



Metro-North Railroad

Financial Report

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

June YTD financial results were favorable with a net operating deficit that was \$10.3 million or 3.2% lower than the Mid-Year Forecast that includes the initial stages of Metro-North's infrastructure improvement program to address areas of poor drainage that have caused premature deterioration of concrete ties and other track elements. This program will be in full production in July.

Through June, total Operating Revenue was \$0.4 million lower than the Mid-Year Forecast due to timing differences in advertising revenue. Operating expenses were \$10.8 million lower than the Mid-Year Forecast primarily due to timing in non-payroll expenditures and vacancies partially offset by higher overtime costs related to the Infrastructure Improvement Program noted above. Capital program expenditures (and reimbursements) were \$6.2 million lower than Forecast also due to revised timing of several projects (New Haven Line Grade Crossing Project, Cable Replacement Project and Track Program work).

Ridership

Total ridership was 7.1 for June and 41 million YTD which was on target to the Mid-Year Forecast.

East of Hudson

- June ridership of 7.0 million was 0.7% above the Mid-Year Forecast and 0.2% higher than 2012.
- YTD ridership of 40.3 million was 0.1% above the Mid-Year Forecast and 0.4% lower than 2012.
- Commutation ridership was higher than the Mid-Year Forecast by 0.3% and 0.9%, respectively, YTD and for the month. Compared to 2012, YTD commutation was 0.2% higher.
- Non-commutation ridership for June was 0.4% higher than the Mid-Year Forecast but 0.2% lower than 2012.

West of Hudson

- June ridership was higher than the Mid-Year Forecast (1.7% YTD and 5.6% for the month) reflecting higher commutation and non-commutation ridership.

Revenue and Reimbursements

Total Revenue and Reimbursements of \$413.7 million through June was \$6.6 million, or 1.6% lower than the Mid-Year Forecast.

- Farebox Revenue of \$303 million was on target to the Mid-Year Forecast.
- Other Operating Revenue of \$35.9 million was \$0.5 million lower than Mid-Year Forecast primarily due to timing differences in advertising revenue.
- Capital and Other Reimbursements of \$74.8 million was \$6.2 million lower than the Mid-Year Forecast due to scheduling changes in a number of projects.

Expenses

Total non-reimbursable and reimbursable expenses of \$724 million through June were \$16.9 million (2.3%) lower than the Mid-Year Forecast:

- \$13.2 million was attributable to lower non-labor costs. These were primarily driven by timing of contract service expenditures, lower electric power costs and timing of capital projects.
- Total Labor costs (operating and capital) were \$1.4 million (0.3%) above the Mid-Year Forecast due to higher overtime requirements related to the acceleration of the Maintenance of Way Infrastructure Improvement Program and capital project activity as well as accounting adjustments for retiree vacation and sick payouts, partly offset by vacancies.

YTD Financial Performance Measures

- Adjusted Farebox Operating Ratio of 71% through June was 1.2 percentage points better than the Mid-Year Forecast primarily due to MNR's lower operating expenses.
- Adjusted Cost per Passenger of \$12.12 for the period was \$0.24 lower than the Forecast due also due to the overall lower expenses.
- Revenue per Passenger of \$7.61 for the period was on target to the Forecast.

**MTA METRO-NORTH RAILROAD
JUNE 2013 FINANCIAL REPORT
YEAR-TO-DATE ACTUAL VERSUS MID-YEAR FORECAST**

REVENUE

Total Revenue and reimbursements were \$6.6 million (1.6%) lower than the Mid-Year Forecast through June:

- **Farebox Revenue** – year-to-date and the month were higher than the Mid-Year Forecast by \$0.1 million and \$0.5 million, respectively.
- **Other Operating Revenue** – year-to-date was lower than the Mid-Year Forecast by \$0.5 million mainly due to seasonal timing differences in advertising revenue and \$0.3 million higher than the Mid-Year Forecast for the month due to higher net GCT revenues.
- **Capital and Other Reimbursements** – YTD versus the Mid-Year Forecast was \$6.2 million lower, and for the month \$2.4 million lower due to changes in the timing of several projects (New Haven Line Grade Crossing Project, Cable Replacement Project and Track Program work) which resulted in lower reimbursements.

EXPENSES

Total Expenses – Year-to-date expenses of \$724 million were \$16.9 million (2.3%) lower than the Mid-Year Forecast. For the month, expenses were 12.9 million (10.5%) lower than the Mid-Year Forecast.

Labor expenses (including fringes and overhead recoveries) were \$408.6 million YTD. This was \$1.4 million (0.3%) above the Mid-Year Forecast due to higher overtime requirements related to the Maintenance of Way Infrastructure Improvement Program and capital project activity, as well as accounting adjustments for retiree vacation and sick payouts. These were partly offset by vacancies. For the month, labor expenses were \$2.9 million lower than the Mid-Year Forecast due to vacancies.

Non-Labor Expenses

YTD non-labor expenses were \$169.5 million, \$13.2 million lower than the Mid-Year Forecast and \$4.4 million lower for the month:

- **Electric Power** – \$2.1 million lower year-to-date due to lower rates. For the month, expenses were \$0.7 million lower than the Mid-Year Forecast.
- **Maintenance & Other Operating Contracts** – \$0.9 million lower than the Mid-Year Forecast primarily due to timing of costs across a variety of operating categories (general repairs and utilities payments), partially offset by timing of reimbursable projects. For the month, these costs were \$0.2 million higher than the Mid-Year Forecast.
- **Professional Services** – \$5.8 million below the Mid-Year Forecast primarily due to the timing of expenses for IT related work, legal expense, advertising, bridge inspections and reimbursable projects. For the month, expenses were \$2.8 million lower than the Mid-Year Forecast.
- **Materials & Supplies** – year-to-date expenditures were \$4.4 million below the Mid-Year Forecast due to timing differences in the following reimbursable capital projects: Cyclical Track Program, West Haven Station Project, New Haven Line Grade Crossing Improvements, and Fiber Cable Replacement. For the month, expenses were \$0.4 million lower than the Mid-Year Forecast.
- **Other Business Expenses** – YTD and the month, respectively, were \$0.6 million and \$0.7 million higher than the Mid-Year Forecast due to lower NJT subsidy payments due to improved revenue.
- **Depreciation and Other Non-Cash Liability Adjustments** – \$145.9 million year-to-date (\$20.6 million for the month), which was \$5.1 million lower than the Mid-Year Forecast primarily due to the timing of recording completed capital projects and fewer projects requiring environmental remediation.

