2.298	*
Total Capital and Other Reimbursements	0.658	2.916	2.258	*	0.658	2.916	2.258	*
Total Revenue/Receipts	\$2.513	\$6.517	\$4.005	*	\$2.513	\$6.517	\$4.005	*
Expenditures								
Labor:								
Payroll	(\$3.731)	\$1.137	\$4.868	*	(\$3.731)	\$1.137	\$4.868	*
Overtime	(1.174)	(1.360)	(0.187)	(15.9)	(1.174)	(1.360)	(0.187)	(15.9)
Health and Welfare	0.349	(5.487)	(5.836)	*	0.349	(5.487)	(5.836)	*
OPEB Current Payment	0.000	(1.212)	(1.212)	-	0.000	(1.212)	(1.212)	-
Pensions	6.941	6.646	(0.294)	(4.2)	6.941	6.646	(0.294)	(4.2)
Other Fringe Benefits	(0.231)	0.022	0.253	*	(0.231)	0.022	0.253	*
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.042)	(0.130)	(0.088)	*	(0.042)	(0.130)	(0.088)	*
Total Labor	\$2.112	(\$0.383)	(\$2.495)	*	\$2.112	(\$0.383)	(\$2.495)	*
Non-Labor:								
Electric Power	(\$0.188)	\$3.920	\$4.107	*	(\$0.188)	\$3.920	\$4.107	*
Fuel	0.299	0.401	0.102	34.1	0.299	0.401	0.102	34.1
Insurance	0.024	1.172	1.148	*	0.024	1.172	1.148	*
Claims	(0.001)	(0.036)	(0.035)	*	(0.001)	(0.036)	(0.035)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	(4.000)	(4.505)	(0.504)	(12.6)	(4.000)	(4.505)	(0.504)	(12.6)
Professional Service Contracts	0.325	(0.733)	(1.059)	*	0.325	(0.733)	(1.059)	*
Materials & Supplies	(0.972)	2.889	3.861	*	(0.972)	2.889	3.861	*
Other Business Expenses	(2.291)	(5.112)	(2.821)	*	(2.291)	(5.112)	(2.821)	*
Total Non-Labor	(\$6.804)	(\$2.004)	\$4.800	70.5	(\$6.804)	(\$2.004)	\$4.800	70.5
Other Adjustments:								
Other	(0.300)	0.000	0.300	100.0	(0.300)	0.000	0.300	100.0
Total Other Adjustments	(\$0.300)	\$0.000	\$0.300	100.0	(\$0.300)	\$0.000	\$0.300	100.0
Total Expenditures Adjustments before Non-Cash Liability Adj's.	(\$4.992)	(\$2.387)	\$2.605	52.2	(\$4.992)	(\$2.387)	\$2.605	52.2
Depreciation	20.182	18.289	(1.893)	(9.4)	20.182	18.289	(1.893)	(9.4)
OPEB Obligation	6.339	6.339	0.000	0.0	6.339	6.339	0.000	0.0
Environmental Remediation	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenditures Adjustments	\$21.530	\$22.242	\$0.712	3.3	\$21.530	\$22.242	\$0.712	3.3
Total Cash Conversion Adjustments	\$24.043	\$28.759	\$4.716	19.6	\$24.043	\$28.759	\$4.716	19.6

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

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

	January						January Year-to-Date					
	Adopted Budget		Actuals		Var. - Fav./(Unfav)		Adopted Budget		Actuals		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME												
<u>Scheduled Service</u> ¹	47,256	\$2.6	44,954	\$2.3	2,302	\$0.3	47,256	\$2.6	44,954	\$2.3	2,302	\$0.3
					4.9%	10.8%					4.9%	10.8%
<u>Unscheduled Service</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Programmatic/Routine Maintenance</u>	17,983	\$0.8	21,266	\$1.0	(3,283)	(\$0.2)	17,983	\$0.8	21,266	\$1.0	(3,283)	(\$0.2)
					-18.3%	-19.5%					-18.3%	-19.5%
<u>Unscheduled Maintenance</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Vacancy/Absentee Coverage</u> ²	14,222	\$0.6	14,534	\$0.7	(312)	(\$0.0)	14,222	\$0.6	14,534	\$0.7	(312)	(\$0.0)
					-2.2%	-5.9%					-2.2%	-5.9%
<u>Weather Emergencies</u>	18,130	\$0.9	8,879	\$0.4	9,250	\$0.4	18,130	\$0.9	8,879	\$0.4	9,250	\$0.4
					51.0%	50.4%					51.0%	50.4%
<u>Safety/Security/Law Enforcement</u> ³	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Other</u> ⁴	4,633	\$0.2	16,584	\$0.8	(11,952)	(\$0.6)	4,633	\$0.2	16,584	\$0.8	(11,952)	(\$0.6)
					*	*					*	*
Subtotal	102,223	\$5.1	106,217	\$5.1	(3,994)	(\$0.0)	102,223	\$5.1	106,217	\$5.1	(3,994)	(\$0.0)
					-3.9%	-0.9%					-3.9%	-0.9%
REIMBURSABLE OVERTIME	24,277	\$1.1	26,832	\$1.3	(2,555)	(\$0.2)	24,277	\$1.1	26,832	\$1.3	(2,555)	(\$0.2)
					-10.5%	-14.3%					-10.5%	-14.3%
TOTAL OVERTIME	126,500	\$6.2	133,049	\$6.5	(6,549)	(\$0.2)	126,500	\$6.2	133,049	\$6.5	(6,549)	(\$0.2)
					-5.2%	-3.4%					-5.2%	-3.4%

Totals may not add due to rounding.

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

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

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

³ Not Applicable

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

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

	January			January Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u> ¹	2,302	\$0.3		2,302	\$0.3	
	4.9%	10.8%		4.9%	10.8%	
<u>Unscheduled Service</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Programmatic/Routine Maintenance</u>	(3,283)	(\$0.2)		(3,283)	(\$0.2)	
	-18.3%	-19.5%		-18.3%	-19.5%	
<u>Unscheduled Maintenance</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Vacancy/Absentee Coverage</u> ²	(312)	(\$0.0)		(312)	(\$0.0)	
	-2.2%	-5.9%		-2.2%	-5.9%	
<u>Weather Emergencies</u>	9,250	\$0.4		9,250	\$0.4	
	51.0%	50.4%		51.0%	50.4%	
<u>Safety/Security/Law Enforcement</u> ³	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Other</u> ⁴	(11,952)	(\$0.6)	Reflects timing differences related to payroll and calendar cutoff dates.	(11,952)	(\$0.6)	Reflects timing differences related to payroll and calendar cutoff dates.
	*	*		*	*	
Subtotal	(3,994)	(\$0.0)		(3,994)	(\$0.0)	
	-3.9%	-0.9%		-3.9%	-0.9%	
REIMBURSABLE OVERTIME	(2,555)	(\$0.2)		(2,555)	(\$0.2)	
	-10.5%	-14.3%		-10.5%	-14.3%	
TOTAL OVERTIME	(6,549)	(\$0.2)		(6,549)	(\$0.2)	

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

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

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

³ Not Applicable

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

MTA METRO-NORTH RAILROAD
2013 Overtime Report
Overtime Legend

REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS

Type	Definition
<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
2013 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
January 31, 2013

