



**Metropolitan Transportation Authority**

# Meeting of Metro-North and Long Island Committees

## April 2015

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### Members

**M. Pally, Chair, Long Island Committee**

**J. Sedore, Chair, Metro-North Committee**

**J. Ballan**

**R. Bickford**

**N. Brown**

**F. Ferrer, MTA Vice Chairman**

**I. Greenberg**

**J. Kay**

**S. Metzger**

**C. Moerdler**

**J. Molloy**

**A. Saul**

**V. Tessitore, Jr.**

**C. Wortendyke**

**N. Zuckerman**

# Joint Metro-North and Long Island Committees Meeting

2 Broadway, 20th Floor Board Room

New York, New York

Monday, 4/27/2015

8:30 - 10:00 AM ET

## 1. Public Comments Period

## 2. Approval of Minutes - March 23, 2015

### b. MNR Minutes

*MNR Minutes - Page 5*

### a. LIRR Minutes

*LIRR Minutes - Page 10*

## 3. 2015 Work Plans

### a. MNR 2015 Work Plan

*MNR 2015 Work Plan - Page 16*

### b. LIRR 2015 Work Plan

*LIRR 2015 WORK PLAN - Page 22*

## 4. AGENCY PRESIDENTS'/CHIEF'S REPORTS

### b. MNR Report (no material)

- **Safety/Enhanced Safety Update**

*MNR Safety/Enhanced Safety Update - Page 28*

### a. LIRR Report (no material)

### c. MTA Capital Construction Report

*MTA Capital Construction Report - Page 32*

### d. MTA Police Report

*MTA Police Report - Page 38*

## 5. AGENCY INFORMATION ITEMS

### a. Joint Information Item

- **MNR 2014 Annual Ridership Report**

*MNR 2014 Annual Ridership Report - Page 44*

- **LIRR 2014 Annual Ridership Report**

*LIRR 2014 Annual Ridership Report - Page 52*

### b. MNR Information Items

- **Final Review of 2014 Operating Budget Results**

*MNR Final Review of 2014 Operating Budget Results - Page 60*

- **Annual Inventory Report**

*MNR Annual Inventory Report - Page 93*

### **c. LIRR Information Items**

- **Final Review of 2014 Operating Budget Results**  
*LIRR Final Review of 2014 Operating Budget Results - Page 101*
- **Annual Inventory Report**  
*LIRR Annual Inventory Report - Page 138*
- **Track Work Program Schedule Changes**  
*LIRR Track Work Program Schedule Changes - Page 145*

## **6. PROCUREMENTS**

*Procurements - Page 148*

### **a. MNR Procurements**

- **Non-Competitive (No items)**
- **Competitive**  
*MNR Competitive Procurements - Page 152*
- **Ratifications**  
*MNR Ratifications Procurements - Page 161*

### **b. LIRR Procurements**

- **Non-Competitive**  
*LIRR Non-Competitive Procurements - Page 162*
- **Competitive**  
*LIRR Competitive Procurements - Page 165*
- **Ratifications (No Items)**

### **c. MTA CC Procurements**

- **Non-Competitive (No Items)**
- **Competitive**  
*MTA CC Competitive Procurements - Page 170*
- **Ratifications**  
*MTA CC Ratification Procurements - Page 175*

## **7. AGENCY REPORTS ON OPERATIONS, FINANCE, RIDERSHIP AND CAPITAL PROGRAM**

### **a. MNR**

- **Operations**  
*MNR Operations Report - Page 178*
- **Finance**  
*MNR Finance Report - Page 188*
- **Ridership**  
*MNR Ridership Report - Page 210*
- **Capital Program**  
*MNR Capital Program - Page 220*

### **b. LIRR - Performance Summaries**

- **LIRR Operations - Transportation**  
*LIRR Operations-Transportation Report - Page 225*
- **LIRR Operations - Mechanical**  
*LIRR Operations-Mechanical Report - Page 230*
- **LIRR Operations - Safety**  
*LIRR Operations-Safety Report - Page 233*
- **Enhanced Safety Memo**  
*LIRR Enhanced Safety Memo - Page 237*
- **Finance**  
*LIRR Finance Report - Page 238*
- **Ridership**  
*LIRR Ridership Report - Page 259*
- **Capital Program**  
*LIRR Capital Program Report - Page 266*

Next Meeting: Monday May 18, 2015  
MNR - 8:30 am; LIRR - 9:30 am

Minutes of the Regular Meeting  
Metro-North Committee  
Monday, March 23, 2015

Meeting held at  
2 Broadway – 20<sup>th</sup> Floor  
New York, New York 10004

8:30 a.m.

The following members were present:

Hon. Fernando Ferrer, Vice Chairman, MTA  
Hon. James L. Sedore, Jr., Chairman of the Metro-North Committee  
Hon. Mitchell H. Pally, Chairman of the Long Island Committee  
Hon. Jonathan A. Ballan  
Hon. Norman Brown  
Hon. Susan G. Metzger  
Hon. Carl V. Wortendyke  
Hon. Neal Zuckerman

Not Present:

Hon. Robert C. Bickford  
Hon. Ira Greenberg  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Vincent Tessitore  
Hon. Jeffrey A. Kay  
Hon. Andrew M. Saul

Also Present:

Joseph J. Giulietti – President, Metro-North Railroad  
Catherine Rinaldi – Executive Vice President  
Ralph Agritelley– Vice President, Labor Relations  
Michael R. Coan – Chief, MTA Police Department  
Susan J. Doering – Vice President, Customer Service and Stations  
Donna Evans – MTA Chief of Staff  
Glen Hayden – Vice President - Chief Engineer  
James B. Henly – Vice President and General Counsel  
John Kesich– Senior Vice President, Operations  
Anne Kirsch – Chief Safety Officer  
Timothy McCarthy – Vice President, Capital Programs  
Kim Porcelain – Vice President, Finance and Information Systems  
Robert Rodriguez – Director, Diversity and EEO  
Michael Shiffer – Vice President, Operations Planning and Analysis

Chairman Sedore called the meeting of the Metro-North Committee to order.

### **PUBLIC COMMENT**

Two public speakers addressed the Committee.

Orrin Getz expressed his desire to meet with Metro-North staff to discuss ways to improve safety at grade crossings, noting that the Town of New Castle is working on improving safety at railroad crossings. Mr. Getz also addressed the next phase of the west of Hudson study, stating it was to begin after Phase A was completed a few years ago but that has yet to occur. Mr. Getz indicated the study is very important to Orange County, noting concerns about gaps in the Pt. Jervis Line schedule and the need for a mid-point yard. Mr. Getz urged Metro-North to work closely with New Jersey Transit to increase service on the Port Jervis Line, as well as to provide Pascack Valley Line service to commuters who work in Rockland County.

Murray Bodin expressed his opinion that Amtrak should work with Metro-North and New Jersey Transit to build a new tube capable of bringing the number 7 line into Secaucus.

Additional details of the comments made by the public speakers are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

### **APPROVAL OF MINUTES AND 2015 WORK PLAN**

Upon motion duly made and seconded, the members of the Committee present approved the minutes of the February 23, 2014 Committee meeting. There were no changes to the work plan.

### **PRESIDENT'S REPORT**

President Giulietti reported on the derailment of two cars of an 86 car northbound CSX freight train on Track 1 south of Beacon Station at approximately 2 a.m. on Saturday March 14, 2015. As a result of the derailment, only one track was available for service and upper Hudson Line customers experienced delays of up to 30 minutes during the weekend. CSX and Metro-North removed the unaffected cars and re-railed the two cars by 3:30 p.m. Saturday afternoon, allowing Metro-North forces to begin repairs on Track 1. The repairs were completed by Monday, March 16 permitting Metro-North to operate normal a.m. peak service. Repairs to Track 3, a controlled siding that was significantly damaged as a result of the derailment, began on Monday after the two main line tracks were available for service. The Federal Railroad Administration (FRA) is investigating the incident. President Giulietti thanked all who responded to the derailment, noting that their efforts were outstanding, from the quick response in the early hours, to working together to remove the CSX freight train from the scene, re-railing the two cars and making repairs to the damaged tracks in less than 48 hours, while continuing to operate train service safely and with the least disruption possible given the circumstances.

President Giulietti also discussed the derailment in Grand Central Terminal on January 28, 2015, noting that the final cause of the derailment remains under investigation. Portions of the broken rail have been sent for metallurgical testing and analysis, the results of which are forthcoming. Metro-North will work with FRA to implement any remedial action plan that may be

required as a result of these findings. Metro-North is evaluating the need to make improvements to the track infrastructure in Grand Central Terminal. President Giulietti emphasized that the safety of Metro-North's customers and employees is Metro-North's first priority.

President Giulietti reported that The New York City Football Club (Club), a new major league soccer team, will be playing 17 home games at Yankee Stadium. Metro-North provided special game-day service to Yankees-E. 153rd Street Station for the Club's home opener on Sunday, March 15 and will provide game-day service for all future home games. The actual ridership to the March 15 home opener game was 2,100. Metro-North will continue to monitor ridership and make any necessary adjustments.

President Giulietti also discussed St. Patrick's Day ridership, noting that, based on ridership counts performed in Grand Central Terminal, ridership was 4% higher than in 2014 but well below that in 2011 and 2012 when temperatures were higher. In addition to Metro-North's regular weekday schedule, the St. Patrick's Day service plan included an extra Hudson Line train and the collection of tickets prior to boarding at Poughkeepsie, New Hamburg and Beacon Stations due to high parade ridership. Alcoholic beverages were banned all day on trains, platforms and at stations to maintain orderly travel for customers. President Giulietti noted that the plan operated smoothly. He thanked the MTA Police for their support.

President Giulietti discussed the new fares that went into effect on March 22 for travel between New York State stations, noting that the majority of fares increased by 4.25% or less. The fare increase does not affect ticket prices for travel between stations in Connecticut and New York, or between stations within Connecticut.

President Giulietti announced the retirement of Timothy McCarthy, Metro-North's Vice President of Capital Programs, after over 30 years of service. He presented highlights of Mr. McCarthy's career, noting that his expertise will be greatly missed. President Giulietti congratulated Mr. McCarthy and presented him with a plaque commemorating his accomplishments with Metro-North.

Further details concerning President Giulietti's report are contained in the video recording of the meeting produced by the MTA and maintained in the MTA records.

## **SAFETY REPORT**

Chief Safety Officer Kirsch gave the safety report on injuries through January 2015 and gave an overview of the actions that have been taken and are to be taken as part of the Enhanced Safety Action Plan. She reported that as of March 20, 2015, 73 employees have been screened for obstructive sleep apnea. The details of Ms. Kirsch's report are contained in the Safety Report filed with the records of this meeting and the video recording of the meeting produced by the MTA and maintained in the MTA records.

## **MTA POLICE DEPARTMENT REPORT**

Chief Coan discussed crime on the Metro-North system, noting that in February 2015, there was a 28% decrease in total major felonies relative to the comparable period of 2014. There were

two assaults that resulted in arrests and five grand larcenies. Three minor incidents occurred on St. Patrick's Day and there was a decrease in the number of individuals aided as compared to prior St. Patrick's Days. MTA Police continue to patrol grade crossings and enforce traffic regulations with an approximate 80 summonses issued year-to-date. Chief Coan thanked Mr. McCarthy for the contributions he has made to the police over the years, particularly in the construction of the new canine facility. Further details of Chief Coan's report are contained in the MTA Police Report filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes discussions between Committee members and Chief Coan.

### **INFORMATION ITEMS:**

Four information items were presented to the Committee:

- Annual Strategic Investments & Planning Studies Report.
- Annual Elevator & Escalator Report.
- Track Program Quarterly Update. Mr. Hayden presented the quarterly report.
- April 26 Schedule Change. Mr. Shiffer reported on the schedule change.

The details of the above items are contained in reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes discussions between the Committee members and President Giulietti and staff related to information items.

### **PROCUREMENTS:**

One competitive procurement was presented to the Committee:

- Approval to ride a competitively solicited, miscellaneous service, New York State OGS contract, award No. PGB-22892, with United Parcel Service to provide domestic and international small package delivery service for a period of 15 months through March 20, 2016.

Upon motion duly made and seconded, the foregoing procurement item was approved by the members of the Committee present for recommendation to the Board. The details of the above item are contained in a report filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

Three non-competitive procurements were presented to the Committee:

- Approval to use the Request for Proposal (RFP) process to solicit and evaluate proposals from prospective contractors to provide pest control services for Grand Central Terminal.
- Approval of a personal service contract with HAKS Engineering to provide resident engineering and inspection services for the design build of the Power/C&S

Infrastructure Improvements and construction of three substations on the Hudson Line and one new substation in Brewster, New York.

- Approval of a nine month miscellaneous service contract with Northeast Work & Safety Boats, LLC to provide safety boat services for Metro-North personnel performing ongoing bridge repairs on the Devon Bridge in Stratford, Connecticut.

Two ratifications were presented to the Committee:

- A non-competitive procurement with Coriant North America for the emergency purchase of 14 Tellabs 5320L LSPM DSI Circuit Boards and eight High Density Universal Service Modules to replace existing equipment that far exceeded its useful life.
- Emergency procurement of an additional 200,000 gallons of Ultra Low Sulfur Diesel #2 locomotive fuel for the Metro-North Danbury, Connecticut facility.

Upon motion duly made and seconded, the foregoing procurement items were approved by the members of the Committee present for recommendation to the Board. The details of the above items are contained in staff summaries and reports filed with the records of this meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records.

#### **OPERATIONS, FINANCIAL, RIDERSHIP AND CAPITAL PROGRAM REPORTS:**

The details of the Operations, Financial, Ridership and Capital Program Reports of Metro-North are contained in reports filed with the records of the meeting and in the video recording of the meeting produced by the MTA and maintained in the MTA records, which recording includes discussions between Committee members, President Giulietti and staff related to system wide on-time performance in the month of February 2015 and the Mean Distance Between Failure statistics for the month of January 2015, which were both below goal due to severe inclement weather. The video recording also includes discussions between Committee members and staff regarding customer communication methods.

#### **ADJOURNMENT:**

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

Respectfully submitted,



Linda Montanino  
Assistant Secretary

**Minutes of the Regular Meeting  
Long Island Rail Road Committee  
Monday, March 23, 2015  
held at  
2 Broadway – 20<sup>th</sup> Floor  
New York, New York 10004  
9:30 a.m.**

**The following members were present:**

Hon. Mitchell H. Pally, Chair, Long Island Committee  
Hon. Jonathan A. Ballan  
Hon. Fernando Ferrer, Vice Chairman, MTA  
Hon. Ira R. Greenberg  
Hon. James L. Sedore, Jr  
Hon. Carl V. Wortendyke  
Hon. Neal Zuckerman

**The following members were not present:**

Hon. Jeffrey A. Kay  
Hon. Charles G. Moerdler  
Hon. John J. Molloy  
Hon. Vincent Tessitore, Jr.

**Representing Long Island Rail Road:** David Kubicek, Loretta Ebbighausen,  
Mark Young, Bruce Pohlot, Dennis Mahon

**Representing MTA Capital Construction Company:** Anthony D'Amico, William Goodrich, David Cannon

**Representing MTA Police:** Michael Coan

Chairman Pally called the meeting to order.

Three public speakers addressed the Committee. George Haikalis of the Institute for Rational Urban Mobility spoke in opposition to the East Side Access plans. Orrin Goetz spoke about through-running service and dual mode locomotives. Murray Bodin spoke about grade crossing safety. Additional details of the comments made by the public speakers are contained in the video recording of the meeting produced by the MTA and maintained in MTA records.

Upon motion duly made and seconded, the members of the Committee present approved the minutes of the February 23, 2015 Long Island Committee meeting.

### **MTA LONG ISLAND RAIL ROAD**

LIRR Senior Vice President of Operations David Kubicek introduced Marisa Maola, Regional Director of Zone 1 of the U.S. Transportation Security Administration (“TSA”), who presented LIRR with the 2014 TSA Gold Standard Award. Ms. Maola recognized and thanked Mr. Kubicek, MTA Director of Security Raymond Diaz, MTA Police Chief Michael Coan, Chief Thomas Odessa and Robert Murphy, LIRR Chief of Security Systems & Service, for enhancing LIRR security for customers, employees and business partners. Ms. Maola praised MTA and TSA leadership for their collaboration with local, state and federal agencies in building and sustaining a partnership necessary to provide the highest levels of transportation and security. Chairman Pally, on behalf of MTA Chairman and Chief Executive Officer Thomas F. Prendergast and all of the Board Members, thanked the TSA for recognizing the exemplary work of MTA Police and LIRR personnel.

Senior Vice President Kubicek reported two changes to the Committee Work Plan. The ESA Readiness Project report has been postponed to coincide with its presentation at CPOC and the 3<sup>rd</sup> Quarter Diversity/EEO report has been moved at the request of the Diversity Committee to December.

Senior Vice President Kubicek reported that during the New York City and Montauk St. Patrick’s Day Parades LIRR increased its ridership by 18,000, as compared to 2014. He also stated that the Colonial Road Bridge will be closed for one year from March 30, 2015, as part of an ongoing project. The general public has been notified about the closure and written information has been distributed to community groups, local municipalities and residents.

Senior Vice President Kubicek reported on the Ellison Avenue Bridge Project. He stated that the bridge will be closed for one year from April 13, 2015 to April 2016. Train service between Hicksville and Mineola will be halted on May 16th and 17th, a bus service plan will be implemented and LIRR is in the process of informing the public. There will be another outage in the Fall of 2015.

Senior Vice President Kubicek reported on the Confidential Close Call Reporting Program. He stated that on March 6th, LIRR management, leaders of all LIRR’s Labor Organizations and the FRA signed LIRR’s Confidential Close Call Reporting Program Implementing Memorandum of Understanding. The program will begin on March 29<sup>th</sup>.

Senior Vice President Kubicek reported that a kick-off meeting was held on March 11<sup>th</sup> with the vendor providing on-board cameras. The Notice to Proceed is scheduled to be issued by the end of the month.

### **MTA CAPITAL CONSTRUCTION**

MTACC Executive Vice President William Goodrich appeared on behalf President Michael Horodniceanu and updated the board on the East Side Access Project.

Mr. Goodrich reported on three personal injury incidents on the Manhattan South Structures contract (CM005) that required the injured workers to be taken to a hospital. The first incident occurred on February 27<sup>th</sup>. A construction worker was struck by falling pneumatically applied concrete (PAC). The second incident occurred on March 3<sup>rd</sup>. A construction worker received lacerations to several fingers while operating a circular saw. The third incident occurred on March

11<sup>th</sup>. A worker's knee was injured when he stepped through and fell onto a top rebar mat. Mr. Goodrich reported that following these incidents, both MTACC and the Contractor have undertaken comprehensive reviews of safety procedures.

Mr. Goodrich highlighted progress on the East Side Access Project. In Queens, the Harold Structures (CH054A) contractor completed the new 12kv S feeder work at the end of February. The Harold Structures (CH053) contractor and Amtrak are finalizing the cut-over plan for the new 12kv C3 feeder in anticipation of a planned cut-over at the end of April. Harold Structures-Part 3A (CH057A) has resumed pile installations for the West Approach of the Westbound Bypass.

The last major procurement in Manhattan, the GCT Caverns (CM007) contract, had a pre-proposal conference on March 4<sup>th</sup> and a site tour on March 6<sup>th</sup>, which were well attended by prospective proposers.

Board Member Ira Greenberg asked whether safety stand-downs are regular occurrences. Mr. Goodrich explained that as a part of each contract there is a requirement to submit a health and safety plan before work can begin. Safety stand-downs may be part of a plan, but generally a safety stand-down for a whole shift or operation is done in response to an event.

Board Member Greenberg asked whether PAC and shotcrete are the same thing. Mr. Goodrich explained that they both involve sprayed-on concrete applications but that on the East Side Access project, PAC refers to a particular type of application. Board Member Greenberg asked about a previous injury involving sprayed-on concrete. Mr. Goodrich confirmed that a shotcrete application incident had resulted in a fatality but explained that the prior incident involved an overhead application and that the recent incident most likely resulted from working the concrete before it was set.

Board Member Carl V. Wortendyke confirmed with Mr. Goodrich that steel reinforcement is used in PAC and that it is becoming more prevalent to use sprayed-on concrete rather than cast-in-place concrete.

### **MTA POLICE DEPARTMENT**

Chief Coan reported that year-to-date crime was down 17%, with 19 incidents compared to 23 in 2014. During the month of February, LIRR had nine incidents compared to six in 2014, of which two were robberies, one in East New York and one in Jamaica, both still active cases. There were five larcenies compared to three in 2014: two in Babylon, one in Hillside and two in Penn Station. LIRR is continuing its grade crossing enforcement with 149 summons issued year-to-date.

Chief Coan responded to Chairman Pally's question regarding the grade crossing enforcement statistics compared to previous years. He stated that the issuing of summonses is slightly lower this year.

## **MTA LONG ISLAND RAIL ROAD**

### **Information Items**

There were three LIRR Information Items:

- Annual Strategic Investments & Planning Study
- Track Work Program Schedule Changes
- Annual Elevator/Escalator Report

Board Member Greenberg congratulated LIRR on the signing of the Confidential Close Call Reporting Agreement. Chief Safety Officer Loretta Ebbighausen responded to Board Member Greenberg's questions regarding the tracking of railroad crossing incidents. She stated that LIRR tracks incidents through the daily log and performs staff assessments of the crossings.

Chief Safety Officer Ebbighausen stated that she would provide Board Member Greenberg with statistics pertaining to the frequency of railroad crossing incidents, in response to his questions. Chairman Pally stated that the Safety Committee does a thorough examination of all grade crossing incidents.

Senior Vice President Kubicek stated that with the installation of CCTV on rolling stock, LIRR will have forward facing cameras going through crossings which will enhance the railroad's review of any incidents.

Board Member Greenberg and Senior Vice President of Engineering Bruce Pohlot discussed the cost allocation between Amtrak and LIRR regarding the East River Track Rehabilitation Project. Senior Vice President Pohlot stated that LIRR pays 100% of costs for tracks 3 and 4 tracks and approximately 30% for 1 and 2 tracks. He added that Amtrak is currently seeking reimbursement for damages incurred during Superstorm Sandy through its insurance policies.

There was discussion between Board Member Greenberg and Chairman Pally regarding the network strategy study. Chairman Pally stated that the LIRR review includes Suffolk County.

### **Action Item**

- Amendment to Gateway Agreement

Senior Vice President Kubicek introduced the proposed amendment to the Gateway Agreement, which provides for the installation of a tandem wheel truer in the reconstructed West Side Yards Maintenance of Equipment Facility at a not-to-exceed cost of \$9.5 million. Details of this item are set forth in the Staff Summary, a copy of which is on file with the record of this meeting.

Upon motion duly made and seconded, the action item was approved for recommendation to the Board.

### **Procurements**

There were three LIRR competitive procurement items 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.

- Approval to award a competitively bid three-year Miscellaneous Service contract to Metro Weather Service Inc., to provide current and comprehensive meteorological information services to LIRR from May 1, 2015 through April 30, 2018, in the firm, fixed amount of \$22,032.
- Approval to award a competitively bid, Miscellaneous Service contract, through the ride of New York State OGS Contract Award No. PGB-22892 with United Parcel Service (“UPS”). Under this contract, UPS will provide domestic and international small package delivery service for a period of fifteen (15) months, through March 20, 2016, in the not-to-exceed amount of \$80,000.
- Approval to issue a contract modification in the amount of \$360,000 to Go Green Environmental Services LLC, to allow for the continued pumping and lawful disposal of waste from cesspools and sewers at various railroad stations, and for vector and jetting services need for upcoming tunnel cleaning. The additional funding will cover services through the original contract term, which expires in November 2015.

There was discussion between Board Member Greenberg and Chief Procurement Officer Dennis Mahon regarding the Go Green Contract. Mr. Mahon stated that quantities at Shea Stadium and Ronkonkoma were underestimated at the time of award, necessitating the additional funding.

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

### **MTA CAPITAL CONSTRUCTION**

#### **Procurements**

One procurement item was presented to the Committee for approval. Details of the item are set forth below and in the Staff Summary, a copy of which is on file with the record of this meeting.

The procurement item is as follows:

1. Ratification of a modification to Contract 98-0040-01R for additional design services required to address changes to signal and supervisory equipment in the amount of \$1,197,544.

Upon motion duly made and seconded, the procurement item was approved for recommendation to the Board.

**LIRR Reports on Operations, Enhanced Safety Action Update, Financial and Ridership and the Capital Program**

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

Senior Vice President Kubicek discussed LIRR's operations during the 2014-2015 winter season. He stated that preparation for the 2015-2016 winter season will start in July 2015.

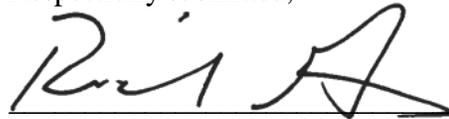
There was discussion between Chairman Pally and Senior Vice President Kubicek regarding snow removal and the related jurisdictional issues with local municipalities. Senior Vice President Kubicek stated that it is LIRR's expectation to have a walk through with interested parties to identify their respective areas of responsibility.

There was discussion among Board Member Jonathan A. Ballan, Chairman Pally and Senior Vice President Kubicek regarding On-Time Performance during rush hour in February and throughout the 2014-2015 winter season. Chairman Pally suggested that in the next few months, both MTA Commuter Railroads analyze the issues that arose last winter and report back to the Committee with the causes, effects and solutions to those issues. Senior Vice President Kubicek stated that LIRR recognizes these issues and that it can do a better job providing service to its customers.

**Adjournment**

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

Respectfully submitted,



Richard L. Gans  
Secretary



## 2015 Metro-North Railroad Committee Work Plan

### I. RECURRING AGENDA ITEMS

#### Responsibility

Approval of Minutes	Committee Chairs & Members
2015 Committee Work Plan	Committee Chairs & Members
President's Report	President/Senior Staff
Safety Report	
MTA Police Report	
Information Items (if any)	
Action Items (if any)	
Procurements	
Agency Reports	Senior Staff
Operations	
Finance	
Ridership	
Capital Program	

### II. SPECIFIC AGENDA ITEMS

#### Responsibility

#### April 2015 (Joint meeting with LIRR – MNR lead)

Final Review of 2014 Operating Budget Results	Finance
2014 Annual Ridership Report	Operations Planning & Analysis
Annual Inventory Report	Procurement

#### May 2015

Diversity/EEO Report – 1 <sup>st</sup> Quarter 2015	Diversity and EEO
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#### June 2015 (Joint meeting with LIRR)

Grand Central Terminal Retail Development	MTA Real Estate
Track Program Quarterly Update	Engineering
Bi-Annual Report on M-9 Procurement	President

#### July 2015

Environmental Audit	Environmental Compliance
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#### September 2015 (Joint meeting with LIRR – MNR lead)

2016 Preliminary Budget (Public Comment)	Finance
2015 Mid-Year Forecast	Finance
Bi-Annual Report on M-9 Procurement	President
Diversity/EEO Report – 2 <sup>nd</sup> Quarter 2015	Diversity and EEO
Track Program Quarterly Update	Engineering

October 2015

2016 Preliminary Budget (Public Comment)  
2015 Fall Schedule Change  
Bi-Annual Report on PTC

Finance  
Operations Planning & Analysis  
President

November 2015 (Joint meeting with LIRR)

2016 Preliminary Budget (Public Comment)  
Annual Committee Charter Review  
Holiday Schedule

Finance  
Committee Chairs & Members  
Operations Planning & Analysis

December 2015

2016 Final Proposed Budget  
2016 Proposed Committee Work Plan  
Track Program Quarterly Update  
Diversity/EEO Report – 3<sup>rd</sup> Quarter 2015

Finance  
Committee Chairs & Members  
Engineering  
Diversity and EEO

January 2016

Approval of 2016 Committee Work Plan

Committee Chairs & Members

February 2016 (Joint meeting with LIRR)

Adopted Budget/Financial Plan 2016  
2015 Annual Operating Results  
2015 Annual Fleet Maintenance Report  
Bi-Annual Report on PTC  
Diversity/EEO Report – 4<sup>th</sup> Quarter 2015

Finance  
Operations  
Operations  
President  
Diversity and EEO

March 2016

Annual Strategic Investments & Planning Studies  
Annual Elevator & Escalator Report  
Track Program Quarterly Update

Capital Planning  
Engineering  
Engineering

# METRO-NORTH RAIL ROAD COMMITTEE WORK PLAN

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## 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.

#### **2015 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.

#### **President's Report**

A monthly report will be provided highlighting major accomplishments and progress on key initiatives on performance indicators.

#### **Safety**

A monthly report will be provided highlighting key safety performance statistics and indicators and an update on enhanced safety actions throughout Metro-North's system.

#### **Police Activity Report**

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

#### **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.

#### **Finance**

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**

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

## II. SPECIFIC AGENDA ITEMS

### **APRIL 2015** (Joint Meeting with LIRR – MNR lead)

#### Final Review of 2014 Operating Results

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

#### 2014 Annual Ridership Report

A report will be presented to the Committee on Agency ridership trends during 2014 based on monthly ticket sales data and the results of train ridership counts conducted by the Agency.

#### Annual Inventory Report

The Agency will present its annual report on Inventory.

### **MAY 2015**

#### 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– 1<sup>st</sup> Quarter 2015

A 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 on diversity initiatives.

### **JUNE 2015** (Joint Meeting with LIRR)

#### 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.

#### Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

#### Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

### **JULY 2015**

#### Environmental Audit Report

The Committee will be briefed on the results of the 2015 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.

### **SEPTEMBER 2015** (Joint Meeting with LIRR – MNR lead)

#### 2015 Final Mid-Year Forecast

The agency will provide the 2015 Mid-Year Forecast financial information for revenue and expense by month.

#### 2016 Preliminary Budget

Public comment will be accepted on the 2016 Budget.

#### Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

#### Diversity & EEO Report– 2<sup>nd</sup> Quarter 2015

A 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 on diversity initiatives.

#### Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

### **OCTOBER 2015**

#### 2016 Preliminary Budget

Public comment will be accepted on the 2016 Budget.

#### Bi-Annual Report on PTC

The Committee will be briefed on the status of PC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

#### 2015 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 2015.

### **NOVEMBER 2015**

#### 2016 Preliminary Budget

Public comment will be accepted on the 2016 Budget.

#### Review Committee Charter

Annual review and approval of the MNR 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 2015**

#### 2016 Final Proposed Budget

The Committee will recommend action to the Board on the Final Proposed Budget for 2016.

#### Proposed 2016 Committee Work Plan

The Committee Chair will present a draft Metro-North Committee Work Plan for 2016 that will address initiatives to be reported throughout the year.

#### Diversity & EEO Report– 3<sup>rd</sup> Quarter 2015

A 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.

#### Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

### **JANUARY 2016**

#### Approval of 2015 Committee Work Plan

The Committee will approve the Proposed Metro-North Railroad Committee Work Plan for 2016 that will address initiatives to be reported on throughout the year.

### **FEBRUARY 2016 (Joint Meeting with LIRR)**

#### Adopted Budget/Financial Plan 2016

The Agency will present its revised 2016 Financial Plan. These plans will reflect the 2016 Adopted Budget and an updated Financial Plan for 2016 reflecting the out-year impact of any changes incorporated into the 2016 Adopted Budget.

#### 2015 Annual Operating Results

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

#### 2015 Annual Fleet Maintenance Report

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

#### Bi-Annual Report on PTC

The Committee will be briefed on the status of PC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

#### Diversity & EEO Report– 4<sup>th</sup> Quarter 2015

A 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 on diversity initiatives.

### **MARCH 2016**

#### 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.

#### Annual Elevator/Escalator Report

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

#### Track Program Quarterly Update

A quarterly report will be provided that highlights the progress made on track maintenance work to bring the infrastructure to a state of good repair.

## 2015 Long Island Rail Road Committee Work Plan

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### I. RECURRING AGENDA ITEMS

	<u>Responsibility</u>
Approval of Minutes	Committee Chair & Members
2015 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	President/Senior Staff
Transportation	
Mechanical	
Safety	
Financial	
Ridership	
Capital Program Report	

### II. SPECIFIC AGENDA ITEMS

	<u>Responsibility</u>
<u>April 2015 (Joint Meeting with MNR)</u>	
Final Review of 2014 Operating Results	Management & Budget
Annual Inventory Report	Procurement
2014 Annual Ridership/Marketing Plan Report	Finance/Marketing
<u>May 2015</u>	
Diversity/EEO Report – 1 <sup>st</sup> Q 2015	Administration/Diversity
2015 Summer Schedule Change	Service Planning
<u>June 2015 (Joint Meeting with MNR)</u>	
Penn Station Retail Development	MTA Real Estate
Bi-Annual Report on M-9 Procurement	President/Sr. Staff
<u>July 2015</u>	
Environmental Audit	Corporate Safety
2015 Fall Construction Schedule Change	Service Planning
<u>September 2015 (Joint Meeting with MNR)</u>	
2016 Preliminary Budget (Public Comment)	Management & Budget
2015 Mid-Year Forecast	President/Sr. Staff
Bi-Annual Report on M-9 Procurement	Administration/Diversity
Diversity/EEO Report – 2 <sup>nd</sup> Q 2015	
<u>October 2015</u>	
2016 Preliminary Budget (Public Comment)	

November 2015 (Joint Meeting with MNR)

2016 Preliminary Budget (Public Comment)  
Review of Committee Charter  
Bi-Annual Report on PTC  
East Side Access Readiness Projects Update  
2015 Holiday Schedule

Committee Chair & Members  
President/Sr. Staff  
President/Sr. Staff  
Service Planning

December 2015

Diversity/EEO Report – 3<sup>rd</sup> Q 2015  
2016 Final Proposed Budget  
2016 Proposed Committee Work Plan

Administration/Diversity  
Management & Budget  
Committee Chair & Members

# LONG ISLAND RAIL ROAD COMMITTEE WORK PLAN

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## 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.

#### 2015 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 and items for Committee and Board information. 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.

### PERFORMANCE SUMMARIES

#### Report on Transportation

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

#### Report on Mechanical

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

#### Report on Safety

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

#### Financial Report

A monthly report will be provided that compares the Railroad's actual financial performance against its budget and/or forecast.

#### Ridership Report

A monthly report will be provided that compares actual monthly ticket sales, ridership and revenues against 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**

### **APRIL 2015** (Joint Meeting with MNR)

#### Final Review of 2014 Operating Results

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

#### Annual Inventory Report

The Agency will present its annual report on Inventory.

#### 2014 Annual Ridership/Marketing Plan Report

A report will be presented to the Committee on Agency ridership trends during 2013 based on monthly ticket sales data and the results of train ridership counts conducted by the Agency.

### **MAY 2015**

#### Diversity & EEO Report– 1<sup>st</sup> Quarter 2015

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.

#### 2015 Summer Schedule Change

The Committee will be advised of Agency plans to adjust schedules to support construction projects during the summer of 2015.

### **JUNE 2015** (Joint Meeting with MNR)

#### 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.

#### Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

### **JULY 2015**

#### Environmental Audit Report

The Committee will be briefed on the results of the 2015 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.

### **SEPTEMBER 2015** (Joint Meeting with MNR)

#### 2016 Preliminary Budget

Public comment will be accepted on the 2016 Budget.

### 2015 Mid-Year Forecast

The agency will provide the 2015 Mid-Year Forecast financial information for revenue and expense by month.

### Bi-Annual Report on M-9 Procurement

The committee will be briefed on the status of the M-9 procurement, including design, fabrication and delivery status, plus budget and schedule performance.

### Diversity & EEO Report– 2<sup>nd</sup> Quarter 2015

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### 2015 Fall Construction Schedule Change

The Committee will be advised of Agency plans to adjust schedules to support construction projects during the fall of 2015.

## **OCTOBER 2015**

### 2016 Preliminary Budget

Public comment will be accepted on the 2016 Budget.

### Bi-Annual Report on PTC

The Committee will be briefed on the status of PC, including activities to date and the current strategy to meet critical milestones identified in the Rail Safety Improvement Act of 2008. Highlights to include cost of PTC along with operation and implementation risks.

## **NOVEMBER 2015 (Joint Meeting with MNR)**

### 2016 Preliminary Budget

Public comment will be accepted on the 2016 Budget.

### Review Committee Charter

Annual review of LIRR/LI Bus Committee Charter for Committee revision/approval.

### East Side Access Readiness Projects Update

The Committee will be briefed on the status of the East Side Access Readiness Projects.

### Holiday Schedule

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

## **DECEMBER 2015**

### Diversity & EEO Report– 3<sup>rd</sup> Quarter 2015

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.

2016 Final Proposed Budget

The Committee will recommend action to the Board on the Final Proposed Budget for 2016.

Proposed 2016 Committee Work Plan

The Committee Chair will present a draft Long Island Rail Road Committee Work Plan for 2016 that will address initiatives to be reported throughout the year.