CASH DEFICIT

The Cash Deficit through June was \$140.6 million, which is \$21.2 million favorable to the Mid-Year Forecast. This is essentially due to \$22.1 million in lower actual cash disbursements (a function of the overall lower expenses) partly offset by \$1.0 million in lower operating revenue and capital project reimbursements.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2013 MID-YEAR FORECAST
ACCRUAL STATEMENT of OPERATIONS by CATEGORY
June 2013
(\$ in millions)

SCHEDULE I - A

	<u>Nonreimbursable</u>				<u>Reimbursable</u>				<u>Total</u>			
	<u>Mid-Year Forecast</u>	<u>Favorable (Unfavorable)</u>			<u>Mid-Year Forecast</u>	<u>Favorable (Unfavorable)</u>			<u>Mid-Year Forecast</u>	<u>Favorable (Unfavorable)</u>		
		<u>Actual</u>	<u>Variance</u>	<u>Percent</u>		<u>Actual</u>	<u>Variance</u>	<u>Percent</u>		<u>Actual</u>	<u>Variance</u>	<u>Percent</u>
Revenue												
Farebox Revenue	\$54.527	\$54.988	\$0.461	0.8	\$0.000	\$0.000	\$0.000	-	\$54.527	\$54.988	\$0.461	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	3.936	4.270	0.334	8.5	0.000	0.000	0.000	-	3.936	4.270	0.334	8.5
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	8.984	6.168	(2.816)	(31.3)	8.984	6.168	(2.816)	(31.3)
CDOT	0.000	0.000	0.000	-	5.515	6.500	0.986	17.9	5.515	6.500	0.986	17.9
Other	0.000	0.000	0.000	-	1.474	0.886	(0.588)	(39.9)	1.474	0.886	(0.588)	(39.9)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	15.972	13.554	(2.418)	(15.1)	15.972	13.554	(2.418)	(15.1)
Total Revenue/Receipts	\$58.462	\$59.258	\$0.796	1.4	\$15.972	\$13.554	(\$2.418)	(15.1)	\$74.434	\$72.812	(\$1.622)	(2.2)
Expenses												
<i>Labor:</i>												
Payroll	\$31.348	\$29.948	\$1.400	4.5	\$3.833	\$3.153	\$0.681	17.8	\$35.182	\$33.100	\$2.081	5.9
Overtime	4.383	4.709	(0.326)	(7.4)	1.636	1.653	(0.016)	(1.0)	6.019	6.362	(0.342)	(5.7)
Health and Welfare	4.950	4.670	0.280	5.7	1.333	1.109	0.224	16.8	6.283	5.778	0.505	8.0
OPEB Current Payment	1.550	1.608	(0.058)	(3.8)	0.000	0.000	0.000	-	1.550	1.608	(0.058)	(3.8)
Pensions	5.738	5.673	0.065	1.1	0.819	0.689	0.130	15.8	6.557	6.362	0.194	3.0
Other Fringe Benefits	7.379	6.907	0.472	6.4	0.933	0.808	0.125	13.4	8.311	7.715	0.597	7.2
Reimbursable Overhead	(4.352)	(3.256)	(1.096)	(25.2)	4.189	3.140	1.049	25.0	(0.163)	(0.116)	(0.047)	(28.9)
Total Labor	\$50.996	\$50.258	\$0.737	1.4	\$12.743	\$10.551	\$2.192	17.2	\$63.739	\$60.810	\$2.929	4.6
<i>Non-Labor:</i>												
Electric Power	\$6.735	\$6.038	\$0.698	10.4	\$0.000	\$0.005	(\$0.005)	-	\$6.735	\$6.043	\$0.692	10.3
Fuel	2.196	2.141	0.056	2.5	0.000	0.000	(0.000)	-	2.196	2.141	0.056	2.5
Insurance	1.277	1.258	0.019	1.5	0.339	0.326	0.013	3.7	1.616	1.584	0.032	2.0
Claims	0.041	0.036	0.006	13.5	0.000	0.000	0.000	-	0.041	0.036	0.006	13.5
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	9.171	8.330	0.841	9.2	0.693	1.770	(1.077)	*	9.864	10.100	(0.236)	(2.4)
Professional Service Contracts	3.445	1.458	1.988	57.7	0.840	0.074	0.767	91.2	4.286	1.531	2.755	64.3
Materials & Supplies	4.965	5.115	(0.150)	(3.0)	1.304	0.764	0.540	41.4	6.269	5.879	0.390	6.2
Other Business Expenses	2.116	1.449	0.666	31.5	0.053	0.064	(0.011)	(20.8)	2.169	1.513	0.655	30.2
Total Non-Labor	\$29.948	\$25.824	\$4.124	13.8	\$3.229	\$3.003	\$0.226	7.0	\$33.177	\$28.828	\$4.350	13.1
<i>Other Adjustments:</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$80.944	\$76.083	\$4.861	6.0	\$15.972	\$13.554	\$2.418	15.1	\$96.916	\$89.637	\$7.279	7.5
Depreciation	20.182	18.728	1.455	7.2	0.000	0.000	0.000	-	20.182	18.728	1.455	7.2
OPEB Obligation	4.776	1.718	3.057	64.0	0.000	0.000	0.000	-	4.776	1.718	3.057	64.0
Environmental Remediation	1.184	0.114	1.070	90.4	0.000	0.000	0.000	-	1.184	0.114	1.070	90.4
Total Expenses	\$107.086	\$96.643	\$10.443	9.8	\$15.972	\$13.554	\$2.418	15.1	\$123.058	\$110.197	\$12.861	10.5
Net Surplus/(Deficit)	(\$48.623)	(\$37.385)	\$11.239	23.1	\$0.000	(\$0.000)	(\$0.000)	-	(\$48.623)	(\$37.385)	\$11.238	23.1
<i>Cash Conversion Adjustments:</i>												
Depreciation	20.182	18.728	(1.455)	(7.2)	0.000	0.000	0.000	-	20.182	18.728	(1.455)	(7.2)
Operating/Capital	(2.907)	(2.631)	0.276	9.5	0.000	0.000	0.000	-	(2.907)	(2.631)	0.276	9.5
Other Cash Adjustments	(7.345)	(1.363)	5.982	81.4	0.000	0.000	0.000	-	(7.345)	(1.363)	5.982	81.4
Total Cash Conversion Adjustments	\$9.930	\$14.734	\$4.804	48.4	\$0.000	\$0.000	\$0.000	-	\$9.930	\$14.734	\$4.804	48.4
Net Cash Surplus/(Deficit)	(\$38.693)	(\$22.651)	\$16.042	41.5	\$0.000	(\$0.000)	(\$0.000)	-	(\$38.693)	(\$22.651)	\$16.042	41.5