<u>Department</u>	<u>2013 Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Administration			
President	3	3	-
Labor Relations	9	7	2
Safety	22	18	4
COS/Corporate & Public Affairs	16	16	0
Legal	18	17	1
Claims Services	14	13	1
Environmental Compliance & Svce	7	7	-
VP Administration	3	3	-
VP Human Resources	3	3	0
Human Resources	30	29	1
Training	47	46	1
Employee Relations & Diversity	4	2	2
VP Planning	2	2	-
Operations Planning & Analysis	17	16	1
Capital Planning & Programming	15	13	2
Business Development, Facilities & Mktg (3)	22	22	-
Long Range Planning	8	7	1
VP Finance & Information Systems	2	1	1
Controller	78	80	(2)
Information Technology & Project Mgmt	90	80	10
Budget	20	18	2
Customer Service (1) (2)	45	42	4
Procurement & Material Mgmt (4)	40	29	11
Total Administration	515	474	42
Operations			
Operations Administration	60	48	12
Operations Services	1,759	1,763	(4)
Customer Service (1) (2)	233	220	13
Business Development, Facilities & Mktg (3)	38	32	6
Metro-North West	26	29	(3)
Total Operations	2,116	2,092	23
Maintenance			
GCT	370	356	14
Maintenance of Equipment	1,301	1,260	41
Maintenance of Way	1,678	1,649	29
Procurement & Material Mgmt (4)	120	124	(4)
Total Maintenance	3,468	3,388	80
Engineering/Capital			
Construction Management	40	35	5
Engineering & Design	60	55	6
Total Engineering/Capital	100	90	11
Total Positions	6,199	6,043	156
Non-Reimbursable	5,618	5,731	(81)
Reimbursable	581	312	236
Total Full-Time	6,198	6,042	156
Total Full-Time-Equivalents (of part-time positions)	1	1	-

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

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

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

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

MTA METRO-NORTH RAILROAD
2013 ADOPTED BUDGET VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
January 31, 2013

FUNCTION/OCCUPATION	2013 Adopted Budget	Actual	Favorable (Unfavorable) Variance
Administration (1)			
Managers/Supervisors	182	161	22
Professional, Technical, Clerical	333	313	20
Operational Hourlies	-	-	-
Total Administration	515	474	42
Operations (1)			
Managers/Supervisors	154	147	8
Professional, Technical, Clerical	228	224	5
Operational Hourlies	1,733	1,722	11
Total Operations	2,116	2,092	23
Maintenance (1)			
Managers/Supervisors	517	492	25
Professional, Technical, Clerical	480	483	(3)
Operational Hourlies	2,471	2,413	58
Total Maintenance	3,468	3,388	80
Engineering/Capital			
Managers/Supervisors	48	37	11
Professional, Technical, Clerical	52	53	(0)
Operational Hourlies	-	-	-
Total Engineering/Capital	100	90	11
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	901	836	65
Professional, Technical, Clerical	1,093	1,072	22
Operational Hourlies	4,204	4,136	69
Total Positions	6,199	6,043	156

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
2013 ADOPTED BUDGET VS. ACTUALS**

January 31, 2013

<u>Agency-wide (Non-Reimbursable and Reimbursable)</u>	<u>2013 Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Explanation of Variances</u>
<i>Functional Classification:</i>				
Operations (1)	2,116	2,092	23	Reflects vacancies in operation and customer services staffing (Ticket Sellers and Service Attendant positions)
Maintenance (1)	3,468	3,388	80	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)	515	474	42	Reflects timing differences in hiring IT, Procurement and Customer Service personnel.
Engineering / Capital	100	90	11	
Total Agency-wide Headcount	6,199	6,043	156	
Non-Reimbursable	5,618	5,731	(81)	
Reimbursable	581	312	236	

Notes

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

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

	<u>Month of January</u>		<u>Variance</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Fav (Unfav) Amount</u>	<u>Bud %</u>
<u>Farebox Revenue</u>				
Harlem Line	\$14.508	\$14.108	(\$0.400)	-2.8
Hudson Line	\$10.276	\$9.919	(\$0.358)	-3.5
New Haven Line	\$23.815	\$23.261	(\$0.554)	-2.3
 Total Farebox Revenue	 \$48.599	 \$47.287 ⁽¹⁾	 (\$1.312)	 -2.7
 <u>Ridership</u>				
Harlem Line	2.248	2.183	(0.065)	-2.9
Hudson Line	1.296	1.251	(0.045)	-3.5
New Haven Line	3.194	3.126	(0.068)	-2.1
 Total East of Hudson Ridership	 6.738	 6.560	 (0.179)	 -2.7
West of Hudson Ridership	0.136	0.118	(0.018)	-13.4
Total Ridership	6.874	6.677	(0.197)	-2.9

(1) Farebox Revenue Excludes West of Hudson revenues (including Mail & Ride revenue totaling \$0.037 million for the month).

East of Hudson ridership for January was virtually unchanged vs. January 2012 (0.3% lower), but 2.7% below the Adopted Budget. Ridership was lower than the Adopted Budget on all lines and across all ticket types reflecting the lingering impact of business office dislocation in lower Manhattan caused by Tropical Storm Sandy. In addition, the abnormally mild winter in 2012 drove a higher January budget for non-commutation sales growth which was not realized.

Similarly, West of Hudson ridership was 13.4% lower than budget also due to the impacts of Tropical Storm Sandy on lower Manhattan and the absence of PATH service between Hoboken and the World Trade Center until the end of January.

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

	MONTH			VARIANCE	
	2013	BUDGET	2012	BUDGET	2012
Farebox Operating Ratio					
Standard ⁽¹⁾	56.4%	53.1%	58.1%	3.3%	-1.7%
Adjusted ⁽²⁾	62.5%	58.4%	64.5%	4.1%	-2.0%
Cost per Passenger					
Standard ⁽¹⁾	\$12.94	\$13.74	\$12.62	\$0.80	(\$0.32)
Adjusted ⁽²⁾	\$12.71	\$13.52	\$12.43	\$0.81	(\$0.28)
Passenger Revenue/Passenger ⁽³⁾	\$7.30	\$7.30	\$7.33	\$0.00	(\$0.03)

(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.