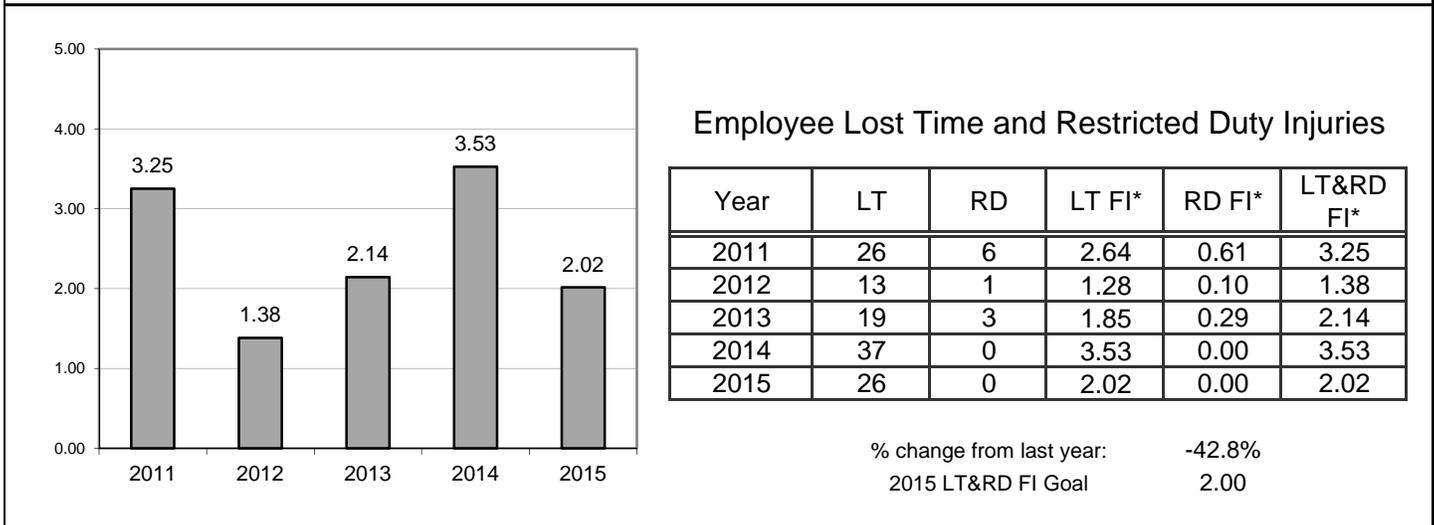
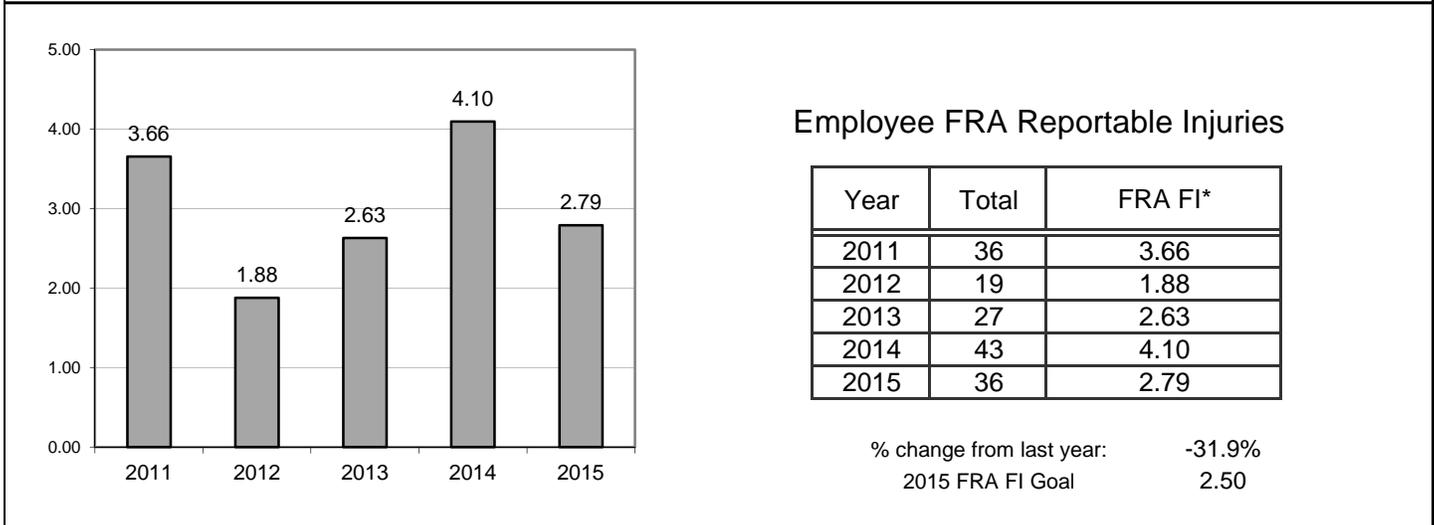
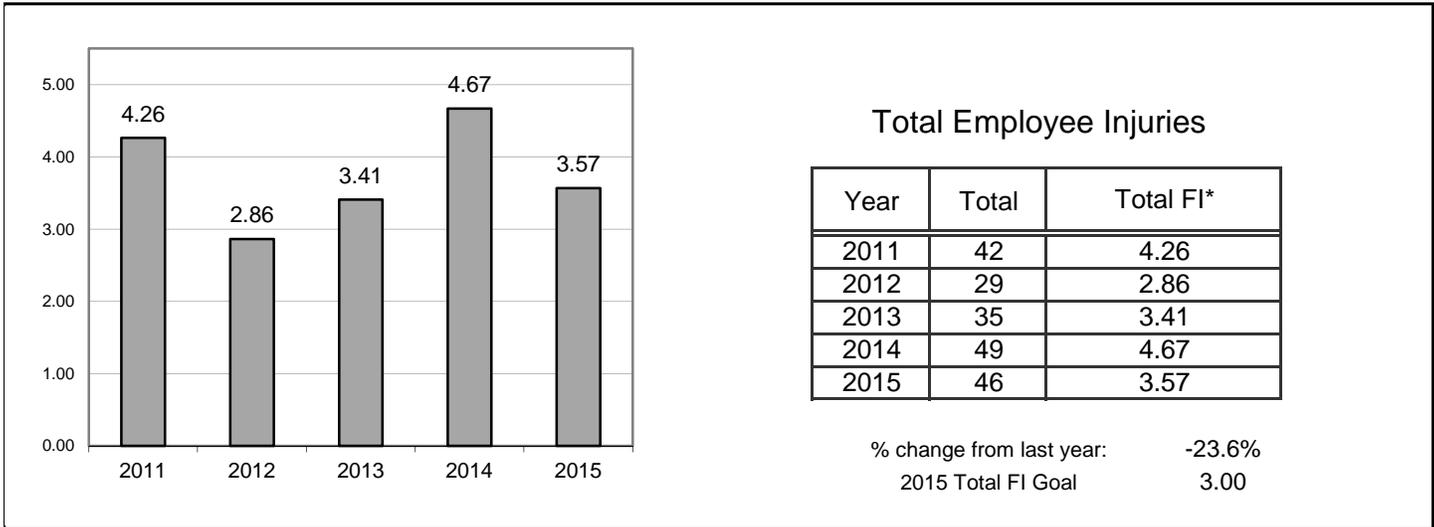


**Metro-North Railroad**

# **Safety Report**

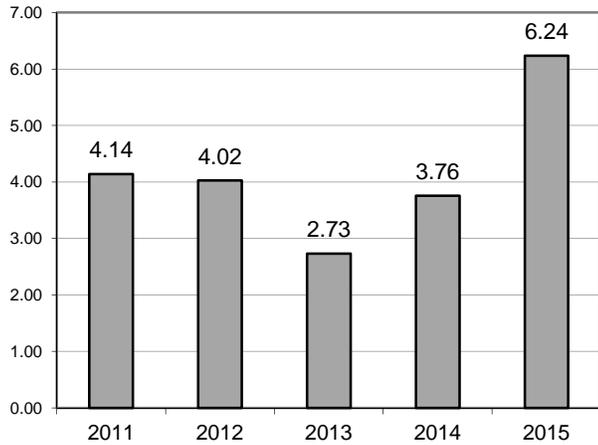
## **April 2015**

## MTA Metro-North Railroad Summary of Employee Injuries thru February



\* - Injuries per 200,000 hours worked

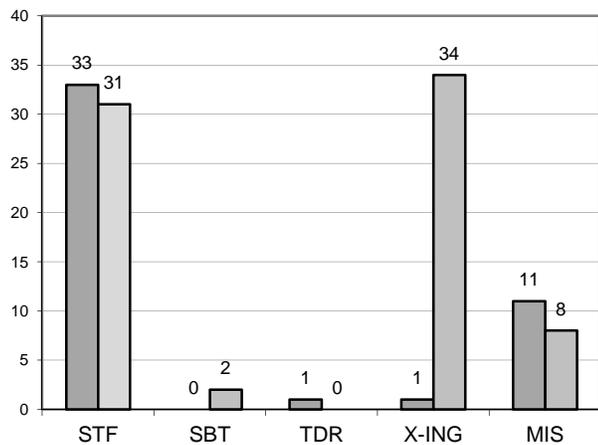
## MTA Metro-North Railroad Summary of Customer/Contractor Injuries thru February



### Total Customer Injuries

Year	Total	Total FI*
2011	48	4.14
2012	51	4.02
2013	34	2.73
2014	46	3.76
2015	75	6.24

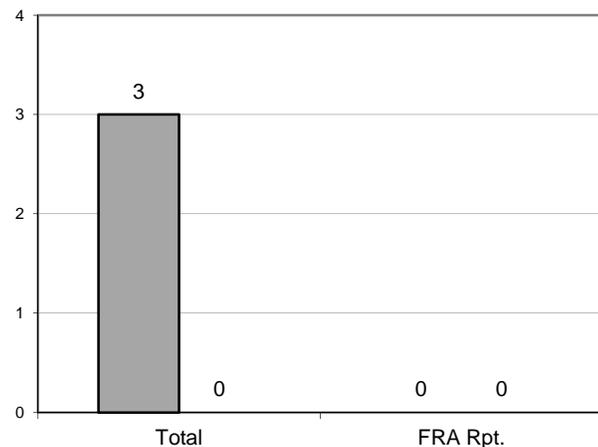
% change from last year: 66.0%  
2014 Total FI Goal 2.70



### Top 5 Customer Injuries by Type

Year	Slip/Trip/Fall	Struck by Train	Train Doors	Grade X-ing	Misc.
2014	33	0	1	1	11
2015	31	2	0	34	8

\*All 2015 Grade X-ing Injuries are from the 2/3/15 Valhalla Incident



### Contractor Injuries

Year	Total	FRA Rpt.
2014	3	0
2015	0	0
% Chg	-100.0%	0.0%

\* - Injuries per 1,000,000 rides

# Memorandum



**Date:** April, 2015  
**To:** Metro-North Committee  
**From:** Joe Giulietti   
**Re:** **Enhanced Safety Action Update**

This is to update you on Metro-North's comprehensive efforts to enhance safety throughout our system:

- Our first quarter safety stand down was held on March 19, 2015. The next stand down will be held May 7 and will focus on fall-prevention. OSHA has a National campaign beginning May 4 through May 15 on preventing fall related injuries, therefore, we are focusing that time period on the same.
- The FRA Safety Board met on March 19 and approved the waivers needed to proceed with the C3RS program.
- Our C3RS program kicked off on April 13 with our Transportation employees and we have met with the other labor organizations to work on their IMOU's.

The following progress was made on speed compliance enhancements and Positive Train Control (PTC).

ACTION ITEM	STATUS
<b>Cameras</b>	Vendors have been awarded the contract on March 3rd, to provide audio and image recorders that meet or exceed the NTSB recommendations. The initial design review and inspection began for all Car and Locomotives types that are part of the camera installation program. Each type has been surveyed by the design team for equipment location and camera positioning.
<b>NTSB Recommendations</b>	We continue to implement NTSB recommendations, and will work with the NTSB to close out each of their recommendations while coordinating with the other MTA agencies to ensure best practices are shared.
<b>Speed Compliance</b>	For the month of March, 64 compliant radar observations were performed and 84 event recorder Download Reviews with no failures. Year to date there have been 360 downloads reviewed with no failures.
<b>Obstructive Sleep Apnea</b>	This pilot has been kicked off at Metro-North and findings from this pilot will inform an all-agency approach. We continue to screen locomotive engineers working with labor and the vendor to continually improve the process
<b>PTC</b>	The Systems Integrator (SI) is progressing Preliminary and beginning some Final Design elements. Radio compliance testing is completed; results have been submitted to manufacturer for review. Transponder brackets are being installed on New Haven line. Performed transponder to train interface and Construction Zone data package testing on Hudson line. Preparing for Wayside Interface hardware and 220MHZ/Antenna Array First Article Inspections (FAI).

# **MTA CAPITAL CONSTRUCTION**

## **PROJECT UPDATE**

### **EAST SIDE ACCESS**

# MTA CAPITAL CONSTRUCTION PROJECT UPDATE

## East Side Access April 2015

### 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>New Budget</u>	<u>Current Month EAC</u>	<u>Expenditures</u>
Design	\$720,615,810	\$720,615,810	\$634,515,405
Construction	\$8,036,910,326	\$8,036,910,326	\$4,156,817,209
Project Management	\$1,036,168,644	\$1,036,168,644	\$629,066,541
Real Estate	\$182,076,230	\$182,076,230	\$114,250,083
Rolling Stock*	\$202,000,000	\$202,000,000	\$0
<b>Total Project Cost</b>	<b>\$10,177,771,010</b>	<b>\$10,177,771,010</b>	<b>\$ 5,534,649,237</b>

\* An additional \$463 million budgeted for ESA rolling stock is included in a reserve.

### Major Milestones and Forecasts

	<u>Original Schedule</u>	<u>New Schedule</u>	<u>Current Month Schedule</u>
Project Design Start	March 1999	March 1999	March 1999
Project Design Completion	4th Q 2008	November 2014	December 2015
Project Construction Start	September 2001	September 2001	September 2001
Revenue Service Date	2nd Q 2012	December 2022	December 2022

### Current Issues/Highlights

- **Manhattan South Structures (CM005):** Contractor is expected to complete the installation of the pneumatically applied concrete (PAC) in Access Tunnel 2 by the end of April. Contractor also is expected to complete concrete pours for the upper slab in the GCT1&2 West Wye and the intermediate slab opening and walls for GCT1&2 East Wye by the end of April. Reinforcing rebar installations in the lower level interior walls of the East Cavern have commenced, as well as at Access Tunnel 1. Concrete placement at the upper 38<sup>th</sup> Street ventilation facility continues through May.
- **Manhattan North Structures (CM006):** PAC operations continue at GCT4 Crossover. Waterproofing and reinforcing rebar installations and PAC operations are progressing at GCT4 East Wye and GCT 5 West Wye. Waterproofing installations have commenced at the Cross Flue. Reinforcing rebar installations and concrete placement have commenced at the East Cavern Walls North Back of House.

- **55th Street Vent Plant Facility (CM013A):** Removal of the temporary street decking on 55<sup>th</sup> Street is expected to occur over several weekends in May and June. Full street restoration is anticipated to be finished later this summer, when work on the facility is complete.
- **GCT Concourse and Facilities Fit-Out (CM014B):** Kick-off meetings occurred in February. Contractor will proceed with site mobilization and early stage construction in early May.
- **Plaza Substation and Queens Structures (CQ032):** Contractor completed the foundation and ductbank work for the Yard Services Building (YSB). Contractor has progressed with the construction of the basement walls. Steel erection for the YSB is expected to start by the end of April. The Contractor is expected to complete the rehabilitation of the eastbound 63<sup>rd</sup> Street tunnel by the end of May; allowing for the tunnel to be turned over to the follow-on CM006 contractor to commence work. Backfill operations at the Bellmouth have resumed and the work is expected to be completed by the end of June.
- **Harold Structures (CH053):** Final testing and commissioning of the 12KV C3 Feeder is currently scheduled to commence during the weekend of April 10. Cutover process of the second feeder, C1, is expected to start during the week of April 21 and finish during the second week of May 2015, after which the existing ductbank can be decommissioned and demolished.
- **Harold Structures (CH054A):** Contractor has demolished approximately 480 linear feet of existing 12KV S Feeder ductbank along the alignment of the future Amtrak Loop 1A track and Access Road AR4. This has allowed the Contractor to proceed with site grading and underdrain for Access Road AR4 and Loop 1A track bed. Contractor also has commenced with the installation of the conduits and ductbank for the Snow Melter Units (SMUs) and Relay Transmission Units (RTUs). Fabrication of the SMUs and RTUs is in progress and the units are scheduled for delivery in April and June 2015, respectively.
- **Harold Structures-Part 3A (CH057A):** The final 21 of 30 piles for the West Approach of the Westbound Bypass (WBY) are scheduled to be installed during an extended outage of the LIRR Westward Passenger track between April 11 and May 11, 2015. Drilling of the secant piles for the East Approach of the WBY commenced in early April. Contractor also continues to construct foundations for new catenary structures and drill dewatering wells along the WBY alignment.
- **Harold Structures Part 3 (CH057):** This contract was advertised for bid on March 27, 2015. A pre-bid conference and site tour for prospective bidders is scheduled for April 27, 2015.

# East Side Access Active and Future Construction Contracts

## Report to the Railroad Committee - April 2015

Expenditures thru March 2015; \$s in million

	Budget	Committed	Expenditures
Construction	\$ 8,036.9	\$ 5,827.2	\$ 4,156.8
Design	\$ 720.6	\$ 661.0	\$ 634.5
Project Management	\$ 1,036.2	\$ 674.6	\$ 629.1
Real Estate	\$ 182.1	\$ 116.5	\$ 114.3
Rolling Stock†	\$ 202.0	\$ -	\$ -
<b>Total</b>	<b>\$ 10,177.8</b>	<b>\$ 7,279.4</b>	<b>\$ 5,534.6</b>

† An additional \$463 million budgeted for ESA rolling stock is included in a reserve and \$50 million is included in the Regional Investment budget.

Project Description	Budget (Bid + Contingency)	Current Contract (Bid + Approved AWOs)	Remaining Budget	Expenditures	2014 Replan Award Date	Actual/ Forecast Award Date	Planned Completion at Award*	Forecast Completion
<b>Manhattan Construction</b>								
CM014A: GCT Concourse Finishes Early Work <i>Yonkers Contracting</i>	\$57.6	\$51.9	\$5.6	\$45.8	Nov-2011	Nov-2011	Apr-2013	Sep-2015
CM013A: 55th St Vent Facility <i>SCC-JPP, JV</i>	\$58.9	\$57.0	\$1.9	\$41.9	Aug-2012	Aug-2012	Apr-2015	Oct-2015
CM005: Manhattan Southern Structures <i>Michels Corp.</i>	\$250.1	\$236.6	\$13.5	\$145.9	Jul-2013	Jul-2013	Feb-2016	Feb-2016
CM006: Manhattan Northern Structures <i>Frontier Kemper Constructors, Inc.</i>	\$340.3	\$316.5	\$23.8	\$44.1	Mar-2014	Mar-2014	Nov-2016	Nov-2016
CM014B: GCT Concourse & Cavern Fit-Out <i>GCT Constructors JV</i>	\$461.1	\$404.6	\$56.4**	\$0.0	Dec-2014	Feb-2015	Aug-2018	Aug-2018
CM007: Manhattan Cavern Structure & Facilities Fit-Out		<i>In Procurement</i>			Jul-2015	Jan-2016	N/A	Jul-2019
<b>Queens Construction</b>								
CQ032: Plaza Substation & Queens Struct Construction <i>Tutor Perini Corporation</i>	\$248.8	\$225.9	\$22.9	\$155.5	Aug-2011	Aug-2011	Aug-2014	Mar-2016
<b>Harold Construction</b>								
CH053: Harold Structures (Part 1) <i>Tutor Perini Corporation</i>	\$316.5	\$294.0	\$22.6	\$263.6	Jan-2008	Jan-2008	Feb-2011	Jun-2015
CH057A: Harold Structures - Part 3: West Bound Bypass <i>Harold Structures JV</i>	\$126.3	\$104.4	\$21.9	\$14.8	Nov-2013	Nov-2013	Feb-2016	Oct-2016
CH057: Harold Structures - Part 3: Track D Approach, 48th St Bridge, Loop Box Structure		<i>In Design (Repackaging)</i>			Nov-2014	Jul-2015	N/A	Mar-2017
CH058: Harold Structures - Part 3: Eastbound Reroute		<i>In Design</i>			Jul-2015	Feb-2016	N/A	Mar-2019
<b>Systems Contracts</b>								
Systems Package 1: Tunnel Ventilation, Facility Power, Communications, Controls, Security, Fire Detection (CS179) <i>Tutor Perini Corporation</i>	\$606.9	\$333.6	\$273.4***	\$12.1	Mar-2014	Mar-2014	Dec-2019	Dec-2019
Systems Package 2: Tunnel Systems (CS284)		<i>In Design (Repackaging)</i>			TBD	TBD	N/A	TBD
Systems Package 3: Signal Equipment (VS086) <i>Ansaldo STS USA Inc.</i>	\$21.8	\$19.9	\$1.9	\$0.0	Jun-2014	Jun-2014	Dec-2019	Dec-2019
Systems Package 4: Traction Power (CS084) <i>E-J Electrical Installation Company</i>	\$78.4	\$71.2	\$7.1	\$0.0	Sep-2014	Oct-2014	Dec-2019	Dec-2019

\*Planned Completion at Award date for contract CH053 is adjusted to the 2009 plan.

\*\* Remaining contingency includes \$26M for unawarded options and associated contingency.

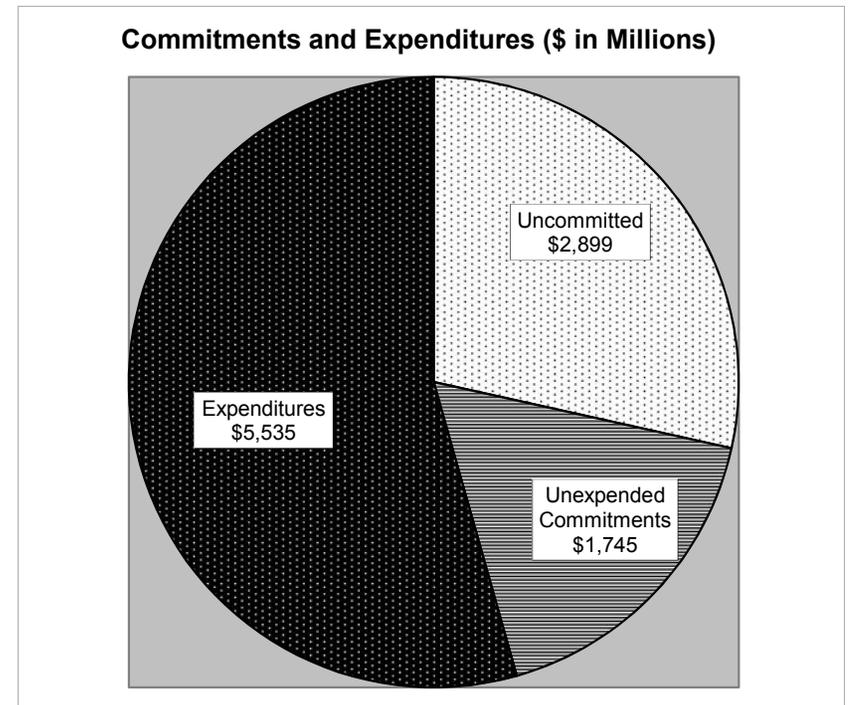
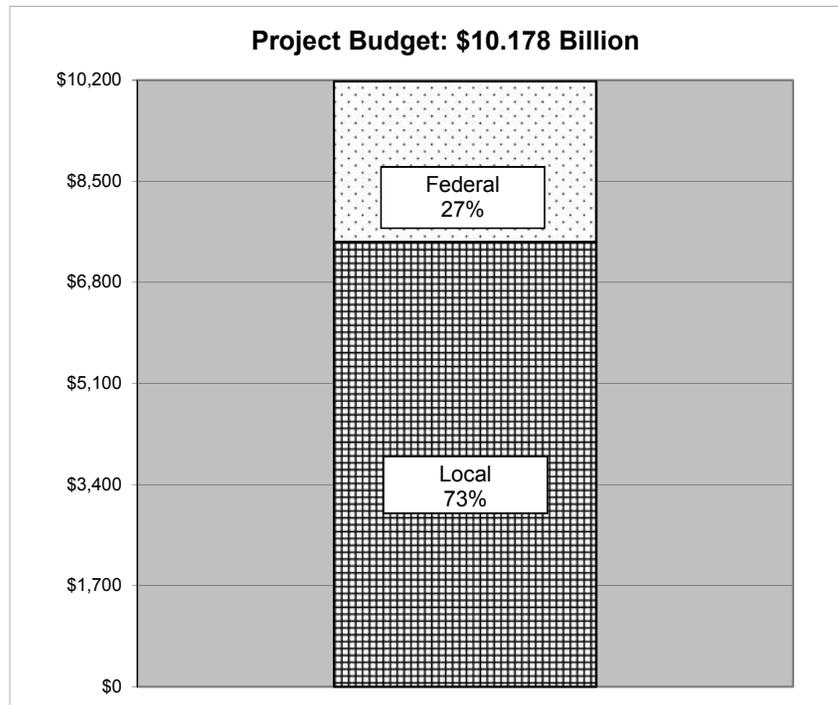
\*\*\* Remaining contingency includes \$238.48M for unawarded options and associated contingency.

# East Side Access Status

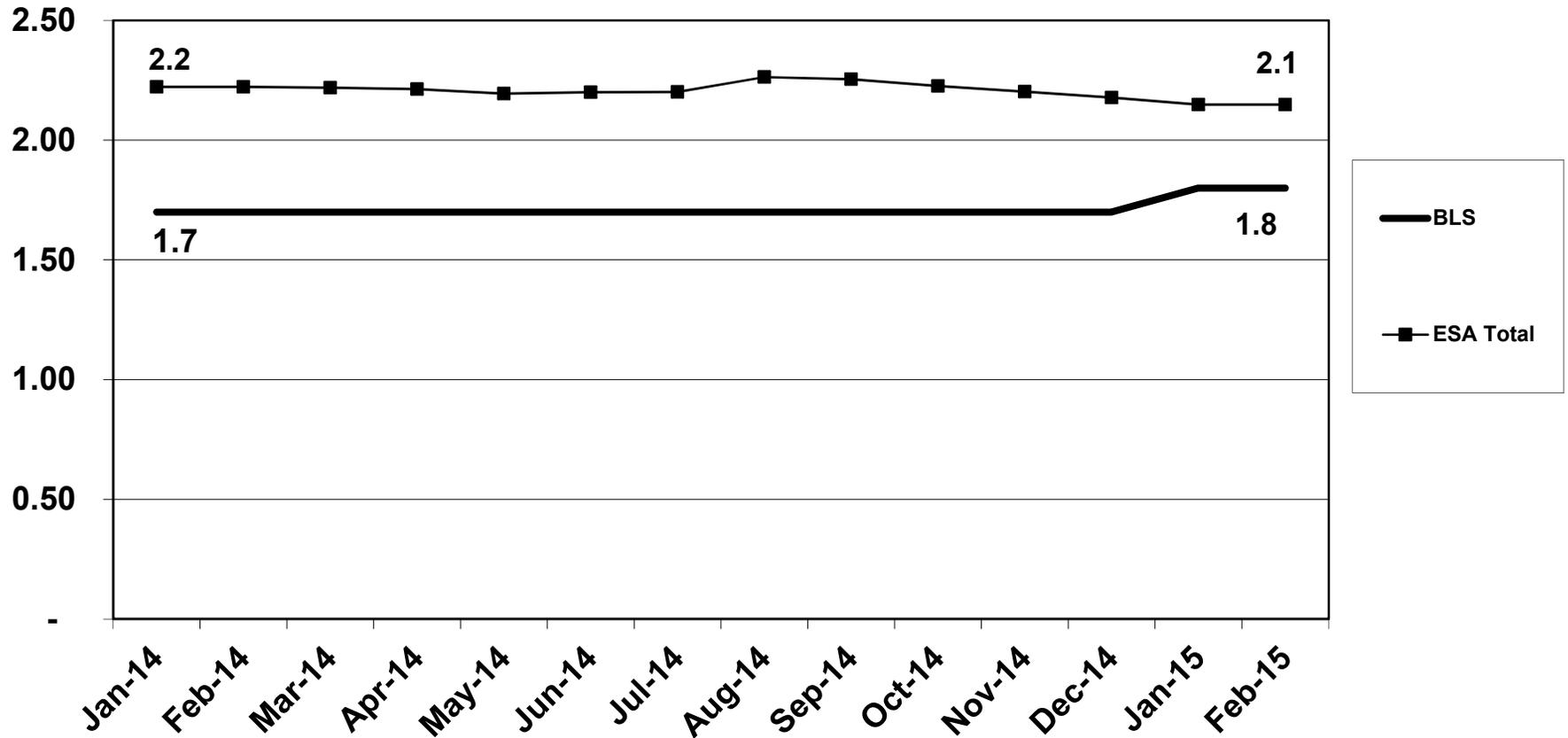
## Report to the Railroad Committee - April 2015

data thru March 2015

MTA Capital Program \$ in Millions	Budgeted	Funding Sources				Status of Commitments		
		Local Funding	Future Local Funding	Federal Funding	Federal Received	Committed	Uncommitted	Expended
1995-1999	\$ 158	\$ 94	\$ -	\$ 64	\$ 64	\$ 158	\$ -	\$ 158
2000-2004	1,534	748	-	785	785	1,533	0	1,513
2005-2009	2,683	838	-	1,845	1,176	2,680	3	2,573
2010-2014	3,232	3,228	-	5	5	2,909	323	1,291
2015-2019	2,572		2,572	-	-	-	2,572	-
<b>Total</b>	<b>\$ 10,178</b>	<b>\$ 4,907</b>	<b>\$ 2,572</b>	<b>\$ 2,699</b>	<b>\$ 2,030</b>	<b>\$ 7,279</b>	<b>\$ 2,898</b>	<b>\$ 5,535</b>



**Lost Time Injury Rate  
East Side Access Project, 2014-2015  
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



# METROPOLITAN TRANSPORTATION AUTHORITY

## Police Department Long Island Rail Road

### March 2015 vs. 2014

	2015	2014	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	2	0	2	100%
Felony Assault	6	1	5	500%
Burglary	0	0	0	0%
Grand Larceny	6	15	-9	-60%
Grand Larceny Auto	1	0	1	100%
Total Major Felonies	15	16	-1	-6%

### Year to Date 2015 vs. 2014

	2015	2014	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	4	4	0	0%
Felony Assault	8	6	2	33%
Burglary	1	1	0	0%
Grand Larceny	20	28	-8	-29%
Grand Larceny Auto	1	0	1	100%
Total Major Felonies	34	39	-5	-13%



# METROPOLITAN TRANSPORTATION AUTHORITY

## Police Department Metro North Railroad

### March 2015 vs. 2014

	2015	2014	Diff	% Change
Murder	0	0	0	0%
Rape	0	0	0	0%
Robbery	0	2	-2	-100%
Felony Assault	1	1	0	0%
Burglary	2	2	0	0%
Grand Larceny	14	8	6	75%
Grand Larceny Auto	0	0	0	0%
Total Major Felonies	17	13	4	31%

### Year to Date 2015 vs. 2014

	2015	2014	Diff	% Change
Murder	0	0	0	0%
Rape	1	0	1	100%
Robbery	0	7	-7	-100%
Felony Assault	5	3	2	67%
Burglary	2	4	-2	-50%
Grand Larceny	26	24	2	8%
Grand Larceny Auto	1	0	1	100%
Total Major Felonies	35	38	-3	-8%



**METROPOLITAN TRANSPORTATION AUTHORITY  
Police Department  
System Wide**

**March 2015 vs. 2014**

	<b>2015</b>	<b>2014</b>	<b>Diff</b>	<b>% Change</b>
<b>Murder</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Rape</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Robbery</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0%</b>
<b>Felony Assault</b>	<b>7</b>	<b>2</b>	<b>5</b>	<b>250%</b>
<b>Burglary</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0%</b>
<b>Grand Larceny</b>	<b>20</b>	<b>23</b>	<b>-3</b>	<b>-13%</b>
<b>Grand Larceny Auto</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100%</b>
<b>Total Major Felonies</b>	<b>32</b>	<b>29</b>	<b>3</b>	<b>10%</b>

**Year to Date 2015 vs. 2014**

	<b>2015</b>	<b>2014</b>	<b>Diff</b>	<b>% Change</b>
<b>Murder</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Rape</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>100%</b>
<b>Robbery</b>	<b>8</b>	<b>12</b>	<b>-4</b>	<b>-33%</b>
<b>Felony Assault</b>	<b>13</b>	<b>9</b>	<b>4</b>	<b>44%</b>
<b>Burglary</b>	<b>3</b>	<b>5</b>	<b>-2</b>	<b>-40%</b>
<b>Grand Larceny</b>	<b>46</b>	<b>53</b>	<b>-7</b>	<b>-13%</b>
<b>Grand Larceny Auto</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>100%</b>
<b>Total Major Felonies</b>	<b>73</b>	<b>79</b>	<b>-6</b>	<b>-8%</b>

*FIGURES ARE PRELIMINARY AND SUBJECT TO FURTHER ANALYSIS AND REVISION*

**INDEX CRIME REPORT**  
**Per Day Average**  
**March 2015**

	<b>Systemwide</b>	<b>LIRR</b>	<b>MNRR</b>	<b>SIRT</b>
<b>Murder</b>	0	0	0	0
<b>Rape</b>	0	0	0	0
<b>Robbery</b>	2	2	0	0
<b>Fel. Assault</b>	7	6	1	0
<b>Burglary</b>	2	0	2	0
<b>Grand Larceny</b>	20	6	14	0
<b>GLA</b>	1	1	0	0
<b>Total</b>	32	15	17	0
<b>Crimes Per Day</b>	1.03	0.48	0.55	0.00



# MTA Police Department Arrest Summary: Department Totals

1/1/2015 to 3/31/2015

Arrest Classification	Total Arrests	
	2015	2014
Robbery	8	12
Felony Assault	13	6
Burglary	2	3
Grand Larceny	7	15
Aggravated Harassment	0	1
Aggravated Unlicensed Operator	7	10
Arson	1	0
Assault-Misdemeanor	17	17
Breach of Peace	3	2
Child Endangerment	1	1
Criminal Contempt	3	0
Criminal Impersonation	1	1
Criminal Mischief	7	12
Criminal Possession Stolen Property	4	2
Criminal Tampering	7	0
Criminal Trespass	7	5
Disorderly Conduct	1	2
Drug Offenses	8	13
DUI Offenses	1	2
Falsely Reporting an Incident	1	2
Forgery	16	8
Fraud	2	2
Graffiti	0	8
Harassment	0	4
Issue a Bad Check	1	0
Make Terrorist Threat	2	0
Menacing	7	1
Obstruct Government	3	3
Petit Larceny	36	22
Probation/Parole Violation	1	0
Public Lewdness	4	7
Reckless Endangerment	2	2
Resisting Arrest	10	21
Sex Offenses	3	3
Theft of Services	34	31
Unlawful Surveillance	1	0
VTL Offenses	0	1
Warrant Arrest	15	15
Weapons Offenses	1	3
<b>Total Arrests</b>	<b>237</b>	<b>237</b>

**2014 RIDERSHIP REPORT  
METRO NORTH RAILROAD  
EXECUTIVE SUMMARY**

Total Metro-North annual rail ridership was 84.7 million, which was 1.5% above 2013 and the highest in MNR history (surpassing the previous record of 83.6 million annual rides set in 2008 by approximately 1.1 million rides). Ridership has increased by nearly 80 percent over the past thirty years. This growth continues to be driven by increases in non-traditional markets; i.e., the Non-Commutation, Reverse Commutation and Intermediate markets. Since 1984, Non-Commutation ridership to/from Manhattan has increased by 133% and Intermediate ridership has increased by 273%; over the same time period, Commutation ridership to/from Manhattan has increased by only 31%.

**2014 Ridership Summary**

- MNR carried approximately 85.2 million customers – the highest total in MNR history
- Annual East of Hudson ridership was approximately 83.0 million, also the highest in MNR history (surpassing last year’s record of 81.8 million by approximately 1.2 million rides). East of Hudson Ridership increased 1.4% compared to 2013.
- 2014 was a record-setting year for both the New Haven Line and the Hudson Line.
- West of Hudson ridership increased 6.8% during 2014.
- Connecting Services, which is a small portion of overall ridership, was down 1.2% due to the harsh winter and the resulting suspension of ferry service due to icing on the Hudson River

**ANNUAL RIDERSHIP 2014 VS 2013 (in millions)**

	Annual Ridership 2014	Annual Ridership 2013	% Change vs. 2013
<b>Total Rail Ridership</b>	<b>84.66</b>	<b>83.38</b>	<b>1.5%▲</b>
<b>East of Hudson</b>	<b>82.98</b>	<b>81.80</b>	<b>1.4%▲</b>
Harlem Line	27.13	26.95	0.7%▲
Hudson Line	16.24	15.88	2.3%▲
New Haven Line	39.61	38.98	1.6%▲
<b>West of Hudson</b>	<b>1.68</b>	<b>1.57</b>	<b>6.8%▲</b>
Port Jervis Line	1.02	0.98	3.6%▲
Pascack Valley Line	0.67	0.59	12.2%▲
<b>Connecting Services</b>	<b>.53</b>	<b>.54</b>	<b>-1.2%▼</b>
Hudson Rail Link	.36	.35	3.6%▲
Haverstraw-Ossining Ferry	.11	.12	-11.5%▼
Newburgh-Beacon Ferry	.06	.07	-7.4%▼
<b>Total MNR System Ridership</b>	<b>85.19</b>	<b>83.92</b>	<b>1.5%▲</b>

## Major Factors Affecting Ridership

### 1. **STRONG REGIONAL ECONOMY**

- NY City Non-Agricultural employment increased 3.0% during CY 2014 (compared to an average annual growth rate of 1.3% since 2005)
- Financial Activities employment increased 2.5%
- Professional and Business Services employment increased 3.9%
- Education and Health Services employment increased 4.1%
- Leisure and Hospitality employment increased 5.6%

### 2. **SERVICE PLAN INITIATIVES**

- MNR added an extensive series of Service Investments In October 2012 and April 2013
  - 66 weekly trains in October 2012
  - 187 weekly trains in October 2013
- Half-hourly weekend service was also added to the Outer New Haven Line in November 2014
- Non-commutation ridership continues to increase due to this additional service

### 3. **SEVERE WINTER WEATHER**

- Non-Commutation ridership was impacted by the numerous snowstorms which occurred during January thru March 2014, resulting in approximately 300,000 fewer non-commutation rides
- There was significantly more snow in January and February 2014 than in 2013
- It was also much colder in January and February compared to the previous year
- The severe winter weather also adversely impacted Connecting Services ridership (i.e., both ferry services started much later in the year)

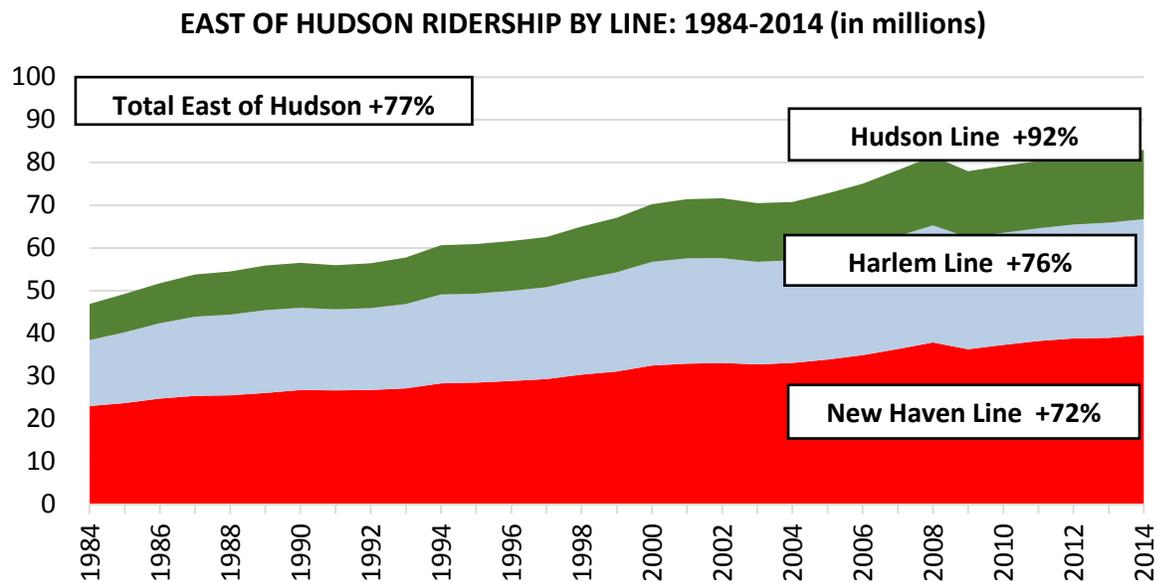
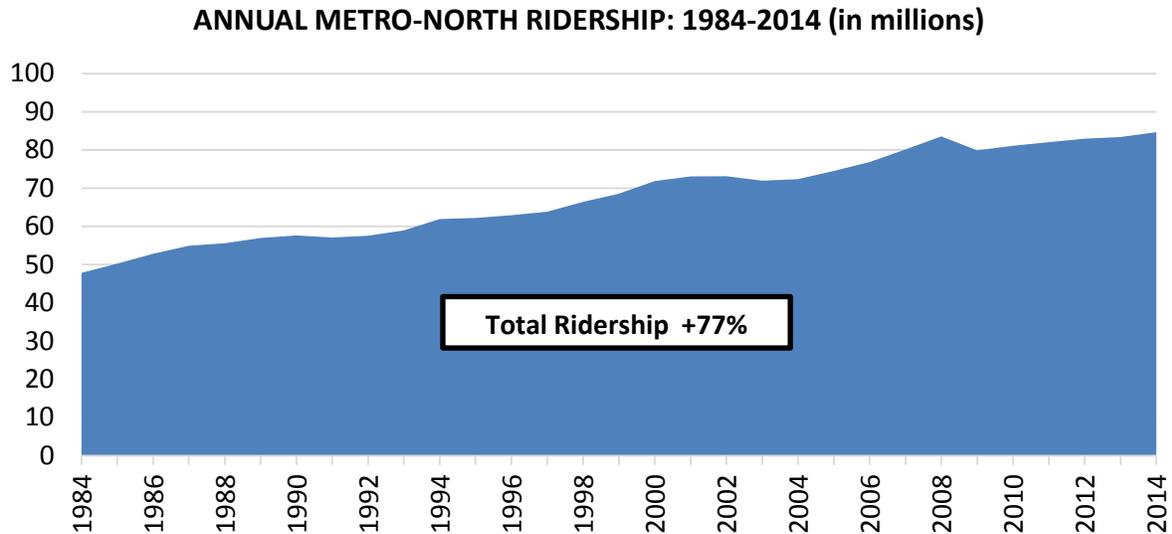
### 4. **POOR ON TIME PERFORMANCE AND EQUIPMENT SHORTAGES**

- On-Time performance was lower in 2014 (91.5%) than in 2013 (94.8%) and was lowest during the AM Peak period (88.1% in 2014 vs. 92.5% in 2013)
- In addition, severe equipment shortages on the New Haven Line forced Metro-North to implement several schedule changes during the year to attempt to minimize standees

## Long-Term Ridership Trends

### Ridership Trends by Line

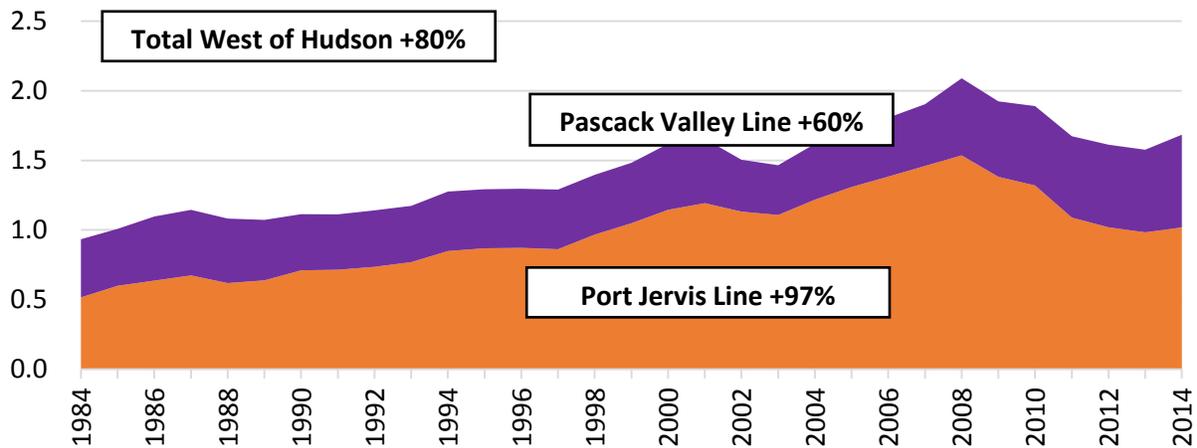
- 2014 system wide ridership compared to the past 30 years increased by 77%



#### East of Hudson

- Total East of Hudson ridership has increased by 77% from 46.9 million in 1984 to 83.0 million in 2014, an increase of over 36 million annual rides.
- The fastest-growing segments have been the Upper Hudson (+265% since 1984) and Upper Harlem (+130% since 1984)

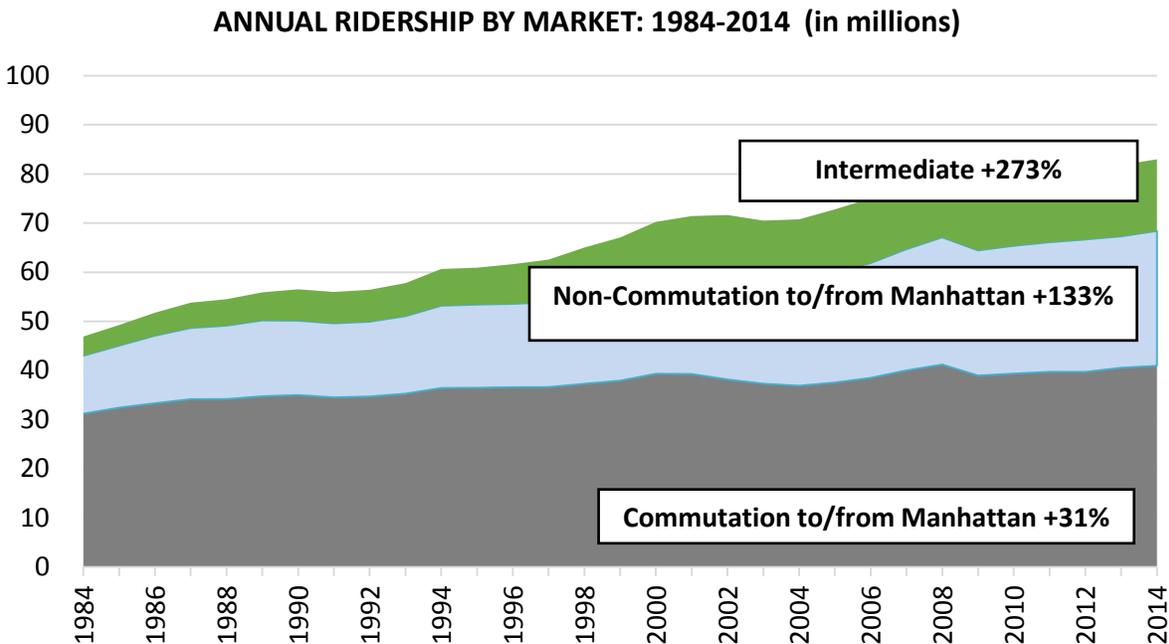
### WEST OF HUDSON RIDERSHIP BY LINE: 1984-2014 (in millions)



#### West of Hudson

- Total West of Hudson ridership has increased by 80% from 934,000 annual rides in 1984 to almost 1.7 million annual rides in 2014. However, ridership has decreased by almost 20% since 2008, due to the combined impact of the regional economic recession and the adverse impacts of Hurricane Irene and Superstorm Sandy.
- West of Hudson ridership has increased rapidly during the past year, with most of the ridership growth occurring on the Pascack Valley Line. During CY 2014, Pascack Valley Line ridership increased by 12% while Port Jervis Line ridership increased by 4%.
- Port Jervis Line ridership tripled between 1984 and 2008 (i.e., from 516,000 annual rides to over 1.5 million annual rides) but has decreased by 34% since 2008.
- Pascack Valley Line ridership increased by 60% since 1984, with most of this increase occurring after the implementation of weekday off-peak and weekend service in 2008.