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

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2013 MID-YEAR FORECAST
ACCRAUAL STATEMENT of OPERATIONS by CATEGORY
June Year-To-Date
(\$ in millions)

SCHEDULE I - B

	Nonreimbursable				Reimbursable				Total			
	Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
Revenue												
Farebox Revenue	\$302.969	\$303.032	\$0.063	0.0	\$0.000	\$0.000	\$0.000	-	\$302.969	\$303.032	\$0.063	0.0
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	36.392	35.894	(0.498)	(1.4)	0.000	0.000	0.000	-	36.392	35.894	(0.498)	(1.4)
<i>Capital & Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	46.870	40.900	(5.970)	(12.7)	46.870	40.900	(5.970)	(12.7)
CDOT	0.000	0.000	0.000	-	27.717	29.441	1.724	6.2	27.717	29.441	1.724	6.2
Other	0.000	0.000	0.000	-	6.359	4.448	(1.911)	(30.1)	6.359	4.448	(1.911)	(30.1)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	80.946	74.789	(6.157)	(7.6)	80.946	74.789	(6.157)	(7.6)
Total Revenue/Receipts	\$339.361	\$338.926	(\$0.435)	(0.1)	\$80.946	\$74.789	(\$6.157)	(7.6)	\$420.307	\$413.715	(\$6.592)	(1.6)
Expenses												
<i>Labor:</i>												
Payroll	\$200.731	\$199.517	\$1.214	0.6	\$19.355	\$18.844	\$0.511	2.6	\$220.086	\$218.362	\$1.724	0.8
Overtime	27.184	28.887	(1.703)	(6.3)	8.104	8.757	(0.653)	(8.1)	35.288	37.644	(2.356)	(6.7)
Health and Welfare	45.444	46.380	(0.936)	(2.1)	6.423	6.310	0.113	1.8	51.866	52.690	(0.823)	(1.6)
OPEB Current Payment	9.747	9.806	(0.059)	(0.6)	0.000	0.000	0.000	-	9.747	9.806	(0.059)	(0.6)
Pensions	35.933	36.673	(0.740)	(2.1)	3.761	3.577	0.184	4.9	39.694	40.251	(0.556)	(1.4)
Other Fringe Benefits	46.123	45.233	0.890	1.9	4.948	5.058	(0.110)	(2.2)	51.071	50.291	0.780	1.5
Reimbursable Overhead	(19.957)	(18.098)	(1.858)	(9.3)	19.421	17.640	1.780	9.2	(0.536)	(0.458)	(0.078)	(14.5)
Total Labor	\$345.206	\$348.399	(\$3.193)	(0.9)	\$62.011	\$60.187	\$1.825	2.9	\$407.217	\$408.585	(\$1.368)	(0.3)
<i>Non-Labor:</i>												
Electric Power	\$40.723	\$38.589	\$2.134	5.2	\$0.000	\$0.027	(\$0.027)	-	\$40.723	\$38.615	\$2.107	5.2
Fuel	13.913	14.734	(0.821)	(5.9)	0.000	0.001	(0.001)	-	13.913	14.735	(0.822)	(5.9)
Insurance	6.383	6.330	0.054	0.8	1.582	1.605	(0.023)	(1.4)	7.965	7.934	0.031	0.4
Claims	0.168	0.059	0.109	64.7	0.000	0.000	0.000	-	0.168	0.059	0.109	64.7
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	44.030	41.565	2.466	5.6	4.648	6.217	(1.569)	(33.8)	48.678	47.782	0.896	1.8
Professional Service Contracts	12.003	7.948	4.055	33.8	3.761	1.993	1.768	47.0	15.764	9.941	5.823	36.9
Materials & Supplies	30.473	30.292	0.182	0.6	8.500	4.270	4.230	49.8	38.973	34.562	4.411	11.3
Other Business Expenses	16.002	15.362	0.640	4.0	0.445	0.490	(0.045)	(10.2)	16.447	15.851	0.595	3.6
Total Non-Labor	\$163.696	\$154.878	\$8.818	5.4	\$18.935	\$14.602	\$4.332	22.9	\$182.630	\$169.480	\$13.150	7.2
<i>Other Adjustments</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Other Adjustments	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
Total Expenses before Non-Cash Liability Adjs.	\$508.902	\$503.276	\$5.625	1.1	\$80.946	\$74.789	\$6.157	7.6	\$589.847	\$578.065	\$11.782	2.0
Depreciation	116.048	111.979	4.069	3.5	0.000	0.000	0.000	-	116.048	111.979	4.069	3.5
OPEB Obligation	33.415	33.415	0.000	0.0	0.000	0.000	0.000	-	33.415	33.415	0.000	0.0
Environmental Remediation	1.587	0.517	1.070	67.4	0.000	0.000	0.000	-	1.587	0.517	1.070	67.4
Total Expenses	\$659.952	\$649.188	\$10.764	1.6	\$80.946	\$74.789	\$6.157	7.6	\$740.898	\$723.977	\$16.921	2.3
Net Surplus/(Deficit)	(\$320.591)	(\$310.262)	\$10.329	3.2	\$0.000	\$0.000	(\$0.000)	-	(\$320.591)	(\$310.262)	\$10.329	3.2
<i>Cash Conversion Adjustments:</i>												
Depreciation	116.048	111.979	(4.069)	(3.5)	0.000	0.000	0.000	-	116.048	111.979	(4.069)	(3.5)
Operating/Capital	(8.563)	(7.375)	1.188	13.9	0.000	0.000	0.000	-	(8.563)	(7.375)	1.188	13.9
Other Cash Adjustments	51.308	65.039	13.731	26.8	0.000	0.000	0.000	-	51.308	65.039	13.731	26.8
Total Cash Conversion Adjustments	\$158.793	\$169.643	\$10.850	6.8	\$0.000	\$0.000	\$0.000	-	\$158.793	\$169.643	\$10.850	6.8
Net Cash Surplus/(Deficit)	(\$161.798)	(\$140.619)	\$21.179	13.1	\$0.000	\$0.000	(\$0.000)	-	(\$161.798)	(\$140.619)	\$21.179	13.1