MTA METRO-NORTH RAILROAD

MONTHLY RIDERSHIP REPORT

FEBRUARY 2013

Operations Planning & Analysis Department
April, 2013

FEBRUARY 2013 RIDERSHIP REPORT MTA METRO-NORTH RAILROAD

EXECUTIVE SUMMARY

February

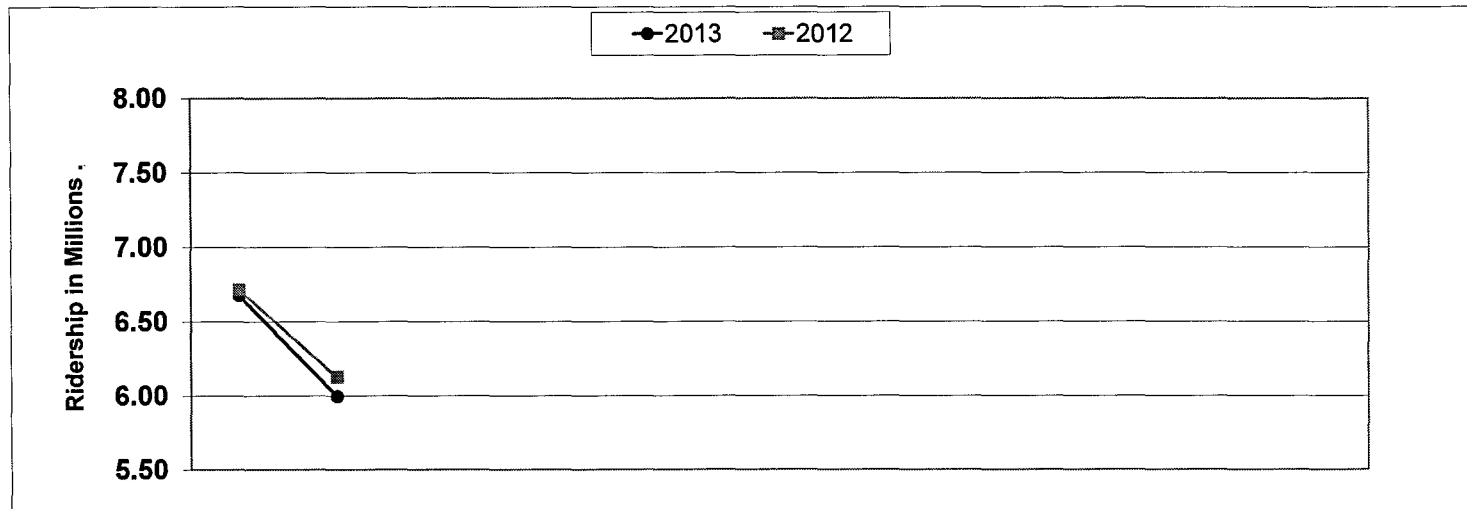
- February 2013 **Total MNR System Ridership** was 6.037 million vs. 6.170 million in February 2012, a decrease of 133,532 passengers (-2.2%).
- February 2013 **Total Rail Ridership** was 5.996 million vs. 6.127 million in February 2012, a decrease of 131,382 passengers (-2.1%).
 - **Rail Commutation Ridership** was -0.7% vs. 2012
 - **Rail Non-commutation Ridership** was -4.4% vs. 2012
- February 2013 **East of Hudson Ridership** was 5.884 million vs. 6.003 million in February 2012, a decrease of 118,908 passengers (-2.0%).
- February 2013 **West of Hudson Ridership** was 0.112 million vs. 0.125 million in February 2012, a decrease of 12,474 passengers (-10.0%).
- February 2013 **Connecting Services Ridership** was 0.041 million vs. 0.043 million in February 2012, a decrease of 2,150 passengers (-5.0%).
- February 2013 **Rail Revenue** was \$45.1 million vs. \$46.3 million in February 2012, a decrease of \$1,159,815 (-2.5%).

Year To Date

- 2013 YTD **Total MNR System Ridership** was 1.3% below 2012 and 3.7% below budget.
- 2013 YTD **Total Rail Ridership** was 1.3% below 2012 and 3.6% below budget.
- 2013 YTD **East of Hudson Ridership** was 1.1% below 2012 and 3.4% below budget.
- 2013 YTD **West of Hudson ridership** was 11.5% below 2012 and 13.2% below budget.
- 2013 YTD **Connecting Services Ridership** was 4.5% below 2012 and 7.2% below budget.
- 2013 YTD **Rail Revenue** was 0.5% below 2012 and 3.8% below budget.

FEBRUARY RAIL RIDERSHIP ⁽¹⁾

- FEBRUARY's Total Rail Ridership was 2.1% below 2012 and 4.5% below budget.

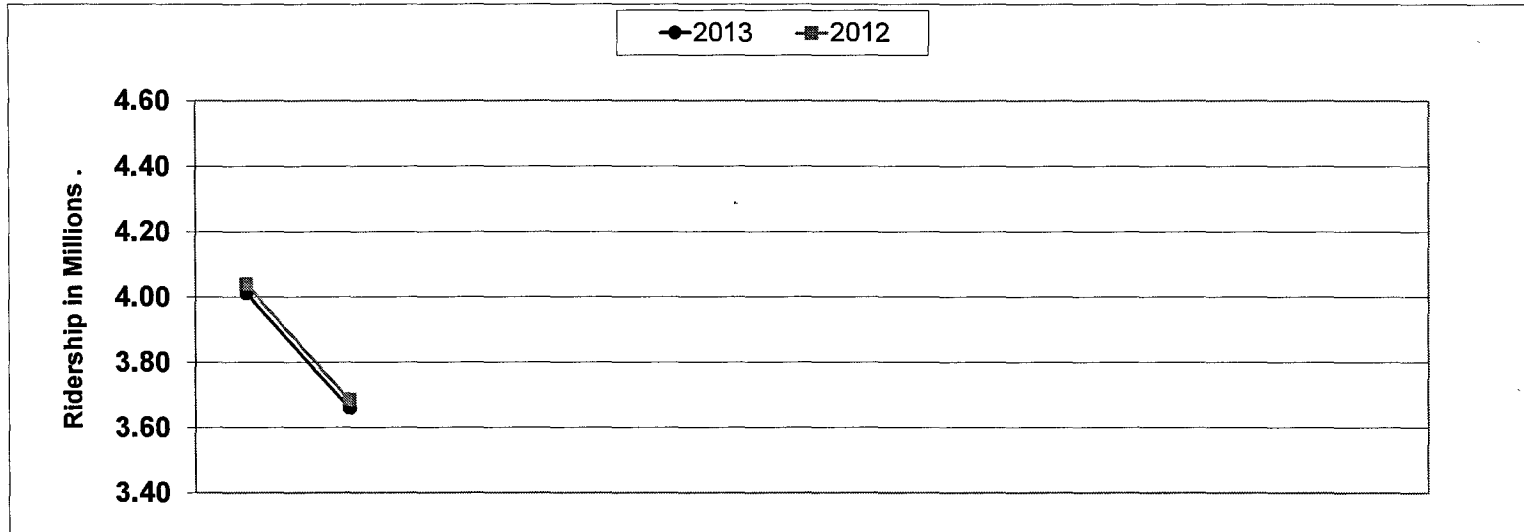


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	6.68	6.00											12.67
2012	6.72	6.13											12.84
PCT CHG.	-0.6%	-2.1%											-1.3%

1) Includes East and West of Hudson.

FEBRUARY RAIL COMMUTATION RIDERSHIP ⁽¹⁾

- FEBRUARY's Rail Commutation Ridership was 0.7% below 2012 and 2.2% below budget.