## Ridership Trends by Market (East of Hudson)



- Initially, ridership growth was broad-based, with significant ridership growth occurring in all market segments.
- However, since the early to mid-1990's, the fastest growth has occurred in Non-Commutation and Intermediate markets:
  - Non-Commutation to/from Manhattan (+81% since 1990)
  - Intermediate (+128% since 1990)
- This growth is due largely to a combination of targeted marketing, service and fare policy initiatives implemented over many years, as well as significant growth in suburban employment (e.g., White Plains and Stamford).
- Examples of targeted Intermediate markets which have experienced significant ridership growth include the following:
  - Bronx-Lower Westchester (e.g., Fordham to White Plains)
  - Lower Westchester-Connecticut (e.g., Mount Vernon East to Greenwich/Stamford)
  - Intra-Connecticut (e.g., East End New Haven Line to Greenwich/Stamford)
- In sharp contrast, Commutation ridership to/from Manhattan, which historically has been MNR's core market, has increased by only about 17% since 1990 and now constitutes less than half of total MNR rail ridership (i.e., 49% in 2014 compared to 67% in 1984).

# Market and Ridership Trend Analysis (2014 vs. 2013)<sup>1</sup>

## Commutation to/from Manhattan

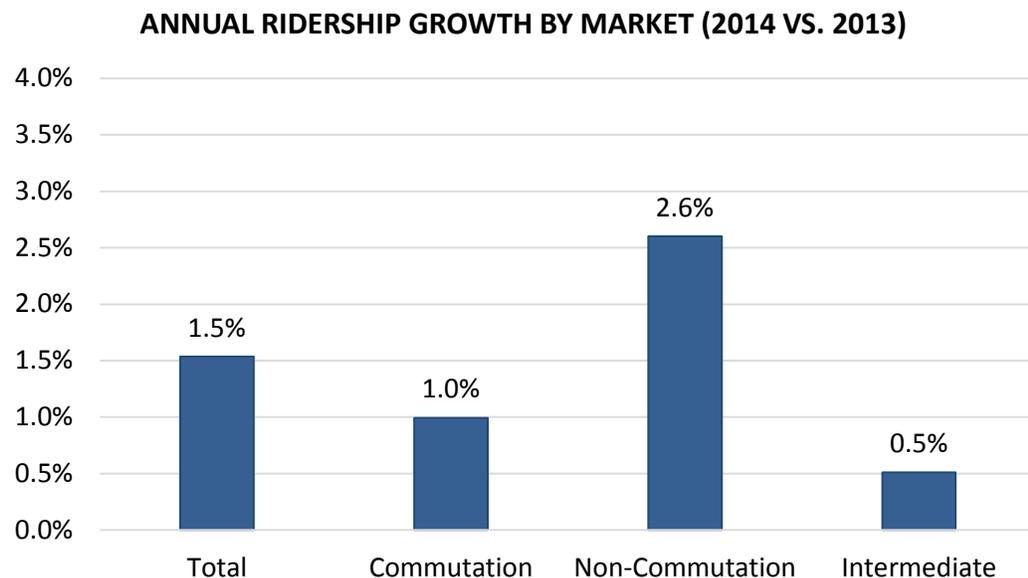
- Commutation ridership to/from Manhattan increased 1.0%, reflecting a continuation of the strong regional economic growth (i.e., a 3% increase in total New York City employment, with larger increases in Professional and Business Services, Education and Health Services and Leisure and Hospitality employment).

## Non-Commutation to/from Manhattan

- Non-Commutation ridership to/from Manhattan increased 2.6%, reflecting the absence of the adverse service disruptions which occurred during CY 2013.<sup>2</sup>
- Both weekday off-peak and weekend ridership increased by similar percentages.

## Intermediate

- Total Intermediate ridership increased 0.5%, reflecting offsetting trends in intermediate commutation and non-commutation ridership:
  - Intermediate Commutation ridership decreased 2.0%
  - Intermediate Non-Commutation ridership increased by 2.9%
- This trend is in sharp contrast to the rapid historical ridership growth in this market and may be due in part to the poor on-time performance and equipment shortages which occurred last year.



<sup>1</sup> Data is based on a combination of ticket sales and allocated fall passenger counts

<sup>2</sup> Had the 2013 service disruptions not occurred, non-commutation ridership would have increased by 1.1% vs 2013.

## Trends by Line/Segment and Branch

### *East of Hudson*

- Ridership increased on all three lines, with the Hudson Line increasing at the fastest rate (+2.3%).
- Ridership increases occurred on most of the major line segments, with the largest increases occurring on the Inner New Haven (+2.3%) and Lower Hudson (+2.2%).
- In sharp contrast to historical trends, the largest ridership increases occurred on the closer-in segments on each line. This appears to reflect the disproportionate recovery from the recession as our more affluent customers in the closer-in segments may have benefited more from the recovery.

### *West of Hudson*

- Port Jervis Line ridership increased 3.6%.
- Pascack Valley Line ridership increased 12.2%.

### **ANNUAL RIDERSHIP BY LINE/SEGMENT (In Millions)**

Branch	Annual Ridership 2014	Annual Ridership 2013	% Change vs. 2013
<b>Hudson Line</b>	<b>16.24</b>	<b>15.88</b>	<b>2.3%▲</b>
Bronx (Hudson)	1.11	1.08	2.7%▲
Lower Hudson	8.06	7.89	2.2%▲
Upper Hudson	5.00	4.92	1.5%▲
Intermediate	2.07	1.98	4.1%▲
<b>Harlem Line</b>	<b>27.13</b>	<b>26.95</b>	<b>0.7%▲</b>
Bronx (Harlem)	1.49	1.43	4.1%▲
Lower Harlem	14.30	14.13	1.2%▲
Upper Harlem	6.66	6.64	0.3%▲
Wassaic Branch	0.49	0.49	0.4%▲
Intermediate	4.19	4.27	-1.7%▼
<b>New Haven Line</b>	<b>39.61</b>	<b>38.98</b>	<b>1.6%▲</b>
Inner New Haven	13.83	13.52	2.3%▲
Outer New Haven	15.48	15.20	1.8%▲
New Canaan Branch	1.41	1.41	-0.1%▼
Danbury Branch	0.46	0.47	-2.5%▼
Waterbury Branch	0.12	0.13	-4.3%▼
NY Intrastate Intermed.	2.34	2.28	2.8%▲
Interstate Intermediate	1.43	1.42	0.2%▲
CT Intrastate Intermed.	4.55	4.55	0.0%●
<b>Port Jervis Line</b>	<b>1.02</b>	<b>0.98</b>	<b>3.6%▲</b>
<b>Pascack Valley Line</b>	<b>0.67</b>	<b>0.59</b>	<b>12.2%▲</b>

Legend: ▲ increase; ▼ decrease; ● no change

## **2015 Outlook**

- Metro-North is projecting continued ridership growth in 2015 despite the MTA and CDOT fare increases being implemented over the past few months
- 2015 total annual Metro-North system ridership is projected to increase 2.2% to over 87 million
- Ridership increases are projected to occur in all markets and on all lines, with the largest growth projected to occur in the Non-Commutation and Intermediate markets.

## **Appendix**

Additional ridership statistics are provided in an online appendix. Listed as an exhibit within the April 2015 Metro-North and LIRR Committee materials, the appendix is available at:

<http://wp1.mtahq.org/mta/news/books/>



**Long Island Rail Road**

**2014 RIDERSHIP/MARKETING  
PLAN REPORT**

**2014 RIDERSHIP REPORT  
LONG ISLAND RAIL ROAD  
EXECUTIVE SUMMARY**

The LIRR experienced strong ridership growth in 2014 finishing the year with 85.9 million passengers, which was 3.0% above the 2013 ridership. This marks the 3rd highest ridership in 60 years, since the post war record of 91.8 million ridership in 1949 and the highest ridership since the modern record in 2008 of 87.4 million ridership. The Non-Commutation market went up 3.5%, outpacing the 2.6% growth of the Commutation market, as many railroad customers traveled during the Off-Peak period taking advantage of events in Manhattan and Brooklyn, as well as on Long Island, since service enhancements boosted summer travel. This is consistent with long-term trends of Non-Commutation ridership increasing by 66% since 1984; over the same time period Commutation ridership has decreased by 7%.

**2014 Ridership Summary**

- In 2014, the LIRR experienced strong ridership growth for the third consecutive year, reversing the previous trend and offering optimism for the long-term
- A steadily improving economy and service enhancements contributed to the increase. Total NYC Employment increased 3.0% during CY 2014

**ANNUAL RIDERSHIP 2014 VS 2013 (in millions)**

	Annual Ridership 2014	Annual Ridership 2013	% Change vs. 2013
<b>Total Rail Ridership</b>	<b>85.86</b>	<b>83.38</b>	<b>3.0% ▲</b>

**Major Factors and Initiatives Affecting Ridership**

**1. STRONG REGIONAL ECONOMY**

- NYC Non-Agricultural employment increased 3.0% during CY 2014 (compared to an average annual growth rate of 1.3% since 2005)
- Financial Sector employment increased 2.5%
- Business and Professional Services employment increased 3.9%
- Education and Health employment increased 4.1%
- Leisure and Hospitality employment increased 5.6%

## **2. TRAIN SERVICE IMPROVEMENTS**

- The LIRR restored several trains that had been eliminated in 2010
  - Restoration of two evening rush-hour trains on the Babylon Branch
  - Return of two summer-only trains to/from Long Beach Branch
  - Restoration of weekend/holiday train service on the West Hempstead Branch
  - Extension of seasonal weekend service on the Montauk Branch
- Overall, the LIRR operated 5,000 more trains in 2014 than in 2013.

## **3. WEST HEMPSTEAD BRANCH WEEKEND SERVICE RESTORATION**

- In November 2014, the LIRR restored weekend and holiday service on the West Hempstead Branch.
- Train service was improved by adjusting train 805 to provide shoulder AM Peak service opportunity and direct Brooklyn service.

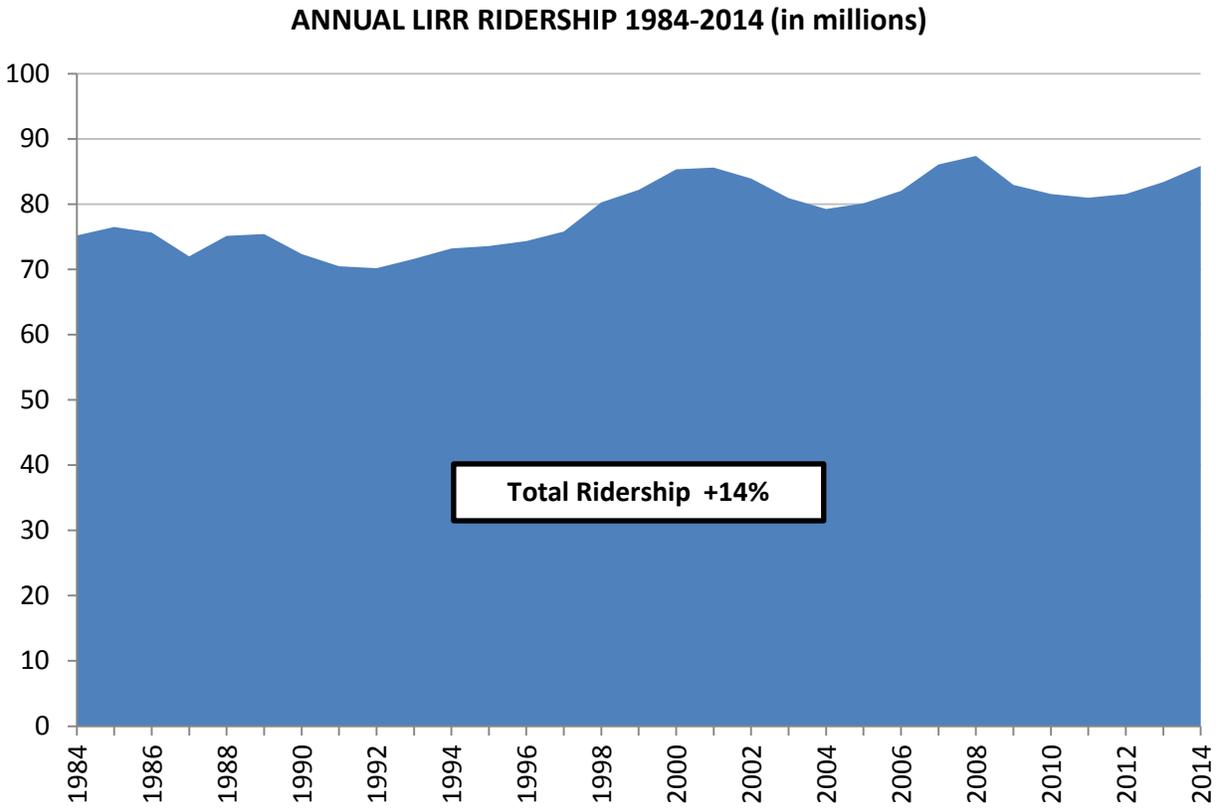
## **4. CONTINUED FLEET RELIABILITY IMPROVEMENT**

- The LIRR train fleet achieved record levels of fleet reliability for the third year in a row, as measured in mean distance between failures (MDBF).
- An overall fleet average of 206,226 miles between breakdowns vs. a goal of 153,000 was achieved.

## Long-Term Ridership Trends

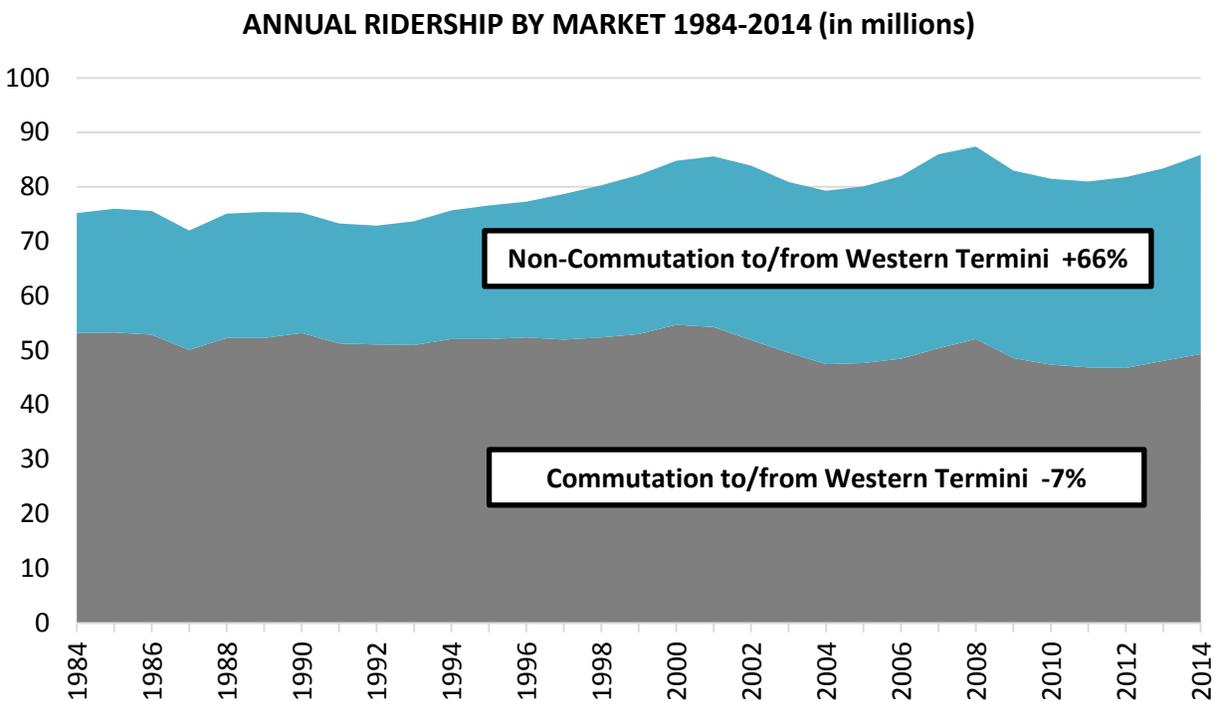
### Ridership Trends

- 2014 system wide ridership has grown by 14% over the past 30 years



## Ridership Trends by Market

- The fastest growth has occurred in Non-Commutation market, which has grown 66% over the past 30 years.
- Commutation ridership to/from the Western Termini has decreased by 7% since 1984
- In terms of total LIRR ridership, the Commutation market now constitutes 57% of all LIRR customers (compared to 71% in 1984).
- Non Commutation growth was increased due to aggressive marketing programs and market segments targeting Airtrain, Barclays, etc.



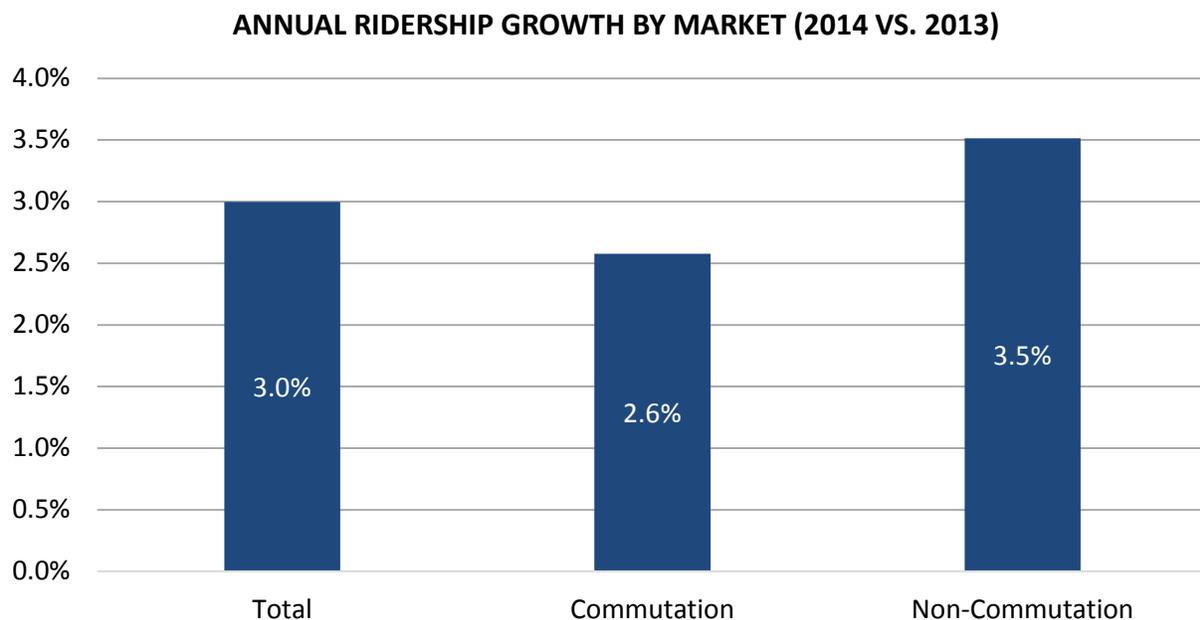
## Market and Ridership Trend Analysis<sup>1</sup> (2014 vs 2013)

### Commutation

- Commutation ridership to/from the western termini increased 2.6%, reflecting a continuation of the strong regional economic growth (including a 3.0% increase in NYC employment).
- Commuter travel remained strong supported by job gains particularly in the Business and Professional Services (+3.9%) as well as Financial Activities Sectors (+2.5%).
- Reverse Commute ridership increased in both AM Reverse Peak and PM Reverse Peak, 1.5% and 1.9%, respectively.

### Non-Commutation

- Non-Commutation ridership to/from the western termini increased 3.5%, reflecting strong growth trends within this market.
- The year kicked off with an early ridership boost spurred by Superbowl XLVIII events. In June, LIRR saw major ridership gains at Belmont Park, carrying 78,000 customers to and from the 2014 Belmont Stakes, a +118% increase over 2013.
- Non-commutation ridership grew faster than commutation ridership reflecting “leisure-market” ridership growing dramatically by 15.0 %, with beach ridership up +5.7%.



<sup>1</sup> Data is based on a combination of passenger counts and ticket sales

- The Leisure and Hospitality employment sector experienced the largest percent change of 5.6% compared to all employment sectors
- Weekend ridership increased 2.1% reflecting higher Saturday ridership travel of 2.4% compared to Sunday ridership travel of 1.9%.
- Off-peak weekday travel increased 1.5%.
- Additional service was provided to the Montauk Branch to meet customer demand – Montauk Branch ridership increased +5.6%.
- The service enhancements to Atlantic Terminal that extended trains to 2 AM after events at the Barclays Center continue to support ridership growth.

### Trends by Branch

- The Port Jefferson Branch maintains the highest ridership (18.7 million customers), followed by the Babylon Branch servicing almost 18 million customers in 2014.

#### **RIDERSHIP BY BRANCH (in millions)**

Branch	Annual Ridership 2014	Annual Ridership 2013	% Change vs. 2013
Babylon	17,956,348	17,667,417	1.6%▲
City Zone	6,793,300	6,333,944	7.3%▲
Far Rockaway	5,753,156	5,590,974	2.9%▲
Greenport	58,143	60,582	- 4.0%▼
Hempstead	3,903,415	3,792,336	2.9%▲
Long Beach	4,680,914	4,484,620	4.4%▲
Montauk	2,247,711	2,128,282	5.6%▲
Oyster Bay	1,755,844	1,683,505	4.3%▲
Port Jefferson	18,651,978	18,237,386	2.3%▲
Port Washington	13,307,163	12,821,849	3.8%▲
Ronkonkoma	9,863,213	9,736,329	1.3%▲
West Hempstead	897,062	846,883	5.9%▲

Legend: ▲ increase; ▼ decrease; ● no change

## 2015 Outlook

- In 2015, the LIRR expects to maintain the upward trend of ridership growth that was experienced in recent years despite the March fare increase
- The impressive line-up of performances at Barclays will continue to attract healthy discretionary ridership growth. With the NY Islanders making Barclays their home arena, ridership is expected to experience significant growth in 2015.
- New promotional partnerships with major local sports venues are being introduced including the Mets, the NY Cosmos, and the NY Islanders
- Record ridership growth of 247% at JFK AirTrain in the past ten years will continue to offer incremental ridership growth of travel to the LIRR Jamaica station.
- The opening of the Wyandanch Parking Facility will provide an additional 597 parking spaces at this busy Main Line station accommodating anticipated short term ridership increases, as well as ridership increases associated with the introduction of service to Grand Central Terminal in 2022.
- In 2015, the LIRR will award the contract for a Network Strategy Study, which will establish a comprehensive basis for targeting future LIRR investments required to optimally serve each of the LIRR's market segments.

## 2014 LIRR Annual Ridership Report Appendix

Additional ridership statistics are provided in an online appendix. Listed as an exhibit within the April 2015 Metro-North and LIRR Committee materials, the appendix is available at:

<http://wp1.mta.org/mta/news/books/>

**MTA METRO-NORTH RAILROAD  
2014 YEAR-END REPORT  
SUMMARY**

Metro-North's overall financial results were favorable by 4% versus the 2014 Final Estimate with an Operating Deficit of \$817.2 million that was \$31.5 million lower than projected. On a cash basis, operating subsidy requirements were \$5.1 million lower than the 2014 Final Estimate.

Total Operating Revenue of \$712.4 million was \$1.6 million lower than the 2014 Final Estimate. Farebox Revenue of \$649.9 million was \$4.0 million (0.6%) lower reflecting slightly lower than projected non-commutation ridership growth and lower holiday season utilization. Other Operating Revenue of \$62.5 million was \$2.4 million higher than the 2014 Final Estimate reflecting continued growth in GCT retail revenue and interagency revenue.

Total Operating Expenses of \$1,529.6 million not only supported baseline service levels and maintenance programs, but also reflect a \$134.0 million estimated wage adjustment based on the recent settlement with Metro-North labor unions, which follows the pattern established in the LIRR Union Coalition settlement. New initiatives funded during the year include: the initial implementation of strategic safety investments; additional New Haven Line (NHL) service; as well as the continuation of the comprehensive Infrastructure Improvement and Station Enhancement programs. Overtime costs for the year (\$98.1 million) not only supported basic service and programmed initiatives, but also reflect a provision for estimated wage settlements (\$20.6 million), the coverage, clean-up and repairs related to an extraordinarily harsh 2013-2014 winter storm season, and the response to several emergencies during the year (i.e., Cos Cob Signal House fire, Danbury Branch grade crossing malfunctions, Connecticut rail bridge problems, and the Yonkers mudslide).

As compared to the 2014 Final Estimate, operating expenses were \$33.1 million (2%) lower driven by favorable non-labor expenses of \$18.9 million, lower labor costs of \$9.6 million, and lower non-cash expense accruals for Depreciation, Other Post-Employment Benefits (OPEB) Obligation, and Environmental Remediation totaling \$4.7 million.

Favorable non-labor costs were primarily the result of scheduling changes impacting contracted services (\$8.0 million), lower usage of material and supplies (\$4.5 million), and lower energy costs of \$3.4 million related to lower rates. Labor costs for the year were \$9.6 million lower than the 2014 Final Estimate reflecting actuarial-based adjustments to the pension liability, lower health and welfare premiums and enrollees, and a higher than projected number of open positions reflective of increased levels of attrition. Full year overtime expenses were also favorable by \$2.6 million as weather-related provisions included in the Final Estimate were not needed due to milder weather during the fourth quarter.

Reimbursable revenues (and expenditures) totaling \$191.3 million were \$12.6 million lower than the 2014 Final Estimate primarily due to timing differences in capital project activity that resulted in lower labor expenditures of \$19.3 million partially offset by higher non-labor expenses of \$6.7 million.

The net cash deficit for the year of \$525.6 million was \$2.6 million lower than the 2014 Final Estimate. Cash receipts totaling \$902.9 million were \$20.1 million lower than the 2014 Final Estimate. This was primarily due to a \$12.3 million unfavorable “timing” difference in reimbursements for capital project work, insurance recoveries from FMTAC of \$4.1 million for Spuyten Duyvil derailment claim settlements, and year-end fares in transit of \$2.2 million. In addition, a “real” variance of \$1.4 million in farebox receipts was due mainly to lower non-commutation ridership. Cash disbursements of \$1,428.6 million were \$22.7 million lower than the 2014 Final Estimate, of which \$29.0 million represents a “real” variance which is partially offset by a timing difference of \$6.3 million. The “real” variance consists of lower spending on contracted services (\$15.4 million), reduced usage and purchases of material & supplies (\$5.9 million), and overtime (\$4.3 million) due to milder weather in the fourth quarter. The “timing” difference of \$6.3 million represents rescheduling of capital projects of \$5.9 million, claim settlements of \$6.4 million, and contracted services of \$2.2 million, partially offset by a prepayment of pension liabilities of \$25.8 million.

The cash deficit was funded by operating subsidies of \$523.1 million (MTA share \$425.1 million, CDOT share \$98.0 million) that was combined with a \$2.5 million increase in available cash balances.

Detailed explanations for differences between actual results and both the 2014 Final Estimate and 2014 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  
2014 YEAR-END REPORT  
DETAILED EXPLANATIONS OF REVENUE AND EXPENSES VARIANCES  
BY GENERIC CATEGORY – ACCRUAL BASIS**

**2014 ACTUALS VS FINAL ESTIMATE**

NON-REIMBURSABLE

**Total Revenue** of \$712.4 million was \$1.6 million lower than the 2014 Final Estimate. **Farebox Revenue** of \$649.9 million was \$4.0 million lower than the 2014 Final Estimate reflecting slightly lower than projected non-commutation ridership growth and lower holiday season utilization. **Operating Revenue** was \$2.4 million higher than the 2014 Final Estimate reflecting higher net GCT retail revenue and interagency revenue.

**Total Expenses**, including non-cash expenses for Depreciation, OPEB Obligation, and Environmental Remediation, were \$1,529.6 million or \$33.1 million lower than the 2014 Final Estimate.

**Payroll** expenses were \$1.8 million lower than the 2014 Final Estimate due primarily to higher than projected vacancies (while including retro-active wage adjustments). **Overtime** costs were \$2.6 million lower than projected as weather-related provisions included in the Final Estimate were not needed due to milder weather at the end of the year. **Health and Welfare costs** (including OPEB Current Payments) were \$8.5 million favorable due to fewer enrollees and lower premiums. **Pensions** were \$4.1 million lower than the Final Estimate due to revised actuarial estimates. **Other Fringe Benefit** expenses including payroll taxes were \$0.9 million higher than the 2014 Final Estimate due to higher employee claims (FELA). **Reimbursable Overhead** cost recoveries were \$6.6 million lower than the 2014 Final Estimate reflecting lower reimbursable capital project activity.

**Electric Power** and **Fuel** expenses were lower than the 2014 Final Estimate by \$1.9 million and \$1.4 million, respectively, primarily due to lower rates. Accrued **Claims** expenses were \$1.5 million lower than the 2014 Final Estimate due to lower than forecasted customer claims activity. **Maintenance and Other Operating Contracts** were \$0.6 million lower than the 2014 Final Estimate primarily due to lower GCT steam utility costs, reimbursement for prior period ferry service payments, timing differences in repair and maintenance services for shop equipment (portable floor jacks and shop car hoist), and lower environmental testing & service expense. These decreases were partially offset by higher New Haven Line police and office space rental costs. **Professional Services** were \$7.4 million below the 2014 Final Estimate due to lower than expected expenses for IT, outside training, medical services, market share studies, legal fees and engineering services. **Material & Supplies** were \$4.5 million lower than the 2014 Final Estimate due to the rescheduling of the M7 seat replacement project, lower rolling stock maintenance, efficient material usage for the Infrastructure Improvement Program, timing of several power reliability projects and inventory valuation adjustments. **Other Business Expenses** were \$1.2 million lower than the 2014 Final Estimate primarily due to lower West of Hudson operating subsidy payments

to New Jersey Transit due to higher farebox revenue caused by improved ridership. **Depreciation** expense was \$3.6 million higher than the 2014 Final Estimate due to the retirement of M6 cars. **OPEB Obligation** was \$6.7 million lower than the 2014 Final Estimate primarily due to updated actuarial estimates. **Environmental Remediation** expense was \$1.5 million lower due to fewer capital projects requiring remediation services.

## REIMBURSABLE

Capital program expenses (and reimbursements) were \$12.6 million lower than the 2014 Final Estimate of \$203.9 million. Labor expenses including fringes and overhead were \$19.3 million lower than the 2014 Final Estimate due to retroactive wage accruals as well as rescheduled workflows for several projects including: the Mainline High-Speed turnouts, Harmon Shop Improvements and the 2013 Cyclical Track program. Non-Labor expenditures were \$6.7 million higher than the 2014 Final Estimate due to increased activity in contracted services primarily for GCT Leaks Remediation, the NHL Signal System, Overhead Bridges and Positive Train Control projects.

## 2014 ACTUALS vs. ADOPTED BUDGET

### NON-REIMBURSABLE

**Total Revenue** of \$712.4 million was \$4.1 million lower than the 2014 Adopted Budget. **Farebox Revenue** of \$649.9 million was \$10.3 million lower than the 2014 Adopted Budget reflecting an extraordinarily harsh 2013-2014 winter storm season and generally lower ridership growth than projected. **Other Operating Revenue** of \$62.5 million was \$6.2 million higher than the 2014 Adopted Budget due to higher net GCT retail revenue, reimbursements for Tropical Storm Irene storm restoration costs and interagency revenue.

**Total Expenses** of \$1,529.6 million were \$118.8 million higher than the 2014 Adopted Budget. This is driven primarily by higher labor costs of \$124.3 million primarily due to retroactive wage settlements (RWA) with represented and non-represented employees, and higher non-labor costs due to the deferral to 2015 of a reimbursement from Con Edison for losses incurred during the 2013 power outage on the New Haven Line, and higher claims expenses in West of Hudson service. These increases were partially offset by lower electric power expense of \$4.8 million due primarily to the rescheduling of 2014 service changes from July to November, and lower contracted service costs. Further details by specific cost category follow.

**Payroll** expenses were \$80.6 million higher than the 2014 Adopted Budget driven by the RWA noted above partially offset by vacancies. **Overtime** costs were \$37.7 million higher than the 2014 Adopted Budget also reflecting extraordinary RWA accruals (\$20.6 million) and efforts associated with the Infrastructure Improvement program and the Station Improvement Program, severe 2013-2014 winter weather events, several operating emergencies, and lower staff availability due to attrition. **Health and Welfare** (including OPEB current payments) was \$12.3 million below the 2014 Adopted Budget due to lower premium rates and fewer enrollees. **Pension** expenses were \$15.4 million higher than the 2014 Adopted Budget due primarily to RWA impacts. **Other Fringe**

**Benefits** were \$10.7 million higher than the 2014 Adopted Budget reflecting payroll taxes associated with retroactive wage adjustments. **Reimbursable Overhead** cost recoveries were \$7.9 million higher than the 2014 Adopted Budget reflecting RWA accruals associated with capital project activity.

**Electric Power** expenses were \$4.8 million lower than the 2014 Adopted Budget due primarily to lower consumption primarily resulting from the rescheduling of 2014 service plan changes from July to November. **Fuel** expenses were \$1.0 million higher than the 2014 Adopted Budget due to higher rates. **Insurance** expenses were \$1.0 million lower than the 2014 Adopted Budget reflecting lower premiums. Accrued **Claims** expenses were \$5.6 million higher than the 2014 Adopted Budget due primarily to the settlement of West of Hudson injury claims. **Maintenance and Other Operating Contracts** expenses were \$4.1 million under the 2014 Adopted Budget reflecting vendor-related scheduling changes in locomotive overhauls and lower costs for maintenance contracts, office space leases and GCT utilities. **Professional Services** were \$4.7 million favorable versus the 2014 Adopted Budget due primarily to lower expenditures for IT, outside training and legal services, market share studies and medical services. **Material & Supplies** were \$2.3 million under the 2014 Adopted Budget due to the rescheduling of the M7 seat replacement project and lower rolling stock material usage, partially offset by inventory valuation adjustments. **Other Business Expenses** were \$8.8 million higher than the 2014 Adopted Budget due to the deferral of the reimbursement from Con Edison until 2015 for losses incurred during the 2013 New Haven Line power outage, partially offset by lower subsidy payments to NJT for West of Hudson operations due to higher farebox revenue caused by improved ridership. **Depreciation** expense was \$4.9 million higher the 2014 Adopted Budget due to higher capitalization of assets. **OPEB Obligation** was favorable by \$6.7 million due to updated actuarial estimates. **Environmental Remediation** expenses were favorable by \$2.2 million due to fewer projects requiring remediation services.

## REIMBURSABLE

Capital program expenditures (and reimbursements) totaling \$191.3 million were \$15.3 million lower than the 2014 Adopted Budget. Labor expenses including fringes and overhead were \$8.0 million higher than the 2014 Adopted Budget primarily reflecting the accrual of retroactive wage adjustments as well as expanded work scopes on the Bridge Timber Replacement and Danbury Branch Signal projects. Non-Payroll expenditures were \$23.3 million lower than the 2014 Adopted Budget primarily due to timing differences in expenditures for Bronx Stations Capacity Improvements, MNR Technology, Hurricane Sandy, and cyclical track program projects.