-- 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
JULY FINANCIAL PLAN - 2013 MID-YEAR FORECAST
JUNE 2013
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	\$0.334	8.5%	Primarily reflects higher GCT net revenue due to the timing of expenses.	(\$0.498)	(1.4%)	
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$2.418)	(15.1%)	Lower reimbursements reflect scheduling changes in capital project expenditures.	(\$6.157)	(7.6%)	Lower reimbursements reflect scheduling changes in capital project expenditures.
PAYROLL	Reimb	\$0.681	17.8%	Reflects lower than projected activity on the C29, Cyclical Track Program, Cyclical Replace Insulated Joints and delays on Replace/Repair Undergrade Bridge Programs, Replace Timbers/Undergrade Bridge and the WOH Replace/Renew Undergrade.	\$0.511	2.6%	
OVERTIME	Non-Reimb	(\$0.326)	(7.4%)	Reflects the acceleration of the Maintenance of Way Infrastructure Improvement Program, due to areas of poor drainage along the right-of-way.	(\$1.703)	(6.3%)	Due to increased overtime requirements for the acceleration of the Maintenance of Way Infrastructure Improvement Program, NHL derailment and service investments
	Reimb	(\$0.016)	(1.0%)		(\$0.653)	(8.1%)	Reflects higher than projected activity on the Mainline High Speed Turnouts, Danbury Branch Signal System, 2012 Cyclical Track Program, and the CDOT Bridge and Catenary C1B Program.
HEALTH AND WELFARE	Non-Reimb	\$0.280	5.7%	Reflects accounting adjustments for year-to-date retirement payouts.	(\$0.936)	(2.1%)	
	Reimb	\$0.224	16.8%	Reflects lower project activity.	\$0.113	1.8%	
PENSIONS	Reimb	\$0.130	15.8%	Reflects lower project activity.	\$0.184	4.9%	
OTHER FRINGE BENEFITS	Non-Reimb	\$0.472	6.4%	Reflects accounting adjustments for year-to-date retirement payouts.	\$0.890	1.9%	
	Reimb	\$0.125	13.4%	Reflects rate differentials and project adjustments	(\$0.110)	(2.2%)	

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
REIMBURSABLE OVERHEAD	Non-Reimb	(\$1.096)	(25.2%)	Reflects lower capital project activity for the following projects: Cyclical Track Program, Overhead Bridge Program, and NHL Branch Line Grade Crossing Improvement.	(\$1.858)	(9.3%)	Reflects lower capital project activity for the following projects: Cyclical Track Program, Overhead Bridge Program, Cable Replacement Project and NHL Branch Line Grade Crossing Improvement.
	Reimb	\$1.049	25.0%	Reflects lower project activity.	\$1.780	9.2%	Reflects lower project activity.
ELECTRIC POWER	Non-Reimb	\$0.698	10.4%	Primarily due to lower rates.	\$2.134	5.2%	Primarily due to lower rates.
FUEL	Non-Reim	\$0.056	2.5%		(\$0.821)	(5.9%)	Due to higher heating oil prices and colder than anticipated winter.
CLAIMS	Non-Reimb	\$0.006	13.5%	Primarily due to the timing of claims expense.	\$0.109	64.7%	Primarily due to the timing of claims expense.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$0.841	9.2%	Reflects timing of expenses for maintenance contracts, ferry services, and GCT utilities.	\$2.466	5.6%	Reflects timing of expenses for maintenance contracts and GCT utilities.
	Reimb	(\$1.077)	*	Reflects higher activity on the NHL - C & S System Replacement Study, Replace Timbers Undergrade Bridge and the Cos Cob West Substation.	(\$1.569)	(33.8%)	Reflects higher activity on the Design Guard Booths @ Stamford and E. Bridgeport, NHL - C & S System Replacement Study and the Replace Timbers Undergrade Bridge Program.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$1.988	57.7%	Favorable variance reflects the timing of expenses for IT costs, audit services, legal expenses, bridge inspections, and outside training.	\$4.055	33.8%	Favorable variance reflects the timing of expenses for IT costs, legal expenses, advertising, bridge inspections, temporary services, medical services, and outside training.
	Reimb	\$0.767	91.2%	Reflects delays on Overhead Bridge Program - EOFH and NHL - Stamford Station Real-Time Info System and lower activity on the NHL - EMU Fleet Replacement - M8 Spec Develop.	\$1.768	47.0%	Reflects delay on the Overhead Bridge Program - EOFH and the Connecting Services - Marketing/Customer Support and lower activity on the NHL - EMU Fleet Replacement - M8 Spec Develop.

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

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
MATERIAL AND SUPPLIES	Reimb	\$0.540	41.4%	Reflects delay on the NHL Branch Line Grade Xing Imp, Bronx Stations Capacity and the timing of expenses on the Cyclical Track Program and GCT Fire Life Safety Program.	\$4.230	49.8%	Reflects delay on the Replace Fiber/C&S Cables, Bronx Stations Capacity IMP, NH Branch Line Grade Xing Imp., NHL - Bridge Timbers and Mitre Rail - Walk SAGA, 1060 & 1086 Subs and UI Supply and the timing of expenses on the Cyclical Track Programs and the West Haven Station Project.
OTHER BUSINESS EXPENSES	Non-Reimb	\$0.666	31.5%	Reflects lower NJT Subsidy payments due to an accrual adjustment for higher than forecasted YTD revenue.	\$0.640	4.0%	Reflects insignificant variances on several projects.
	Reimb	(\$0.011)	(20.8%)	Reflects insignificant variances on several projects.	(\$0.045)	(10.2%)	
DEPRECIATION	Non-Reimb	\$1.455	7.2%	Timing of capitalization of assets.	\$4.069	3.5%	Timing of capitalization of assets.
OTHER POST EMPLOYMENT BENEFITS	Non-Reimb	\$3.057	64.0%	Reflects accounting adjustment for the latest actuarial estimate.	\$0.000	0.0%	
ENVIRONMENTAL REMEDIATION	Non-Reimb	\$1.070	90.4%	Primarily due to fewer projects requiring remediation.	\$1.070	67.4%	Primarily due to fewer projects requiring remediation.
OPERATING CAPITAL	Non-Reim	\$0.276	9.5%	Reflects lower activity during the period on the GCT Escalators Heavy Repair And Maintenance, Purchase a HI Rail Bucket Truck, C&S Microcomputer Upgrade, and Snowmelter Cabinets projects, partially offset by the Purchase of A Production Switch Tamper.	\$1.188	13.9%	Reflects lower activity during the period on the GCT Escalators Heavy Repair And Maintenance, Purchase A HI Rail Bucket Truck, Repair Boring Machines - Harmon Shop, C&S Microcomputer Upgrade, Replace Railtop Culverts, Ticket Vending Machines Upgrade, and Snomelter Cabinets projects, partially offset by the Purchase of A Production Switch Tamper.