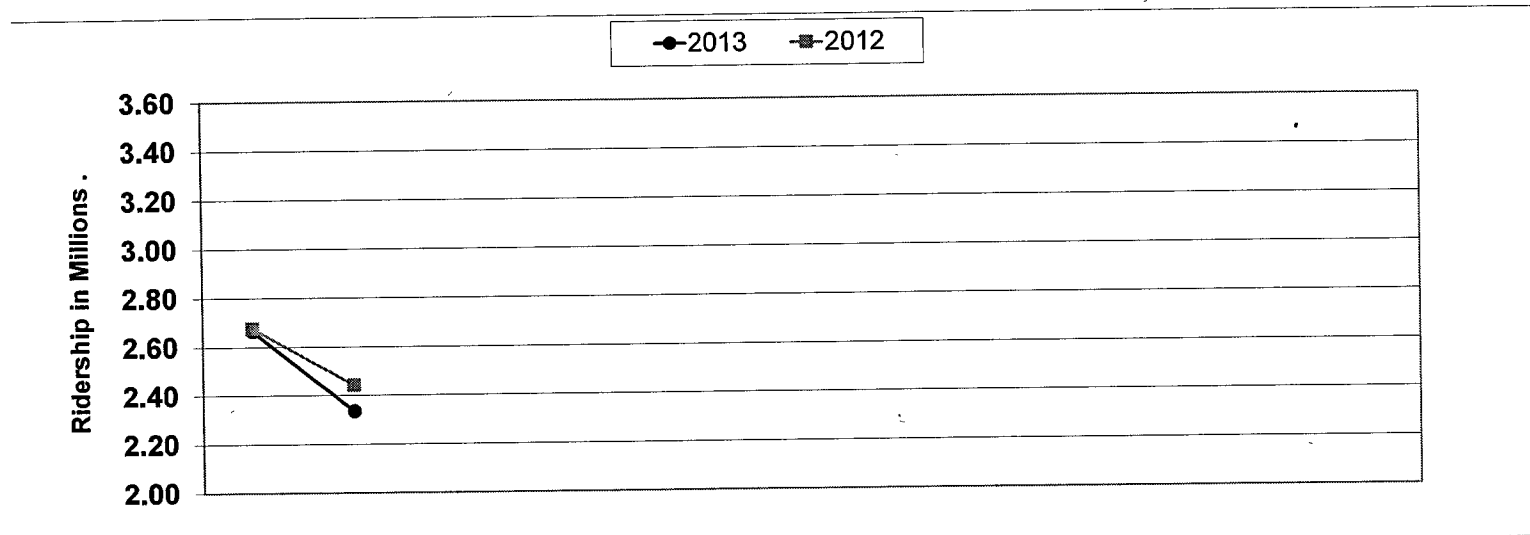


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	4.01	3.66											7.67
2012	4.04	3.68											7.72
PCT CHG.	-0.7%	-0.7%											-0.7%

1) Includes East and West of Hudson

FEBRUARY RAIL NON-COMMUTATION RIDERSHIP ⁽¹⁾

- FEBRUARY's Rail Non-Commutation Ridership was 4.4% below 2012 and 7.8% below budget.

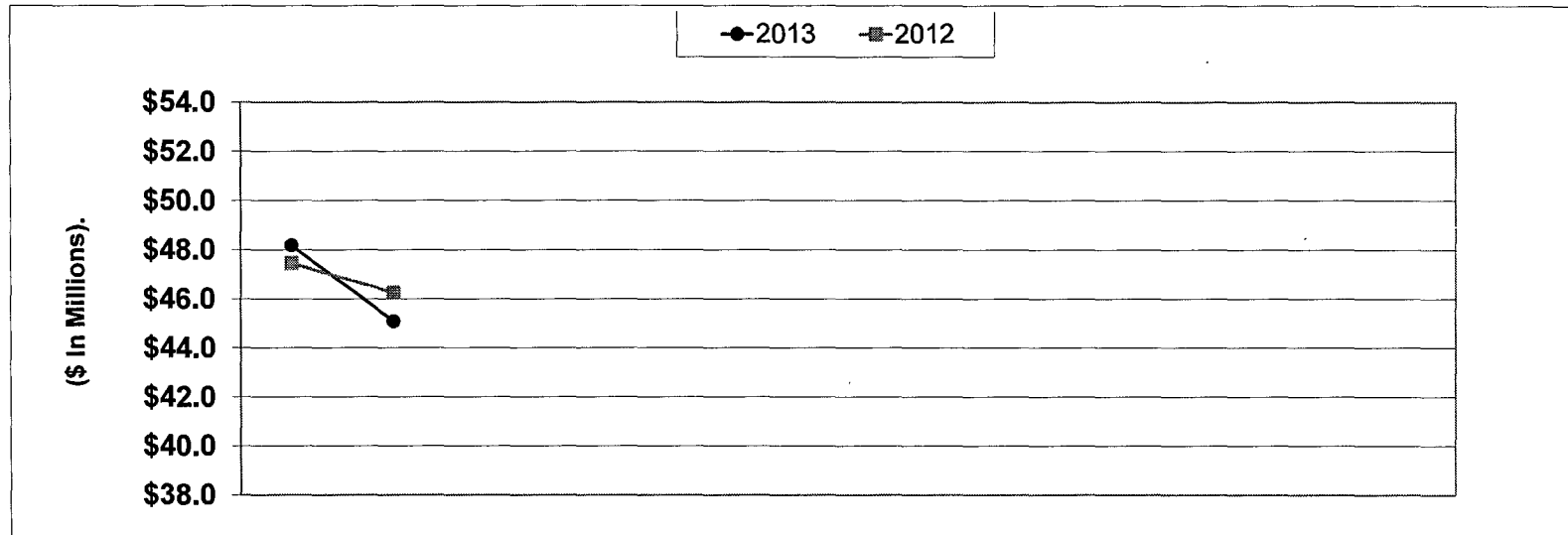


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	2.66	2.34											5.00
2012	2.68	2.44											5.12
PCT CHG.	-0.4%	-4.4%											-2.3%

1) Includes East and West of Hudson

FEBRUARY RAIL REVENUE ⁽¹⁾

- FEBRUARY's Total Rail Revenue was 2.5% below 2012 and 4.8% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	\$48.2	\$45.1											\$93.3
2012	\$47.5	\$46.3											\$93.7
PCT CHG.	1.5%	-2.5%											-0.5%

1) Includes East and West of Hudson.

**MTA METRO-NORTH RAILROAD
RIDERSHIP SUMMARY
FEBRUARY 2013**

TICKET TYPE/SERVICE	FEBRUARY 2013	FEBRUARY 2012 (1)	CHANGE VS. 2012	
			AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP				
East of Hudson	3,592,777	3,606,777	(14,000)	-0.4%
West of Hudson	67,396	78,163	(10,767)	-13.8%
Total Rail Commutation Ridership	3,660,173	3,684,940	(24,767)	-0.7%
RAIL NON-COMMUTATION RIDERSHIP				
East of Hudson	2,290,982	2,395,890	(104,908)	-4.4%
West of Hudson	44,852	46,559	(1,707)	-3.7%
Total Rail Non-Commutation Ridership	2,335,834	2,442,449	(106,615)	-4.4%
TOTAL RAIL RIDERSHIP				
East of Hudson	5,883,759	6,002,667	(118,908)	-2.0%
West of Hudson	112,248	124,722	(12,474)	-10.0%
TOTAL RAIL RIDERSHIP	5,996,007	6,127,389	(131,382)	-2.1%
CONNECTING SERVICES RIDERSHIP (2)	40,672	42,822	(2,150)	-5.0%
TOTAL MNR SYSTEM RIDERSHIP	6,036,679	6,170,211	(133,532)	-2.2%

Notes:

1) 2012 ridership figures have been restated to eliminate calendar impacts on ridership

2) Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry

MTA METRO-NORTH RAILROAD

RIDERSHIP SUMMARY

2013 YEAR-TO-DATE

TICKET TYPE/SERVICE	2013 YTD	2012 YTD (1)	CHANGE VS. 2012	
			AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP				
East of Hudson	7,535,817	7,562,647	(26,830)	-0.4%
West of Hudson	137,021	162,214	(25,193)	-15.5%
Total Rail Commutation Ridership	7,672,838	7,724,861	(52,023)	-0.7%
RAIL NON-COMMUTATION RIDERSHIP				
East of Hudson	4,907,515	5,020,839	(113,324)	-2.3%
West of Hudson	92,787	97,576	(4,789)	-4.9%
Total Rail Non-Commutation Ridership	5,000,302	5,118,415	(118,113)	-2.3%
TOTAL RAIL RIDERSHIP				
East of Hudson	12,443,332	12,583,486	(140,154)	-1.1%
West of Hudson	229,808	259,790	(29,982)	-11.5%
TOTAL RAIL RIDERSHIP	12,673,140	12,843,276	(170,136)	-1.3%
CONNECTING SERVICES RIDERSHIP (2)	87,800	91,905	(4,105)	-4.5%
TOTAL MNR SYSTEM RIDERSHIP	12,760,940	12,935,181	(174,241)	-1.3%

Notes

1) 2012 ridership figures have been restated to eliminate calendar impacts on ridership

2 Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry.