**MTA METRO NORTH RAILROAD**  
**2014 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**DECEMBER YEAR-TO-DATE**  
(\$ in millions)

SCHEDULE I-A

<b>NON-REIMBURSABLE</b>
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	2014			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2014 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$660.112	\$653.883	\$649.850	(\$10.263)	(1.6)	(\$4.033)	(0.6)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	56.389	60.111	62.536	6.147	10.9	2.425	4.0
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	-
<b>Total Revenue</b>	<b>\$716.501</b>	<b>\$713.994</b>	<b>\$712.386</b>	<b>(\$4.115)</b>	<b>(0.6)</b>	<b>(\$1.608)</b>	<b>(0.2)</b>
<b>Expenses</b>							
<b>Labor:</b>							
Payroll	\$431.522	\$513.919	\$512.139	(\$80.617)	(18.7)	\$1.780	0.3
Overtime	60.376	100.672	98.089	(37.713)	(62.5)	2.582	2.6
Health and Welfare	106.748	101.060	92.410	14.339	13.4	8.650	8.6
OPEB Current Payment	22.049	24.000	24.103	(2.054)	(9.3)	(0.103)	(0.4)
Pensions	75.961	95.527	91.385	(15.425)	(20.3)	4.142	4.3
Other Fringe Benefits	102.307	112.176	113.054	(10.747)	(10.5)	(0.878)	(0.8)
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	(40.514)	(55.020)	(48.421)	7.907	19.5	(6.599)	(12.0)
<b>Total Labor Expenses</b>	<b>\$758.450</b>	<b>\$892.333</b>	<b>\$882.759</b>	<b>(\$124.309)</b>	<b>(16.4)</b>	<b>\$9.574</b>	<b>1.1</b>
<b>Non-Labor:</b>							
Electric Power	\$86.167	\$83.360	\$81.415	\$4.752	5.5	\$1.946	2.3
Fuel	26.606	29.082	27.642	(1.035)	(3.9)	1.440	5.0
Insurance	18.313	17.614	17.303	1.010	5.5	0.312	1.8
Claims	0.535	7.613	6.129	(5.594)	*	1.485	19.5
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	107.353	103.843	103.253	4.100	3.8	0.590	0.6
Professional Service Contracts	28.940	31.575	24.214	4.726	16.3	7.360	23.3
Materials & Supplies	72.718	74.976	70.434	2.284	3.1	4.543	6.1
Other Business Expenses	15.548	25.523	24.345	(8.797)	(56.6)	1.178	4.6
<b>Total Non-Labor Expenses</b>	<b>\$356.180</b>	<b>\$373.587</b>	<b>\$354.734</b>	<b>\$1.446</b>	<b>0.4</b>	<b>\$18.853</b>	<b>5.0</b>
<b>Other Expense Adjustments:</b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$1,114.630</b>	<b>\$1,265.920</b>	<b>\$1,237.493</b>	<b>(\$122.863)</b>	<b>(11.0)</b>	<b>\$28.427</b>	<b>2.2</b>
Depreciation	\$227.237	\$228.525	\$232.100	(\$4.863)	(2.1)	(\$3.575)	(1.6)
OPEB Obligation	65.098	65.098	58.372	6.726	10.3	6.726	10.3
Environmental Remediation	3.800	3.169	1.632	2.168	57.0	1.536	48.5
<b>Total Expenses</b>	<b>\$1,410.766</b>	<b>\$1,562.712</b>	<b>\$1,529.598</b>	<b>(\$118.832)</b>	<b>(8.4)</b>	<b>\$33.114</b>	<b>2.1</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$694.265)</b>	<b>(\$848.717)</b>	<b>(\$817.212)</b>	<b>(\$122.948)</b>	<b>(17.7)</b>	<b>\$31.505</b>	<b>3.7</b>
<b>Cash Conversion Adjustments:</b>							
Depreciation	\$227.237	\$228.525	\$232.100	\$4.863	2.1	\$3.575	1.6
Operating/Capital	(44.697)	(26.382)	(22.823)	21.874	48.9	3.559	13.5
Other Cash Adjustments	51.550	118.361	82.291	30.742	59.6	(36.070)	(30.5)
<b>Total Cash Conversion Adjustments</b>	<b>\$234.090</b>	<b>\$320.504</b>	<b>\$291.568</b>	<b>\$57.478</b>	<b>24.6</b>	<b>(\$28.936)</b>	<b>(9.0)</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$460.175)</b>	<b>(\$528.213)</b>	<b>(\$525.644)</b>	<b>(\$65.469)</b>	<b>(14.2)</b>	<b>\$2.569</b>	<b>0.5</b>

-- Actual results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO NORTH RAILROAD**  
**2014 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**DECEMBER YEAR-TO-DATE**  
(\$ in millions)

SCHEDULE I-B

<b>REIMBURSABLE</b>
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	2014			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2014 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	0.000	0.000	0.000	0.000	-	0.000	-
MTA	128.954	114.748	95.392	(33.562)	(26.0)	(19.356)	(16.9)
CDOT	61.342	74.207	78.834	17.493	28.5	4.627	6.2
Other	16.278	14.940	17.087	0.808	5.0	2.147	14.4
Capital and Other Reimbursements	206.574	203.895	191.313	(15.261)	(7.4)	(12.582)	(6.2)
<b>Total Revenue</b>	<b>\$206.574</b>	<b>\$203.895</b>	<b>\$191.313</b>	<b>(\$15.261)</b>	<b>(7.4)</b>	<b>(\$12.582)</b>	<b>(6.2)</b>
<b>Expenses</b>							
<b><u>Labor:</u></b>							
Payroll	\$44.707	\$47.083	\$42.901	\$1.807	4.0	\$4.182	8.9
Overtime	15.862	25.877	20.813	(4.951)	(31.2)	5.064	19.6
Health and Welfare	15.025	13.583	12.461	2.565	17.1	1.123	8.3
OPEB Current Payment	0.000	0.000	0.000	0.000	-	0.000	-
Pensions	8.904	10.643	8.777	0.127	1.4	1.867	17.5
Other Fringe Benefits	10.370	11.075	10.288	0.082	0.8	0.787	7.1
GASB Account				0.000	-	0.000	-
Reimbursable Overhead	38.836	52.756	46.509	(7.673)	(19.8)	6.247	11.8
<b>Total Labor Expenses</b>	<b>\$133.705</b>	<b>\$161.018</b>	<b>\$141.749</b>	<b>(\$8.043)</b>	<b>(6.0)</b>	<b>\$19.269</b>	<b>12.0</b>
<b><u>Non-Labor:</u></b>							
Electric Power	\$0.000	\$0.000	\$0.059	(\$0.059)	-	(\$0.059)	-
Fuel	0.000	0.000	0.000	0.000	-	0.000	-
Insurance	3.818	3.691	3.405	0.413	10.8	0.286	7.8
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	12.010	8.778	14.306	(2.296)	(19.1)	(5.528)	(63.0)
Professional Service Contracts	20.559	8.908	13.845	6.714	32.7	(4.936)	(55.4)
Materials & Supplies	35.844	18.904	14.625	21.219	59.2	4.279	22.6
Other Business Expenses	0.638	2.597	3.325	(2.687)	*	(0.728)	(28.0)
<b>Total Non-Labor Expenses</b>	<b>\$72.869</b>	<b>\$42.878</b>	<b>\$49.564</b>	<b>\$23.305</b>	<b>32.0</b>	<b>(\$6.687)</b>	<b>(15.6)</b>
<b><u>Other Expense Adjustments:</u></b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation</b>	<b>\$206.574</b>	<b>\$203.895</b>	<b>\$191.313</b>	<b>\$15.261</b>	<b>7.4</b>	<b>\$12.582</b>	<b>6.2</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
OPEB Obligation	0.000	0.000	0.000	0.000	-	0.000	-
Environmental Remediation	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Expenses</b>	<b>\$206.574</b>	<b>\$203.895</b>	<b>\$191.313</b>	<b>\$15.261</b>	<b>7.4</b>	<b>\$12.582</b>	<b>6.2</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>100.0</b>	<b>\$0.000</b>	<b>-</b>

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

**MTA METRO NORTH RAILROAD**  
**2014 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**DECEMBER YEAR-TO-DATE**  
(\$ in millions)

SCHEDULE I-C

NON-REIMBURSABLE/ REIMBURSABLE	2014			Favorable/(Unfavorable) Variance			
	<u>Adopted Budget</u>	<u>Final Estimate</u>	<u>Actual</u>	<u>2014 Adopted Budget</u>		<u>Final Estimate</u>	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$660.112	\$653.883	\$649.850	(\$10.263)	(1.6)	(\$4.033)	(0.6)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	56.389	60.111	62.536	6.147	10.9	2.425	4.0
MTA	128.954	114.748	95.392	(33.562)	(26.0)	(19.356)	(16.9)
CDOT	61.342	74.207	78.834	17.493	28.5	4.627	6.2
Other	16.278	14.940	17.087	0.808	5.0	2.147	14.4
Capital and Other Reimbursements	206.574	203.895	191.313	(15.261)	(7.4)	(12.582)	(6.2)
<b>Total Revenue</b>	<b>\$923.076</b>	<b>\$917.889</b>	<b>\$903.699</b>	<b>(\$19.377)</b>	<b>(2.1)</b>	<b>(\$14.191)</b>	<b>(1.5)</b>
<b>Expenses</b>							
<b><u>Labor:</u></b>							
Payroll	\$476.229	\$561.002	\$555.040	(\$78.811)	(16.5)	\$5.962	1.1
Overtime	76.239	126.549	118.902	(42.663)	(56.0)	7.647	6.0
Health and Welfare	121.774	114.643	104.870	16.903	13.9	9.773	8.5
OPEB Current Payment	22.049	24.000	24.103	(2.054)	(9.3)	(0.103)	(0.4)
Pensions	84.865	106.171	100.162	(15.298)	(18.0)	6.009	5.7
Other Fringe Benefits	112.678	123.251	123.342	(10.664)	(9.5)	(0.091)	0.0
GASB Account	0.000	0.000	0.000	0.000	-	0.000	-
Reimbursable Overhead	(1.678)	(2.265)	(1.912)	0.234	13.9	(0.353)	(15.6)
<b>Total Labor Expenses</b>	<b>\$892.155</b>	<b>\$1,053.351</b>	<b>\$1,024.508</b>	<b>(\$132.352)</b>	<b>(14.8)</b>	<b>\$28.843</b>	<b>2.7</b>
<b><u>Non-Labor:</u></b>							
Electric Power	\$86.167	\$83.360	\$81.473	\$4.693	5.4	\$1.887	2.3
Fuel	26.606	29.082	27.642	(1.035)	(3.9)	1.440	5.0
Insurance	22.131	21.305	20.707	1.423	6.4	0.598	2.8
Claims	0.535	7.613	6.129	(5.594)	*	1.485	19.5
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	119.363	112.621	117.559	1.804	1.5	(4.938)	(4.4)
Professional Service Contracts	49.499	40.483	38.059	11.440	23.1	2.424	6.0
Materials & Supplies	108.562	93.880	85.059	23.503	21.6	8.821	9.4
Other Business Expenses	16.187	28.119	27.670	(11.483)	(70.9)	0.450	1.6
<b>Total Non-Labor Expenses</b>	<b>\$429.049</b>	<b>\$416.464</b>	<b>\$404.298</b>	<b>\$24.751</b>	<b>5.8</b>	<b>\$12.166</b>	<b>2.9</b>
<b><u>Other Expense Adjustments:</u></b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$1,321.205</b>	<b>\$1,469.815</b>	<b>\$1,428.806</b>	<b>(\$107.601)</b>	<b>(8.1)</b>	<b>\$41.009</b>	<b>2.8</b>
Depreciation	\$227.237	\$228.525	\$232.100	(\$4.863)	(2.1)	(\$3.575)	(1.6)
OPEB Obligation	65.098	65.098	58.372	6.726	10.3	6.726	10.3
Environmental Remediation	3.800	3.169	1.632	2.168	57.0	1.536	48.5
<b>Total Expenses</b>	<b>\$1,617.340</b>	<b>\$1,766.607</b>	<b>\$1,720.911</b>	<b>(\$103.571)</b>	<b>(6.4)</b>	<b>\$45.696</b>	<b>2.6</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$694.265)</b>	<b>(\$848.717)</b>	<b>(\$817.212)</b>	<b>(\$122.948)</b>	<b>(17.7)</b>	<b>\$31.505</b>	<b>3.7</b>
<b>Cash Conversion Adjustments:</b>							
Depreciation	\$227.237	\$228.525	\$232.100	\$4.863	2.1	\$3.575	1.6
Operating/Capital	(44.697)	(26.382)	(22.823)	21.874	48.9	3.559	13.5
Other Cash Adjustments	51.550	118.361	82.291	30.742	59.6	(36.070)	(30.5)
<b>Total Cash Conversion Adjustments</b>	<b>234.090</b>	<b>320.504</b>	<b>291.568</b>	<b>\$57.478</b>	<b>24.6</b>	<b>(\$28.936)</b>	<b>(9.0)</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$460.175)</b>	<b>(\$528.213)</b>	<b>(\$525.644)</b>	<b>(\$65.469)</b>	<b>(14.2)</b>	<b>\$2.569</b>	<b>0.5</b>

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

**MTA METRO-NORTH RAILROAD  
2014 YEAR-END REPORT  
DETAILED EXPLANATIONS OF CASH RECEIPT AND EXPENDITURE  
VARIANCES BY GENERIC CATEGORY  
2014 ACTUALS vs. FINAL ESTIMATE**

## RECEIPTS

Cash receipts of \$902.9 million were \$20.1 million lower than the 2014 Final Estimate. This was primarily due to \$12.3 million in unfavorable “timing” differences for reimbursements from capital projects, a delay in the anticipated reimbursement from FMTAC of \$4.1 million for Spuyten Duyvil derailment claims and December month-end fares in transit of \$2.2 million. In addition, a “real” variance of \$1.4 million was due to lower non-commutation ridership.

## EXPENDITURES

Total expenditures of \$1,428.6 million were \$22.7 million lower than the 2014 Final Estimate, of which \$29.0 million is a “real” subsidy decrease and \$6.3 million is an unfavorable “timing” variance which will decrease 2015 subsidies. The \$29.0 million favorable “real” variance reflects lower 2014 costs for contracted services, material & supplies, overtime, and fuel. The \$6.3 million unfavorable cash “timing” variance reflects scheduling changes in capital project activity, payment lags in retroactive wage settlements (RWA), claims payments, and MTA Police charges, partially offset by an advanced payment contribution toward the 2015 pension liability (\$28 million). Further details by specific cost category follow.

**Payroll** expenditures were \$3.2 million lower than the 2014 Final Estimate primarily reflecting a timing difference of actual RWA payments to settled unions combined with a higher level of vacancies than projected. Expenditures for **Overtime** were \$9.7 million lower than the 2014 Final Estimate primarily due to lower spending on capital related projects and milder winter weather at the end of 2014. **Health & Welfare** expenditures (including OPEB Current Payment and OPEB Obligations) were \$2.1 million lower than the 2014 Final Estimate as a result of a higher level of vacancies and lower health insurance premiums than projected. **Pension** payments, \$34.8 million higher than the 2014 Final Estimate, reflect an advance payment of 2015 pension obligations of \$28 million and a true-up of \$6.8 million of 2014 contributions based on recent actuarial updates. Expenditures for **Other Fringe Benefits** were \$3.0 million lower than the 2014 Final Estimate due to a higher level of vacancies than projected.

**Electric Power** and **Fuel** expenditures were both \$0.6 million higher than the 2014 Final Estimate respectively primarily due to timing of payments. Expenditures for **Insurance** were \$1.6 million lower than the 2014 Final Estimate primarily due to the timing of payments for insurance premiums. **Claims** were \$6.4 million lower than the 2014 Final Estimate primarily due to timing differences in settlements of Bridgeport derailment claims. **Maintenance and Other Operating Contracts** expenditures were \$17.6 million lower than the 2014 Final Estimate, reflecting lower spending for capital

construction projects, timing of MTA Police payments, lower expenditures for maintenance & repair services, steam utilities and commissary supplies. **Professional Services** were \$5.6 million lower than the 2014 Final Estimate, reflecting lower expenditures for IT costs, maintenance & repair fees, and other professional and engineering services. **Material and Supplies** were \$9.4 million lower than the 2014 Final Estimate, reflecting lower spending on rolling stock and capital project material. **Other Business Expenses** were on-target to the 2014 Final Estimate.

The cash receipts and disbursements activity noted above resulted in a net cash deficit of \$525.6 million, which is \$2.6 million lower than the 2014 Final Estimate. Cash subsidies of \$523.1 million and use of available cash balances of \$2.5 million were drawn to fund this deficit. Cash subsidy requirements were \$5.1 million lower than the 2014 Final Estimate (MTA share \$425.1 million; CDOT share \$98.0 million).

## 2014 ACTUALS vs. ADOPTED BUDGET

### RECEIPTS

Cash receipts of \$902.9 million were \$44.4 million lower than the 2014 Adopted Budget. Farebox Revenue was \$10.4 million lower than budget reflecting the impact of slower than expected ridership growth. Other Operating Revenue was \$14.6 million higher than the 2014 Adopted Budget due to the receipt of claims reimbursement from FMTAC combined with higher GCT net revenues. Capital and Other Reimbursements were \$48.6 million lower than the 2014 Adopted Budget reflecting scheduling changes in capital projects (most notably Sandy Infrastructure Rejuvenation of \$15.7 million, Cyclical Track Program of \$7.1 million, MNR Technology Move of \$4.2 million and West of Hudson Signal Improvements of \$3.8 million).

### EXPENDITURES

Total expenditures of \$1,428.6 million were \$21.1 million higher than the 2014 Adopted Budget.

**Payroll** expenditures were \$9.1 million higher than the 2014 Adopted Budget primarily due to retroactive wage increases of \$31.6 million partially offset by vacancies and vacation buyback payouts. Expenditures for **Overtime** were \$21.5 million higher than the 2014 Adopted Budget reflecting RWA payments, work efforts associated with the Infrastructure Improvement program and the Station Improvement Program, severe 2013-2014 winter weather events, and lower staff availability due to attrition. **Health & Welfare** (including OPEB current payments) expenditures were \$7.7 million lower than the 2014 Adopted Budget due to fewer enrollees and lower premiums. Pension payments were \$27.4 million higher than the 2014 Adopted Budget due to an advanced payment of 2015 pension obligations. Expenditures for **Other Fringe Benefits** were \$1.2 million lower than the 2014 Adopted Budget reflecting lower Railroad Retirement Tax payments due to reduced payroll costs and lower employee injury claims and GASB account payments.

**Electric Power** expenditures were \$2.8 million lower than the 2014 Adopted Budget due to lower than projected rate increases. **Fuel** costs were \$5.1 million higher than the

2014 Adopted Budget due to a change in the NHL locomotive fueling procedure combined with the timing of payments. Insurance expenditures were \$1.6 million lower than the 2014 Final Estimate primarily due to the timing of premium payments. Claims payments were \$26.8 million higher than the 2014 Adopted Budget due to Spuyten Duyvil and Bridgeport derailment injury settlements. **Maintenance and Other Operating Contracts** were \$8.3 million lower than the 2014 Adopted Budget reflecting mostly timing payments for MTA Police Services. **Professional Services** contracts were \$21.9 million less than the 2014 Adopted Budget due to timing differences of capital project activity (most notably Positive Train Control of \$7.8 million, West of Hudson Signal Improvements of \$4.1 million, Furniture for the Component Change Out Shop (CCO) in New Haven of \$1.9 million and Ticket Issuing Machines of \$1.3 million), combined with lower information technology services, medical services, market research and training. **Material and Supplies** were \$32.6 million lower than the 2014 Adopted Budget driven mostly by revised assumptions of 2014 capital project activity (Hurricane Sandy Power and Infrastructure Resiliency (\$11.0 million), the MNR Technology Move (\$5.1 million), the purchase of snow fighting equipment (\$4.7 million), Positive Train Control (\$3.5 million), Bronx Station Improvements (\$2.2 million) and Maintenance of Way Equipment (\$2.0 million)). **Other Business Expenses** were \$11.7 million higher than the 2014 Adopted Budget, primarily due to the deferral of a \$10 million budgeted recovery from Con Edison for damages incurred during the 2013 New Haven Line power failure.

The cash receipts and disbursement activity noted above resulted in a net cash deficit of \$525.6 million that was \$65.5 million higher than the 2014 Adopted Budget.

**MTA METRO NORTH RAILROAD**  
**2014 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**CASH RECEIPTS AND EXPENDITURES**  
**DECEMBER YEAR-TO-DATE**  
(\$ in millions)

SCHEDULE III

	2014			Favorable/(Unfavorable) Variance			
	<u>Adopted Budget</u>	<u>Final Estimate</u>	<u>Actual</u>	<u>2014 Adopted Budget</u>		<u>Final Estimate</u>	
				\$	%	\$	%
<b>Receipts</b>							
Farebox Revenue	\$666.414	\$659.527	\$655.977	(\$10.437)	(1.6)	(\$3.550)	(0.5)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	71.957	90.834	86.530	14.573	20.3	(4.304)	(4.7)
MTA	128.205	94.602	80.068	(48.137)	(37.5)	(14.534)	(15.4)
CDOT	64.076	64.842	67.296	3.220	5.0	2.454	3.8
Other	16.707	13.272	13.070	(3.637)	(21.8)	(0.202)	(1.5)
Capital & Other Reimbursements	208.988	172.715	160.434	(48.554)	(23.2)	(12.281)	(7.1)
<b>Total Receipts</b>	<b>\$947.359</b>	<b>\$923.076</b>	<b>\$902.941</b>	<b>(\$44.418)</b>	<b>(4.7)</b>	<b>(\$20.135)</b>	<b>(2.2)</b>
<b>Expenditures</b>							
<b><u>Labor:</u></b>							
Payroll	\$487.892	\$500.244	\$496.996	(\$9.104)	(1.9)	\$3.248	0.6
Overtime	78.852	110.055	100.307	(21.455)	(27.2)	9.748	8.9
Health and Welfare	126.105	121.894	115.068	11.037	8.8	6.826	5.6
OPEB Current Payment	22.049	25.186	25.436	(3.387)	(15.4)	(0.250)	(1.0)
Pensions	85.856	78.426	113.236	(27.380)	(31.9)	(34.810)	(44.4)
Other Fringe Benefits	114.252	116.054	113.038	1.214	1.1	3.016	2.6
GASB Account	8.917	0.000	4.458	4.459	50.0	(4.458)	-
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Labor</b>	<b>\$923.923</b>	<b>\$951.859</b>	<b>\$968.539</b>	<b>(\$44.616)</b>	<b>(4.8)</b>	<b>(\$16.680)</b>	<b>(1.8)</b>
<b><u>Non-Labor:</u></b>							
Electric Power	\$88.161	\$84.832	\$85.389	\$2.772	3.1	(\$0.557)	(0.7)
Fuel	23.006	27.530	28.149	(5.143)	(22.4)	(0.619)	(2.2)
Insurance	22.406	22.375	20.781	1.625	7.3	1.594	7.1
Claims	0.681	33.882	27.461	(26.780)	*	6.421	19.0
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	119.979	129.251	111.664	8.315	6.9	17.587	13.6
Professional Service Contracts	60.611	44.270	38.715	21.896	36.1	5.555	12.5
Materials & Supplies	128.313	105.143	95.696	32.617	25.4	9.447	9.0
Other Business Expenditures	40.454	52.148	52.191	(11.737)	(29.0)	(0.043)	0.0
<b>Total Non-Labor</b>	<b>\$483.611</b>	<b>\$499.430</b>	<b>\$460.046</b>	<b>\$23.565</b>	<b>4.9</b>	<b>\$39.384</b>	<b>7.9</b>
<b><u>Other Expenditure Adjustments:</u></b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$1,407.534</b>	<b>\$1,451.290</b>	<b>\$1,428.585</b>	<b>(\$21.051)</b>	<b>(1.5)</b>	<b>\$22.705</b>	<b>1.6</b>
<b>Net Cash Deficit</b>	<b>(\$460.175)</b>	<b>(\$528.213)</b>	<b>(\$525.644)</b>	<b>(\$65.469)</b>	<b>(14.2)</b>	<b>\$2.569</b>	<b>0.5</b>
<b><u>Subsidies</u></b>							
MTA	\$369.548	\$430.857	\$425.094	55.546	15.0	(5.763)	(1.3)
CDOT	90.627	97.356	\$98.004	7.377	8.1	0.648	0.7
<b>Total Subsidies</b>	<b>\$460.175</b>	<b>\$528.213</b>	<b>\$523.098</b>	<b>\$62.923</b>	<b>13.7</b>	<b>(\$5.115)</b>	<b>(1.0)</b>
Opening Cash Balance	0.000	0.000	0.000	0.000		0.000	
Cash Timing and Availability Adjustment	0.000	0.000	2.546	2.546		2.546	
Closing Cash Balance	0.000	0.000	0.000	0.000		0.000	

review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO NORTH RAILROAD**  
**2014 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**CASH CONVERSION (CASH FLOW ADJUSTMENTS)**  
**DECEMBER YEAR-TO-DATE**  
**(\$ in millions)**

	2014			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2014 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Receipts</b>							
Farebox Revenue	\$6.302	\$5.644	\$6.127	(\$0.174)	(2.8)	\$0.483	8.6
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	15.568	30.723	23.994	8.426	54.1	(6.729)	(21.9)
MTA	(0.749)	(20.146)	(15.324)	(14.575)	*	4.822	23.9
CDOT	2.734	(9.366)	(11.538)	(14.273)	*	(2.173)	(23.2)
Other	0.429	(1.668)	(4.017)	(4.445)	*	(2.348)	*
Capital & Other Reimbursements	2.414	(31.180)	(30.879)	(33.293)	*	0.301	1.0
<b>Total Receipts</b>	<b>\$24.283</b>	<b>\$5.187</b>	<b>(\$0.758)</b>	<b>(\$25.041)</b>	<b>*</b>	<b>(\$5.945)</b>	<b>*</b>
<b>Expenditures</b>							
<b><u>Labor:</u></b>							
Payroll	(\$11.662)	\$60.758	\$58.044	\$69.706	*	(\$2.714)	(4.5)
Overtime	(2.613)	16.493	18.595	21.208	*	2.102	12.7
Health and Welfare	(4.331)	(7.251)	(10.198)	(5.867)	*	(2.946)	(40.6)
OPEB Current Payment	0.000	(1.186)	(1.333)	(1.333)	-	(0.147)	(12.4)
Pensions	(0.991)	27.745	(13.074)	(12.082)	*	(40.819)	*
Other Fringe Benefits	(1.574)	7.197	10.304	11.878	*	3.107	43.2
GASB Account	(8.917)	0.000	(4.458)	4.459	50.0	(4.458)	-
Reimbursable Overhead	(1.678)	(2.265)	(1.912)	(0.234)	(13.9)	0.353	15.6
<b>Total Labor</b>	<b>(\$31.767)</b>	<b>\$101.491</b>	<b>\$55.969</b>	<b>\$87.736</b>	<b>*</b>	<b>(\$45.523)</b>	<b>(44.9)</b>
<b><u>Non-Labor:</u></b>							
Electric Power	(\$1.994)	(\$1.472)	(\$3.916)	(\$1.921)	(96.3)	(\$2.444)	*
Fuel	3.600	1.552	(0.507)	(4.108)	*	(2.059)	*
Insurance	(0.275)	(1.070)	(0.074)	0.202	73.2	0.996	93.1
Claims	(0.146)	(26.268)	(21.332)	(21.186)	*	4.936	18.8
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	(0.616)	(16.630)	5.895	6.511	*	22.525	*
Professional Service Contracts	(11.112)	(3.787)	(0.656)	10.456	94.1	3.131	82.7
Materials & Supplies	(19.751)	(11.263)	(10.637)	9.114	46.1	0.625	5.6
Other Business Expenditures	(24.267)	(24.029)	(24.521)	(0.254)	(1.0)	(0.493)	(2.1)
<b>Total Non-Labor</b>	<b>(\$54.562)</b>	<b>(\$82.966)</b>	<b>(\$55.748)</b>	<b>(\$1.186)</b>	<b>(2.2)</b>	<b>\$27.218</b>	<b>32.8</b>
<b><u>Other Expenditure Adjustments:</u></b>							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
Other Post Employment Benefits	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Cash Conversion Adjustments before Non-Cash Liability Adjts.</b>	<b>(\$62.046)</b>	<b>\$23.712</b>	<b>(\$0.537)</b>	<b>\$61.509</b>	<b>99.1</b>	<b>(\$24.249)</b>	<b>*</b>
Depreciation	\$227.237	\$228.525	\$232.100	\$4.863	2.1	\$3.575	1.6
OPEB Obligation	65.098	65.098	58.372	(6.726)	(10.3)	(6.726)	(10.3)
Environmental Remediation	3.800	3.169	1.632	(2.168)	(57.0)	(1.536)	(48.5)
<b>Net Total Cash Conversion Adjustments</b>	<b>\$234.090</b>	<b>\$320.504</b>	<b>\$291.568</b>	<b>\$57.478</b>	<b>24.6</b>	<b>(\$28.936)</b>	<b>(9.0)</b>

-- Actual results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO NORTH RAILROAD**  
**2014 YEAR-END REPORT**  
**2014 CASH RESULTS - ACTUAL vs. FINAL ESTIMATE**  
(\$ in millions)

	Final Estimate	Actual	Favorable/(Unfavorable) Variance		
			Total	Real	Timing
<b>Receipts</b>					
Farebox Revenue	\$659.5	\$656.0	(\$3.5)	(\$1.4)	(\$2.2)
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	90.8	86.5	(4.3)	(0.2)	(4.1)
Capital and Other Reimbursements	172.7	160.4	(12.3)	0.0	(12.3)
<b>Total Receipts</b>	<b>923.1</b>	<b>902.9</b>	<b>(20.1)</b>	<b>(1.6)</b>	<b>(18.6)</b>
<b>Expenditures</b>					
Labor:					
Payroll	500.2	497.0	3.2	1.0	2.2
Overtime	110.1	100.3	9.7	4.3	5.4
Health and Welfare	121.9	115.1	6.8	5.6	1.3
OPEB Current Payment	25.2	25.4	(0.3)	(0.3)	0.0
Pensions	78.4	113.2	(34.8)	(6.8)	(28.0)
Other Fringe Benefits	116.1	113.0	3.0	2.1	0.9
GASB Account	0.0	4.5	(4.5)	(4.5)	0.0
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0
<b>Total Labor Expenditures</b>	<b>951.9</b>	<b>968.5</b>	<b>(16.7)</b>	<b>1.5</b>	<b>(18.2)</b>
Non-Labor:					
Electric Power	84.8	85.4	(0.6)	0.7	(1.2)
Fuel	27.5	28.1	(0.6)	1.7	(2.3)
Insurance	22.4	20.8	1.6	0.0	1.6
Claims	33.9	27.5	6.4	0.0	6.4
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	129.3	111.7	17.6	15.4	2.2
Professional Service Contracts	44.3	38.7	5.6	3.8	1.8
Materials & Supplies	105.1	95.7	9.4	5.9	3.5
Other Business Expenses	52.1	52.2	(0.0)	(0.0)	0.0
<b>Total Non-Labor Expenditures</b>	<b>499.4</b>	<b>460.0</b>	<b>39.4</b>	<b>27.4</b>	<b>12.0</b>
Other Expenditure Adjustments:					
Other			0.0	0.0	0.0
<b>Total Other Expenditure Adjustments</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Expenditures</b>	<b>1,451.3</b>	<b>1,428.6</b>	<b>22.7</b>	<b>29.0</b>	<b>(6.3)</b>
<b>Net Cash Deficit</b>	<b>(\$528.2)</b>	<b>(\$525.6)</b>	<b>\$2.6</b>	<b>\$27.4</b>	<b>(\$24.8)</b>

Totals may not agree due to rounding.

**MTA METRO-NORTH RAILROAD**  
**2014 Adopted Budget and Final Estimate vs. Actual Results**  
**Non-Reimbursable/Reimbursable Overtime**  
(\$ in millions)

	2014 Adopted Budget		2014 Final Estimate		Actual		2014 Adopted Budget vs. Actuals		2014 Final Estimate vs. Actuals	
	Hours	\$	Hours	\$	Hours	\$	Var. - Fav/(Unfav)	Var. - Fav/(Unfav)	Hours	\$
							Hours	\$	Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>										
<u>Scheduled Service</u> <sup>1</sup>	507,621	\$ 26.299	538,452	\$ 29.884	559,544	\$ 30.455	(51,923) -10.2%	(\$4.156) -15.8%	(21,092) -3.9%	(\$0.571) -1.9%
<u>Unscheduled Service</u>	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>Programmatic/Routine Maintenance</u>	422,659	\$ 19.169	583,518	\$ 26.258	579,069	\$ 26.687	(156,410) -37.0%	(\$7.518) -39.2%	4,449 0.8%	(\$0.429) -1.6%
<u>Unscheduled Maintenance</u>	0	\$ -	34,022	\$ 1.531	23,847	\$ 1.505	(23,847)	(\$1.505)	10,175 29.9%	\$0.026 1.7%
<u>Vacancy/Absentee Coverage</u>	253,215	\$ 11.347	315,141	\$ 14.181	315,354	\$ 14.355	(62,139) -24.5%	(\$3.008) -26.5%	(213) -0.1%	(\$0.174) -1.2%
<u>Weather Emergencies</u>	49,855	\$ 2.294	141,461	\$ 6.366	95,241	\$ 4.423	(45,386) *	(\$2.129) *	46,220 32.7%	\$1.943 30.5%
<u>Safety/Security/Law Enforcement</u> <sup>2</sup>	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -
<u>All Other</u> <sup>3</sup>	29,380	\$ 1.268	20,538	\$ 22.452	16,445	\$ 20.666	12,935 44.0%	(\$19.397) *	4,093 19.9%	\$1.786 8.0%
Subtotal	1,262,730	\$ 60.376	1,633,132	\$ 100.672	1,589,500	\$ 98.089	(326,770)	(\$37.713)	43,632	\$2.583
<b>REIMBURSABLE OVERTIME</b>	315,607	\$ 15.862	316,500	\$ 25.877	445,373	\$ 20.813	(129,766) -41.1%	(\$4.951) -31.2%	(128,873) -40.7%	\$5.064 19.6%
<b>TOTAL OVERTIME</b>	<b>1,578,337</b>	<b>\$ 76.239</b>	<b>1,949,632</b>	<b>\$ 126.549</b>	<b>2,034,872</b>	<b>\$ 118.902</b>	<b>(456,535)</b> <b>-28.9%</b>	<b>(\$42.663)</b> <b>-56.0%</b>	<b>(85,240)</b> <b>-4.4%</b>	<b>\$7.647</b> <b>6.0%</b>

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 METRO-NORTH RAILROAD  
2014 YEAR-END REPORT  
DETAILED EXPLANATION OF VARIANCES ON  
NON-REIMBURSABLE AND REIMBURSABLE POSITIONS  
By FUNCTION and DEPARTMENT**

**2014 ACTUALS vs. FINAL ESTIMATE**

In 2014, Metro-North staff count was 514 lower than the 2014 Final Estimate. While approximately 700 open positions were filled, they were more than offset by a high level of retirements, normal staff turnover and a significant portion of the hires being filled by internal transfers.

The number of Administration positions paid was 142 fewer than the 2014 Final Estimate primarily due to vacancies in the IT Department as well as timing differences in the hiring of newly created positions in the Training and Safety Departments, of which approximately 55% are under active recruitment. The number of Operations positions paid was 48 fewer than the 2014 Final Estimate due to vacancies in custodial positions and train operations oversight staff. Maintenance positions were 301 fewer than the 2014 Final Estimate primarily due to vacancies in management and agreement positions that support communication & signals, track, power and equipment maintenance functions, of which approximately 70% are under active recruitment. There were 23 fewer Engineering/Capital positions than the 2014 Final Estimate due to high attrition of structural and construction engineer positions.

**MTA METRO-NORTH RAILROAD**  
**2014 FINAL ESTIMATE VS. ACTUALS**  
**TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS**  
**December 31, 2014**

<u>Department</u>	<u>Final Estimate</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
<b>Administration</b>			
President	3	2	1
Labor Relations	10	7	3
Safety (1)	64	35	29
COS/Corporate & Public Affairs	17	15	2
Legal (2)	18	19	(1)
Claims Services	14	10	4
Environmental Compliance & Svce	8	7	1
VP Administration	2	2	-
VP Human Resources	7	6	1
Human Resources	31	25	6
Training (1)	77	50	27
Employee Relations & Diversity	5	5	-
VP Planning	2	2	-
Operations Planning & Analysis	19	15	4
Capital Planning & Programming	16	13	3
GCT & Corporate Development (3)	31	32	(1)
Long Range Planning	8	6	2
VP Finance & Information Systems	3	1	2
Controller (4)	81	75	7
Information Technology & Project Mgmt (4)	125	93	32
Budget	18	18	0
Customer Service	52	45	7
Procurement & Material Mgmt (4)	43	30	13
Corporate	-	-	0
<b>Total Administration</b>	<b>654</b>	<b>512</b>	<b>142</b>
<b>Operations</b>			
Operations Administration (1)	67	53	14
Operations Services (1)	1,474	1,454	20
Customer Service (4)	238	230	9
GCT & Corporate Development	38	33	5
Metro-North West	33	33	(0)
<b>Total Operations</b>	<b>1,850</b>	<b>1,802</b>	<b>48</b>
<b>Maintenance</b>			
GCT & Corporate Development (3)(4)	171	158	14
Maintenance of Equipment (4)	1,735	1,607	128
Maintenance of Way (4)	2,002	1,848	155
Procurement & Material Mgmt	124	119	6
<b>Total Maintenance</b>	<b>4,032</b>	<b>3,731</b>	<b>301</b>
<b>Engineering/Capital</b>			
Construction Management	43	31	13
Engineering & Design	70	60	10
<b>Total Engineering/Capital</b>	<b>113</b>	<b>91</b>	<b>23</b>
<b>Total Positions</b>	<b>6,649</b>	<b>6,136</b>	<b>514</b>
<b>Non-Reimbursable</b>	<b>6,031</b>	<b>5,681</b>	<b>350</b>
<b>Reimbursable</b>	<b>618</b>	<b>455</b>	<b>164</b>
<b>Total Full-Time</b>	<b>6,648</b>	<b>6,135</b>	<b>514</b>
<b>Total Full-Time-Equivalents (of part-time positions)</b>	<b>1</b>	<b>1</b>	<b>-</b>

(1) Variance reflects new and existing vacant positions.

(2) Variance reflects addition of temporary position.

(3) Variance reflects positions within the GCT & Corporate Development department that were transferred from a management center that performs a maintenance function to a management center that performs an administrative function. As a whole, the department possesses 19 existing vacant positions.

(4) Variance reflects existing vacant positions.

**MTA METRO-NORTH RAILROAD  
2014 YEAR-END REPORT  
DETAILED EXPLANATIONS of VARIANCES on  
FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS  
By OCCUPATIONAL GROUP**

**2014 ACTUALS vs. FINAL ESTIMATE**

In 2014, Metro-North staff count was 514 lower than the 2014 Final Estimate. Approximately 700 open positions were filled but they were more than offset by a high level of retirements, normal staff turnover and a significant portion of the hires being filled by internal transfers.

The number of Administration positions paid was 142 lower than the 2014 Final Estimate in the Professional, Technical, Clerical and Managers/Supervisors categories primarily due to vacancies in IT positions related to the MTA Headquarters consolidation, as well as vacancies in Safety and Training officers due to the timing of hiring newly created positions that are under active recruitment. Operations positions paid were 48 fewer than the 2014 Final Estimate due to train operations oversight staff vacancies in both the Professional, Technical & Clerical and Managers/Supervisors categories. These vacancies are comprised of Rail Traffic Controllers and newly created Rules Examiners/Specialists, System Road Foremen and Yardmasters. Maintenance positions paid were 301 fewer than the 2014 Final Estimate due to Operational Hourlies vacancies in Signalmen, Electrician, Trackmen and Machine Operator crafts that support right-of-way and rolling stock maintenance, as well as vacant Electrical, Mechanical and Power Foreman staff in the Managers/Supervisors category. Engineering/Capital positions paid were 23 fewer than the 2014 Final Estimate due to attrition-driven vacancies in structural and construction engineer positions.