* Variance exceeds 100%.

MTA Metro-North Railroad
July Financial Plan - 2013 Mid-Year Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	June						June Year-to-Date					
	Forecast		Actuals		Var. - Fav./(Unfav)		Forecast		Actuals		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
NON-REIMBURSABLE OVERTIME												
<u>Scheduled Service</u> ¹	36,164	\$2.0	36,619	\$2.1	(455)	(\$0.0)	242,975	\$13.0	253,396	\$13.3	(10,421)	(\$0.3)
					-1.3%	-0.3%					-4.3%	-2.3%
<u>Unscheduled Service</u>	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0	0	\$0.0
					-	-					-	-
<u>Programmatic/Routine Maintenance</u>	19,338	\$0.9	25,781	\$1.3	(6,442)	(\$0.4)	94,354	\$4.4	117,722	\$5.7	(23,368)	(\$1.3)
					-33.3%	-40.8%					-24.8%	-29.7%
<u>Unscheduled Maintenance</u>	0	\$0.0	0	\$0.0	0	\$0.0	10,405	\$0.5	6,286	\$0.3	4,119	\$0.2
					-	-					39.6%	35.4%
<u>Vacancy/Absentee Coverage</u> ²	18,213	\$0.8	18,331	\$0.9	(119)	(\$0.1)	84,858	\$3.7	93,370	\$3.9	(8,512)	(\$0.1)
					-0.7%	-9.0%					-10.0%	-3.8%
<u>Weather Emergencies</u>	9,865	\$0.5	9,539	\$0.5	326	\$0.0	84,384	\$4.1	92,879	\$4.1	(8,495)	(\$0.1)
					3.3%	2.7%					-10.1%	-2.1%
<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	4,727	\$0.2	3,110	\$0.1	1,617	\$0.1	33,129	\$1.5	31,695	\$1.5	1,433	(\$0.0)
					34.2%	52.2%					4.3%	-3.1%
Subtotal	88,307	\$4.4	93,380	\$4.7	(5,074)	(\$0.3)	550,105	\$27.2	595,349	\$28.9	(45,244)	(\$1.7)
					-5.7%	-7.4%					-8.2%	-6.3%
REIMBURSABLE OVERTIME	31,298	\$1.6	33,848	\$1.7	(2,549)	(\$0.0)	163,246	\$8.1	179,349	\$8.8	(16,102)	(\$0.7)
					-8.1%	-1.0%					-9.9%	-8.1%
TOTAL OVERTIME	119,605	\$6.0	127,228	\$6.4	(7,623)	(\$0.3)	713,351	\$35.3	774,698	\$37.6	(61,347)	(\$2.4)
					-6.4%	-5.6%					-8.6%	-6.7%

Totals may not add due to rounding.

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

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

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

³ Not Applicable

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

MTA Metro-North Railroad
 July Financial Plan - 2013 Mid-Year Forecast
 Non-Reimbursable/Reimbursable Overtime
 (\$ in millions)

	June			June Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
NON-REIMBURSABLE OVERTIME						
<u>Scheduled Service</u> ¹	(455)	(\$0.0)		(10,421)	(\$0.3)	Increased overtime required for service coverage in April due to service investment and for New Haven Line derailment service restoration in May.
	-1.3%	-0.3%		-4.3%	-2.3%	
<u>Unscheduled Service</u>	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Programmatic/Routine Maintenance</u>	(6,442)	(\$0.4)	Acceleration of M of W Infrastructure Improvement Program, due to areas of poor drainage along right-of-way.	(23,368)	(\$1.3)	Acceleration of M of W Infrastructure Improvement Program, due to areas of poor drainage along right-of-way. M of E overtime reduction efforts were delayed by the New Haven Line derailment cleanup.
	-33.3%	-40.8%		-24.8%	-29.7%	
<u>Unscheduled Maintenance</u>	0	\$0.0		4,119	\$0.2	
	-	-		39.6%	35.4%	
<u>Vacancy/Absentee Coverage</u> ²	(119)	(\$0.1)		(8,512)	(\$0.1)	
	-0.7%	-9.0%		-10.0%	-3.8%	
<u>Weather Emergencies</u>	326	\$0.0		(8,495)	(\$0.1)	
	3.3%	2.7%		-10.1%	-2.1%	
<u>Safety/Security/Law Enforcement</u> ³	0	\$0.0		0	\$0.0	
	-	-		-	-	
<u>Other</u> ⁴	1,617	\$0.1	Reflects timing differences related to payroll and calendar cutoff dates.	1,433	(\$0.0)	Reflects timing differences related to payroll and calendar cutoff dates.
	34.2%	52.2%		4.3%	-3.1%	
Subtotal	(5,074)	(\$0.3)		(45,244)	(\$1.7)	
	-5.7%	-7.4%		-8.2%	-6.3%	
REIMBURSABLE OVERTIME	(2,549)	(\$0.0)		(16,102)	(\$0.7)	Reflects track availability constraints for turnout replacement/upgrades in GCT and on the main lines in New York, and for tie replacement, track surfacing, and turnout installation on the New Haven Line in Connecticut.
	-8.1%	-1.0%		-9.9%	-8.1%	
TOTAL OVERTIME	(7,623)	(\$0.3)		(61,347)	(\$2.4)	

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

* Exceeds 100%

¹ Includes Service Delay and Tour Length related overtime.

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

³ Not Applicable

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

MTA METRO-NORTH RAILROAD
2013 Overtime Report
Overtime Legend

REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS

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

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2013 MID-YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