**MTA METRO-NORTH RAILROAD
RIDERSHIP BY LINE
FEBRUARY 2013**

LINE	FEBRUARY 2013 ACTUAL	FEBRUARY 2013 BUDGET	VARIANCE VS. BUDGET		FEBRUARY 2012 RESTATE ⁽¹⁾	CHANGE FROM 2012	
			AMOUNT	PERCENT		AMOUNT	PERCENT
EAST OF HUDSON							
Harlem Line	1,979,265	2,044,752	(65,487)	-3.2%	1,988,226	(8,961)	-0.5%
Hudson Line	1,151,020	1,182,641	(31,621)	-2.7%	1,151,254	(234)	0.0%
New Haven Line	2,753,474	2,919,028	(165,554)	-5.7%	2,863,187	(109,713)	-3.8%
Total East of Hudson	5,883,759	6,146,421	(262,662)	-4.3%	6,002,667	(118,908)	-2.0%
WEST OF HUDSON							
Port Jervis Line	69,549	80,205	(10,656)	-13.3%	77,938	(8,389)	-10.8%
Pascack Valley Line	42,699	48,913	(6,214)	-12.7%	46,784	(4,085)	-8.7%
Total West of Hudson	112,248	129,118	(16,870)	-13.1%	124,722	(12,474)	-10.0%
TOTAL RAIL RIDERSHIP	5,996,007	6,275,539	(279,532)	-4.5%	6,127,389	(131,382)	-2.1%
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS							
Hudson Rail Link	27,921	28,724	(803)	-2.8%	27,887	34	0.1%
Haverstraw-Ossining Ferry	8,825	9,014	(189)	-2.1%	8,751	74	0.8%
Newburgh-Beacon Ferry	3,926	6,369	(2,443)	-38.4%	6,184	(2,258)	-36.5%
Total Connecting Services	40,672	44,107	(3,435)	-7.8%	42,822	(2,150)	-5.0%
TOTAL MNR SYSTEM	6,036,679	6,319,646	(282,967)	-4.5%	6,170,211	(133,532)	-2.2%

Notes.

1) 2012 ridership figures have been restated to eliminate calendar impacts on ridership

**MTA METRO-NORTH RAILROAD
RIDERSHIP BY LINE
2013 YEAR-TO-DATE**

TICKET TYPE/SERVICE	2013 YTD ACTUAL	2013 YTD BUDGET	VARIANCE VS. BUDGET		2012 YTD RESTATE ⁽¹⁾	CHANGE FROM 2012	
			AMOUNT	PERCENT		AMOUNT	PERCENT
EAST OF HUDSON							
Harlem Line	4,162,232	4,293,118	(130,886)	-3.0%	4,174,361	(12,129)	-0.3%
Hudson Line	2,401,890	2,478,685	(76,795)	-3.1%	2,412,798	(10,908)	-0.5%
New Haven Line	5,879,210	6,113,053	(233,843)	-3.8%	5,996,327	(117,117)	-2.0%
Total East of Hudson	12,443,332	12,884,856	(441,524)	-3.4%	12,583,486	(140,154)	-1.1%
WEST OF HUDSON							
Port Jervis Line	143,119	164,455	(21,336)	-13.0%	161,959	(18,840)	-11.6%
Pascack Valley Line	86,689	100,424	(13,735)	-13.7%	97,831	(11,142)	-11.4%
Total West of Hudson	229,808	264,879	(35,071)	-13.2%	259,790	(29,982)	-11.5%
TOTAL RAIL RIDERSHIP	12,673,140	13,149,735	(476,595)	-3.6%	12,843,276	(170,136)	-1.3%
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS							
Hudson Rail Link	58,802	61,183	(2,381)	-3.9%	59,401	(599)	-1.0%
Haverstraw-Ossining Ferry	19,267	19,554	(287)	-1.5%	18,984	283	1.5%
Newburgh-Beacon Ferry	9,731	13,925	(4,194)	-30.1%	13,520	(3,789)	-28.0%
Total Connecting Services	87,800	94,662	(6,862)	-7.2%	91,905	(4,105)	-4.5%
TOTAL MNR SYSTEM	12,760,940	13,244,397	(483,457)	-3.7%	12,935,181	(174,241)	-1.3%

Notes:

1) 2012 ridership figures have been restated to eliminate calendar impacts on ridership.

MTA METRO-NORTH RAILROAD

MONTHLY RIDERSHIP REPORT

JANUARY 2013

Operations Planning & Analysis Department
March, 2013

JANUARY 2013 RIDERSHIP REPORT MTA METRO-NORTH RAILROAD

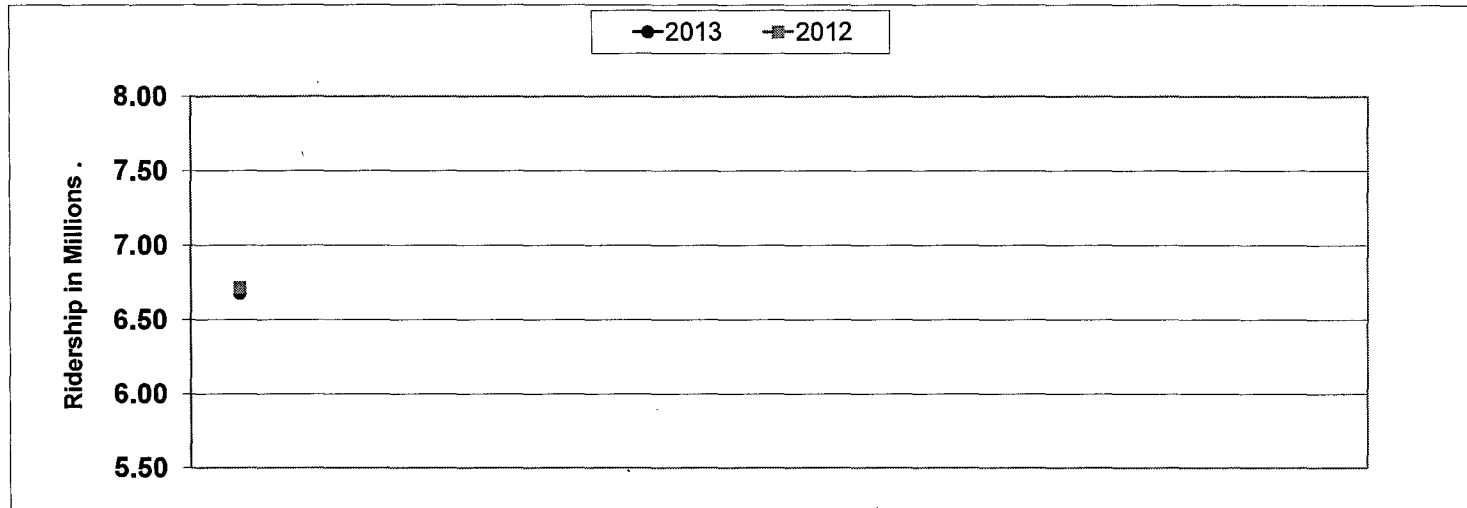
EXECUTIVE SUMMARY

January

- January 2013 **Total MNR System Ridership** was 6.724 million vs. 6.765 million in January 2012, a decrease of 40,709 passengers (-0.6%).
- January 2013 **Total Rail Ridership** was 6.677 million vs. 6.716 million in January 2012, a decrease of 38,754 passengers (-0.6%).
 - **Rail Commutation Ridership** was -0.7% vs. 2012
 - **Rail Non-commutation Ridership** was -0.4% vs. 2012
- January 2013 **East of Hudson Ridership** was 6.560 million vs. 6.581 million in January 2012, a decrease of 21,246 passengers (-0.3%).
- January 2013 **West of Hudson Ridership** was 0.118 million vs. 0.135 million in January 2012, a decrease of 17,508 passengers (-13.0%).
- January 2013 **Connecting Services Ridership** was 0.047 million vs. 0.049 million in January 2012, a decrease of 1,955 passengers (-4.0%).
- January 2013 **Rail Revenue** was \$48.2 million vs. \$47.5 million in January 2012, an increase of \$729,292 (+1.5%).