**MTA METRO-NORTH RAILROAD**  
**2014 FINAL ESTIMATE VS. ACTUALS**  
**TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS**  
December 31, 2014

FUNCTION/OCCUPATION	Final Estimate	Actual	Favorable (Unfavorable) Variance
<b>Administration (1)</b>			
Managers/Supervisors	198	135	64
Professional, Technical, Clerical	455	378	78
Operational Hourlies	-	-	-
<b>Total Administration</b>	<b>654</b>	<b>512</b>	<b>142</b>
<b>Operations (1)</b>			
Managers/Supervisors	150	130	20
Professional, Technical, Clerical	259	223	36
Operational Hourlies	1,442	1,449	(8)
<b>Total Operations</b>	<b>1,850</b>	<b>1,802</b>	<b>48</b>
<b>Maintenance (1)</b>			
Managers/Supervisors	549	489	59
Professional, Technical, Clerical	507	509	(2)
Operational Hourlies	2,977	2,732	244
<b>Total Maintenance</b>	<b>4,032</b>	<b>3,731</b>	<b>301</b>
<b>Engineering/Capital</b>			
Managers/Supervisors	51	40	11
Professional, Technical, Clerical	62	51	12
Operational Hourlies	-	-	-
<b>Total Engineering/Capital</b>	<b>113</b>	<b>91</b>	<b>23</b>
<b>Public Safety</b>			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Positions</b>			
Managers/Supervisors	948	794	154
Professional, Technical, Clerical	1,283	1,160	123
Operational Hourlies	4,418	4,182	237
<b>Total Positions</b>	<b>6,649</b>	<b>6,136</b>	<b>514</b>

**Notes**

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

**MTA METRO-NORTH RAILROAD  
2014 YEAR-END REPORT  
DETAILED EXPLANATIONS OF VARIANCES ON  
RIDERSHIP (UTILIZATION)**

2014 Metro-North rail ridership for East and West of Hudson service totaled 84.7 million rides, an increase of 1.3 million (1.5%) over 2013.

East of Hudson ridership for 2014 was the highest in the railroad's history at 83.0 million, surpassing the previous record of 81.8 million rides that was set in 2013. This is also an increase of 1.2 million rides or 1.4% over 2013 that spanned all three commuter lines.

The increases by service line versus 2013 are as follows:

- +0.7% Harlem Line
- +2.3% Hudson Line
- +1.6% New Haven Line

Significant ridership increases occurred in discretionary ridership during the past year, due in part to the impact of extraordinary 2013 service disruptions that caused an estimated loss of 600,000 riders in 2013. Commutation ridership to Manhattan also increased in 2014, reflecting the continued growth in the regional economy. However, Intermediate ridership increased only slightly and reverse commutation ridership decreased:

- +1.3% Commutation to Manhattan
- +2.1% Weekday Off-Peak
- +3.6% Weekend
- - 2.4% Reverse Commutation
- +0.5% Intermediate

As compared to the Final Estimate, overall East of Hudson ridership was lower by 0.3%. The ridership decline was primarily concentrated in the last two months of the year reflecting slightly lower than projected non-commutation ridership growth and lower holiday season utilization. Overall, commutation ridership was 0.1% higher than the Final Estimate, with non-commutation ridership 0.7% below the Final Estimate.

West-of-Hudson ridership was 1.68 million for the year, which was 0.7% higher than the 2014 Final Estimate and 6.8% higher than 2013. The latter increase was due to higher than expected ridership on both the Port Jervis and Pascack Valley lines due to a higher than expected recovery from the tropical storm impacts on both commutation and non-commutation ridership.

**MTA METRO-NORTH RAILROAD**  
**2014 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**UTILIZATION**  
(in millions)

	Year-to-Date as of December 2014			Variance Favorable/(Unfavorable)			
	Adopted Budget	Final Estimate	Actual	vs. Adopted Budget		vs. Final Estimate	
				\$	%	\$	%
<b>Farebox Revenue</b>							
Harlem Line	\$197.487	\$193.132	\$192.162	(\$5.324)	(2.7)	(\$0.969)	(0.5)
Hudson Line	\$142.990	\$141.324	\$140.416	(\$2.573)	(1.8)	(\$0.908)	(0.6)
New Haven Line	\$319.144	\$319.011	\$316.805	(\$2.339)	(0.7)	(\$2.206)	(0.7)
<b>Total Farebox Revenue</b>	<b>\$659.620</b>	<b>\$653.467</b>	<b>\$649.384</b> <sup>(1)</sup>	<b>(10.237)</b>	<b>(1.6)</b>	<b>(\$4.083)</b>	<b>(0.6)</b>
<b>Ridership</b>							
Harlem Line	27.768	27.216	27.127	(0.641)	(2.3)	(0.089)	(0.3)
Hudson Line	16.401	16.278	16.237	(0.165)	(1.0)	(0.042)	(0.3)
New Haven Line	40.081	39.706	39.611	(0.470)	(1.2)	(0.095)	(0.2)
Total Ridership East of Hudson	84.250	83.200	82.975	(1.275)	(1.5)	(0.226)	(0.3)
West of Hudson	1.623	1.673	1.684	0.061	3.8	0.011	0.7
<b>Total Ridership</b>	<b>85.873</b>	<b>84.873</b>	<b>84.659</b>	<b>(1.214)</b>	<b>(1.4)</b>	<b>(0.214)</b>	<b>(0.3)</b>

(1) Excludes West of Hudson Mail & Ride revenue of \$0.416 million year-to-date.

**Total Ridership:**

For the year total ridership was 84.7 million, 1.5% higher than 2013, and the highest in Metro-North's history. Compared to the 2014 Final Estimate, total ridership was slightly lower than projected (0.3%).

**East of Hudson:**

East of Hudson YTD ridership of 82.3 million was 1.4% higher than 2013 (highest level in Metro-North history). Compared to plan, 2014 ridership was 1.5% lower than the Budget and 0.3% lower than the Final Estimate. Results lower than Budget were largely due to the severe winter weather in January through March, and overly optimistic growth rates associated with the difficulty in isolating the residual impact of Superstorm Sandy when the 2014 Budget Forecast was developed in 2013. As compared to the Final Estimate, ridership was lower primarily due to lower holiday season utilization in November and December attributed to unfavorable weather, as well as a slower than projected growth in ridership.

For the year, ridership on the Harlem Line was 2.3% lower than the budget and 0.3% lower than the Final Estimate, the Hudson Line was 1.0% lower and 0.3% lower, respectively, and on the New Haven Line, ridership was 1.2% lower and 0.2% lower respectively.

Overall commutation ridership was 0.1% higher from the Final Estimate and 0.5% higher compared to 2013. Non-commutation ridership was 0.7% below the Final Estimate, and 2.7% higher as compared to 2013.

**West of Hudson:**

West of Hudson ridership was 0.7% higher versus the 2014 Final Estimate reflecting non-commutation ridership that was 2.1% higher and commutation ridership that was 0.4% lower. Compared to the Adopted Budget ridership was 3.8% higher. As compared to 2013, ridership was 6.8% higher reflecting 6.7% higher commutation and 7.0% higher non-commutation ridership reflecting an improved regional economy and a significant recovery from the ridership losses experienced from Hurricane Irene and Superstorm Sandy.

## **MTA METRO-NORTH RAILROAD 2014 YEAR-END REPORT RESULTS OF OPERATIONS**

In 2014, Metro-North took important steps toward re-establishing safe and reliable service. As part of its interim and long-term strategy to meet this goal, Metro-North initiated a “100-Day Action Plan”. The foundation of this plan was to assess and improve the safety and reliability of the railroad’s operations and infrastructure. The 100-Day Plan includes recommendations from the Federal Railroad Administration’s (FRA) “Operation Deep Dive” review, findings and recommendations from Transportation Technology Center Inc. (TTCI), as well as feedback from customers, employees, business partners, elected officials and other stakeholders. Last August, the MTA Blue Ribbon Panel (Panel) completed its Final Report, and Metro-North is in the process of evaluating and implementing a number of improvements in response to the Panel’s findings and recommendations. Similarly, Metro-North received the National Transportation Safety Board (NTSB) Special Investigation Report (SIR) In November detailing its examination of the railroad’s infrastructure, maintenance and safety practices. Recommendations were provided as part of this (SIR) and Metro-North continues to work with the MTA and MTA Agencies to develop and incorporate best practices to address those recommendations

Initiatives and work plans developed as a result of these efforts were categorized in the 100-Day Action Plan under four main areas of focus:

- Promoting a Culture of Safety in which safety is embedded in all decisions, actions, and initiatives
- Adopting Concrete Safety Enhancements that guarantee safe operations and safe work practices
- Restoring Reliable Service that provides train service that is not only safe but reliable and of high quality
- Improving Communications of the railroad’s goals, operations and policies so customers can make informed choices regarding the use of our service and employees can provide the best customer service possible.

These actions have enabled a series of reforms touching virtually every aspect of Metro-North’s operations. Key items include a comprehensive outreach to ensure that all employees understand that safety is the foundation of the railroad and is its undisputed first priority. Toward this end, Metro-North has separated the Safety and Security departments, reorganized and expanded both the Maintenance of Way and Safety Departments, taken significant steps to strengthen the Training Department’s oversight of training functions across Metro-North and established work plans that address each directed action identified in the FRA review.

## **Safety/Security Initiatives**

### **Rebuilding the Organizational Culture**

Metro-North has taken the following steps to rebuild the organizational culture:

- Communicated a clear message to all our employees that working and operating safely is the primary focus of the railroad - not on-time performance.
- Conducted company-wide quarterly Safety Stand-Down days to enhance safety awareness and reinforce our safety driven focus.
- Reviewed and revised train schedules to ensure sufficient windows exist to perform track maintenance and schedule necessary track work.
- Revamped the railroad's program on required operational testing and evaluation so that testing is performed daily, and results are reviewed monthly and quarterly, in addition to being subject to a federally mandated semi-annual review by the Federal Railroad Administration (FRA).
- Revised the System Safety Program Plan which serves as a further guide to the more proactive and programmatic approach to safety throughout the railroad.
- Began implementation of a system-wide confidential close call reporting system so employees can report safety issues without fear of reprisal.
- Provided workshops on EEO and Respect in the Workplace to over 4,000 MNR employees covering sexual harassment prevention, workplace violence, diversity and respect in the workplace.
- Metro-North is expanding the Office of Diversity and EEO to ensure prompt compliance with the FTA Title VII Circular, support HR with its recruitment efforts and improve oversight of employment actions.
- Provided resources for employee inclusion activities including Employee Appreciation Week, Diversity Month and employee Veteran recognition.

### **Rebuilding the Workforce**

Metro-North began the on-going efforts to rebuild the workforce that will span the next several years to complete:

- Reorganized and added 21 new positions within the Safety Department, enabling them to proactively focus on policy and program development, risk reduction programs including hazard analysis in accordance with MIL-STD-882E, and trend analysis and reporting.
- Reorganized the Training Department with a substantial increase in staffing, which will provide new training courses in safety, focus on safety in all the courses it delivers, and benchmarking with other organizations to identify further enhancements.
- Improved the tracking of employee recertification/refresher training.
- Added new positions to the Maintenance of Way (M-of-W) Department, including a Vice-President of Engineering who reports directly to the President and oversees the continual maintenance of the railroad's infrastructure.
- Created specialized track gangs to address immediate and long term infrastructure needs.

- Enrolled M-of-W supervisory personnel in continuing education classes and professional organizations to keep abreast of developing industry standards.
- To strengthen core Transportation functions the following key steps were initiated to enhance operating rules compliance, management oversight, and operational testing & evaluation programs:
  - Improved the qualification process for Rail Traffic Controllers (RTCs)
  - Hiring and training additional RTC's to begin a reduction in the number of rest days worked by employees.
  - Increased the level of field safety and compliance observations for Locomotive Engineers through an increase in Road Foremen
  - Added Conductor Compliance Officers to improve manager visibility and manager-employee contact, and increase the number of annual face-to-face Conductor observations by 33%.
  - Identified the right-sizing of Yardmaster forces to reduce fatigue risk, adequately cover all shifts, and reduce the use of overtime.

## **Track Maintenance**

Metro-North has taken the following steps to enhance track maintenance:

- In 2013, hired the Transportation Technology Center Inc. (TTCI) to conduct a comprehensive assessment of Metro-North's infrastructure and its maintenance procedures. Overall, TTCI identified 146 items for Metro-North to evaluate or implement. Through December, 127 have been implemented or were in progress.
- Started updating maintenance standards (The MW-4, Metro-North's track maintenance manual) to allow for the use of transition rails and a revised welding program to further address the repair and elimination of joints in its system.
- Conducted a complementary review of track maintenance issues as well as the safety culture of the railroad in conjunction with the MTA's Blue Ribbon Panel Report, the FRA's Operation Deep Dive Report and the NTSB's report.
- Issued a Request for Proposals (RFP) for the purchase of an autonomous track monitoring system which will be mounted on passenger rail cars and provide continuous up-to-date information concerning track conditions. Metro-North is also in the process of developing the specifications and procurement of its own dedicated Track Geometry Car with an expected delivery by 2017.

Additional enhancements include:

- Started an aggressive program of track improvements yielding the following accomplishments in 2014:
  - Replaced 42,500 crossties and re-surfaced 83 miles of track across all lines resulting in upgrades to 20 miles of right-of-way, including drainage improvements.
  - Installed two dozen new switches on the main lines at Grand Central Terminal and in yards to improve operational flexibility.

- Replaced 7,000 feet of continuous welded rail on six curves on the Hudson Line and 4,700 feet of rail on three curves on the New Haven Line.
- Renewed three highway grade crossings at Chippawalla Road and Pleasant Ridge Road on the Harlem Line and at Manitou Road on the Hudson Line.
- Made steel repairs to four under-grade bridges and replaced timber bridge decks on nine bridges east and west of the Hudson River. New timber ties, continuous welded rail, new miter rails and presence detectors were installed at the Walk Bridge in Norwalk and new timber ties were installed at the Devon Bridge in Milford and the Harlem River Lift Bridge.
- Designed and installed modifications to the railroad's signal system to allow automatic speed control in 10 critical areas (five critical curves and five moveable bridges).
- Developed and installed the industry leading Enhanced Employee Protection System (EEPS) that provides protection to employees working along our tracks.
- Completed installation of alerter devices on 100% of the M3, the coach cab car and M2 fleets.
- Installed permanent speed signs at key locations along the right-of-way.
- Continued to implement NTSB recommendations while coordinating with the other MTA agencies to ensure best practices are shared.

## **Security**

In conjunction with the US Department of Homeland Security (DHS) and Argonne National Laboratory, the Security Department led and completed a test bed study of state-of-the-art chemical detection devices. As a result of that study, the Department oversaw the 2014 installation of the improved chemical weapons sensors funded by a \$2.2 million DHS grant.

The Department guided the execution and completion of a \$2.6 million Transportation Security Grant Program (TSGP) project to perform analyses and design security improvements for the Harlem River Lift Bridge. This project resulted in the development of projects totaling \$20 million to improve stand-off distance, harden the structure, protect the perimeter, expand electronic security systems on the bridge, and provide enhanced fire-life safety improvements and operational security measures. TSGP funds are now being pursued to implement the enhancements from design efforts.

The Security Department designed electronic access control and video surveillance systems for Metro-North's new headquarters facility at 420 Lexington Avenue. They also surveyed all Metro-North Training Department facilities company-wide and developed and initiated a comprehensive program to enhance physical and electronic security, process controls and procedures to ensure the integrity of critical training and testing processes.

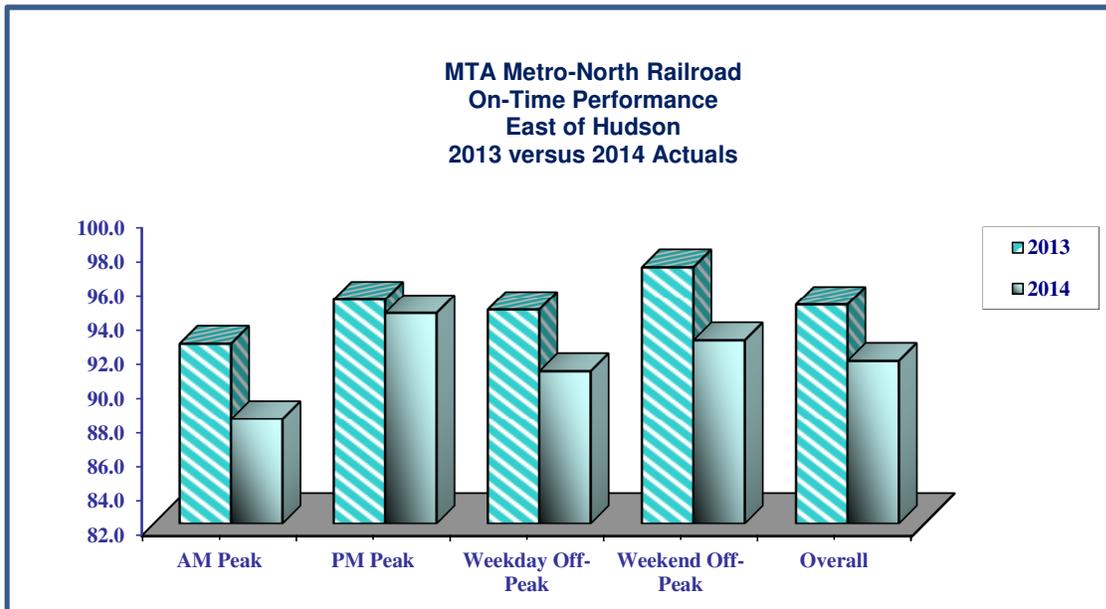
The Department's Pass Office re-designed employee, spouse, dependent and contractor transportation pass designs for easier identification and improved security.

Additional safety and security improvements started in 2014 that will continue in 2015 include:

- The installation of video/audio recording devices in railcars.
- A pilot program for screening safety critical employees for Obstructive Sleep Apnea.
- Continued the development and installation of Positive Train Control (PTC), which is regarded as the most modern type of train protection. A pilot program for PTC is set to begin on the New Haven and Hudson Lines in 2015.

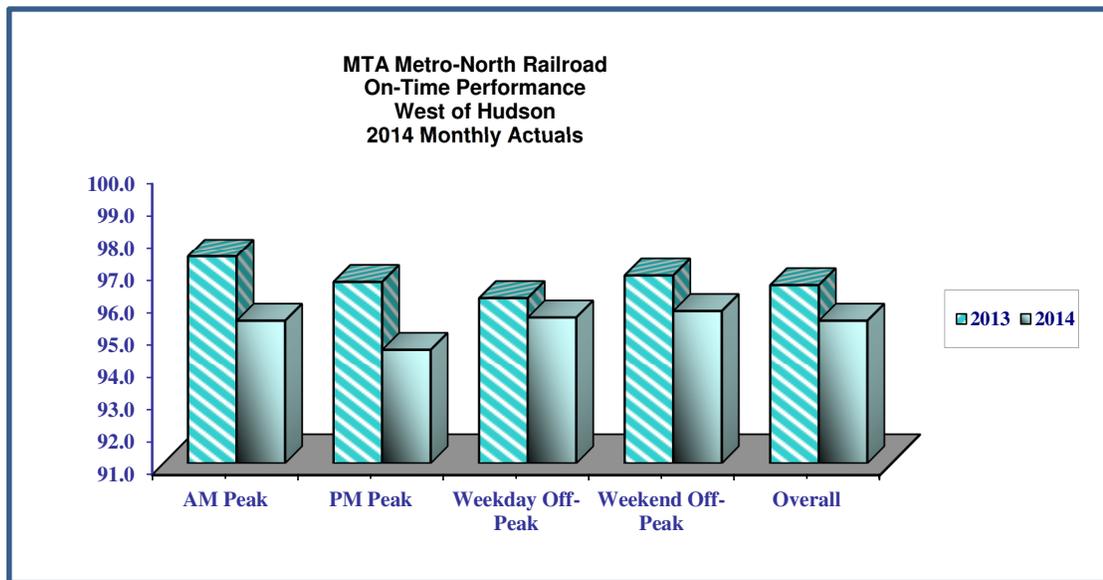
### 2014 On-Time Performance

System-wide On-Time Performance (OTP) for 2014 totaled 91.5%, down from 94.8% in 2013 and below the goal of 93%. East-of-Hudson OTP totaled 91.5%, which is down from 94.3% the previous year, due largely to the harsh weather in the first quarter of 2014. The Harlem Line performed at 93.6%, the Hudson Line at 91.8%, and the New Haven Line at 89.7%. Factors contributing to the decrease included: speed restrictions enacted by FRA Executive Order 29 following the December 1, 2013 derailment; extreme weather in the first quarter of 2014; aggressive track inspections and maintenance requiring temporary speed restrictions (see also, Safety/Security Initiatives); a fire that destroyed critical switch and signal equipment near Cos Cob limiting peak-direction trains on the New Haven Line; and the repeated failure of the 118-year-old rotating Walk Bridge at Norwalk, CT.



On-Time Performance	AM Peak	PM Peak	Weekday Off-Peak	Weekend Off-Peak	Overall
2013	92.5	95.1	94.5	97.0	94.8
2014	88.1	94.3	90.9	92.7	91.5

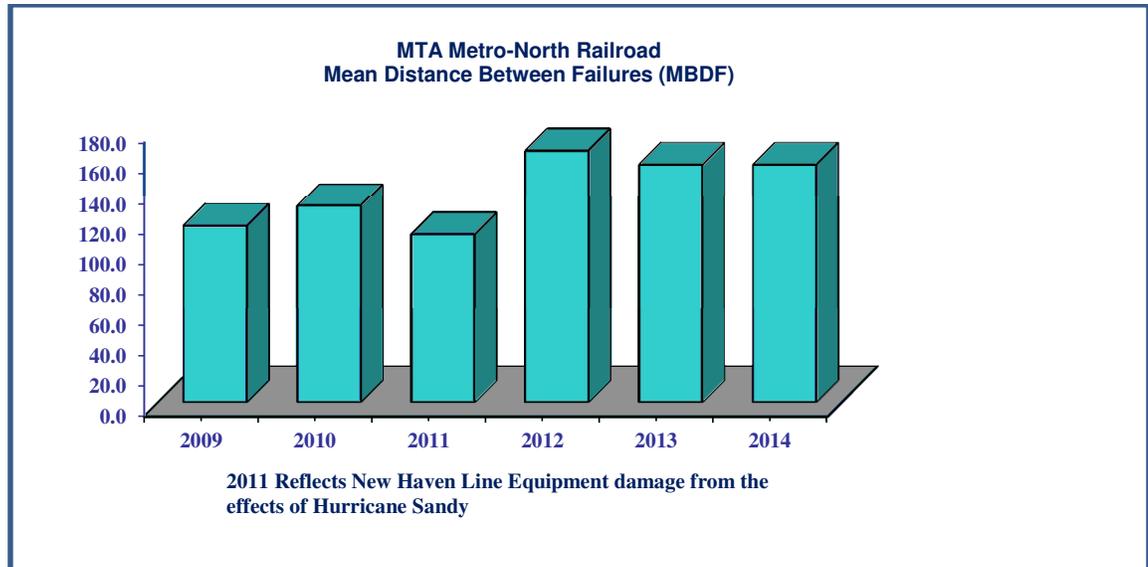
On the West of Hudson, on-time performance of 95.4% was attained in 2014, below the goal of 97.0% and below the 96.5% achieved in 2013.



On-Time Performance	AM Peak	PM Peak	Weekday Off-Peak	Weekend Off-Peak	Overall
2013	97.4	96.6	96.1	96.8	96.5
2014	95.4	94.5	95.5	95.7	95.4

### Equipment Reliability

In 2014, Metro-North’s fleet attained a Mean Distance Between Failure (MDBF) of 147,063 miles for the year. This was slightly below the 2013 level due to the reduced performance of an aging fleet and particularly the older New Haven Line car fleet, compounded by severe winter weather in 2014. The railroad commits a significant amount of funding towards the revitalization of the fleet, purchasing new equipment and remanufacturing select cars, coaches and locomotives. These efforts increase fleet reliability and contributed to a consist compliance rate that exceeded 99% in 2014.



2009	2010	2011	2012	2013	2014
116.1	129.3	110.5	165.7	156.6	147.1

## Ridership

2014 Metro-North rail ridership for East and West of Hudson service totaled 84.7 million rides, an increase of 1.3 million (1.5%) over 2013.

East of Hudson ridership for 2014 was the highest in the railroad's history at 83.0 million, surpassing the previous record of 81.8 million rides that was set in 2013. This is also an increase of 1.2 million rides or 1.4% over 2013 that spanned all three commuter lines.

The increases by service line versus 2013 are as follows:

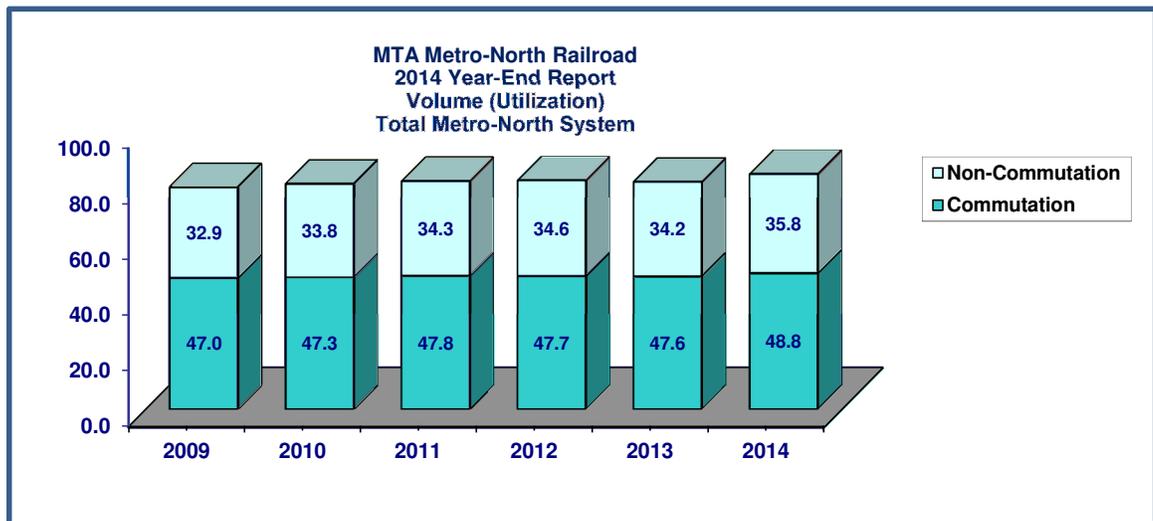
- +0.7% Harlem Line
- +2.3% Hudson Line
- +1.6% New Haven Line

Significant ridership increases occurred in discretionary ridership during the past year, due in part to the impact of the extraordinary service disruptions that occurred during the prior year causing an estimated loss of 600,000 riders in 2013. Commutation ridership to Manhattan also increased in 2014, reflecting the continued strong regional economy. However, intermediate ridership increased only slightly and reverse commutation ridership decreased:

- +1.3% Commutation to Manhattan
- +2.1% Weekday Off-Peak
- +3.6% Weekend
- 2.4% Reverse Commutation
- +0.5% Intermediate

As compared to the Final Estimate, overall East of Hudson ridership was lower by 0.3%. The ridership decline was primarily concentrated in the last two months of the year, reflecting slightly lower than projected non-commutation ridership growth and lower holiday season utilization. Overall, commutation ridership was 0.1% higher than the Final Estimate, with non-commutation ridership 0.7% below the Final Estimate.

West-of-Hudson ridership was 1.7 million for the year, which was 0.7% higher than the 2014 Final Estimate and 6.8% higher than 2013. The latter increase was due to higher than expected ridership on both the Port Jervis Line and Pascack Valley Line due to a higher than expected recovery from the tropical storm damages on both commutation and non-commutation ridership.



	2009	2010	2011	2012	2013	2014
Non-Commutation	32.9	33.8	34.3	34.6	34.9	35.8
Commutation	47.0	47.3	47.8	47.7	48.5	48.8
Total	79.9	81.1	82.1	82.3	83.4	84.7

### Customer Service Initiatives

- Metro-North’s November 9 schedule change introduced new half-hourly service between New Haven and New York in the off-peak and on weekends.
- Metro-North installed a total of 28 real-time cellular LCD monitors at 13 stations, including nine new station locations. Utilizing the “Train Time” system developed in-house, the monitors provide real-time status and track information for the next nine trains at each station. Additional monitors will be installed at five to ten stations per year through 2019.
- Metro-North started remote operation of a new public announcement and visual-display system at the New Haven and State Street stations on the New Haven Line from Metro-North’s Customer Communications Center in North White Plains, NY. Replacing the old Amtrak-operated system, the new system includes electronic platform signs, gate curtains, and arrival-departure monitors that can also display real-time messaging.

- Starting in September of 2014, customers traveling on the Wassaic Branch and the Danbury Branch were able to use their credit cards to purchase tickets onboard their trains as part of a limited pilot program to test new Ticket Issuing Machines (TIMs). TIMs 2.0 consists of iPhone5 replacements for the current hardware units. This upgrade will be rolled out systemwide in 2015.
- In a joint effort with the LIRR, work has begun to develop a Mobile Ticketing Application, which will allow customers to purchase tickets using smartphones and other mobile devices. A contract has been awarded to Masabi who will develop and implement the software app with a planned rollout during the latter part of 2015.
- Metro-North, in conjunction with the LIRR, is engaging in a study to develop a long-term ticket sales and fare payment strategy that will define fare collection when current ticket selling equipment, including the MTA MetroCard, becomes obsolete. The study will evaluate current operations, conduct industry and other property reviews, assess emerging fare payment methods, and recommend a comprehensive strategy addressing the operations, financial, labor, customer service, and conversion impacts for both Railroads.
- A new garage at North White Plains is currently under construction and is scheduled to be completed in the second quarter of 2015. The new garage increases parking capacity to just over 400 spaces and will also include 2 charging stations for electric vehicles and 2 Real-time Train Time LCD Kiosks.
- Metro-North has significantly reduced parking fees at our West-of-Hudson stations to lower the cost of commuting and make the railroad an even better option for those traveling from Orange and Rockland counties. As part of a one-year pilot program effective November 1, the railroad offered a “12 for 1” annual parking permit, with 12 months of parking available for the cost of just one month – a 91% reduction. Daily parking meter fees were also reduced from \$2.75 to \$1.25 a day.

### **Operations/Technology Initiatives**

- Enterprise Asset Management (EAM) – To effectively track and manage Metro-North’s assets and ensure they are properly maintained or replaced on a timely basis, a new EAM is being developed that will formalize and automate the supply of asset related data.
- Developed comprehensive IT-systems related to the relocation of Metro-North offices from the agency’s Madison Avenue buildings. These included corporate networking, WIFI access, secure printing, and video conferencing for some 800 employees and five floors of new office space, as well as the relocation to North White Plains of the entire IT infrastructure supporting all cash and credit transactions through Metro-North’s Ticket Selling System.
- To enhance data tracking efforts or assist in compliance with FRA requirements, Metro-North technology staff provided key support and programming expertise in the development of the following systems:
  - The Metro-North Electronic Hours of Service (EHOS) Application, which allows engineers and conductors to electronically record their hours of service in accordance with the FRA’s Hours of Service Law, went live in March.

- A significant upgrade was made to the Chief's Log application, which is used by the Operations Control Center to log all incidents involving train movements and related operational events.
- As a result of an FRA audit, IT implemented an Efficiency Testing application. The application electronically captures the results of Metro-North mandated visual inspections and FRA mandated tests for operations employees. This system provides data on employee compliance to state and federal rules and identifies which employees require re-training.
- IT initiatives relating to human resources and workplace efficiency include:
  - Workforce Certification 1.0 was implemented to determine employee qualifications on currently assigned jobs.
  - An Employee Relations Diversity application went live to store information on Employee Assistance Program complaints.
- A Payment Card Industry (PCI) compliance assessment was completed in 2014. This program includes quarterly internal and external scans of all public facing and non-public facing e-commerce systems for vulnerabilities and resulted in Metro-North achieving 2014 PCI compliance.

## Capital

### *2014 Commitment Highlights*

- Rolling Stock
  - Preliminary design review is on-going for the M-9 railcar contract, a joint procurement project led by the LIRR. Metro-North is considering a total procurement of 140 M-9 railcars with funding dependent upon future approval in the MTA 2015-2019 Capital Plan.
- Stations
  - A small business mentoring project was awarded for the construction of station improvements at the Croton Harmon station including new lighting fixtures, ceiling tiles, wall panels, ticket office and concession stand panels, floor tiles and air conditioning throughout the station. Also included are new bathroom upgrades which consist of new fixtures and lighting with a total projected budget of \$19.0 million.
  - Awarded a construction contract in November for repairs to the Grand Central Terminal train shed including repairs to the roof structure, sidewalks, columns, a portion of the platform on Track 101 and repairs to the ceiling over the M42 substation with a total projected budget of \$29.0 million.

### *Major 2014 Completions*

- Rolling Stock
  - Contract work was completed on the M-8 project for the design, manufacture, testing, and delivery of the M8 electric multiple unit (EMU) cars for the New Haven Line. In addition to the base contract, various options have been

exercised which bring the total M8 order to 405 cars, with 380 cars placed into revenue service by the end of 2014. The total project budget, including Connecticut Department of Transportation share, is \$1.1 billion.

- Stations
  - New Haven Line Station Phase II rehabilitations were completed at Harrison, Mamaroneck, Larchmont, New Rochelle, Pelham, and Mt. Vernon East stations.
- Infrastructure
  - The PTC System Integrator mobilized its project team and set up a field office in 2014. Conceptual and system level designs were completed and a contract change order was awarded in May for early delivery of certain Wayside and On-board PTC equipment.
  - The East-of-Hudson Overhead Bridges Program progressed with October completion of the overhead bridge work at Bridge Street in Poughkeepsie on the Hudson Line, priority repairs ongoing at Hillside Avenue in Mamaroneck, completion of the Harlem River Lift Bridge walkway reconstruction, removal and replacement of the Track 4 superstructure for the Croton River Bridge and select painting of existing bridges.
  - The Renewal Harlem & Hudson Substations project, completed in June, is part of an ongoing program to replace the 30 year old obsolete DC switchgear in 18 substations on the Harlem and Hudson Lines with modern equipment that can provide the higher power capacity needed to meet the requirement of the M-7 and M-8 rail car fleets.
  - The Grand Central Turnout/Switch Renewal project, which was completed in June, replaced four switches in the GCT lower level.

### **Sustainability/Transit Oriented Development Initiatives**

- Completed the Grand Central Terminal Energy Conservation Project, for which Metro-North received the 2014 “Innovation and Excellence in Energy Management” award at the 2014 BuildSmart NY Innovator’s Summit. The \$23.4 million project, which entailed significant engineering challenges, included replacement of chiller and cooling towers; upgraded air compressors; new water pumps, new lighting and building management systems; new variable speed fan controls; and retro-commissioning of air handlers. The project is estimated to reduce energy costs by \$3.0 million annually and CO2 emissions by 10.9 tons annually.
- Worked with the New York Power Authority (NYPA) on the installation of electric vehicle chargers at the Cortlandt, Beacon, and Southeast stations. When completed the installations will provide four charging units at each station for electric cars used by commuters.
- Implemented energy-conservation measures at Metro-North stations, such as LED lighting on station platforms and “on-call” heating buttons that allow customers to activate heaters only as needed.
- Worked with NYPA to upgrade energy efficiency at four Metro-North maintenance and employee facilities. Upgrades will include the replacement of rooftop HVAC units, boilers and water heaters, new building management systems, and other improvements.

- Launched an MTA Board-approved plan for Metro-North's first major transit-oriented development (TOD) initiative. The project, in partnership with a private developer, involves the construction of 143 apartments, 27,000 square feet of retail space, and two pedestrian plazas at the Metro-North station in Harrison, NY. The project will add 218 commuter parking spaces at the developer's expense in exchange for sale of the developed Metro-North property.

## **Metro-North—Cost Cutting/Other Revenue Initiatives**

### *Cost Cutting*

- Reduced operating subsidies by \$4.5 million annually, starting in 2014, through prior cost-cutting measures, while at the same time continuing the strategic long-term investments needed to ensure safe, secure, and reliable transportation services.
- Continued roll-out of the new M-8 fleet, which will reduce fleet costs in several key areas, including parts consumption, frequency of repairs due to breakdowns, and overall maintenance costs.
- Continued the Algorithmic Inventory Management System, which provides improved inventory distribution service levels. The system has reduced inventory levels by \$4.0 million since 2010 and reduced inventory investment per vehicle by \$11,000 during a 13-percent increase in fleet size.

### *Other Revenues*

- Revenues from Metro-North's advertising and sponsorship programs continued to grow and included over \$15 million from advertising displays (including the Grand Central digital dioramas); \$6.8 million from commissary operations, which included \$0.4 million in sponsorship agreements with Budweiser and Coca-Cola, and \$0.3 million from the vending machine program.
- Processed 1,244 group trips which accommodated 33,301 customers through the Metro-North Group Sales & Travel Program, generating more than \$920,000 in 2014.
- Generated more than \$750,000 from the 2014 New York City, Hudson Valley, Connecticut and Beyond "Getaway" programs, a 7% increase over the previous year. Over 26,000 visitors took the Grand Central Terminal audio tour in 2014, and 6,800 visitors took guided tours of the terminal sponsored by the Municipal Art Society.
- Approved a licensing agreement with a consortium of communication companies, who began implementing a wireless network in Grand Central Terminal and the Park Avenue Tunnel, to be completed in 2015. In addition to licensing revenue, the project also provides critical safety and emergency communications network at no cost to Metro-North, representing combined revenue and savings worth some \$24.0 million over 20 years.

# *MTA Metro-North Railroad*



## *Procurement & Material Management Inventory Report 2014*

# Mission



The Material Management and Storeroom Operations subgroup of the Procurement and Material Management Department, is tasked with the planning, storage, control and distribution of all inventory material at MNR's storeroom locations. The material stored includes various railcar parts, equipment and support materials.

The subgroup supports and promotes the corporate objective of providing an efficient and safe service to Metro-North's customers by ensuring the appropriate levels of inventory to facilitate scheduled and unscheduled maintenance and repairs, and by working closely with both the Procurement groups and the Operations Division on projected needs and overseeing accurate efforts in forecasting Inventory.

# Major Efforts and Initiatives (2014)

## Strategic Inventory Planning & Procurement

In 2014, Metro-North's Procurement & Material Management Department continued with initiatives begun four years ago to improve service to its customers. These initiatives focused on intensive monitoring of KPI's, and use of our state-of-the-art forecasting software to achieve service at the lowest cost of inventory investment. Through this effort, customer service achieved its current record high level of 98.7%. This was all accomplished simultaneously with a new fleet growth of over 2%, increased Reliability Centered Maintenance, (RCM) efforts, and increased material needs for enhanced infrastructure hardening involving continuous right-of-way improvements. Our success was measured by maintaining growth below 2013 projections.

The P&MM Department as well as the MoW Material Management Unit continued building on the accomplishment previously achieved through the specific initiatives in the 2014 Action Plan. The following charts and graphs illustrate the continued positive nature of the efforts undertaken.

## 2014 Action Plan Summary

### •Strategic Inventory Forecasting

Coinciding with, and supplementing Strategic Procurement initiatives, the Algorithmic Forecasting System continued the task of "right-sizing" the inventory and managing growth. This system has given 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 was critical in the identification of a reduction plan for stocking of our retiring fleet. The forecasting system has been instrumental in minimizing MNR's growth of inventory from 2012-2014 while still achieving record service levels. This has all been accomplished during a time which experienced the Introduction and rollout of a new fleet and the associated service part as well as during a period when enhanced focus to Infrastructure Hardening was driving material requirements to new levels. Projected growth in 2013 was targeted at 10% but in fact was maintained at only 6%.

### •Utilized Forecasting system to identify Multi-Year Service Part Needs for long-term contracts

Material Management successfully continued creation of forward forecasts in an interdepartmental collaboration to minimize stocking, reduced administrative lead-time and increase availability. The effort has continued to provide the roadmap for expansion and a dedicated TEAM continued effort through 2014.

Our continued goal is to identify items that can be purchased jointly throughout the MTA, while reducing redundancy and improving economies of scale.

### •Improve Accuracy and Service

At year end 2014, an inventory cycle count accuracy rate of 99.9% was achieved on \$68.8M counted. Inventory cycle count accuracy rate 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 1.3% on 37,494 inventory items. This represents the percent of items in which stock is not available for potential demand.