SCHEDULE III

	June 2013				Year-to-Date			
	Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Receipts	\$55.096	\$51.725	(\$3.371)	(6.1)	\$307.049	\$305.895	(\$1.154)	(0.4)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	4.762	5.880	1.118	23.5	44.565	45.797	1.232	2.8
<i>Capital & Other Reimbursements:</i>								
MTA	5.539	7.243	1.704	30.8	36.766	36.504	(0.262)	(0.7)
CDOT	5.378	6.018	0.640	11.9	26.029	24.296	(1.733)	(6.7)
Other	0.869	0.717	(0.152)	(17.5)	12.897	13.856	0.959	7.4
Total Capital and Other Reimbursements	11.786	13.978	2.192	18.6	75.692	74.656	(1.036)	(1.4)
Total Receipts	\$71.644	\$71.583	(\$0.061)	(0.1)	\$427.306	\$426.348	(\$0.958)	(0.2)
Expenditures								
<i>Labor:</i>								
Payroll	\$36.383	\$34.580	\$1.803	5.0	\$224.320	\$220.354	\$3.966	1.8
Overtime	5.604	6.327	(0.723)	(12.9)	37.262	38.641	(1.379)	(3.7)
Health and Welfare	7.118	6.534	0.584	8.2	47.354	46.589	0.765	1.6
OPEB Current Payment	1.550	1.432	0.118	7.6	9.747	9.234	0.513	5.3
Pensions	7.034	6.972	0.062	0.9	25.394	25.270	0.124	0.5
Other Fringe Benefits	9.034	8.505	0.529	5.9	55.052	54.339	0.713	1.3
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	\$66.723	\$64.350	\$2.373	3.6	\$399.129	\$394.427	\$4.702	1.2
<i>Non-Labor:</i>								
Electric Power	\$7.494	\$5.934	\$1.560	20.8	\$37.067	\$34.167	\$2.900	7.8
Fuel	1.897	1.860	0.037	2.0	12.529	12.373	0.156	1.2
Insurance	2.938	0.159	2.779	94.6	8.119	4.864	3.255	40.1
Claims	0.048	0.042	0.006	12.5	0.396	0.497	(0.101)	(25.5)
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	15.415	5.705	9.710	63.0	49.914	40.417	9.497	19.0
Professional Service Contracts	4.925	1.508	3.417	69.4	16.170	11.833	4.337	26.8
Materials & Supplies	6.706	7.984	(1.278)	(19.1)	40.999	42.740	(1.741)	(4.2)
Other Business Expenditures	4.191	6.692	(2.501)	(59.7)	24.781	25.649	(0.868)	(3.5)
Total Non-Labor	\$43.614	\$29.884	\$13.730	31.5	\$189.975	\$172.540	\$17.435	9.2
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Post Employment Benefits	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	-
Total Expenditures	\$110.337	\$94.234	\$16.103	14.6	\$589.104	\$566.967	\$22.137	3.8
Net Cash Deficit (excludes Opening Cash Balance)	(\$38.693)	(\$22.651)	\$16.042	41.5	(\$161.798)	(\$140.619)	\$21.179	13.1
Subsidies								
MTA	35.886	19.764	(16.122)	(44.9)	121.962	105.929	(16.033)	(13.1)
CDOT	2.807	4.211	1.404	50.0	38.976	35.154	(3.822)	(9.8)
Total Subsidies	\$38.693	\$23.975	(\$14.718)	(38.0)	\$160.938	\$141.083	(\$19.855)	(12.3)
Cash Timing and Availability Adjustment	\$0.000	\$2.277	\$2.277	-	\$0.777	\$3.054	\$2.277	*

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

* Variance exceeds 100%.

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

Generic Receipt or Expense Category	June, 2013			Year-To-Date as of June 30, 2013		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
FAREBOX RECEIPTS	(3.371)	(6.1%)	Primarily due to a timing difference in receipts.			
OTHER REVENUE	1.118	23.5%	Primarily due to timing difference for GCT LaSalle payments.			
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	1.704	30.8%	Timing difference in receipts.			
CDOT	0.640	11.9%	Higher activity, partially offset by receipt timing differences.	(1.733)	(6.7%)	Primarily due to receipt timing difference.
OTHER	(0.152)	(17.5%)	Receipt timing difference.	0.959	7.4%	Primarily due to timing difference for advances (GCT Vault).
PAYROLL	1.803	5.0%	Timing in payment for non-agreement buy-back, higher vacancies, as well as lower capital project activity, partially offset by higher retiree payouts.			
OVERTIME	(0.723)	(12.9%)	Higher overtime requirements primarily in Maintenance of Way - Track for areas of poor drainage repair, as well as payment of overtime for May derailment repairs.			
HEALTH & WELFARE	0.584	8.2%	Lower NYSHIP/Empire Plan payments.			
OPEB CURRENT PAYMENT	0.118	7.6%	Lower payment in the month	0.513	5.3%	Lower payments for the period.
OTHER FRINGE BENEFITS	0.529	5.9%	Lower payments for employee injury claims, and railroad retirement taxes.			
ELECTRIC POWER	1.560	20.8%	Primarily due to lower rates on the Harlem/Hudson, and lower usage on the New Haven line, payment timing differences and lower non-traction power costs, partially offset by higher usage on the Harlem Hudson line .	2.900	7.8%	Lower rates on both Harlem/Hudson and New Haven lines, and payment timing differences, as well as lower non-traction power payments, partially offset by higher traction power usage.
INSURANCE	2.779	94.6%	Payment timing for all agency property, terrorism, and force account premiums.	3.255	40.1%	Payment timing for all agency property, terrorism, automobile, and force account premiums.
CLAIMS	0.006	12.5%	Nothing material to report.	(0.101)	(25.5%)	Nothing material to report.

* Variance exceeds 100%

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

Generic Receipt or Expense Category	June, 2013			Year-To-Date as of June 30, 2013		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
MAINTENANCE & OTHER OPERATING CONTRACTS	9.710	63.0%	Timing in payments for NHL police costs, occupancy expenses, revenue vehicle maintenance, and other various operating contract services, as well as capital project expenses.	9.497	19.0%	Timing in payments for NHL police costs, revenue vehicle maintenance, bus & transfer services, and other various operating contract services, as well as capital project activity.
PROFESSIONAL SERVICE CONTRACTS	3.417	69.4%	Timing difference for NHL BSC services, I.T. service fees, audit fees, advertising/marketing payments, engineering services, other professional services, and capital project expenditures (EofH Overhead Bridge Program, NHL Fleet Replacement-M8 Specifications).	4.337	26.8%	Timing difference for NHL BSC services, I.T. hardware, outside training, legal fees, medical services, and other professional services, as well as lower capital project expenditures (EofH Overhead Bridge Program, NHL Fleet Replacement-M8 Specifications).
MATERIALS & SUPPLIES	(1.278)	(19.1%)	Payment timing difference for both operating and capital project material.			
OTHER BUSINESS EXPENSES	(2.501)	(59.7%)	Primarily due to a payment timing difference for NJT subsidy. (Two payments made in the month).			
MTA SUBSIDY RECEIPTS	(16.122)	(44.9%)	Lower subsidy draw due a lower net cash deficit in the month.	(16.033)	(13.1%)	Lower subsidy draw due a lower net cash deficit in the period, partially offset by lower CDOT subsidy payments, and the change in available bank balance.
CDOT SUBSIDY RECEIPTS	1.404	50.0%	Primarily due to payment timing differences for administrative assets.	(3.822)	(9.8%)	Lower payments primarily due a credit for actual to estimate billing for the month of March.
TOTAL SUBSIDY RECEIPTS	(14.718)	(38.0%)		(19.855)	(12.3%)	