JANUARY RAIL RIDERSHIP ⁽¹⁾

- JANUARY's Total Rail Ridership was 0.6% below 2012 and 2.9% below budget.

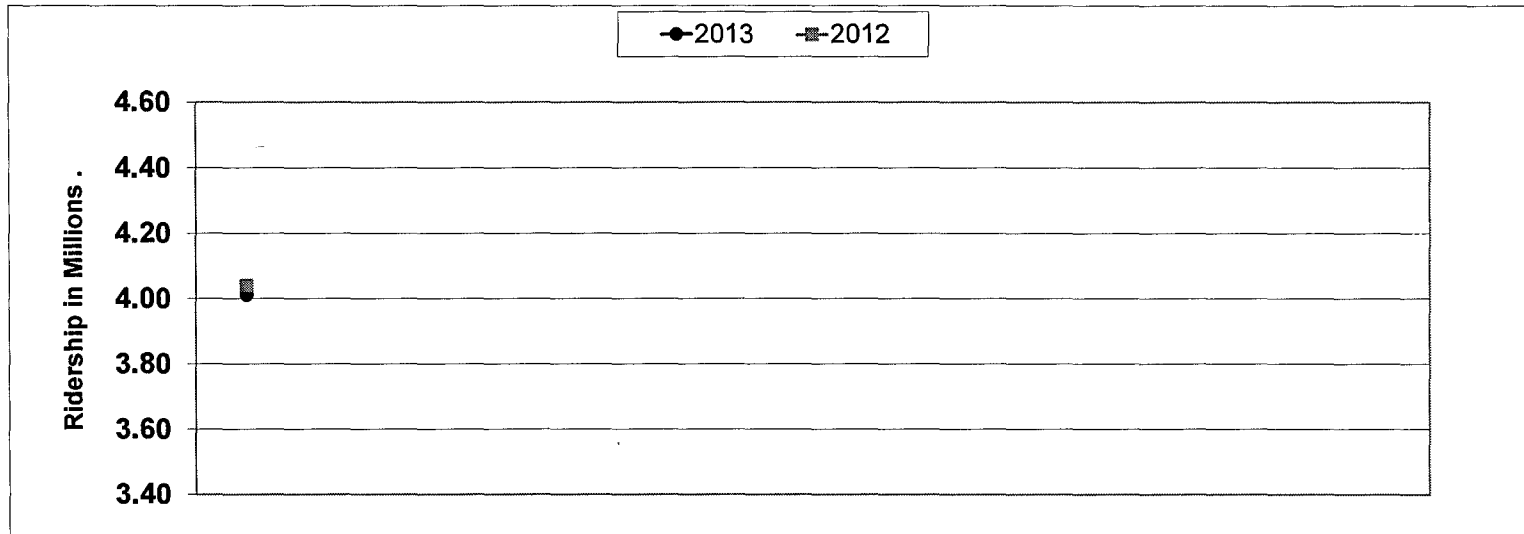


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	6.68												6.68
2012	6.72												6.72
PCT CHG.	-0.6%												-0.6%

1) Includes East and West of Hudson.

JANUARY RAIL COMMUTATION RIDERSHIP ⁽¹⁾

- JANUARY's Rail Commutation Ridership was 0.7% below 2012 and 2.2% below budget.

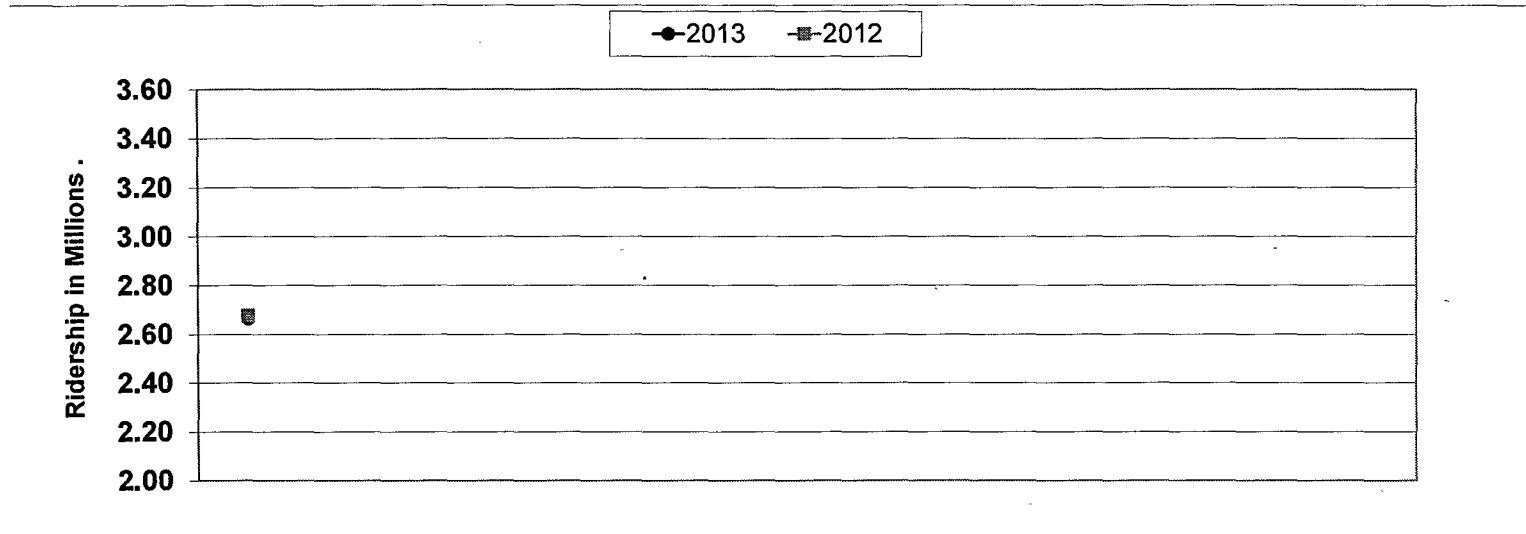


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	4.01												4.01
2012	4.04												4.04
PCT CHG.	-0.7%												-0.7%

1) Includes East and West of Hudson.

JANUARY RAIL NON-COMMUTATION RIDERSHIP ⁽¹⁾

- JANUARY's Rail Non-Commutation Ridership was 0.4% below 2012 and 3.9% below budget.