## 2014 Detailed Accomplishments - 2015 Goals

Challenge	Plan	2014 Detailed Accomplishments	2015 Goal
Right-size Stock Inventory investment to support service level and budgetary goals for MofE and MofW operations.	<ul style="list-style-type: none"> <li>• Continue expanded use of Smart Software to proactively forecast future needs.</li> <li>• Provide method for strategic look-ahead forecast to allow for multi-year contract solicitation.</li> <li>• Collaborate with internal customers to improve administrative Lead-time.</li> <li>• Support MofW initiatives for centralized management of inventory.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Improved service level by 1% over previous year to 98.7% while minimizing inventory growth by 6% over projection.</li> <li>✓ R&amp;R service level fell short after previous year increase by 4% over 2013 results.</li> <li>✓ Coordinate multi departmental planning for M-7 and M-8 fleet material availability for RCM.</li> <li>✓ Create metrics of Plan against actual on Production consumption.</li> <li>✓ Centralize reporting efforts and investigate executive dashboard live reporting.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Maintain high level of service through aggressive monitoring of Service levels.</li> <li>➤ Work with team to leverage strategic look-ahead forecasting generating five additional long-term contracts.</li> <li>➤ Continue M-8 fleet material ramping to support availability.</li> <li>➤ Create metrics of Plan against actual on Production consumption.</li> <li>➤ Implement centralized reporting efforts and executive dashboard for live graphical reporting.</li> </ul>
Optimize Inventory for Inactive and Excess	<ul style="list-style-type: none"> <li>• Determine disposition of inactive material.</li> <li>• Collaborate with internal customers in validation of excess/inactive stock material for final disposition.</li> <li>• Continue to use Forecasting system to identify excess and implement plan for right-sizing levels.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Performed stock rationalization at Harmon Campus Storeroom's and Distribution Center maximizing space in preparation of facility consolidation.</li> <li>✓ Used Smart Forecasting Software to identify retirement reserves in inventory, maximizing disposal benefits and bin space reclamation.</li> <li>✓ Utilizing the forecasting system Identified \$1.6 million in Inactive inventory for final disposal.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Continue efforts in identifying for disposal Inactive and excess inventory allowing for space reclamation.</li> <li>➤ Identify, and offer for disposal remaining stock of retiring M-2 fleet .</li> <li>➤ Readjust demand forecasts for items shared between retiring fleet and remain fleets, minimizing spend.</li> </ul>
Joint Procurement Initiatives	<ul style="list-style-type: none"> <li>• Identify items that can be purchased jointly throughout the MTA, while reducing redundancy and improving economies of scale.</li> <li>• Pursue opportunities as part of the procurement operating procedures with peer agencies.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Continued joint efforts with Procurement team for PS contract creations. Implemented Planner initiated PS release process in order to minimize administrative lead-time.</li> <li>✓ Continued the pursuit of opportunities as part of the procurement operating procedures with peer agencies</li> <li>✓ Provided excess parts to LIRR for minimizing additional MTA Inventory investments.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Improve methods and magnitude of inventory sharing involving excess parts.</li> <li>➤ Standardize where possible common commodities between agencies in order to minimize inventory investment.</li> </ul>

## Inventory Service Level

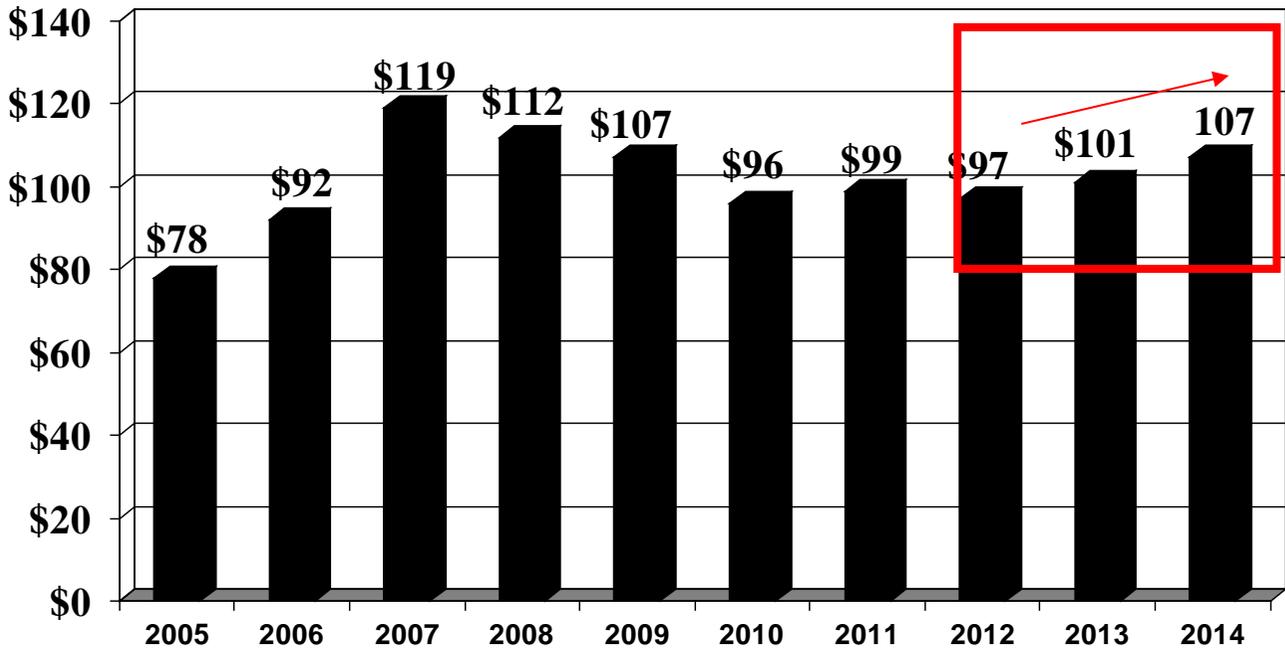
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Year	Service Level
2014	98.7%
2013	98.3%
2012	97.8%
2011	97.7%
2010	97.0%
2009	96.8%
2008	95.9%
2007	96.6%
2006	96.8%
2005	97.4%

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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 2014 was 98.5%. Procurement & Material Management has surpassed that goal by .2% to 98.7%. Improvements have trended upward 3% since 2008.

## Total Historical Inventory Trends (Constant 2014 \$'s) In Millions

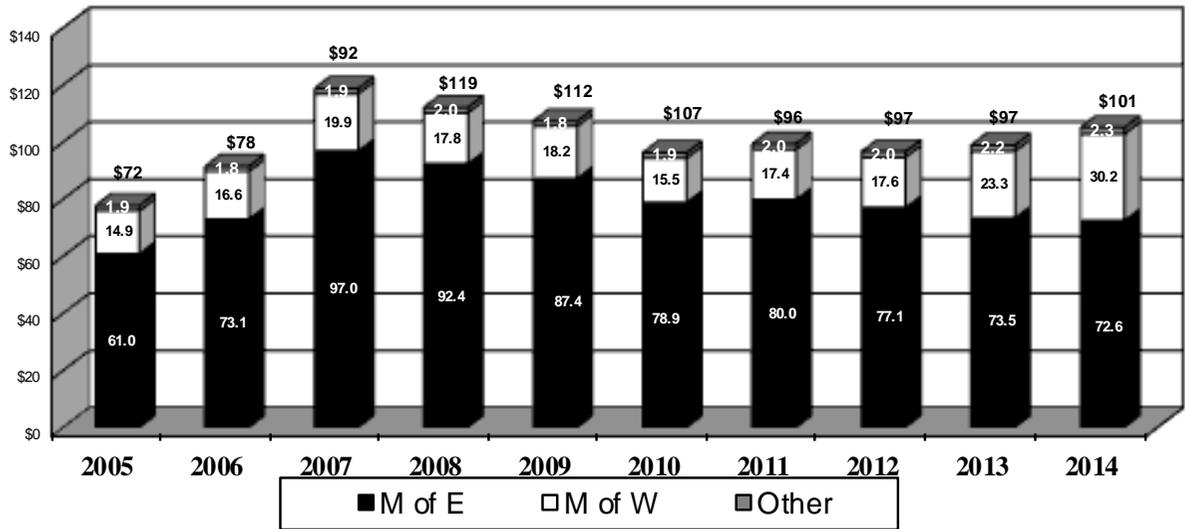


Inventory levels have begun an upward trend since 2012 to the current \$107M level.

The 2014 inventory levels were projected, in 2013, to increase in the \$10M range. The major factors for this projection were: arrival of the M-8 capital spare components and five year program material to support the M-8 fleet, projected receipt of M-7 ten year and Locomotive five year programs as well as projected receipt of MoW material to support the continued Infrastructure strengthening effort. Additionally, Infrastructure hardening material was received to facilitate MoW efforts.

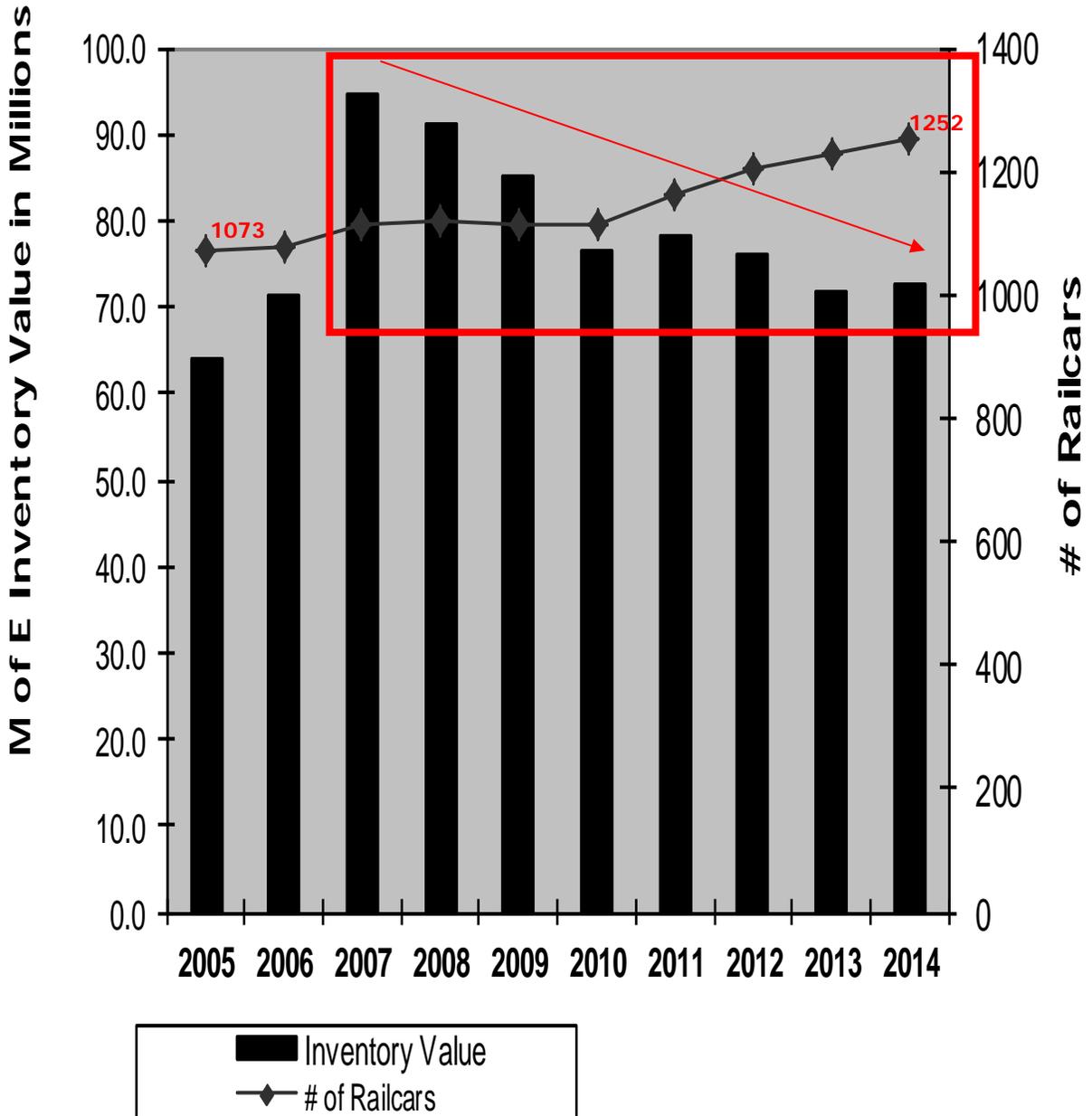
While our projections were for a 10% increase in 2014 actual results were maintained at only 6% growth compared to 2013.

## Inventory By MTA Category (Constant 2014 \$'s) In Millions



The graph illustrates the further dissection of inventory value by the three major MTA/MNR categories monitored. Values are: MofE (\$72.6M)—which experienced a 1% growth in 2014 compared to 2013; MofW (\$20.2M)--experienced a 23% increase due in major part to continued arrivals of Sandy rehabilitation material and Infrastructure Hardening increases; and Other (\$2.3M) experienced an 5% increase primarily due to converting to a change in dual season uniform eliminating the need for a winter and summer uniform for conductors.

## MofE Inventory Value vs # of Railcars (Constant 2014 \$) in millions



In closer examination of the MofE category trend, the graph illustrates the success achieved to-date with the overall 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 by 11%. The growth of \$.8M from 2013 to 2014 was due to M7, 10 year program material not consumed as yet.

**MTA LONG ISLAND RAIL ROAD  
2014 YEAR-END REPORT  
SUMMARY**

The MTA Long Island Rail Road's financial performance in comparison to the 2014 Final Estimate was favorable. The non-reimbursable net deficit of \$(1,147.7) million was favorable to the 2014 Final Estimate by \$70.5 million. This improvement in the final result was due to the fact that actual 2014 expenses of \$1,857.8 million were \$66.4 million lower than the Final Estimate and that total Operating Revenue of \$710.1 million was \$4.1 million higher than the Final Estimate. Farebox revenue accounted for \$658.8 million of total Operating Revenue, and other sources generated \$51.2 million.

In order to achieve these positive results, the LIRR subjected key cost centers to intensive monitoring and control. It accomplished this while simultaneously providing the resources necessary to provide a high level operational performance.

Total Revenues were \$4.1 million higher than the Final Estimate due primarily to higher Farebox revenue than anticipated, which was \$3.6 million greater than the Final Estimate. Overall, ridership grew from 2013 to 2014 by 2.5 million customers or 3.0% and exceeded the Final Estimate by 0.8 million. Other Operating Revenue was \$0.4 million favorable due to a variety of factors, including timing.

Total Non-Reimbursable Expenses were \$66.4 million lower than the Final Estimate as a result of several factors. Labor expenses of \$1,089.6 million were \$31.6 million lower than the estimate primarily due to the existence of vacant positions, lower sick/retiree payments, lower average pay rates, lower weather-related overtime and lower Federal Employers Liability Act (FELA) indemnity payments.

Non-labor expenses of \$362.9 million were \$31.3 million favorable to the Final Estimate primarily due to lower fleet modification and running repair costs, lower corporate inventory adjustments, lower rates for electric power, lower rates and consumption for fuel, and lower professional service contracts.

Depreciation, Other Post Employee Benefits and Environmental Remediation of \$405.3 million was \$3.5 million lower than the estimate. Depreciation was \$8.5 million lower than the Final Estimate. OPEB Obligation reflected a \$2.8 million increase in costs based upon the latest actuarial estimate and the Environmental Remediation reserve was increased \$2.3 million above the forecast.

From the year-end preliminary actuals to the final close, adjustments for Pension, Other Post-Employment Benefits, Environmental Remediation and Claims were the only material adjustments.

Total Reimbursable revenues and expenses were \$17.0 million higher than the Final Estimate primarily resulting from the retroactive wage settlement, partially offset by revised timing of project activity and the existence of vacant positions.

LIRR's Cash Deficit of \$(810.3) million was \$12.9 million higher than the Final Estimate. This variance consisted of a real favorable variance of \$25.8 million and unfavorable timing variance of \$(38.8) million. Cash Receipts of \$966.8 million were lower than the Final Estimate by \$(22.6) million, comprised of \$(2.2) million in real variances and \$(20.3) million in timing variances. The real variance was due to unfavorable capital reimbursements resulting from lower project activity. The timing variance was primarily attributed to timing of reimbursements for the retroactive wage settlement related to capital project activity and winter storm Nemo reimbursement.

Cash expenditures of \$1,777.3 million were \$9.5 million lower than the Final Estimate, comprised of \$27.9 million in real favorable variances and \$18.4 million in unfavorable timing variances. Favorable real labor variances included Payroll and related fringe costs and OPEB Current Payments. Favorable real non-labor variances included Traction Power, Fuel, Professional Services and Other Business Expenses. These favorable real results were partially offset by unfavorable real variances in Overtime, Material and Maintenance and Other Operating Contracts. Unfavorable timing variances included pre-payments for Pension, Health & Welfare and Material. These were partially offset by favorable timing variances for Insurance, Maintenance and Other Operating Contracts, Professional Services and Other Business Expense.

The overall favorable 2014 financial performance reflects the LIRR's continued focus on maximizing scarce financial resources. Heading into 2015, 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  
2014 YEAR-END REPORT  
EXPLANATIONS OF REVENUE AND EXPENSE VARIANCES  
ACCRUAL BASIS**

**2014 Final Estimate vs. Actual**

**Non-Reimbursable**

**Revenue:**

- **Farebox Revenue** was \$3.6 million above the estimate. Ridership of 85.9 million was 0.9% above estimate resulting in an revenue increase of \$5.9 million, partially offset by a lower than projected yield per passenger of \$(2.3) million.
- **Other Operating Revenue** was \$0.4 million or 0.9% higher than estimate primarily due to reimbursement of farebox revenue associated with inter-agency reimbursements, partially offset by timing of federal reimbursements for Nemo and Tropical Storm Irene.

**Expenses:**

- **Payroll** was \$18.3 million or 3.2% below the estimate primarily due to the existence of vacant positions, lower pay rates and lower retiree/sick payments.
- **Overtime** was \$3.3 million or 2.6% below the estimate primarily due to lower weather-related overtime and unscheduled/scheduled service, partially offset by higher maintenance overtime.
- **Health & Welfare** was \$1.1 million or 1.2% below the estimate due to the existence of vacant positions.
- **OPEB Current Payment** was \$1.9 million or 3.3% below estimate due fewer retirees/beneficiaries than anticipated.
- **Pension** was \$2.7 million or 1.5% below projection as the estimated percentage of pension costs allocated to reimbursable was under-estimated. This was partially offset by overall higher pension costs based on the latest actuarial estimate.
- **Other Fringe Benefits** were \$3.3 million or 2.7% below estimate primarily due to lower FELA indemnity payments.
- **Electric Power** was \$7.1 million or 6.5% below the estimate primarily due to lower rates.
- **Fuel** was \$1.6 million or 5.3% below the estimate due to lower rates and consumption than projected.
- **Insurance** was \$(0.3) million or (1.3)% above the estimate due to higher property insurance than anticipated.

- **Claims** were \$(2.6) million or (67.2)% above estimate primarily due to an increase in legal reserves.
- **Maintenance and Other Operating Contracts** were \$(0.6) million or (1.0)% above estimate. This was primarily due to higher than anticipated expenses for HVAC maintenance, environmental services, bussing services, and various other maintenance and operating contracts.
- **Professional Service Contracts** were \$7.4 million or 22.1% below estimate. The lower expenses were primarily associated with MTA chargebacks, legal fees, planning studies consultants, lower activity and payments for IT related expenses, and various other professional services.
- **Materials & Supplies** were \$16.4 million or 13.4% below estimate. The savings were primarily due to lower corporate inventory adjustments, lower usage of running repair material in the Support Shops, and lower usage of running repair and lower fleet modification material in the electric fleet rolling stock Car Shop, partially offset by higher Engineering materials.
- **Other Business Expenses** were \$2.4 million or 19.7% below estimate primarily due to prior period accrual reversals for Superstorm Sandy, lower mobility tax payments and bad debt expenses, partially offset by lower restitution for property damages and higher debit/credit card fees.
- **Depreciation** was \$8.5 million or 2.6% below estimate primarily due to revised estimate based on certain capital assets being fully depreciated.
- **Other Post Employee Benefits** were \$(2.8) million or (3.9)% above estimate reflecting the latest actuarial estimate and reserve adjustments.
- **Environmental Remediation** was \$(2.3) million or (63.3)% above estimate due to an increase in reserves as a result of lead and soil abatement.

The impact of 2014 results should not have a substantial impact on the 2015 accrued budget. Many of the variances in 2014 are not expected to recur in 2015.

### **Reimbursable:**

**Total Capital and Other Reimbursements** were higher than estimate by \$(17.0) million or (6.5)%. This was primarily due to the retroactive wage settlement for the period of 2011-2014, partially offset by the existence of vacant positions and lower material usage for project activity.

### **2014 Adopted Budget vs. Actual**

The MTA Long Island Rail Road's financial performance in comparison to the 2014 Adopted Budget was unfavorable, due almost entirely to the unanticipated and unbudgeted impacts of the retroactive wage settlement. The net operating deficit of

\$(1,147.7) million was \$57.1 million or 5.2% higher than was anticipated in the budget. The operating cash deficit of \$(810.3) million was \$76.7 million or 10.5% unfavorable to budget.

**Non-Reimbursable:**

**Revenue:**

- **Farebox Revenue** was \$11.4 million or 1.8% higher than budget, reflecting higher than anticipated ridership of \$12.2 million, partially offset by the impact of lower yield per passenger of \$(0.8) million.
- **Other Operating Revenue** was \$(3.2) million or (5.8)% lower than budget primarily due to the delays in the sale of real estate and air rights, partially offset by higher interagency revenue.

**Expenses:**

- **Payroll** was \$(95.5) million or (21.1)% above budget primarily due to the impacts of the retroactive wage settlement for represented employees, partially offset by vacant positions and lower retiree/sick payments.
- **Overtime** was \$(32.7) million or (35.3)% above budget primarily due to the impacts of the retroactive wage settlement, higher right-of-way maintenance and higher weather related overtime, partially offset by lower vacancy/absentee coverage.
- **Health & Welfare** was \$11.0 million or 10.6% below budget primarily due to lower headcount and rates than expected.
- **OPEB Current Payment** was \$10.1 million or 15.1% below budget due to lower rates and fewer retirees/beneficiaries than anticipated.
- **Pension** was \$(6.0) million or (3.5)% above budget primarily due to the impacts of the retroactive wage settlement. Also, the estimated percentage of pension costs allocated to reimbursable was over-estimated.
- **Other Fringe Benefits** were \$(1.6) million or (1.4)% above budget due to higher Railroad retirement payments due to the retroactive wage settlement, partially offset by lower FELA indemnity payments.
- **Electric Power** was \$2.0 million or 2.0% below budget primarily due to lower rates.
- **Fuel** was \$2.9 million or 9.6% below budget due to lower rates and consumption.
- **Insurance** was \$2.0 million or 7.8% below budget primarily due to lower station liability insurance, partially offset by higher premiums for property insurance.
- **Claims** were \$(2.3) million or (55.4)% above budget primarily due to an increase in legal reserves.
- **Maintenance and Other Operating Contracts** were \$9.2 million or 12.8% below budget resulting from the timing of expenses for security initiatives, escalator and

elevator maintenance, equipment rental and communications services, partially offset by higher payments for environmental and hazardous waste cleanups, non-revenue vehicle repairs and bussing services.

- **Professional Service Contracts** were \$13.6 million or 34.3% below budget primarily due to the timing of payments for IT software and maintenance, lower expenses for planning studies consultants and MTA chargebacks, delayed implementation of wayside maintenance diagnostic system implementation.
- **Materials & Supplies** were \$21.2 million or 16.7% below budget. The savings were primarily due to lower running repair in Support Shops, delayed fleet modification and Reliability Centered Maintenance work for the electric and diesel fleets rolling stock, delayed propulsion initiative, timing of delivery of non-revenue vehicles and lower corporate inventory adjustments.
- **Other Business Expense** was \$5.8 million or 37.3% below budget mostly caused by prior period accrual reversals for Superstorm Sandy and lower miscellaneous expenses.
- **Depreciation** was \$(13.3) million or (4.3)% above budget due to the 2014 budget being under-estimated based on 2013 results.
- **Other Post Employee Benefits** were \$10.0 million or 11.8% below budget primarily due to revisions to prior actuarial estimates and reserve adjustments.
- **Environmental Remediation** was \$(3.9) million above budget due to increase of reserves as a result of future remediation activities associated with lead and asbestos abatement.

#### **Reimbursable:**

**Total Capital and Other Reimbursements** were lower than budget by \$(0.1) million. This was primarily due to delays in projects related to East Side Access, Positive Train Control and Operating Funded Capital projects. The underrun for these projects was offset by retroactive wage settlement for the period of 2011-2014.

**MTA LONG ISLAND RAIL ROAD**  
**2014 Year-End Report**  
**Accrual Statement of Operations by Category**  
**2014 Adopted Budget and Final Estimate vs. Actual**  
**(\$ in millions)**

	2014			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2014 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>NON-REIMBURSABLE</b>							
<b>Revenue</b>							
Farebox Revenue	\$647.391	\$655.181	\$658.822	\$11.431	1.8	\$3.641	0.6
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	54.399	50.797	51.233	(3.166)	(5.8)	0.436	0.9
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Revenue</b>	<b>\$701.790</b>	<b>\$705.978</b>	<b>\$710.055</b>	<b>\$8.265</b>	<b>1.2</b>	<b>\$4.077</b>	<b>0.6</b>
<b>Expenses</b>							
Labor:							
Payroll	\$452.200	\$565.970	\$547.678	(\$95.478)	(21.1)	\$18.292	3.2
Overtime	92.755	128.835	125.497	(32.742)	(35.3)	3.338	2.6
Health and Welfare	103.356	93.500	92.372	10.984	10.6	1.128	1.2
OPEB Current Payment	66.731	58.563	56.655	10.076	15.1	1.908	3.3
Pensions	171.753	180.416	177.707	(5.954)	(3.5)	2.709	1.5
Other Fringe Benefits	116.353	121.275	117.951	(1.598)	(1.4)	3.324	2.7
Reimbursable Overhead	(26.094)	(27.313)	(28.252)	2.158	8.3	0.939	3.4
<b>Total Labor Expenses</b>	<b>\$977.054</b>	<b>\$1,121.246</b>	<b>\$1,089.609</b>	<b>(\$112.555)</b>	<b>(11.5)</b>	<b>\$31.637</b>	<b>2.8</b>
Non-Labor:							
Electric Power	\$103.755	\$108.848	\$101.726	\$2.029	2.0	\$7.122	6.5
Fuel	30.707	29.335	27.766	2.941	9.6	1.569	5.3
Insurance	25.343	23.073	23.378	1.965	7.8	(0.305)	(1.3)
Claims	4.156	3.863	6.459	(2.303)	(55.4)	(2.596)	(67.2)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	71.551	61.736	62.379	9.172	12.8	(0.643)	(1.0)
Professional Service Contracts	39.583	33.403	26.008	13.575	34.3	7.395	22.1
Materials & Supplies	126.508	121.696	105.335	21.173	16.7	16.361	13.4
Other Business Expenses	15.667	12.238	9.825	5.842	37.3	2.413	19.7
<b>Total Non-Labor Expenses</b>	<b>\$417.270</b>	<b>\$394.192</b>	<b>\$362.877</b>	<b>\$54.393</b>	<b>13.0</b>	<b>\$31.315</b>	<b>7.9</b>
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses Before Depreciation</b>	<b>\$1,394.324</b>	<b>\$1,515.438</b>	<b>\$1,452.486</b>	<b>(\$58.162)</b>	<b>(4.2)</b>	<b>\$62.952</b>	<b>4.2</b>
Depreciation	\$311.549	\$333.377	\$324.840	(\$13.291)	(4.3)	\$8.537	2.6
Other Post Employee Benefits	84.513	71.780	74.558	9.955	11.8	(2.778)	(3.9)
Environmental Remediation	2.000	3.600	5.878	(3.878)	*	(2.278)	(63.3)
<b>Total Expenses</b>	<b>\$1,792.386</b>	<b>\$1,924.195</b>	<b>\$1,857.762</b>	<b>(\$65.376)</b>	<b>(3.6)</b>	<b>\$66.433</b>	<b>3.5</b>
<b>Net Surplus/(Deficit)</b> <i>(Excluding Subsidies and Debt Service)</i>	<b>(\$1,090.596)</b>	<b>(\$1,218.217)</b>	<b>(\$1,147.707)</b>	<b>(\$57.111)</b>	<b>(5.2)</b>	<b>\$70.510</b>	<b>5.8</b>
<i>Cash Depreciation Adjustments</i>							
Depreciation	311.549	333.377	324.840	\$13.291	4.3	(\$8.537)	(2.6)
Operating/Capital	(33.575)	(13.525)	(14.948)	18.627	55.5	(1.423)	(10.5)
Other Cash Adjustments	79.000	100.952	27.495	(51.505)	(65.2)	(73.457)	(72.8)
<b>Total Cash Conversion Adjustments</b>	<b>\$356.974</b>	<b>\$420.804</b>	<b>\$337.387</b>	<b>(\$19.587)</b>	<b>(5.5)</b>	<b>(\$83.417)</b>	<b>(19.8)</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$733.622)</b>	<b>(\$797.413)</b>	<b>(\$810.319)</b>	<b>(\$76.697)</b>	<b>(10.5)</b>	<b>(\$12.906)</b>	<b>(1.6)</b>

Totals may not add due to rounding

**MTA LONG ISLAND RAIL ROAD**  
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**2014 Adopted Budget and Final Estimate vs. Actual**  
**December Year-to-Date**  
(\$ in millions)

<b>REIMBURSABLE</b>	<b>2014</b>			<b>Favorable/(Unfavorable) Variance</b>			
	<b>Adopted Budget</b>	<b>Final Estimate</b>	<b>Actual</b>	<b>2014 Adopted Budget</b>		<b>Final Estimate</b>	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue							
Vehicle Toll Revenue							
Other Operating Revenue							
Capital and Other Reimbursements	280.084	262.957	279.992	(0.092)	0.0	17.035	6.5
<b>Total Revenue</b>	<b>\$280.084</b>	<b>\$262.957</b>	<b>\$279.992</b>	<b>(\$0.092)</b>	<b>0.0</b>	<b>\$17.035</b>	<b>6.5</b>
<b>Expenses</b>							
Labor:							
Payroll	\$90.101	\$84.192	\$89.227	\$0.874	1.0	(\$5.035)	(6.0)
Overtime	15.326	20.806	27.688	(12.362)	(80.7)	(6.882)	(33.1)
Health and Welfare	16.152	17.082	17.988	(1.836)	(11.4)	(0.906)	(5.3)
OPEB Current Payment	0.000	0.000	0.000	0.000	-	0.000	-
Pensions	21.505	27.184	31.150	(9.645)	(44.8)	(3.966)	(14.6)
Other Fringe Benefits	19.453	18.335	19.951	(0.498)	(2.6)	(1.616)	(8.8)
Reimbursable Overhead	26.094	27.313	28.252	(2.158)	(8.3)	(0.939)	(3.4)
<b>Total Labor Expenses</b>	<b>\$188.631</b>	<b>\$194.912</b>	<b>\$214.255</b>	<b>(\$25.624)</b>	<b>(13.6)</b>	<b>(\$19.343)</b>	<b>(9.9)</b>
Non-Labor:							
Electric Power	\$0.046	\$0.544	\$0.545	(\$0.499)	*	(\$0.001)	(0.2)
Fuel	0.000	0.000	0.000	0.000	-	0.000	-
Insurance	5.598	5.010	4.403	1.195	21.3	0.607	12.1
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	13.890	12.165	12.170	1.720	12.4	(0.005)	0.0
Professional Service Contracts	8.335	5.449	7.394	0.941	11.3	(1.945)	(35.7)
Materials & Supplies	62.178	44.215	40.360	21.818	35.1	3.855	8.7
Other Business Expenses	1.406	0.662	0.865	0.541	38.4	(0.203)	(30.7)
<b>Total Non-Labor Expenses</b>	<b>\$91.453</b>	<b>\$68.045</b>	<b>\$65.738</b>	<b>\$25.715</b>	<b>28.1</b>	<b>\$2.307</b>	<b>3.4</b>
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses Before Depreciation</b>	<b>\$280.084</b>	<b>\$262.957</b>	<b>\$279.992</b>	<b>\$0.092</b>	<b>0.0</b>	<b>(\$17.035)</b>	<b>(6.5)</b>
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	-
<b>Total Expenses</b>	<b>\$280.084</b>	<b>\$262.957</b>	<b>\$279.992</b>	<b>\$0.092</b>	<b>0.0</b>	<b>(\$17.035)</b>	<b>(6.5)</b>
<b>Net Surplus/(Deficit)</b> <i>(Excluding Subsidies and Debt Service)</i>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<i>Cash Depreciation Adjustments</i>							
Depreciation	0.000	0.000	0.000	\$0.000	-	\$0.000	-
Operating/Capital	0.000	0.000	0.000	0.000	-	0.000	-
Other Cash Adjustments	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Cash Conversion Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>

Totals may not add due to rounding

**MTA LONG ISLAND RAIL ROAD**  
**2014 Year-End Report**  
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**2014 Adopted Budget and Final Estimate vs. Actual**  
**December Year-to-Date**  
**(\$ in millions)**

<b>NON-REIMBURSABLE/ REIMBURSABLE</b>
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	2014			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2014 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Revenue</b>							
Farebox Revenue	\$647.391	\$655.181	\$658.822	\$11.431	1.8	\$3.641	0.6
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	54.399	50.797	51.233	(3.166)	(5.8)	0.436	0.9
Capital and Other Reimbursements	280.084	262.957	279.992	(0.092)	0.0	17.035	6.5
<b>Total Revenue</b>	<b>\$981.874</b>	<b>\$968.935</b>	<b>\$990.048</b>	<b>\$8.174</b>	<b>0.8</b>	<b>\$21.113</b>	<b>2.2</b>
<b>Expenses</b>							
Labor:							
Payroll	\$542.301	\$650.162	\$636.905	(\$94.604)	(17.4)	\$13.257	2.0
Overtime	108.081	149.641	153.185	(45.104)	(41.7)	(3.544)	(2.4)
Health and Welfare	119.508	110.582	110.360	9.148	7.7	0.222	0.2
OPEB Current Payment	66.731	58.563	56.655	10.076	15.1	1.908	3.3
Pensions	193.258	207.600	208.857	(15.599)	(8.1)	(1.257)	(0.6)
Other Fringe Benefits	135.806	139.610	137.901	(2.095)	(1.5)	1.709	1.2
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Labor Expenses</b>	<b>\$1,165.685</b>	<b>\$1,316.158</b>	<b>\$1,303.864</b>	<b>(\$138.179)</b>	<b>(11.9)</b>	<b>\$12.294</b>	<b>0.9</b>
Non-Labor:							
Electric Power	\$103.801	\$109.392	\$102.271	\$1.530	1.5	\$7.121	6.5
Fuel	30.707	29.335	27.766	2.941	9.6	1.569	5.3
Insurance	30.941	28.083	27.781	3.160	10.2	0.302	1.1
Claims	4.156	3.863	6.459	(2.303)	(55.4)	(2.596)	(67.2)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	85.441	73.901	74.550	10.891	12.7	(0.649)	(0.9)
Professional Service Contracts	47.918	38.852	33.402	14.516	30.3	5.450	14.0
Materials & Supplies	188.686	165.911	145.695	42.991	22.8	20.216	12.2
Other Business Expenses	17.073	12.900	10.690	6.383	37.4	2.210	17.1
<b>Total Non-Labor Expenses</b>	<b>\$508.723</b>	<b>\$462.237</b>	<b>\$428.615</b>	<b>\$80.108</b>	<b>15.7</b>	<b>\$33.622</b>	<b>7.3</b>
Other Expense Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	-	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses Before Depreciation</b>	<b>\$1,674.408</b>	<b>\$1,778.395</b>	<b>\$1,732.479</b>	<b>(\$58.071)</b>	<b>(3.5)</b>	<b>\$45.916</b>	<b>2.6</b>
Depreciation	\$311.549	\$333.377	\$324.840	(\$13.291)	(4.3)	\$8.537	2.6
Other Post Employee Benefits	84.513	71.780	74.558	9.955	11.8	(2.778)	(3.9)
Environmental Remediation	2.000	3.600	5.878	(3.878)	*	(2.278)	(63.3)
<b>Total Expenses</b>	<b>\$2,072.470</b>	<b>\$2,187.152</b>	<b>\$2,137.754</b>	<b>(\$65.284)</b>	<b>(3.2)</b>	<b>\$49.398</b>	<b>2.3</b>
<b>Net Surplus/(Deficit)</b> <i>(Excluding Subsidies and Debt Service)</i>	<b>(\$1,090.596)</b>	<b>(\$1,218.217)</b>	<b>(\$1,147.707)</b>	<b>(\$57.111)</b>	<b>(5.2)</b>	<b>\$70.510</b>	<b>5.8</b>
<i>Cash Depreciation Adjustments</i>							
Depreciation	311.549	333.377	324.840	\$13.291	4.3	(\$8.537)	(2.6)
Operating/Capital	(33.575)	(13.525)	(14.948)	18.627	55.5	(1.423)	(10.5)
Other Cash Adjustments	79.000	100.952	27.495	(51.505)	(65.2)	(73.457)	(72.8)
<b>Total Cash Conversion Adjustments</b>	<b>\$356.974</b>	<b>\$420.804</b>	<b>\$337.387</b>	<b>(\$19.587)</b>	<b>(5.5)</b>	<b>(\$83.417)</b>	<b>(19.8)</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$733.622)</b>	<b>(\$797.413)</b>	<b>(\$810.319)</b>	<b>(\$76.697)</b>	<b>(10.5)</b>	<b>(\$12.906)</b>	<b>(1.6)</b>

Totals may not add due to rounding

**MTA LONG ISLAND RAIL ROAD  
2014 YEAR-END REPORT  
EXPLANATIONS OF CASH RECEIPTS AND EXPENDITURE VARIANCES**

**2014 Final Estimate vs. Actual**

**Receipts**

- **Farebox Revenue** was \$(0.6) million below the estimate as a result of lower than anticipated advanced sales, Metrocard/AirTrain sales and yield per passenger, partially offset by increased revenue due to higher ridership.
- **Other Operating Revenue** was \$(1.3) million or (2.9)% below the estimate primarily due to the timing of FEMA payments and intercompany receipts.
- **Capital and Other Reimbursements** were \$(20.6) million or (7.8)% below the estimate primarily due to the timing of capital retroactive wage settlement reimbursements, along with the timing of activity and reimbursement for capital and other reimbursements.

**Expenditures**

- **Payroll** was \$26.5 million or 4.1% lower than the estimate primarily due to the existence of vacant positions, lower than anticipated pay rates, retiree payments and the timing of inactive and unsettled union retroactive wage settlements.
- **Overtime** was \$(1.9) million or (1.2)% higher than the estimate due to higher project and maintenance overtime, partially offset by the timing of inactive and unsettled union retroactive overtime wage settlements and lower weather emergencies.
- **Health and Welfare** was \$(6.2) million or (5.6)% higher than expected due to the timing of payments, partially offset by the existence of vacant positions.
- **OPEB Current Payment** was \$(0.5) million or (0.9)% higher than the estimate due to the timing of payments, partially offset by lower retiree/beneficiaries.
- **Pensions** were \$(28.2) million or (14.5)% higher than the estimate primarily due to accelerated payments.
- **Other Fringe Benefits** were \$4.9 million or 3.5% lower than the estimate due to lower than expected Railroad Retirement Taxes as a result of the timing of retroactive wages and lower FELA payments.
- **Electric Power** was \$9.2 million or 8.0% lower than the estimate primarily due to lower rates than expected.