* Variance exceeds 100%

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2013 MID-YEAR FORECAST
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

	June 2013				Year-to-Date			
	Mid-Year Forecast	Actual	Favorable (Unfavorable)		Mid-Year Forecast	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent
Receipts								
Farebox Revenue	\$0.569	(\$3.263)	(\$3.832)	*	\$4.080	\$2.863	(\$1.217)	(29.8)
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	0.826	1.610	0.784	94.8	8.173	9.903	1.730	21.2
<i>Capital & Other Reimbursements:</i>		0.000			0.000	0.000		
MTA	(3.445)	1.075	4.520	*	(10.104)	(4.396)	5.708	56.5
CDOT	(0.137)	(0.482)	(0.346)	*	(1.688)	(5.145)	(3.457)	*
Other	(0.605)	(0.169)	0.436	72.0	6.538	9.408	2.870	43.9
Total Capital and Other Reimbursements	(4.186)	0.424	4.610	*	(5.254)	(0.133)	5.121	97.5
Total Revenue/Receipts	(\$2.790)	(\$1.229)	\$1.561	56.0	\$6.999	\$12.633	\$5.634	80.5
Expenditures								
<i>Labor:</i>								
Payroll	(\$1.201)	(\$1.480)	(\$0.278)	(23.1)	(\$4.234)	(\$1.992)	\$2.242	52.9
Overtime	0.415	0.035	(0.381)	(91.6)	(1.974)	(0.997)	0.977	49.5
Health and Welfare	(0.835)	(0.756)	0.079	9.5	4.512	6.101	1.588	35.2
OPEB Current Payment	0.000	0.176	0.000		0.000	0.572	0.572	-
Pensions	(0.477)	(0.610)	(0.132)	(27.7)	14.300	14.981	0.680	4.8
Other Fringe Benefits	(0.723)	(0.790)	(0.068)	(9.4)	(3.981)	(4.048)	(0.067)	(1.7)
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.163)	(0.116)	0.047	28.9	(0.536)	(0.458)	0.078	14.5
Total Labor	(\$2.984)	(\$3.540)	(\$0.556)	(18.6)	\$8.088	\$14.158	\$6.070	75.1
<i>Non-Labor:</i>								
Electric Power	(\$0.759)	\$0.109	\$0.868	*	\$3.656	\$4.448	\$0.793	21.7
Fuel	0.299	0.281	(0.019)	(6.2)	1.384	2.362	0.978	70.7
Insurance	(1.322)	1.425	2.747	*	(0.154)	3.070	3.224	*
Claims	(0.007)	(0.006)	0.000	6.0	(0.228)	(0.438)	(0.210)	(91.9)
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	(5.551)	4.395	9.946	*	(1.236)	7.365	8.601	*
Professional Service Contracts	(0.639)	0.023	0.662	*	(0.406)	(1.892)	(1.486)	*
Materials & Supplies	(0.437)	(2.105)	(1.668)	*	(2.026)	(8.178)	(6.152)	*
Other Business Expenses	(2.022)	(5.179)	(3.156)	*	(8.334)	(9.798)	(1.463)	(17.6)
Total Non-Labor	(\$10.437)	(\$1.056)	\$9.380	89.9	(\$7.345)	(\$3.060)	\$4.285	58.3
<i>Other Adjustments:</i>								
Other	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	-
Total Expenditures Adjustments before Non-Cash Liability Adjs.	(\$13.421)	(\$4.597)	\$8.824	65.7	\$0.743	\$11.098	\$10.355	*
Depreciation	20.182	18.728	(1.455)	(7.2)	116.048	111.979	(4.069)	(3.5)
OPEB Obligation	4.776	1.718	(3.057)	64.0	33.415	33.415	0.000	0.0
Environmental Remediation	1.184	0.114	(1.070)	(90.4)	1.587	0.517	(1.070)	67.4
Total Expenditures Adjustments	\$12.721	\$15.963	\$3.242	25.5	\$151.794	\$157.010	\$5.216	3.4
Total Cash Conversion Adjustments	\$9.930	\$14.734	\$4.804	48.4	\$158.793	\$169.643	\$10.850	6.8

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

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2013 MID-YEAR FORECAST
UTILIZATION
(in millions)

	<u>Month of June</u>		<u>Variance</u>		<u>Year-to-Date June</u>		<u>Variance</u>	
	<u>Forecast</u>	<u>Actual</u>	<u>Fav (Unfav)</u>		<u>Forecast</u>	<u>Actual</u>	<u>Fav (Unfav)</u>	
			<u>Amount</u>	<u>%</u>			<u>Amount</u>	<u>%</u>
<u>Farebox Revenue</u>								
Harlem Line	\$16.525	\$16.462	(\$0.063)	-0.4	\$91.209	\$91.276	\$0.067	0.1
Hudson Line	\$11.969	\$12.092	\$0.124	1.0	\$66.066	\$66.218	\$0.152	0.2
New Haven Line	\$25.995	\$26.393	\$0.399	1.5	\$145.461	\$145.305	(\$0.156)	-0.1
Total Farebox Revenue	\$54.488	\$54.947 ⁽¹⁾	\$0.460	0.8	\$302.735	\$302.799 ⁽¹⁾	\$0.063	0.0
<u>Ridership</u>								
Harlem Line	2.246	2.245	(0.001)	-0.1	13.263	13.283	0.020	0.1
Hudson Line	1.351	1.370	0.019	1.4	7.811	7.841	0.030	0.4
New Haven Line	3.315	3.344	0.029	0.9	19.142	19.142	(0.000)	0.0
Total Ridership East of Hudson	6.912	6.959	0.047	0.7	40.215	40.265	0.050	0.1
West of Hudson	0.129	0.136	0.007	5.6	0.757	0.770	0.013	1.7
Total Ridership	7.041	7.096	0.054	0.8	40.972	41.035	0.062	0.2

(1) Excludes West of Hudson Mail & Ride revenue totaling \$0.041 million for the month and \$0.234 million year-to-date.

East of Hudson:

Year-to-date ridership was 40.3 million, 0.1% higher than the Mid-Year Forecast and 0.4% lower than 2012. For the month, ridership of 7.0 million was 0.7% higher than the Mid-Year Forecast and 0.2% higher than June 2012 .