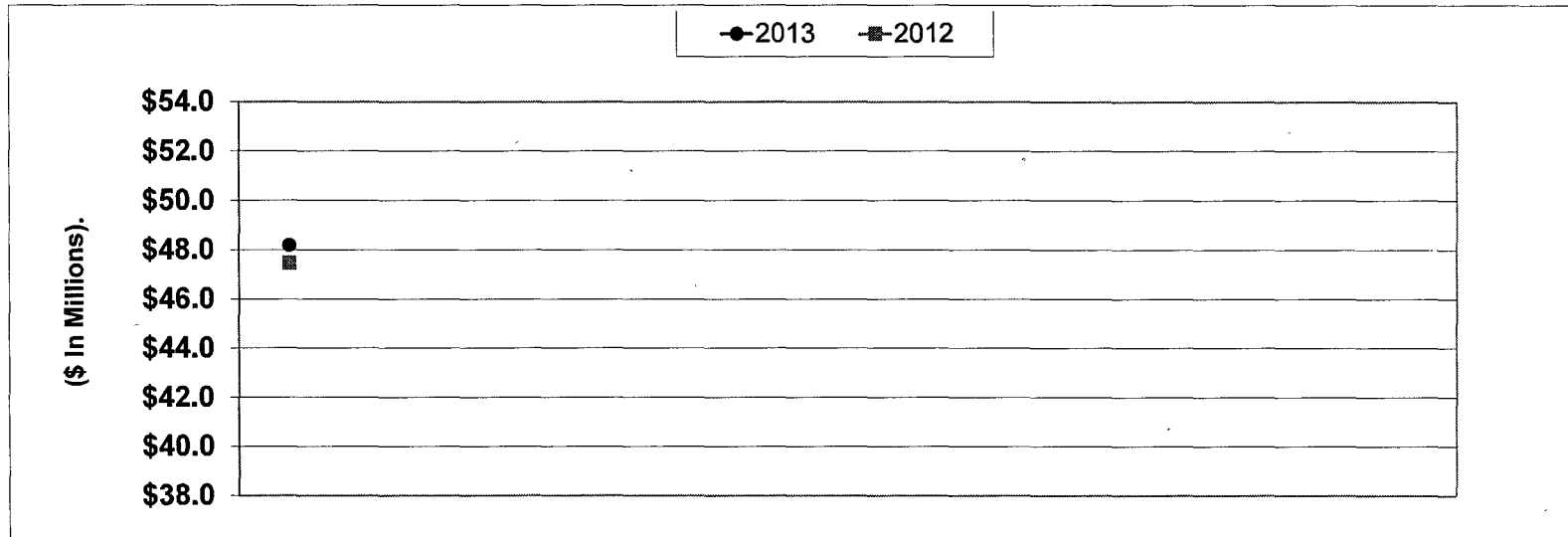


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	2.66												2.66
2012	2.68												2.68
PCT CHG.	-0.4%												-0.4%

1) Includes East and West of Hudson

JANUARY RAIL REVENUE⁽¹⁾

- JANUARY's Total Rail Revenue was 1.5% above 2012 and 2.9% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
2013	\$48.2												\$48.2
2012	\$47.5												\$47.5
PCT CHG.	1.5%												1.5%

1) Includes East and West of Hudson

**MTA METRO-NORTH RAILROAD
RIDERSHIP SUMMARY
JANUARY 2013**

TICKET TYPE/SERVICE	JANUARY 2013	JANUARY 2012 (1)	CHANGE VS. 2012	
			AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP				
East of Hudson	3,943,040	3,955,870	(12,830)	-0.3%
West of Hudson	69,625	84,051	(14,426)	-17.2%
Total Rail Commutation Ridership	4,012,665	4,039,921	(27,256)	-0.7%
RAIL NON-COMMUTATION RIDERSHIP				
East of Hudson	2,616,533	2,624,949	(8,416)	-0.3%
West of Hudson	47,935	51,017	(3,082)	-6.0%
Total Rail Non-Commutation Ridership	2,664,468	2,675,966	(11,498)	-0.4%
TOTAL RAIL RIDERSHIP				
East of Hudson	6,559,573	6,580,819	(21,246)	-0.3%
West of Hudson	117,560	135,068	(17,508)	-13.0%
TOTAL RAIL RIDERSHIP	6,677,133	6,715,887	(38,754)	-0.6%
CONNECTING SERVICES RIDERSHIP (2)	47,128	49,083	(1,955)	-4.0%
TOTAL MNR SYSTEM RIDERSHIP	6,724,261	6,764,970	(40,709)	-0.6%

Notes:

- 1) 2012 ridership figures have been restated to eliminate calendar impacts on ridership
2) Includes Hudson Rail Link, Haverstraw-Ossining Ferry and Newburgh-Beacon Ferry

MTA METRO-NORTH RAILROAD

RIDERSHIP SUMMARY

2013 YEAR-TO-DATE

TICKET TYPE/SERVICE	2013 YTD	2012 YTD (1)	CHANGE VS. 2012	
			AMOUNT	PERCENT
RAIL COMMUTATION RIDERSHIP				
East of Hudson	3,943,040	3,955,870	(12,830)	-0.3%
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Notes:

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**MTA METRO-NORTH RAILROAD
RIDERSHIP BY LINE
JANUARY 2013**

LINE	JANUARY 2013 ACTUAL	JANUARY 2013 BUDGET	VARIANCE VS. BUDGET		JANUARY 2012 RESTATED (1)	CHANGE FROM 2012	
			AMOUNT	PERCENT		AMOUNT	PERCENT
EAST OF HUDSON							
Harlem Line	2,182,967	2,248,366	(65,399)	-2.9%	2,186,135	(3,168)	-0.1%
Hudson Line	1,250,870	1,296,044	(45,174)	-3.5%	1,261,544	(10,674)	-0.8%
New Haven Line	3,125,736	3,194,025	(68,289)	-2.1%	3,133,140	(7,404)	-0.2%
Total East of Hudson	6,559,573	6,738,435	(178,862)	-2.7%	6,580,819	(21,246)	-0.3%
WEST OF HUDSON							
Port Jervis Line	73,570	84,250	(10,680)	-12.7%	84,021	(10,451)	-12.4%
Pascack Valley Line	43,990	51,511	(7,521)	-14.6%	51,047	(7,057)	-13.8%
Total West of Hudson	117,560	135,761	(18,201)	-13.4%	135,068	(17,508)	-13.0%
TOTAL RAIL RIDERSHIP	6,677,133	6,874,196	(197,063)	-2.9%	6,715,887	(38,754)	-0.6%
CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS							
Hudson Rail Link	30,881	32,459	(1,578)	-4.9%	31,514	(633)	-2.0%
Haverstraw-Ossining Ferry	10,442	10,540	(98)	-0.9%	10,233	209	2.0%
Newburgh-Beacon Ferry	5,805	7,556	(1,751)	-23.2%	7,336	(1,531)	-20.9%
Total Connecting Services	47,128	50,555	(3,427)	-6.8%	49,083	(1,955)	-4.0%
TOTAL MNR SYSTEM	6,724,261	6,924,751	(200,490)	-2.9%	6,764,970	(40,709)	-0.6%

Notes:

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**MTA METRO-NORTH RAILROAD
RIDERSHIP BY LINE
2013 YEAR-TO-DATE**

TICKET TYPE/SERVICE	2013 YTD ACTUAL	2013 YTD BUDGET	VARIANCE VS. BUDGET		2012 YTD RESTATED (1)	CHANGE FROM 2012	
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Notes.

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Metro-North Railroad

Capital Program Report

April 2013

CAPITAL PROGRAM

HIGHLIGHTS

April 22, 2013

STATIONS/PARKING/FACILITIES

North White Plains Station Access and Parking Garage

Proposals for both Design-Build Services and Construction Supervision & Inspection Services have been received and are under review.

Poughkeepsie Station Improvements

Pedestrian Walkway and Pavilion Repair:

Repair of the walkway drainage and cleaning of the canopy achieved substantial completion.