- **Fuel** was \$2.5 million or 8.3% lower than the estimate due to lower rates and consumption and the timing of payments.
- **Insurance** was \$1.6 million or 5.3% lower than estimate due to the timing of payments.
- **Claims** exceeded the estimate by \$(0.5) million or (21.5)% reflecting higher claim payments.
- **Maintenance and Other Operating Contracts** were \$12.0 million or 13.5% lower than the estimate primarily due to the timing of payments for Amtrak joint facility and maintenance services, partially offset by higher operating and construction service payments.
- **Professional Service Contracts** were \$6.1 million or 15.7% lower than estimate due to timing and lower payments for consulting and MTA chargeback services.
- **Materials and Supplies** were \$(17.0) million or (11.7)% higher than estimate primarily due to advance material purchases.
- **Other Business Expenses** were \$1.0 million or 7.5% lower than estimate primarily due to lower payments.
- **Other Expense Adjustments** were \$(0.1) million or (0.4)% lower than estimate due to higher Metrocard/AirTrain sales pass-through payments.
- **Cash Timing and Availability Adjustment** was \$0.2 million higher than the estimate.

The total cash deficit variance of \$(12.9) million, as detailed above, represents a real variance of \$25.8 million and a timing variance of \$(38.8) million.

## **2014 Adopted Budget vs. Actual**

### **Receipts**

- **Farebox Revenue** exceeded the budget by \$7.6 million or 1.1% due to higher than expected ridership, partially offset by lower Metrocard/AirTrain sales, yield per passenger and the effect of lower advance sales.
- **Other Operating Revenue** was \$(1.8) million or (3.8)% lower than budget primarily due to the timing of an air rights sale and the cancellation of another real estate sale, partially offset by higher rental and FEMA revenues.
- **Capital and Other Reimbursements** were \$2.7 million or 1.1% higher than budget due to prior year collections.

### **Expenditures**

- **Payroll** was \$(73.3) million or (13.6)% higher than budget due to the impact of retroactive wage settlements, partially offset by vacant positions.

- **Overtime** was \$(43.4) million or (40.2)% higher than budget primarily due to the impact of retroactive wage settlements, reimbursable activity, pay rates, vacancy/absentee coverage, weather-related and maintenance overtime.
- **Health and Welfare** was \$2.2 million or 1.8% lower than budget mainly as a result of lower than expected headcount and rates, partially offset by the timing of payments.
- **OPEB Current Payment** was \$7.5 million or 11.3% lower than budget due to lower rates and fewer retiree/beneficiaries, partially offset by the timing of payments.
- **Pensions** were \$(28.9) million or (15.0)% higher than budget due to accelerated payments and the latest actuarial estimate.
- **Other Fringe Benefits** were \$(1.3) million or (1.0)% higher than budget primarily due to higher Railroad Retirement Tax associated with retroactive wage settlements and payments for meals, partially offset by lower FELA claims and Railroad Unemployment Insurance payments.
- **GASB Account** was \$7.6 million or 57.0% lower than budget due to a change in methodology for collection of GASB payments associated with the retroactive wage settlement.
- **Electric Power** was \$(2.0) million or (1.9)% higher than budget primarily due to a prior year electric traction payment, partially offset by lower rates.
- **Fuel** was \$2.7 million or 8.9% lower than budget due to lower than expected rates and consumption.
- **Insurance** was \$2.7 million or 8.8% lower than budget, reflecting the timing of policy payments and lower premiums.
- **Claims** were \$(0.5) million or (19.8)% higher than budget primarily due to higher payments than expected.
- **Maintenance and Other Operating Contracts** were \$8.8 million or 10.3% lower than budget primarily due to timing and lower maintenance services payments, partially offset by higher payments for Amtrak joint facility services.
- **Professional Service Contracts** were \$11.9 or 26.7% lower than budget mainly as a result of the timing of and lower payments for consulting and MTA chargeback services.
- **Materials and Supplies** were \$14.8 million or 8.4% lower than budget due to the timing of program and production plan and operating funded capital material purchases and payments.

- **Other Business Expenses** were \$3.6 million or 22.3% lower than budget as a result of lower miscellaneous expense payments.
- **Other Expense Adjustments** were \$2.2 million or 9.0% lower than budget due to lower Metrocard/AirTrain sales pass-through payments.
- **Cash Timing and Availability Adjustment** was \$0.2 million higher than budget.

**MTA LONG ISLAND RAIL ROAD**  
**2014 Year-End Report**  
**Cash Receipts and Expenditures**  
**2014 Adopted Budget and Final Estimate vs. Actual**  
**(\$ in millions)**

	2014			Favorable/(Unfavorable) Variance			
	Adopted Budget	Final Estimate	Actual	2014 Adopted Budget		Final Estimate	
				\$	%	\$	%
<b>Receipts</b>							
Farebox Revenue	\$671.391	\$679.634	\$679.005	\$7.614	1.1	(\$0.629)	0.0
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	45.976	45.534	44.223	(1.753)	(3.8)	(1.311)	(2.9)
Capital and Other Reimbursements	240.887	264.173	243.550	2.663	1.1	(20.623)	(7.8)
<b>Total Receipts</b>	<b>\$958.254</b>	<b>\$989.341</b>	<b>\$966.778</b>	<b>\$8.524</b>	<b>0.9</b>	<b>(\$22.563)</b>	<b>(2.3)</b>
<b>Expenditures</b>							
Labor:							
Payroll	\$539.589	\$639.389	\$612.927	(\$73.338)	(13.6)	\$26.462	4.1
Overtime	108.081	149.641	151.509	(43.428)	(40.2)	(1.868)	(1.2)
Health and Welfare	119.508	111.131	117.315	2.193	1.8	(6.184)	(5.6)
OPEB Current Payment	66.731	58.710	59.213	7.518	11.3	(0.503)	(0.9)
Pensions	193.258	194.006	222.166	(28.908)	(15.0)	(28.160)	(14.5)
Other Fringe Benefits	135.806	142.072	137.134	(1.328)	(1.0)	4.938	3.5
GASB Account	13.346	5.733	5.733	7.613	57.0	0.000	0.0
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Labor Expenditures</b>	<b>\$1,176.319</b>	<b>\$1,300.682</b>	<b>\$1,305.997</b>	<b>(\$129.678)</b>	<b>(11.0)</b>	<b>(\$5.315)</b>	<b>(0.4)</b>
Non-Labor:							
Electric Power	\$103.801	\$114.994	\$105.810	(\$2.009)	(1.9)	\$9.184	8.0
Fuel	30.707	30.511	27.982	2.725	8.9	2.529	8.3
Insurance	30.751	29.632	28.048	2.703	8.8	1.584	5.3
Claims	2.346	2.313	2.810	(0.464)	(19.8)	(0.497)	(21.5)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	85.441	88.612	76.628	8.813	10.3	11.984	13.5
Professional Service Contracts	44.568	38.755	32.675	11.893	26.7	6.080	15.7
Materials & Supplies	177.602	145.771	162.765	14.837	8.4	(16.994)	(11.7)
Other Business Expenses	16.341	13.734	12.700	3.641	22.3	1.034	7.5
<b>Total Non-Labor Expenditures</b>	<b>\$491.557</b>	<b>\$464.322</b>	<b>\$449.419</b>	<b>\$42.138</b>	<b>8.6</b>	<b>\$14.903</b>	<b>3.2</b>
Other	24.000	21.750	21.835	2.165	9.0	(0.085)	(0.4)
<b>Total Other Expenditure Adjustments</b>	<b>\$24.000</b>	<b>\$21.750</b>	<b>\$21.835</b>	<b>\$2.165</b>	<b>9.0</b>	<b>(\$0.085)</b>	<b>(0.4)</b>
<b>Total Expenditures</b>	<b>\$1,691.876</b>	<b>\$1,786.754</b>	<b>\$1,777.251</b>	<b>(\$85.375)</b>	<b>(5.0)</b>	<b>\$9.503</b>	<b>0.5</b>
Cash Timing and Availability Adjustment	0.000	0.000	0.153	0.153	-	0.153	-
<b>Operating Cash Deficit</b>	<b>(\$733.622)</b>	<b>(\$797.413)</b>	<b>(\$810.319)</b>	<b>(\$76.697)</b>	<b>(10.5)</b>	<b>(\$12.906)</b>	<b>(1.6)</b>

Totals may not add due to rounding

**MTA LONG ISLAND RAIL ROAD**  
**2014 Year End Report**  
**Cash Conversion (Cash Flow Adjustments)**  
**2014 Adopted Budget and Final Estimate vs. Actual**  
**(\$ in millions)**

	<b>2014</b>			<b>Favorable/(Unfavorable) Variance</b>			
	<b>Adopted</b>	<b>Final</b>	<b>Actual</b>	<b>2014 Adopted Budget</b>		<b>Final Estimate</b>	
	<b>Budget</b>	<b>Estimate</b>		<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
<b>Receipts</b>							
Farebox Revenue	\$24.000	\$24.453	\$20.183	(\$3.817)	(15.9)	(\$4.270)	(17.5)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	-	0.000	-
Other Operating Revenue	(8.423)	(5.263)	(7.010)	1.413	16.8	(1.747)	(33.2)
Capital and Other Reimbursements	(39.197)	1.216	(36.443)	2.754	7.0	(37.659)	*
<b>Total Receipts</b>	<b>(\$23.620)</b>	<b>\$20.406</b>	<b>(\$23.270)</b>	<b>\$0.350</b>	<b>1.5</b>	<b>(\$43.676)</b>	<b>*</b>
<b>Expenditures</b>							
<b>Labor:</b>							
Payroll	\$2.712	\$10.773	\$23.978	\$21.266	*	\$13.205	*
Overtime	0.000	0.000	1.676	1.676	-	1.676	-
Health and Welfare	0.000	(0.549)	(6.955)	(6.955)	-	(6.406)	*
OPEB Current Payment	0.000	(0.147)	(2.557)	(2.557)	-	(2.410)	*
Pensions	0.000	13.594	(13.309)	(13.309)	-	(26.903)	*
Other Fringe Benefits	0.000	(2.462)	0.767	0.767	-	3.229	*
GASB Account	(13.346)	(5.733)	(5.733)	7.613	57.0	0.000	0.0
Reimbursable Overhead	0.000	0.000	0.000	0.000	-	0.000	-
<b>Total Labor Expenditures</b>	<b>(\$10.634)</b>	<b>\$15.476</b>	<b>(\$2.133)</b>	<b>\$8.501</b>	<b>79.9</b>	<b>(\$17.609)</b>	<b>*</b>
<b>Non-Labor:</b>							
Electric Power	\$0.000	(\$5.602)	(\$3.539)	(\$3.539)	-	\$2.063	36.8
Fuel	0.000	(1.176)	(0.216)	(0.216)	-	0.960	81.7
Insurance	0.190	(1.549)	(0.267)	(0.457)	*	1.282	82.7
Claims	1.810	1.550	3.649	1.839	*	2.099	*
Paratransit Service Contracts	0.000	0.000	0.000	0.000	-	0.000	-
Maintenance and Other Operating Contracts	0.000	(14.711)	(2.078)	(2.078)	-	12.633	85.9
Professional Service Contracts	3.350	0.097	0.727	(2.623)	(78.3)	0.630	*
Materials & Supplies	11.084	20.140	(17.069)	(28.153)	*	(37.209)	*
Other Business Expenses	0.732	(0.834)	(2.010)	(2.742)	*	(1.176)	*
<b>Total Non-Labor Expenditures</b>	<b>\$17.166</b>	<b>(\$2.085)</b>	<b>(\$20.805)</b>	<b>(\$37.971)</b>	<b>*</b>	<b>(\$18.720)</b>	<b>*</b>
<b>Other Expense Adjustments:</b>							
Other	(24.000)	(21.750)	(21.835)	2.165	9.0	(0.085)	(0.4)
<b>Total Other Expenditure Adjustments</b>	<b>(\$24.000)</b>	<b>(\$21.750)</b>	<b>(\$21.835)</b>	<b>\$2.165</b>	<b>9.0</b>	<b>(\$0.085)</b>	<b>(0.4)</b>
<b>Total Expenditures Before Depreciation</b>	<b>(\$17.468)</b>	<b>(\$8.359)</b>	<b>(\$44.772)</b>	<b>(\$27.304)</b>	<b>*</b>	<b>(\$36.413)</b>	<b>*</b>
Depreciation	\$311.549	\$333.377	\$324.840	\$13.291	4.3	(\$8.537)	(2.6)
Other Post Employee Benefits	84.513	71.780	74.558	(9.955)	(11.8)	2.778	3.9
Environmental Remediation	2.000	3.600	5.878	3.878	*	2.278	63.3
<b>Total Expenditures</b>	<b>\$380.594</b>	<b>\$400.398</b>	<b>\$360.503</b>	<b>(\$20.091)</b>	<b>(5.3)</b>	<b>(\$39.895)</b>	<b>(10.0)</b>
Cash Timing and Availability Adjustment	0.000	0.000	0.153	0.153	-	0.153	-
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$356.974</b>	<b>\$420.804</b>	<b>\$337.387</b>	<b>(\$19.587)</b>	<b>(5.5)</b>	<b>(\$83.417)</b>	<b>(19.8)</b>

Totals may not add due to rounding

**MTA LONG ISLAND RAIL ROAD**  
**2014 YEAR-END REPORT**  
**2014 CASH RESULTS - ACTUAL vs. FINAL ESTIMATE**  
(\$ in millions)

	Final Estimate	Actual	Favorable/(Unfavorable) Variance		
			Total	Real	Timing
<b>Receipts</b>					
Farebox Revenue	\$679.6	\$679.0	(\$0.6)	\$0.4	(\$1.0)
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	45.5	44.2	(1.3)	0.3	(1.6)
Capital and Other Reimbursements	264.2	243.5	(20.6)	(2.9)	(17.8)
<b>Total Receipts</b>	<b>989.3</b>	<b>966.8</b>	<b>(22.6)</b>	<b>(2.2)</b>	<b>(20.3)</b>
<b>Expenditures</b>					
Labor:					
Payroll	639.4	612.9	26.5	19.7	6.8
Overtime	149.6	151.5	(1.9)	(5.2)	3.3
Health and Welfare	111.1	117.3	(6.2)	1.1	(7.3)
OPEB Current Payment	58.7	59.2	(0.5)	1.9	(2.4)
Pensions	194.0	222.2	(28.2)	(0.2)	(28.0)
Other Fringe Benefits	142.1	137.1	4.9	0.8	4.2
GASB Account	5.7	5.7	0.0	0.0	0.0
Reimbursable Overhead	0.0		0.0	0.0	0.0
<b>Total Labor Expenditures</b>	<b>1,300.7</b>	<b>1,306.0</b>	<b>(5.3)</b>	<b>18.1</b>	<b>(23.4)</b>
Non-Labor:					
Electric Power	115.0	105.8	9.2	8.8	0.4
Traction Power	101.3	94.2	7.1	6.7	0.4
Non-Traction Power	13.7	11.6	2.1	2.1	0.0
Fuel	30.5	28.0	2.5	2.0	0.5
Revenue Vehicle Fuel	25.0	23.4	1.6	1.6	0.0
Non-Revenue Fuel	5.5	4.6	1.0	0.5	0.5
Insurance	29.6	28.0	1.6	0.0	1.6
Claims	2.3	2.8	(0.5)	(0.5)	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	88.6	76.6	12.0	(1.3)	13.3
Professional Service Contracts	38.8	32.7	6.1	3.6	2.5
Materials & Supplies	145.8	162.8	(17.0)	(3.6)	(13.4)
Other Business Expenses	13.7	12.7	1.0	0.9	0.1
<b>Total Non-Labor Expenditures</b>	<b>464.3</b>	<b>449.4</b>	<b>14.9</b>	<b>9.9</b>	<b>5.0</b>
Other Expenditure Adjustments:					
Other	21.8	21.8	(0.1)	(0.1)	0.0
<b>Total Other Expenditure Adjustments</b>	<b>21.8</b>	<b>21.8</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>0.0</b>
<b>Total Expenditures</b>	<b>1,786.8</b>	<b>1,777.3</b>	<b>9.5</b>	<b>27.9</b>	<b>(18.4)</b>
Cash Timing and Availability Adjustment	0.0	0.2	0.2	0.2	0.0
<b>Baseline Net Cash Deficit</b>	<b>(\$797.4)</b>	<b>(\$810.3)</b>	<b>(\$12.9)</b>	<b>\$25.8</b>	<b>(\$38.8)</b>

Totals may not agree due to rounding.

**MTA LONG ISLAND RAIL ROAD**  
**2014 Overtime Results**  
**Non-Reimbursable/Reimbursable Overtime**  
(\$ in millions)

	2014 Adopted Budget		2014 Final Estimate		Actual		2014 Adopted Budget vs. Actuals		2014 Final Estimate vs. Actuals	
	Hours	\$	Hours	\$	Hours	\$	Var. - Fav/(Unfav)	Var. - Fav/(Unfav)	Hours	\$
							Hours	\$	Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>										
<u>Scheduled Service</u> <sup>1</sup>	374,970	\$19.509	384,699	\$20.127	385,537	\$19.883	(10,567) -2.8%	(\$0.374) -1.9%	(838) -0.2%	\$0.244 1.2%
<u>Unscheduled Service</u>	119,205	6.704	138,797	8.475	102,294	6.012	16,911 14.2%	0.692 10.3%	36,503 26.3%	2.463 29.1%
<u>Programmatic/Routine Maintenance</u>	539,373	25.862	608,566	29.011	640,791	30.961	(101,418) -18.8%	(5.098) -19.7%	(32,225) -5.3%	(1.949) -6.7%
<u>Unscheduled Maintenance</u>	6,229	0.284	9,137	0.420	8,698	0.396	(2,469) -39.6%	(0.112) -39.3%	439 4.8%	0.024 5.6%
<u>Vacancy/Absentee Coverage</u>	644,837	31.963	629,500	30.925	637,482	31.078	7,355 1.1%	0.885 2.8%	(7,982) -1.3%	(0.153) -0.5%
<u>Weather Emergencies</u>	143,533	7.618	215,713	11.728	173,897	8.805	(30,364) -21.2%	(1.187) -15.6%	41,817 19.4%	2.923 24.9%
<u>Safety/Security/Law Enforcement</u> <sup>2</sup>	-	-	-	-	-	-	-	-	-	-
<u>All Other</u> <sup>3</sup>	18,164	0.814	22,344	28.149	29,155	28.362	(10,991) -60.5%	(27.549) *	(6,811) -30.5%	(0.213) -0.8%
<b>TOTAL NON-REIMBURSABLE OVERTIME</b>	<b>1,846,311</b>	<b>\$92.755</b>	<b>2,008,755</b>	<b>\$128.835</b>	<b>1,977,853</b>	<b>\$125.497</b>	<b>(131,542)</b>	<b>(\$32.742)</b>	<b>30,902</b>	<b>\$3.338</b>
<b>REIMBURSABLE OVERTIME</b>	<b>294,728</b>	<b>\$15.326</b>	<b>380,284</b>	<b>\$20.806</b>	<b>430,554</b>	<b>\$27.688</b>	<b>(135,827)</b>	<b>(\$12.362)</b>	<b>(50,270)</b>	<b>(\$6.882)</b>
							<b>-46.1%</b>	<b>-80.7%</b>	<b>-13.2%</b>	<b>-33.1%</b>
<b>TOTAL OVERTIME</b>	<b>2,141,038</b>	<b>\$108.081</b>	<b>2,389,040</b>	<b>\$149.641</b>	<b>2,408,407</b>	<b>\$153.185</b>	<b>(267,369)</b>	<b>(\$45.104)</b>	<b>(19,368)</b>	<b>(\$3.544)</b>
							<b>-12.5%</b>	<b>-41.7%</b>	<b>-0.8%</b>	<b>-2.4%</b>

1 Includes 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  
2014 YEAR-END REPORT  
EXPLANATIONS OF VARIANCES ON RIDERSHIP/ (UTILIZATION)**

**2014 Final Estimate vs. Actual**

Ridership of 85.9 million was 0.9% above the final estimate resulting in an increase of \$5.9 million in farebox revenue versus the Final Estimate, partially offset by a lower yield per passenger of \$(2.3) million resulting in a net increase of \$3.6 million in revenue.

**2014 Adopted Budget vs. Actual**

In comparison to the Adopted Budget, actual farebox revenue was above budget by \$11.4 million. Higher than projected ridership of (1.9)% resulted in a revenue increase of \$12.2 million, partially offset by lower yield per passenger that resulted in a revenue decrease of \$(0.8) million.

Compared to 2013, ridership increased by 3.0% or 2.5 million passengers.

**MTA LONG ISLAND RAIL ROAD**  
**2014 ADOPTED BUDGET AND FINAL ESTIMATE vs. ACTUAL**  
**UTILIZATION**  
(in millions)

	Year-to-Date as of December 2014			Variance Favorable/(Unfavorable)			
	Adopted Budget	Final Estimate	Actual	vs. Budget		vs. Final Estimate	
	\$	%	\$	%	%	\$	%
<b>Farebox Revenue</b>							
Monthly	\$317.924	\$319.131	\$321.443	\$3.518	1.1	\$2.312	0.7
Weekly	16.414	18.104	18.470	2.056	12.5	0.367	2.0
<b>Total Commutation</b>	<b>\$334.339</b>	<b>\$337.235</b>	<b>\$339.913</b>	<b>\$5.574</b>	<b>1.7</b>	<b>\$2.678</b>	<b>0.8</b>
One Way Full	\$84.199	\$84.923	\$85.404	\$1.204	1.4	\$0.481	0.6
One Way Off Peak	160.857	162.440	161.982	1.125	0.7	(0.458)	(0.3)
All Other	67.996	70.584	71.523	3.528	5.2	0.939	1.3
<b>Total Non Commutation</b>	<b>\$313.052</b>	<b>\$317.947</b>	<b>\$318.909</b>	<b>\$5.857</b>	<b>1.9</b>	<b>\$0.962</b>	<b>0.3</b>
<b>Total Farebox Revenue</b>	<b>\$647.391</b>	<b>\$655.181</b>	<b>\$658.822</b>	<b>11.431</b>	<b>1.8</b>	<b>\$3.641</b>	<b>0.6</b>
<b>Ridership</b>							
Monthly	46.678	46.902	47.318	0.640	1.4	0.416	0.9
Weekly	1.797	1.984	2.021	0.224	12.5	0.038	1.9
<b>Total Commutation</b>	<b>48.476</b>	<b>48.886</b>	<b>49.340</b>	<b>0.864</b>	<b>1.8</b>	<b>0.454</b>	<b>0.9</b>
One Way Full	8.211	8.197	8.269	0.058	0.7	0.073	0.9
One Way Off Peak	17.857	17.867	17.943	0.086	0.5	0.077	0.4
All Other	9.728	10.149	10.316	0.588	6.0	0.168	1.7
<b>Total Non Commutation</b>	<b>35.796</b>	<b>36.212</b>	<b>36.529</b>	<b>0.733</b>	<b>2.0</b>	<b>0.317</b>	<b>0.9</b>
<b>Total Ridership</b>	<b>84.272</b>	<b>85.097</b>	<b>85.868</b>	<b>1.597</b>	<b>1.9</b>	<b>0.771</b>	<b>0.9</b>

**MTA LONG ISLAND RAIL ROAD  
2014 YEAR-END REPORT  
EXPLANATIONS OF VARIANCES on POSITIONS  
By FUNCTION and DEPARTMENT  
NON-REIMBURSABLE/ REIMBURSABLE and FULL-TIME/ FULL-TIME  
EQUIVALENTS**

**2014 Final Estimate vs. Actual**

At the end of 2014, the Long Island Rail Road had 6,906 total active paid employees, which consisted of 6,060 non-reimbursable and 846 reimbursable positions. This was 155 positions or 2.2% below the final estimate of 7,061.

The lower number of actual positions as compared to the final estimate was associated with operational training program limitations, more stringent management oversight of hiring for non-craft positions and newly hired Information Technology management positions being hired as MTA employees even though their positions remained budgeted at the LIRR, in advance of the 2015 consolidation. There were four departments that drove the headcount variance; Transportation Services, Information Technology, Maintenance of Equipment, and Department of Program management.

**2014 Year End Report**  
**Non-Reimbursable-Reimbursable Positions by Function and Department**  
**Full-Time Positions and Full-Time Equivalents**  
**December 31, 2014**

	2014	2014	Actual	Favorable/(Unfavorable)			
	Adopted Budget	Final Estimate		Adopted Budget Variance	%	Final Estimate Variance	%
<b>Administration</b>							
Executive VP	5	5	7	(2)	-40.0%	(2)	-40.0%
Labor Relations	18	18	15	3	16.7%	3	16.7%
Procurement & Logistics (excl. Stores)	83	82	82	1	1.2%	0	0.0%
Human Resources	32	32	31	1	3.1%	1	3.1%
Sr VP Administration	2	2	1	1	50.0%	1	50.0%
Strategic Investments	32	32	28	4	12.5%	4	12.5%
President	4	4	4	0	0.0%	0	0.0%
VP & CFO	2	5	2	0	0.0%	3	60.0%
Information Technology	164	164	145	19	11.6%	19	11.6%
Controller	46	46	42	4	8.7%	4	8.7%
Management and Budget	19	19	19	0	0.0%	0	0.0%
Process Re-Engineering	7	7	7	0	0.0%	0	0.0%
VP - East Side Access & Special Projects	42	28	23	19	45.2%	5	17.9%
Market Dev. & Public Affairs	61	70	69	(8)	-13.1%	1	1.4%
Gen. Counsel & Secretary	30	31	30	0	0.0%	1	3.2%
Diversity Management	1	2	2	(1)	-100.0%	0	0.0%
Security	11	12	12	(1)	-9.1%	0	0.0%
System Safety	74	93	80	(6)	-8.1%	13	14.0%
Service Planning	22	22	22	0	0.0%	0	0.0%
Sr. VP Operations	2	2	2	0	0.0%	0	0.0%
<b>Total Administration</b>	<b>657</b>	<b>676</b>	<b>623</b>	<b>34</b>	<b>5.2%</b>	<b>53</b>	<b>7.8%</b>
<b>Operations</b>							
Train Operations	2,025	2,089	2,023	2	0.1%	66	3.2%
Customer Service	299	299	299	0	0.0%	0	0.0%
<b>Total Operations</b>	<b>2,324</b>	<b>2,388</b>	<b>2,322</b>	<b>2</b>	<b>0.1%</b>	<b>66</b>	<b>2.8%</b>
<b>Maintenance</b>							
Engineering	1,740	1,736	1,731	9	0.5%	5	0.3%
Equipment	2,034	2,015	1,997	37	1.8%	18	0.9%
Procurement (Stores)	93	93	98	(5)	-5.4%	(5)	-5.4%
<b>Total Maintenance</b>	<b>3,867</b>	<b>3,844</b>	<b>3,826</b>	<b>41</b>	<b>1.1%</b>	<b>18</b>	<b>0.5%</b>
<b>Engineering/Capital</b>							
Department of Project Management	136	153	135	1	0.7%	18	11.8%
<b>Total Engineering/Capital</b>	<b>136</b>	<b>153</b>	<b>135</b>	<b>1</b>	<b>0.7%</b>	<b>18</b>	<b>11.8%</b>
<b>Baseline Total Positions</b>	<b>6,984</b>	<b>7,061</b>	<b>6,906</b>	<b>78</b>	<b>1.1%</b>	<b>155</b>	<b>2.2%</b>
<i>Non-Reimbursable</i>	6,190	6,184	6,060	130	2.1%	124	2.0%
<i>Reimbursable</i>	794	877	846	(52)	-6.5%	31	3.5%
<b>Total Full-Time</b>	<b>6,984</b>	<b>7,061</b>	<b>6,906</b>	<b>78</b>	<b>1.1%</b>	<b>155</b>	<b>2.2%</b>
<b>Total Full-Time-Equivalents</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>	

**MTA LONG ISLAND RAIL ROAD  
2014 YEAR-END REPORT  
EXPLANATIONS of VARIANCES  
By FUNCTION AND OCCUPATION GROUP**

**2014 Final Estimate vs. Actual**

At the end of 2014, the Long Island Rail Road had 6,906 total active paid employees, which consisted of 1,378 Managers/Supervisors, 816 Professional, Technical & Clerical and 4,712 Operational Hourlies. This was 155 positions or 2.2% below the year-end estimate of 7,061. Headcount vacancies at year-end were primarily found in Managers/Supervisors and Professional titles.

**MTA LONG ISLAND RAIL ROAD**  
**2014 Final Estimate vs. Preliminary Actual**  
**Total Positions by Function and Occupational Group**  
**December 2014**

	2014 Adopted Budget	2014 Final Estimate	Actual	Favorable/(Unfavorable)			
				2014		2014	
				Adopted Budget Variance	%	Final Estimate Variance	%
<b>Administration</b>							
Managers/Supervisors	345	342	302	43	12.5%	40	11.7%
Professional, Technical, Clerical	312	334	321	(9)	-2.9%	13	3.9%
Operational Hourlies	0	0	0	0	*	0	*
<b>Total Administration</b>	<b>657</b>	<b>676</b>	<b>623</b>	<b>34</b>	<b>5.2%</b>	<b>53</b>	<b>7.8%</b>
<b>Operations</b>							
Managers/Supervisors	332	306	287	45	13.6%	19	6.2%
Professional, Technical, Clerical	167	183	185	(18)	-10.8%	(2)	-1.1%
Operational Hourlies	1825	1,899	1,850	(25)	-1.4%	49	2.6%
<b>Total Operations</b>	<b>2,324</b>	<b>2,388</b>	<b>2,322</b>	<b>2</b>	<b>0.1%</b>	<b>66</b>	<b>2.8%</b>
<b>Maintenance</b>							
Managers/Supervisors	760	760	691	69	9.1%	69	9.1%
Professional, Technical, Clerical	269	291	273	(4)	-1.5%	18	6.2%
Operational Hourlies	2838	2,793	2,862	(24)	-0.8%	(69)	-2.5%
<b>Total Maintenance</b>	<b>3,867</b>	<b>3,844</b>	<b>3,826</b>	<b>41</b>	<b>1.1%</b>	<b>18</b>	<b>0.5%</b>
<b>Engineering/Capital</b>							
Managers/Supervisors	99	116	98	1	1.0%	18	15.5%
Professional, Technical, Clerical	37	37	37	0	0.0%	0	0.0%
Operational Hourlies	0	0	0	0	*	0	*
<b>Total Engineering/Capital</b>	<b>136</b>	<b>153</b>	<b>135</b>	<b>1</b>	<b>0.7%</b>	<b>18</b>	<b>11.8%</b>
<b>Baseline Total Positions</b>							
Managers/Supervisors	1,536	1,524	1,378	158	10.3%	146	9.6%
Professional, Technical, Clerical	785	845	816	(31)	-3.9%	29	3.4%
Operational Hourlies	4,663	4,692	4,712	(49)	-1.1%	(20)	-0.4%
<b>Total Baseline</b>	<b>6,984</b>	<b>7,061</b>	<b>6,906</b>	<b>78</b>	<b>1.1%</b>	<b>155</b>	<b>2.2%</b>

**MTA LONG ISLAND RAIL ROAD  
2014 YEAR-END REPORT  
RESULTS OF OPERATIONS**

**FINANCIAL PERFORMANCE**

The LIRR's 2014 financial performance was strong. Total spending was less than budget (when excluding the impact of the retroactive portion of the union contract wage settlements), and total revenue exceeded budget. At the same time, the Rail Road was able to accomplish its mission of providing safe, secure, and reliable transportation to its customers. Total spending of \$1,857.8 million was \$65.4 million unfavorable to the Adopted Budget of \$1,792.4 million. The net deficit was \$(1,147.7) million, or 5.2% unfavorable to the Adopted Budget.

The operating cash deficit was \$(810.3) million or 10.5% unfavorable to the Adopted Budget and 1.6% unfavorable to the Final Estimate. Again, the unfavorable variance was driven in large part by the impact of the retroactive portion of the union contract wage settlements.

During 2014 the LIRR continued to progress on several key fronts intended to enhance its ability to provide safe, reliable service to customers. It began work on several important resiliency/restoration projects established as a response to Superstorm Sandy. It launched new safety initiatives to address concerns raised by both local and national rail incidents and initiated several popular service improvements. In addition to these efforts, the LIRR continued to work aggressively to manage its everyday normal service, maintain its infrastructure maintenance and provide a high level of customer service.

*Managing Workforce Levels:* Given that payroll spending is the single largest expense category in the budget, it is essential that the LIRR pay close attention to staffing levels. On the one hand senior management must ensure that the LIRR does not exceed funded staffing levels, but on the other hand it must make sure that the number of vacancies does not grow to such an extent that necessary work is deferred or excessive overtime is incurred.

The LIRR's success at controlling labor-related expenses is founded on the development of a realistic and efficient 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. Despite higher than anticipated attrition in recent years coupled by increased workload, the LIRR was able to use its 2014 hiring plan to fill critical positions and reduce the number of vacancies in several key departments including in the Maintenance of Equipment department.

*Controlling Overtime:* In 2008 the LIRR established the Overtime Task Force, which was tasked with strengthening the Rail Road's overtime monitoring and approval process, standardizing procedures, and increasing managerial accountability for overtime usage. The Task Force is a corporate-wide effort that engages high-level

senior management and staffing from the four main operating departments and relevant oversight and support departments. The Task Force formally meets on a quarterly basis to review and discuss progress on strategic overtime initiatives and overall overtime data. Individual working groups met regularly on their own to discuss trends and identify corrective actions plans.

The Task Force identified several key areas of strategic focus for 2014, and in these areas it achieved measurable success. The work paid dividends as relief day overtime, in the Transportation Department was below the prior year by almost 17%. Relief day overtime is incurred when an employee works on their scheduled day off typically to absentee or vacant position coverage. The major initiative for Maintenance of Equipment was reducing the number of open jobs because this contributed to 15% of the total overtime in the department in prior years. Again, the LIRR achieved success as the hiring plan allowed it to reduce the average number of open jobs by 38 positions, thereby lowering overtime hours worked by 44% over 2013.

Finally, in Station Services, overtime stemming from the extension of tours was 35% lower than 2013 due to tightened controls on scheduling, staffing and assignments.

Despite progress in these targeted areas, the LIRR exceeded its total overtime budget. As noted, a large factor in the variance was the impact of the retroactive wage settlement, which had not been factored into the budget. Another factor was the LIRR's heavy focus on right of way maintenance in 2014, with overtime was required to completed several projects.

Despite succeeding in reducing the number of vacancies and overtime hours worked in this category when compared to the prior year, open job related overtime still exceeded budget. The LIRR is 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. For example, in 2014, the LIRR was able to reduce the average number of open jobs in the Maintenance of Equipment Department by 46%, from 78 in 2013 to 42 in 2014. The LIRR expects to continue to close the headcount gap through 2015. The Overtime Task Force will continue to identify and implement management actions to control overtime in 2015 as well as progress with achieving the hiring plan goals.

*Matching Inventory and Material Purchasing with Needs:* Materials purchases are the second largest cost category in the budget. Careful management of this spending is a very important component in achieving financial success. The Inventory Task Force has continued to oversee the management of inventory and material acquisition. For 2014 the goals were clear: maximize financial resources; reduce the amount of surplus and excess material and reduce inventory levels; and ensure that material is available to meet departmental work plans and infrastructure maintenance needs. In 2014, by making better use of existing inventory, spending on materials and supplies was \$14.8 million less than budget on a cash basis.

One metric used by the MTA to measure financial performance is Farebox Operating Ratio, which calculates what percent of operating expenses the LIRR covers through farebox revenue. In 2014, the ratio decreased from 47.9% in 2013 to 45.1%. As discussed earlier, the major factor driving this change was the impact of the retroactive

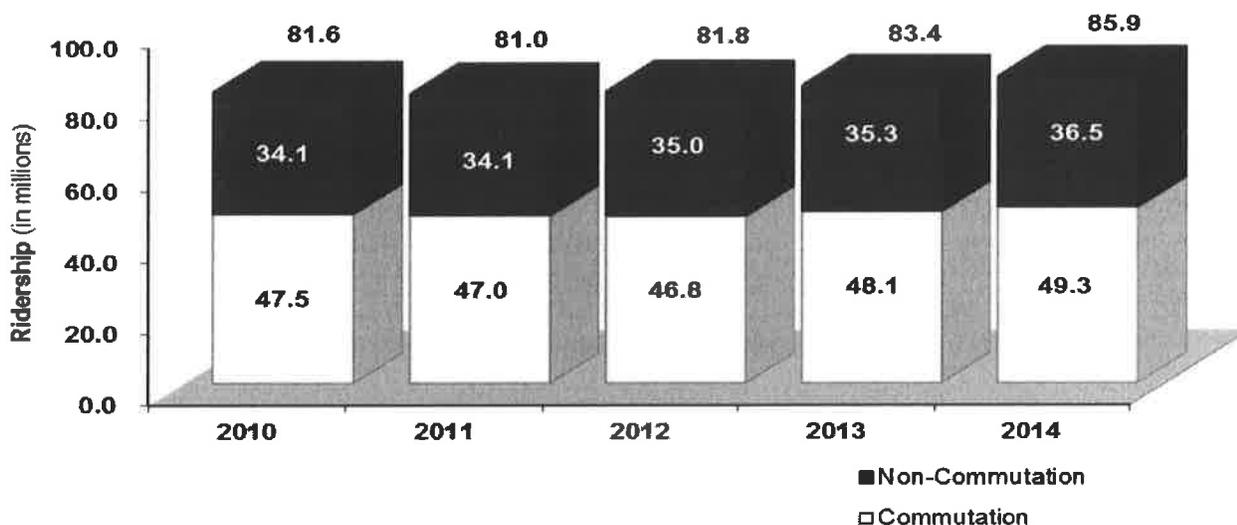
wage settlement. It is important to note that excluding the LIRR's unfunded pension liability expenses, the LIRR's farebox operating ratio would have been 55.1% in 2014. The LIRR's operating cost per passenger increased from \$15.89 in 2013 to \$17.09 in 2014.

## RIDERSHIP AND REVENUE

LIRR ridership rose in 2014, as a steadily improving economy and popular service to Barclays Center continued to boost the number of railroad customers above the previous year. Total ridership for 2014 was 85.9 million, 3.0% higher than in 2013. 2014 was the third best year for ridership in 60 years. The LIRR hopes this growth will continue in 2015 with a focus on customer service and a continued strengthening economy.

Both the Commutation and Non-Commutation markets experienced ridership growth in 2014. Ridership for these markets was strong, indicating that the region's economy improved and customers responded favorably to service restorations.