Commutation ridership was 0.3% higher year-to-date and 0.9% higher for the month vs. the Mid-Year Forecast. Compared to 2012 June year-to-date, commutation ridership was 0.2% higher. Non-commutation ridership was 0.1% below the Mid-Year Forecast year-to-date and 1.3% lower than 2012. For the month, non-commutation ridership was 0.4% higher than the Mid-Year Forecast and 0.2% lower than 2012.

West of Hudson:

West of Hudson ridership was 5.6% higher for the month and 1.7% higher year-to-date vs. 2013 Mid-Year Forecast reflecting both higher commutation and non-commutation ridership.

MTA METRO-NORTH RAILROAD
2013 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
June 30, 2013

<u>Department</u>	<u>Mid-Year Forecast</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
Administration			
President	3	3	-
Labor Relations	8	8	0
Safety	21	20	1
COS/Corporate & Public Affairs	16	15	1
Legal	18	17	1
Claims Services	13	13	0
Environmental Compliance & Svce	7	7	-
VP Administration	3	3	-
VP Human Resources	3	3	0
Human Resources	31	31	1
Training	45	45	0
Employee Relations & Diversity	5	4	1
VP Planning	1	1	-
Operations Planning & Analysis	17	16	1
Capital Planning & Programming	13	13	0
Business Development, Facilities & Mktg (1)	21	21	-
Long Range Planning	6	7	(1)
VP Finance & Information Systems	1	1	0
Controller	77	77	0
Information Technology & Project Mgmt	82	80	2
Budget	17	18	(1)
Customer Service (2) (3)	43	43	0
Procurement & Material Mgmt (4)	30	30	0
Total Administration	480	474	6
Operations			
Operations Administration	50	46	4
Operations Services	1,755	1,736	19
Customer Service (2) (3)	228	226	1
Business Development, Facilities & Mktg (1)	36	36	1
Metro-North West	33	35	(2)
Total Operations	2,102	2,079	23
Maintenance			
GCT	352	352	0
Maintenance of Equipment	1,255	1,250	6
Maintenance of Way	1,687	1,648	39
Procurement & Material Mgmt (4)	126	126	1
Total Maintenance	3,420	3,375	45
Engineering/Capital			
Construction Management	37	35	2
Engineering & Design	60	57	3
Total Engineering/Capital	97	92	5
Total Positions	6,099	6,020	79
Non-Reimbursable	5,532	5,548	(16)
Reimbursable	567	472	96
Total Full-Time	6,098	6,019	79
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 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
June 30, 2013

FUNCTION/OCCUPATION	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance
Administration (1)			
Managers/Supervisors	164	161	3
Professional, Technical, Clerical	316	313	3
Operational Hourlies	-	-	-
Total Administration	480	474	6
Operations (1)			
Managers/Supervisors	142	133	9
Professional, Technical, Clerical	226	223	2
Operational Hourlies	1,734	1,722	12
Total Operations	2,102	2,079	23
Maintenance (1)			
Managers/Supervisors	489	482	7
Professional, Technical, Clerical	489	482	7
Operational Hourlies	2,442	2,411	31
Total Maintenance	3,420	3,375	45
Engineering/Capital			
Managers/Supervisors	40	36	5
Professional, Technical, Clerical	57	57	0
Operational Hourlies	-	-	-
Total Engineering/Capital	97	92	5
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	836	812	24
Professional, Technical, Clerical	1,087	1,075	13
Operational Hourlies	4,176	4,133	43
Total Positions	6,099	6,020	79

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 MID-YEAR FORECAST VS. ACTUALS**

June 30, 2013

<u>Agency-wide (Non-Reimbursable and Reimbursable)</u>	<u>Mid-Year Forecast</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Explanation of Variances</u>
<i>Functional Classification:</i>				
Operations (1)	2,102	2,079	23	Reflects vacancies in operation services staffing.
Maintenance (1)	3,420	3,375	45	Reflects vacancies in Maintenance of Way positions (trackmen, vehicle & machine operators, signalman and maintainers, electricians, and building maintenance forces).
Administration (1)	480	474	6	Reflects timing differences in hiring IT personnel.
Engineering / Capital	97	92	5	
Total Agency-wide Headcount	6,099	6,020	79	
Non-Reimbursable	5,532	5,548	(16)	Reflects a transfer of reimbursable Maintenance of Way positions to perform operating work.
Reimbursable	567	472	96	Reflects a transfer of reimbursable Maintenance of Way positions to perform operating work as well as vacant reimbursable positions.

Notes

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

**MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2013 MID-YEAR FORECAST
MONTHLY PERFORMANCE INDICATORS *
MAY 2013**

	<u>MONTH</u>			<u>VARIANCE</u>	
	<u>2013</u>	<u>FORECAST</u>	<u>2012</u>	<u>FORECAST</u>	<u>2012</u>
Farebox Operating Ratio					
Standard ⁽¹⁾	72.7%	68.5%	69.5%	4.2%	3.2%
Adjusted ⁽²⁾	81.3%	76.5%	77.5%	4.8%	3.8%
Cost per Passenger					
Standard ⁽¹⁾	\$10.99	\$11.64	\$10.51	\$0.65	(\$0.48)
Adjusted ⁽²⁾	\$10.81	\$11.41	\$10.33	\$0.60	(\$0.48)
Passenger Revenue/Passenger ⁽³⁾	\$7.99	\$7.98	\$7.31	\$0.01	\$0.68
	<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
	<u>2013</u>	<u>FORECAST</u>	<u>2012</u>	<u>FORECAST</u>	<u>2012</u>
Farebox Operating Ratio					
Standard ⁽¹⁾	61.8%	60.6%	62.4%	1.2%	-0.6%
Adjusted ^{(2) (4)}	71.0%	69.8%	69.6%	1.2%	1.4%
Cost per Passenger					
Standard ⁽¹⁾	\$12.32	\$12.58	\$11.55	\$0.26	(\$0.77)
Adjusted ⁽²⁾	\$12.12	\$12.36	\$11.37	\$0.24	(\$0.75)
Passenger Revenue/Passenger ⁽³⁾	\$7.61	\$7.62	\$7.20	(\$0.01)	\$0.41

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

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

(3) Includes Bar Car Services.

(4) Actuals for the Adjusted Performance Indicator calculation include \$11.3 million in Hurricane Sandy revenue recoveries from the FTA that were budgeted later in the year. Excluding this adjustment the adjusted FOR would be 68.8% year-to-date.

* Includes East and West of Hudson revenues and expenses.