New Haven Line Station Improvements

Five Station Platform Guardrail Replacement Project via the MTA Small Business Mentoring Program:

At Mt Vernon East, Pelham, and New Rochelle Stations:

- Guardrail fabrication continues and installation commenced on the inbound platform at Mount Vernon East.

At Mamaroneck and Harrison Stations:

- Guardrail replacement achieved substantial completion.

Rehabilitation of Various Station Elements at 6-Stations (Mt Vernon East, Pelham, New Rochelle, Larchmont, Mamaroneck and Harrison):

- Work activities in progress at first three stations (track 3 outage) including: platform superstructure rehabilitation, and electrical upgrades. Work activities to commence at the remaining three stations in July 2013 under future track 3 outage.

POWER

Substation Replacement Bridge-23

Work in Progress:

- Fabrication of the long lead equipment is in progress.
- Excavating for the New Rochelle switchgear foundations is underway.
- Field testing of numerous electrical components is currently in progress. First major cutover is on schedule for April 10 – May 10, 2013.

Work Complete:

- Ductbank that connects the GIS to the west switchgear is installed.
- Factory acceptance testing for the west switchgear and the Bridge 23 Street 138KV Control House is complete.

TRACK AND STRUCTURES

2012 Cyclical Track Program

Work in Progress:

As of January 1, 2013, a total of 19,825 ties and 2.0 miles of continuous welded rail (CWR) was installed, and 75.8 miles of track was surfaced. The production gang ended production December 4, 2012 and is slated to commence on the Harlem Line (CP153 through CP169) on April 8, 2013. Clean-up is progressing on all three Lines.

Rehabilitation - Woodbury Viaduct

Contractor has commenced with mobilization at the site. Award for construction supervision and inspection services is underway.

Harlem River Lift Bridge-Cable Replacement/Control System

Construction bids and proposals for the Construction Supervision and Inspection Services have been received and are under review.

Inspection and Rehabilitation of Retaining Walls

A Contract for Construction of a new retaining Wall on the Hudson Line, North of Peekskill New York and associated Construction Supervision & Inspection Services has been executed; Force account work is proceeding at the site. Progress meetings, submittals, and mobilization of field offices commenced.

Rehabilitate Catenary Structures

Construction contract for painting and select structural repairs to the catenary structures along the NYS portion of the New Haven Line has been executed. Submittal process is underway.

Undergrade Bridges – East of Hudson

Work in Progress:

- Contract for painting of select undergrade bridges – Painting will resume in April 2013.
- HU 32.81 Track 4 over Croton River – Submittal process is underway.

Undergrade Bridges – West of Hudson

Data gathering and inspection continues for Port Jervis Line. Thirty percent design documents for force account bridge repairs are under review.

Otisville Tunnel Repairs

Mobilization of field offices at site and submittal process is underway.

Overhead Bridges – East of Hudson

HU 38.90 Montrose Station Road Bridge: Steel repairs are complete. Concrete repairs remain.

Drainage and Undercutting Program

Sing-Sing Creek - Submittal and work plan process is underway. Field activities are scheduled to commence in early April 2013.

Bids for the Bronx Drainage Improvements were received and the award process is underway.

SHOPS AND YARDS

Harmon Shop Improvements

Phase IV Stage 1 Construction:

Roof and masonry repairs continue on Building #6; the installation of the wheel storage canopy roof is complete.

Phase V – Preliminary Design (Consist Track):

Preliminary design of Phase V, Stage I (consist shop) has commenced with site activities, facility assessment, and evaluations of data collection are underway.

Phase V – Stage I Pre-demo work:

Bids were received and award process in underway.

Employee Welfare & Storage Facilities – Brewster Roof Replacement

North White Plains Maintenance of Way and Maintenance of Equipment Roofs - 100% design has been reviewed and has been updated by the consultant. This work will be awarded at the end of 2013 with construction to commence in 2014.

GRAND CENTRAL TERMINAL

Grand Central Terminal Train Shed and Park Avenue Tunnel

Work in Progress:

- Work on Track No. 3 and 4 are continuing to progress with masonry repairs nearing completion on both tracks.
- The consultant continued work on the train shed and platform design. 30% Design documents for the platform edge repair were submitted to MNR on March 13, 2013.
- Design of ESA concourse repairs has been finalized.

ROLLING STOCK

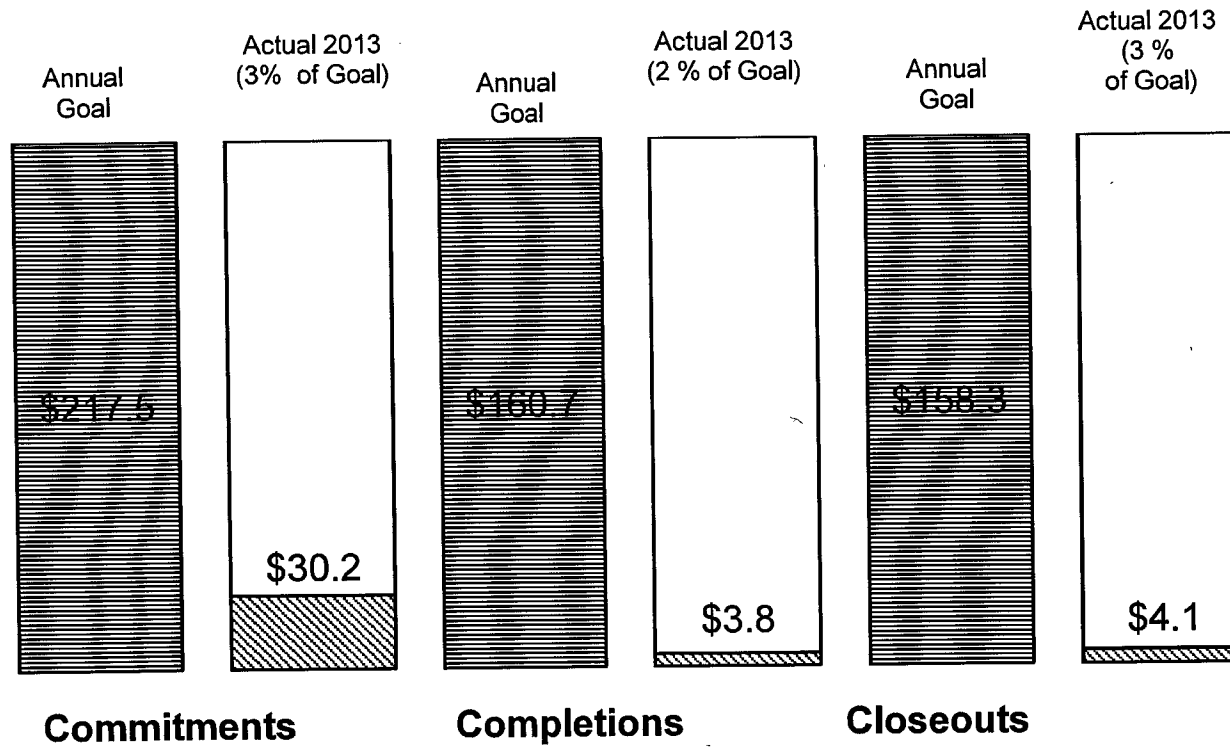
M-8 Car Program

Through March 31, 2013, 194 cars have been conditionally accepted and placed into revenue service.

2013 MNR Capital Program Goals

As of March 31, 2013

In Millions



■ 2013 Goals

■ Actual as of March 2013

□ Forecast April - December 2013