### Historical Ridership



## LIRR Ridership & NYC Employment

	2010	2011	2012	2013	2014	14 vs 13
<i>Commutation</i>	47.5	47.0	46.8	48.1	49.3	2.6%
<i>Non-Commutation</i>	34.1	34.1	35.0	35.3	36.5	3.5%
<b><i>Total Ridership</i></b>	<b>81.6</b>	<b>81.0</b>	<b>81.8</b>	<b>83.4</b>	<b>85.9</b>	<b>3.0%</b>
<b><i>NYC Employment</i></b>	<b>3,711.3</b>	<b>3,786.0</b>	<b>3,877.5</b>	<b>3,981.5</b>	<b>4,102.2</b>	<b>3.0%</b>

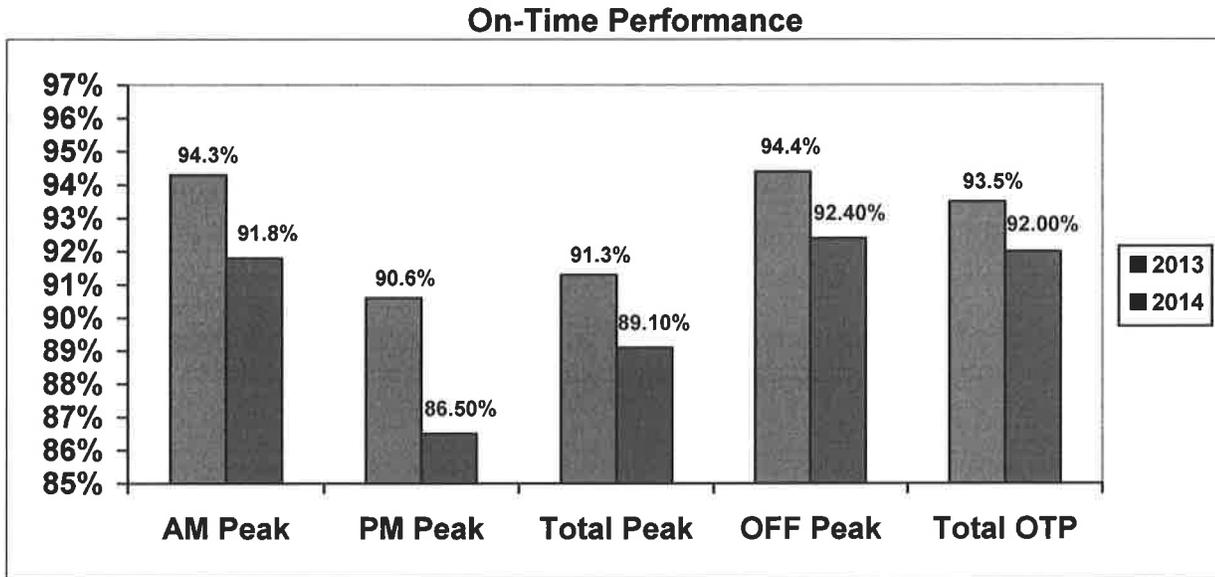
In 2014 the LIRR took a number of steps that helped boost weekend and leisure travel ridership, including an enhanced service plan to meet the continuing demand created by the opening of the Barclays Center in Brooklyn, located adjacent to the LIRR's Atlantic Terminal. The LIRR also initiated a series of new service investments, designed to have a positive impact on the customer by addressing loading issues and frequency of service. Key highlights included:

- **West Hempstead Branch:** In November 2014, the LIRR restored bi-hourly weekend service on the West Hempstead Branch which had been eliminated in 2010.
- **Montauk Branch:** To address customer demands for increased capacity and improved service, the LIRR shifted Cannonball Service to Penn Station – establishing a one-seat 94 minute ride to Montauk. The program was a huge success with reserved seats fully booked for the season by early June. Other Montauk Branch investments included adding three eastbound Freeport beach trains during the summer and extending seasonal weekend service an additional ten weeks, now starting in early May and running through Thanksgiving weekend.
- **Brooklyn Barclays Center:** The service enhancements to Atlantic Terminal that extended trains to 2 AM after events at the Barclays Center continue to support ridership growth. The impressive line-up of performances at Barclays continued to attract healthy discretionary ridership growth. With the NY Islanders making Barclays their home arena, ridership is expected to experience significant growth in 2015.
- **Sports and Entertainment Market:** The LIRR undertook special promotions for area sporting and entertainment events. These included extra service to/from Super Bowl related events in Manhattan; special promotions with the New York Islanders hockey team, the New York Cosmos soccer club, and the New York Lizards lacrosse team, as well as extra train service for a popular concert series at the recently reopened Forest Hills Stadium. Continuing its successful program to provide service to the Meadowland's MetLife Stadium, the LIRR carried 13,414 LIRR customers.
- **Leisure Travel/Beach Ridership:** During 2014 the LIRR also experienced an increase in leisure travel, with ridership up 15% overall and beach ridership up 6%. To support this, the LIRR improved customer amenities by completing restroom renovations in time for summer passengers at the Long Beach Station, a popular

destination for beachgoers. Group travel ridership was up 3% and there was a record 118% growth of package ticket sales for the Belmont Stakes.

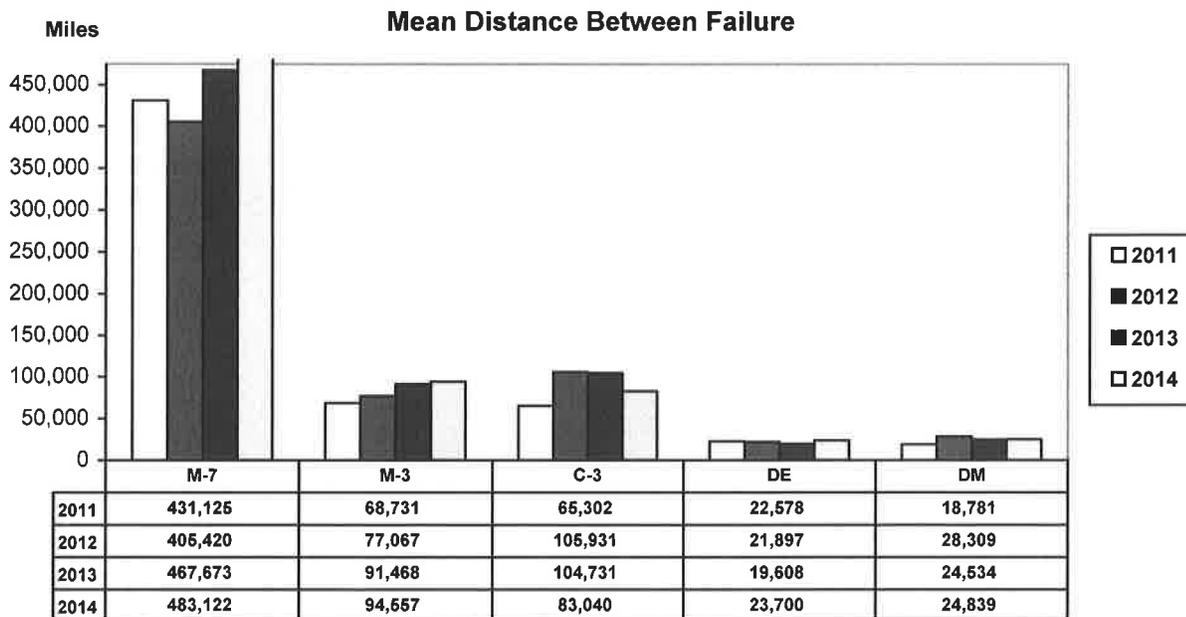
## OPERATIONAL PERFORMANCE

*On-Time Performance (OTP):* 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 2014, the LIRR's OTP was 92%. This was less than the LIRR's 93.5% rate in 2013.



Several factors contributed to the OTP decline. The region experienced 14 winter storms and four severe rain storms, each of which had significant impacts on service. While the number of storms was similar to 2013, they resulted in 700 additional late trains. Other common factors affecting OTP in 2014 included loading delays, trespassing, and signal related delays.

*Mean Distance Between Failure (MDBF):* MDBF is the standard measurement used to gauge fleet reliability. The MDBF for the entire fleet in 2014 was 206,226 miles, which exceeded the 2014 goal of 153,000 miles by 34.8% and represents a 0.2% increase from 2013. The 2014 level was the highest annual fleet-wide MDBF since tracking was initiated.



The M-7 fleet MDBF continued to be the driving factor in the LIRR's fleet reliability achievements. With an MDBF of 483,122 miles, the M7 fleet far exceeded the goal of 355,000 miles, and recorded the highest ever MDBF for any year since inception. The Reliability Centered Maintenance program and rigorous maintenance schedules and protocols contributed to these outstanding results.

The Maintenance of Equipment Department's increased maintenance efforts have also lead to improved reliability of the 29 year old M-3 fleet. The M3 MDBF of 94,557 miles exceeded the goal by 71.9% and exceeded the 2013 actuals by 3.4%. It was also the highest MDBF ever recorded for the M-3 fleet. Key factors that yielded benefits in 2014 include the automatic train control modification and propulsion system initiatives implemented in years past. Also, a recent door micro switch modification program continues to yield excellent results.

The diesel fleet achieved an MDBF of 57,100 miles, which far exceeded the goal by 26.9% and produced a third best year for diesel fleet MDBF. The next section in this report provides a review of the Diesel Reliability Plan.

At the end of 2014, the MU electric fleet consisted of 832 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 11.8% and 15.7% respectively. The AM peak requirement at year-end was 862 for the MU fleet and 113 for the C-3 coaches.

### **Diesel Fleet Reliability**

The LIRR has implemented many improvements in diesel passenger locomotive and coach maintenance over the last seven years. The success of these efforts has greatly improved reliability as evidenced by substantially higher MDBF levels through 2013. Severe weather and unavailability of new door maintenance components due to OEM

vendor issues hampered C3 MDBF in 2014 and will be addressed this year with parts deliveries beginning early 2015.

Some of the new and continuing initiatives include:

- Renewed door program to reduce single largest system failure affecting C3 fleet performance.
- C3 HVAC Controls upgrade to improve reliability and performance.
- C3 Toilet room enhancement designs to improve customer comfort and improve reliability.
- Locomotive and C3 Cab GPS installation
- 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.
- Siemens gate unit replacement and software upgrade for improved reliability of propulsion systems.

## **CUSTOMER COMMUNICATION**

The LIRR's ongoing commitment to improving the customer experience included introducing a new version of the LIRR "Train Time" app developed with customer feedback. New features include an improved "station picker" screen, a better "arrival countdown" screen, enhanced "trip search" capability, and a new server that allows the LIRR to handle more than 2,000 Train Time requests per minute. By the end of 2014 more than 220,000 LIRR customers had downloaded the app, which provides real-time train status and track information, emergency service alerts and service advisory notices on planned changes, station information, schedules and fares, elevator/escalator status, parking availability and getaways packages.

Ongoing customer communication efforts includes the use of social media tools to respond to customer concerns in real time and the LIRR's Public Information Office, which operates 24/7, in order to provide customers with email alerts, station announcements, electronic branch line messages, onboard announcements, and website updates, especially during service disruptions.

## **CUSTOMER AMENITIES**

During 2014, the LIRR strategically deployed crews from the Structures Division of the Engineering Department to complete station upgrades. These efforts led to the station component upgrades listed below:

- Seven restroom renovations at the following stations: Great Neck, Babylon, Long Beach, and Lynbrook
- Platform rehabilitation work at Great Neck and Sayville stations
- Staircase, handrail and canopy rehabilitation or replacement at Locust Manor, Floral Park and Little Neck stations
- Oakdale Station Building Rehabilitation

## CUSTOMER SATISFACTION

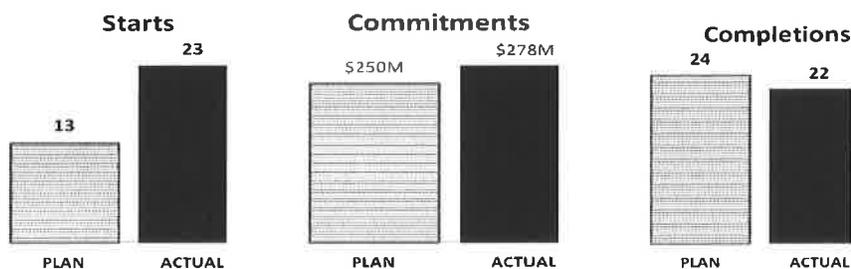
The Long Island Rail Road achieved a customer satisfaction rating with an overall score of 84%, indicating the majority of customers were satisfied with the LIRR. Train service also received a score of 84%. Boarding stations received an 86% overall satisfaction rating. In spite of heavy weather conditions during winter months adversely affected train service and OTP in 2014, the Overall Customer Satisfaction score remained the same as in 2013.

## CAPITAL IMPROVEMENTS

In 2014, the LIRR exceeded its Capital Program goals for Commitments and Starts; and reached 90% of their planned completions. LIRR also exceeded their MTA 2014 goals for the Small Business Mentor Programs.

The LIRR's 2014 capital commitments totaled over \$278 million. Commitments that exceeded the annual goal included the Colonial Road Improvements; Ellison Avenue Bridge Replacement; Massapequa Pocket Track; and Replacement of Atlantic Tunnel Block Ties.

The Rail Road's 2014 capital completions totaled more than \$148 million. Among the major completions during the year were the Woodhaven Boulevard Bridge Rehabilitation; the 2014 Annual Track Program; Third Rail and Communication Pole Replacement Programs; New Atlantic Terminal Elevator; and Sutphin Boulevard Bridge Painting and Fireproofing.



In addition, the LIRR advanced construction on important elements within each infrastructure asset category. Both normal replacement and system improvement projects continue to progress in 2014.

### ***System Improvements***

- **Jamaica Capacity Improvements Project:** Design of Jamaica Capacity Improvements Phase I was completed in October 2014. In May 2014, a Design-Build contract for Johnson Avenue Yard was awarded and reconfiguration of the yard was begun.
- **Main Line Double Track:** Construction of Phase I, consisting of 5.3 miles of new track infrastructure from west of Central Islip to Ronkonkoma, continued in 2014.

Early Civil and Structure Work necessary to widen the track beds for the Second Track is well underway.

### ***Signal & Communication Systems***

- **Speonk to Montauk Signalization:** The installation of the Automatic Speed Control Signal System from Speonk to Montauk is progressing. The Rail Road's strategy calls for a phased approach to installation of Positive Train Control along with the upgrade of current Dark, Automatic Block Signal, and Controlled Manual Block signal systems to Automatic Speed Control.
- **Positive Train Control:** The design, integration, and furnishing of a Positive Train Control (PTC) system is ongoing. Improved delivery schedules for on-board and wayside kits were established that will support installation and earlier utilization of PTC on more track segments and by a greater number of trains.

### ***Station & Parking Improvements***

- **Hicksville Station Improvements:** Design of Hicksville Station Improvements and North Track Siding project progressed towards completion in early Spring 2015 with construction start anticipated in Fall 2015.
- **Wyandanch Parking Facility:** Construction of the Wyandanch Parking Facility is underway. The new facility will have five levels of parking. Project completion is scheduled for August 2015.
- **Massapequa Station Platform Replacement:** The first phase of the project, consisting of replacement of the west end of the station platform, was completed in the summer of 2014 and is in use along with a new elevator and waiting room. The final phase, consisting of the east end, is under construction with completion scheduled for 2015.

### ***Track:***

- **Annual Track Program:** The 2014 Annual Track program included replacing over 47,000 mechanized ties on the Mainline, Central, West Hempstead branches; 11,500 concrete ties on the Hempstead and Oyster Bay Branches; rebuilding 12 grade crossings on the Mainline and West Hempstead Branches; surfacing 120 miles system-wide; conducting 724 field-welds system wide; replacing 3,026 wood ties system-wide; and surfacing 79 interlocking switches on the Mainline, Montauk, and Central branches.

### ***Bridges***

- **Colonial Road Improvements Project:** A Design-Build Contract for Improvements at Colonial Road on the Port Washington branch was awarded in October 2014. The work includes replacement of the current 115-year old bridge, extension of the existing Great Neck Pocket Track, and improved drainage. The bridge alignment with the roadways will not change so as to maintain the current local traffic configuration.

- **Ellison Avenue Bridge Project:** A Design-Build Contract for the replacement of the Ellison Avenue Bridge was awarded in December 2014. This project will include replacement of a roadway bridge on the Main Line between Carle Place and Westbury Stations. The design will maintain the visual sense and character of the adjacent community.

### ***Sandy Related Projects***

- **Long Beach Branch:** Replacement of Oceanside and Oil City Substations on the Long Beach Branch began. Oceanside is scheduled for completion in March 2015. Preliminary design for a new fully equipped Long Beach Yard Substation was completed. Preliminary design for the replacement of Signal, Communications, and Power systems along the Long Beach Branch was completed in 2014. A Furnish-Install contract for Signal and Communications Equipment Foundations and Platforms is scheduled to be awarded in the 1<sup>st</sup> quarter of 2015. Third Rail component replacement continues. On the Wreck Lead Bridge, The restoration project replaces the underwater cable, bridge electrical system, and the emergency generator for the LIRR's Wreck Lead Bridge over Reynolds Channel. The bridge's new emergency generator will be constructed on an elevated platform to better protect it from future flooding / storm surge events. Preliminary design commenced in June 2014. Emergency generator platform was completed in November 2014
- **West Side Storage Yard Restoration:** Replacement of the following components in West Side Yard is progressing: signal, power, and other assets in the Yard, including switch machines, signal components, third rail components, switch heaters, and the facility's fire alarm systems. Replacement of third rail protection board, brackets, insulators, and cables continues.
- **First Avenue Substation Restoration:** A Design-Build contract to provide new fully operational AC Switchgears was awarded in December 2014.
- **Long Island City Yard and Substation Restoration & Resiliency:** Initial force account construction work started in 2014. Design for a third party construction contract also commenced in 2014 and is scheduled for completion in 2015. The project involves the reconstruction of existing systems and track infrastructure in the electrified south portion of the yard as well as protective measures, such as flood walls to mitigate potential damages resulting from future storms and flooding. Replacement of substation components at the Long Island City Yard Substation continued with completion scheduled for 1st quarter 2015.
- **River to River Resiliency (R4 Project):** In 2014 the R4 Project was one of 40 projects chosen nationally by the FTA to receive resiliency funding. The project will provide flood protection at multiple portals used by LIRR, Amtrak and New Jersey Transit. The LIRR has initiated procurement for the design of Flood Barrier Protection at the West Side Storage Yard and the Queens Portals of the East River Tunnels (ERT's). The LIRR is interfacing with the West Side Storage Yard's Overbuild developer – Related – to coordinate the future Overbuild Project with the barrier construction.

To help guide future investments in infrastructure elements, each of the MTA agencies is investing in Enterprise Asset Management (EAM) systems, which includes substantial investments in both business and technology improvements. LIRR is currently undergoing an agency-wide EAM Gap Assessment, the output of which will produce a 5-year improvement program to meet new regulatory requirements, align with industry best-practices, as well as new MTA standards and ongoing LIRR asset investment needs. Advancing EAM development will result in a planning framework that links asset condition and maintenance activities to life cycle planning in order to improve asset performance, optimize maintenance resources, and strengthen long-term planning.

## **SAFETY**

A key component of the LIRR's mission is to ensure the safety of customers, employees, and the communities we serve. The LIRR's safety management program is designed to engage every employee in promoting the value of safety. It is a collaborative effort between the Corporate Safety Department and all LIRR operating and administrative departments.

While the LIRR's safety-first philosophy is longstanding, a series of rail safety incidents in 2013, both locally and nationally, prompted an assessment of our safety culture, the state of our infrastructure, and our compliance with regulations and industry standards.

"Think Safety / Act Safely: Working towards an accident-free workplace" is LIRR's comprehensive approach to enhance our safety culture and performance. New and revised corporate policies, department goals established by the Safety Goal Implementation Program, new and enhanced training, detailed trend analyses, and field observations, are all directed towards engaging all employees in promoting the value of safety and ensuring accountability.

Compared to 2013, the number of employee FRA reportable accidents increased in 2014 by 25.3%, from 221 to 277. The case rate (the number of accidents per 200,000 hours worked) for employee accidents resulting in lost time also increased by 22.7% from 3.09 to 3.79. The two biggest causes of employee injury continue to be slips, trips, and falls and material handling. Departments are targeting the behaviors that contribute to these types of accidents in their awareness campaigns, field observations, and safety meetings with employees.

The total number of customer accidents increased from 2013 to 2014 by 5.7%, from 510 to 539. The case rate (the number of accidents per 1,000,000 rides) increased only slightly by 2.6%, from 6.12 to 6.28. While slips, trips and falls continue to be the greatest category of injury, in 2014 there were 9% fewer reports of customer slips, trips, and falls than in 2013 (237 in 2014 versus 261 in 2013). It is notable that both escalator and gap-related incidents decreased significantly in 2014. LIRR's "Be Train Smart/Don't Become a Statistic" safety information campaign contributed to the improvement and will remain an integral part of LIRR's safety program in 2015. The LIRR will continue our customer outreach campaign that includes videos, seat drops, announcements, and social media posts. The campaign focuses on customer behaviors such as carrying too many packages and luggage and rushing to trains.

The LIRR accomplished the following in 2014:

- Appointment of an executive level lead safety position to be a direct report to the agency president in order to ensure dedicated focus on the safety of LIRR employees, customers, and the communities served by the LIRR, and establishment of a unit with a dedicated focus on investigating major accidents/incidents and the implementation of corrective actions.
- Earning of the Second Annual American Public Transportation Association's Rail Safety Gold Award in recognition of the LIRR Transportation Department's Management Intervention Program (the second year in a row that the Long Island Rail Road has earned the top designation for Safety).
- Installation of civil speed restriction enforcement on all LIRR critical curves. Installed signs at all curves with civil speed restrictions to visually reinforce compliance.
- Installation of alerters on all passenger fleet to support locomotive engineer's operation of equipment and ensure vigilance during operations.
- Increased radar observation of locomotive engineers and "event-recorder" downloads of train data to enforce speed compliance.
- Launch of a new safety education campaign aimed at discouraging pedestrians from taking dangerous shortcuts across the tracks to reduce accidents on the right-of-way.
- Organized four Corporate Safety Stand-Downs and two Safety/Health and Wellness fairs, each attended by an average of more than over 4,000 employees, that reinforced the value of safety at all levels of the LIRR

## **SECURITY**

During 2014, the LIRR Office of Security implemented additional security measures at several railroad facilities, passenger stations and yards through the installation of high security electronic gates, CCTV and access control devices.

The LIRR was awarded the Transportation Security Administration's highest security ranking, the Gold Standard Award for 2014. This award recognizes LIRR's efforts to keep customers and employees secure and safe. The LIRR was one of only five transportation agencies in the country to receive the award in a nationwide competition.

The LIRR Regional Security Command Center utilized the S.M.A.R.T. Initiative (Special Monitoring and Reflexive Targeting) during routine daily monitoring, special events and peak travel time. This special monitoring targets specific LIRR main transportation hubs

and critical infrastructure increasing surveillance coverage by using reflexive practices to monitor, record and track alternating and changing security environments in search of suspicious persons, packages and/or activities.

The LIRR continued its alcohol ban on overnight weekend trains and station platforms after midnight to ensure a more orderly travel environment. MTA Police stepped up activity in Penn Station, Jamaica Station and across the system to enforce the ban.

**MTA LONG ISLAND RAIL ROAD**  
**2014 Year-End Report**  
**2014 Adopted Budget and Final Estimate vs. Actual**  
**December 2014**

		<u>December 2014 Year-to-Date</u>			<u>Variance</u>	
		<u>Actual</u>	<u>Final</u>	<u>Actual</u>	<u>vs. Final</u>	<u>vs.</u>
		<u>2014</u>	<u>Estimate</u>	<u>2013</u>	<u>Estimate</u>	<u>2013</u>
Farebox Operating Ratio						
	Standard <sup>(1)</sup>	45.1%	43.0%	47.9%	2.1%	-2.8%
	Adjusted <sup>(2)</sup>	55.1%	52.4%	61.8%	2.7%	-6.7%
Cost Per Passenger						
	Standard <sup>(1)</sup>	\$17.09	\$17.97	\$15.89	\$0.88	(\$1.20)
	Adjusted <sup>(2)</sup>	\$15.02	\$15.84	\$13.45	\$0.81	(\$1.57)
Passenger Revenue/Passenger <sup>(3)</sup>		\$7.70	\$7.73	\$7.61	(\$0.03)	\$0.09

		<u>December 2014 Year-to-Date</u>			<u>Variance</u>	
		<u>Actual</u>	<u>Adopted</u>	<u>Actual</u>	<u>vs.</u>	<u>vs.</u>
		<u>2014</u>	<u>Budget</u>	<u>2013</u>	<u>Budget</u>	<u>2013</u>
Farebox Operating Ratio						
	Standard <sup>(1)</sup>	45.1%	45.5%	47.9%	-0.4%	-2.8%
	Adjusted <sup>(2)</sup>	55.1%	56.4%	61.8%	-1.4%	-6.7%
Cost Per Passenger						
	Standard <sup>(1)</sup>	\$17.09	\$16.94	\$15.89	(\$0.15)	(\$1.20)
	Adjusted <sup>(2)</sup>	\$15.02	\$14.76	\$13.45	(\$0.26)	(\$1.57)
Passenger Revenue/Passenger <sup>(3)</sup>		\$7.70	\$7.71	\$7.61	(\$0.01)	\$0.09

(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 Inventory Report

April 2015



# Mission Statement

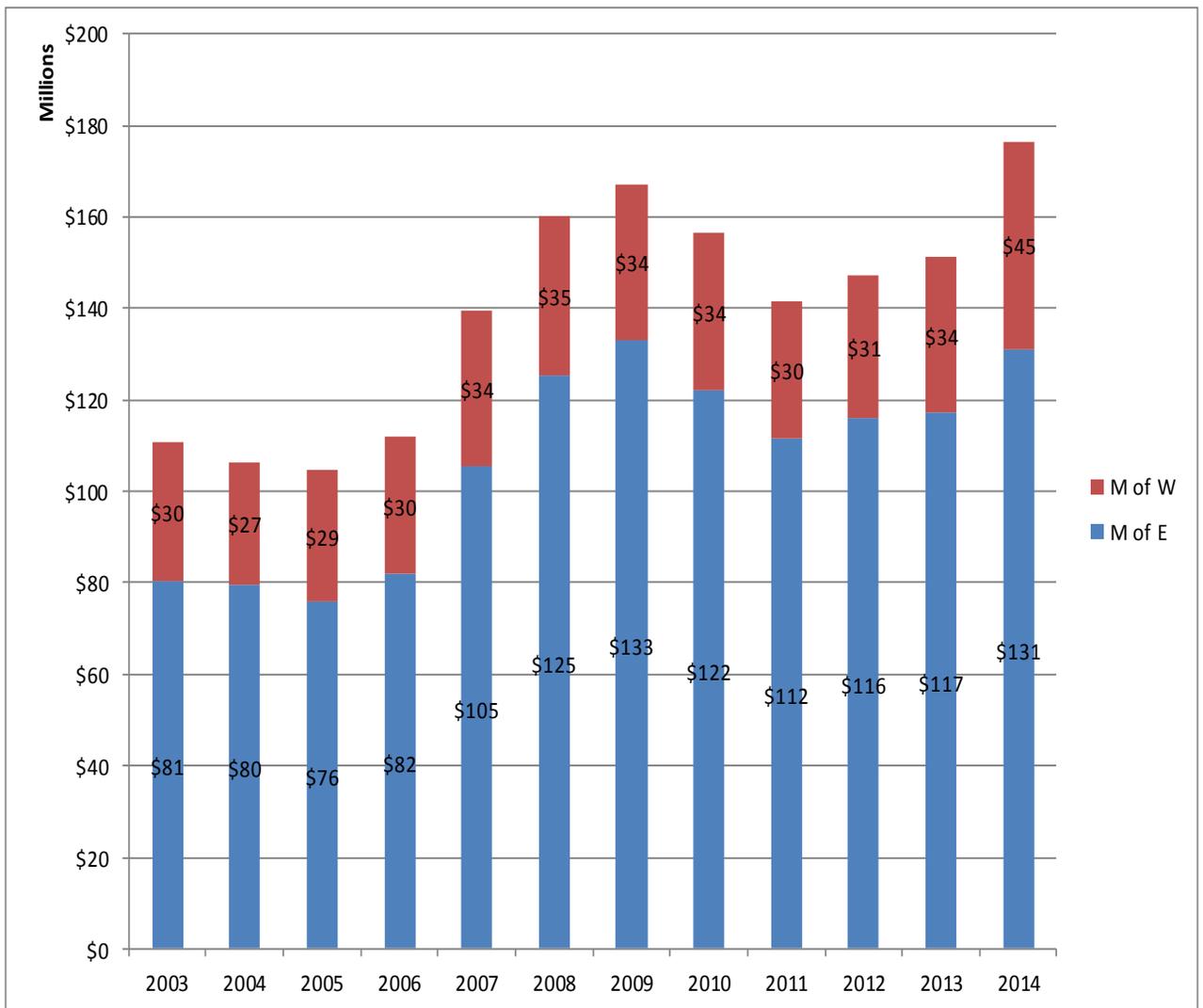


The mission of the Procurement and Logistics Department is to effectively support the LIRR's corporate charter to provide a safe, efficient and on-time rail transportation service. The availability of material and supplies is critical to this endeavor. P&L is committed to maintaining adequate inventory 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. Since its inception, actions recommended by the Task Force have resulted in a budget-recognized cash savings of \$52.2M.

## Inventory by Department (Constant 2014 \$'s)



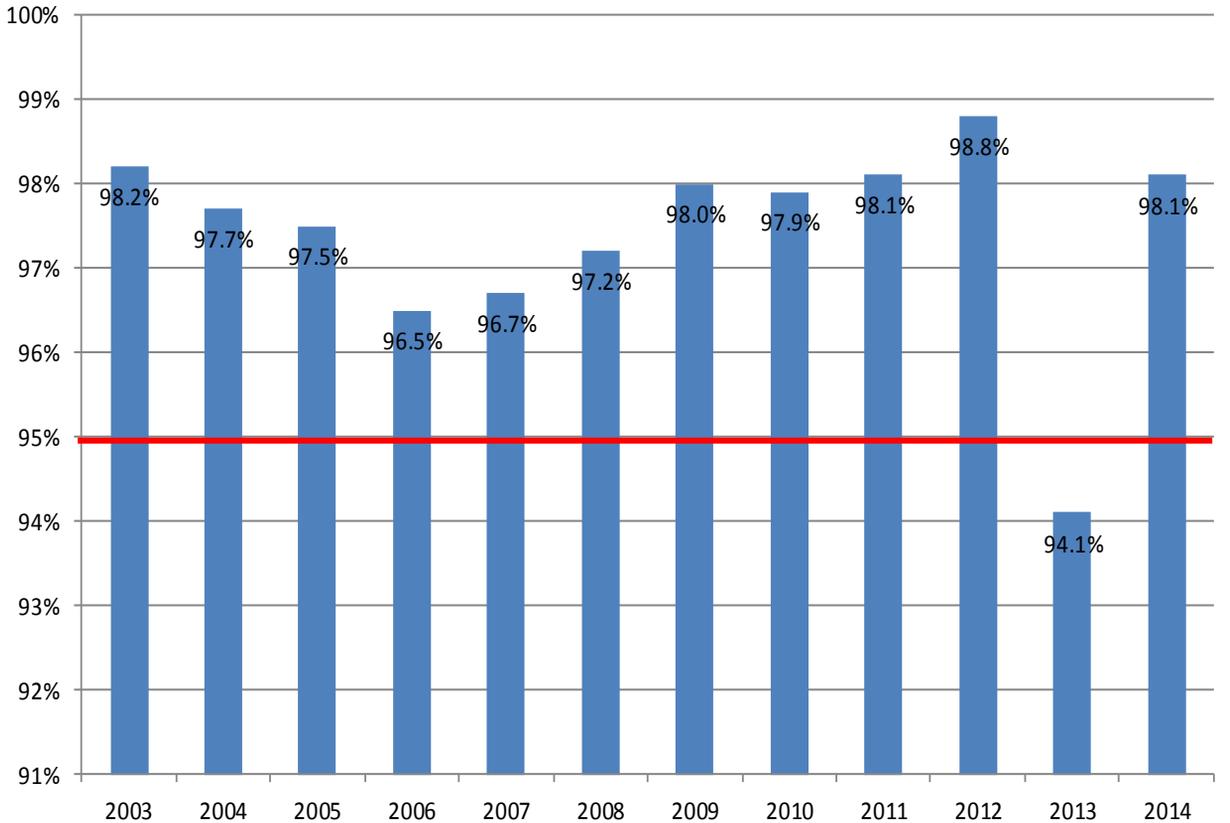
### M of E

YTD increase of \$14.3 Million in total inventory value has been a direct result of scheduled shipments of planned material for the 2015 PP received for in 2014 (\$9.7 Million) as well as less material used for running repairs and a build up of safety stock for wheels and axles due to lead times increasing (\$4.6 Million).

### M of W

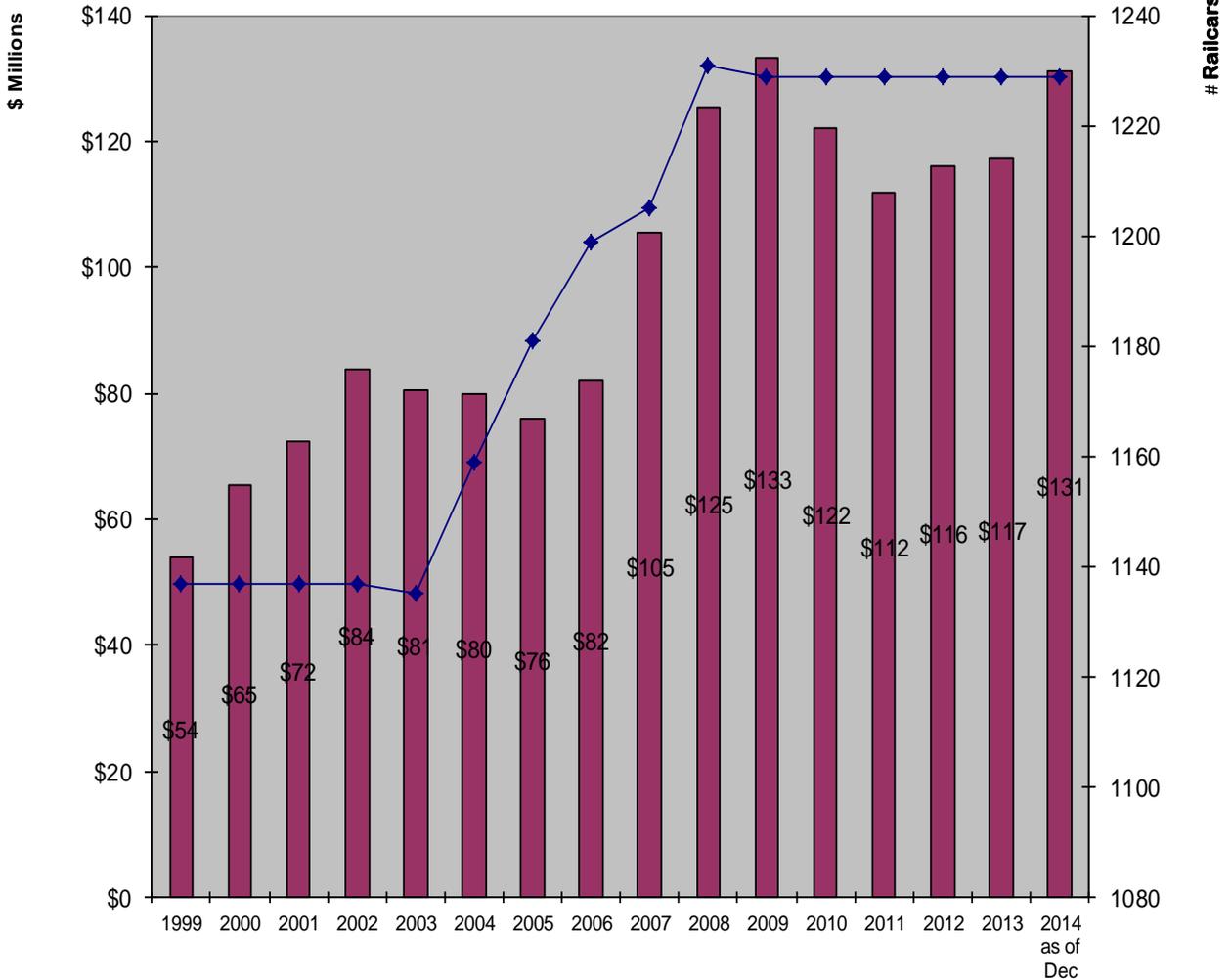
The Increase in total inventory value of \$11.3 Million is due to early delivery for 2015 work.

# Material Availability 2003 thru Dec. 2014



- 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 97.4% 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.

**LIRR Yearly Inventory by # of Railcars**  
**December 2014**  
(MofEOnly) Constant 2014 \$'s



- The downward trend of on hand materials that began in 2009 started to plateau in 2012 as work on the M7 10-year truck program commenced.
- Recent increases in inventory value is driven by (i) significantly higher Average Unit Price (AUP) of components utilized in the RCM program when compared to older (M-1/M-3) fleets, and (ii) early delivery of 2015 Production Plan assets.
- The number of commodities in inventory has not significantly increased in the past ten years.

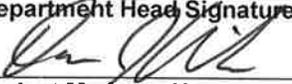
# 2014 Accomplishments

Challenge	Plan	2014 Goal	2014 YE Accomplishments
Maintain adequate inventory levels to support service level goals	<ul style="list-style-type: none"> <li>Daily review of Reorder Levels</li> <li>Schedule JIT deliveries</li> <li>Improve planning/ coordination with Using Departments</li> </ul>	<ul style="list-style-type: none"> <li>➤ Reduce Inventory of current items by \$10.0M by 12/2014</li> <li>➤ Ensure Material Availability in support of RCM Program needs</li> <li>➤ Roll out Task Force initiatives to include M/W assets</li> </ul>	<ul style="list-style-type: none"> <li>✓ Realized cash savings in excess of \$8.4M</li> <li>✓ Maintained an average material availability - 97.4%</li> </ul>
Reduce Excess / Inactive inventory	<ul style="list-style-type: none"> <li>Determine disposition of Inactive Material</li> <li>Coordinate with Using departments tagging of material for sell/scrap or protect status</li> </ul>	<ul style="list-style-type: none"> <li>➤ Identify appropriate actions for excess / inactive material reduction opportunities</li> <li>➤ 2014 Goal = \$1.7M <ul style="list-style-type: none"> <li>Q1 - \$425K</li> <li>Q2 - \$425K</li> <li>Q3 - \$425K</li> <li>Q4 - \$425K</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ Task Team continues to review and scrub data to identify areas for excess / inactive materials. YE sale/scrap of \$2.2M achieved.</li> </ul>
Non-Inventory Accountability	<ul style="list-style-type: none"> <li>Deploy Task Team to review 2010 non-stock purchases</li> <li>Determine candidate Non-Stock Material that should be established into inventory</li> <li>Review spending patterns for disassociated non-stock purchases</li> </ul>	<ul style="list-style-type: none"> <li>➤ Enact plan in Q3 and Reduce annual spend on Operating funded non-stock purchases by 5% <ul style="list-style-type: none"> <li>Q3 - \$150K</li> <li>Q4 - \$150K</li> </ul> </li> <li>➤ Ensure commodities are properly linked to commodity classifications defined in PeopleSoft to ensure all purchases for same commodities are consolidated</li> </ul>	<ul style="list-style-type: none"> <li>✓ Annual spend on non-stock purchases continues to trend favorably.</li> <li>✓ Reductions in non-stock spending, over time, will increase overall inventory values as more items become "stock" and managed through the Task Force process</li> <li>✓ Over 80,000 items linked to a LIRR stock account</li> </ul>
Regular Tracking and Reporting	<ul style="list-style-type: none"> <li>Establish indicators and corresponding reports for regular review and action</li> </ul>	<ul style="list-style-type: none"> <li>➤ Make proactive corrections prior to procurement process begins to ensure purchases meet actual need</li> </ul>	<ul style="list-style-type: none"> <li>✓ 100% of replenishment requisitions are analyzed before processing</li> <li>✓ Key Performance indicators established , reported and tracked monthly</li> </ul>

# 2015 Action Plan

Challenge	Plan	2015 Goal
Maintain adequate inventory levels to support service level goals	<ul style="list-style-type: none"> <li>• Daily review of Reorder Levels</li> <li>• Schedule JIT deliveries</li> <li>• Improve planning/ coordination with Using Departments</li> <li>• Address changes to the Production Plan in a timely manner.</li> <li>• Review and revise historical delivery schedules to better meet production plan/shop capacity objectives.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Reduce Inventory of current items by \$5M by 12/2015</li> <li>➤ Ensure Material Availability in support of RCM Program needs               <ul style="list-style-type: none"> <li>• Expedite Report Updates</li> <li>• Timely Placement of Long Lead Requirements</li> <li>• Timely Placement of Mandated FRA Work</li> </ul> </li> <li>➤ Roll out Task Force initiatives to include M/W assets</li> </ul>
Reduce Excess / Inactive inventory	<ul style="list-style-type: none"> <li>• Review excess/inactive material and identify commodities for sale/scrap</li> <li>• Coordinate with Using departments tagging of material for sell/scrap or protect status</li> </ul>	<ul style="list-style-type: none"> <li>➤ Identify appropriate actions for excess / inactive material reduction opportunities</li> <li>➤ 2015 Goal = \$1.7M               <ul style="list-style-type: none"> <li>Q1 - \$425K</li> <li>Q2 - \$425K</li> <li>Q3 - \$425K</li> <li>Q4 - \$425K</li> </ul> </li> </ul>
Non-Inventory Accountability	<ul style="list-style-type: none"> <li>• Task Team continues review of non-stock purchases</li> <li>• Determine candidate Non-Stock Material that should be established into inventory</li> <li>• Review spending patterns for disassociated non-stock purchases</li> </ul>	<ul style="list-style-type: none"> <li>➤ Reduce Y/E 2015 annual spend on Operating funded non-stock purchases by 5%               <ul style="list-style-type: none"> <li>Q1 - \$150K</li> <li>Q2 - \$150K</li> <li>Q3 - \$150K</li> <li>Q4 - \$150K</li> </ul> </li> <li>➤ Ensure commodities are properly linked to commodity classifications defined in PeopleSoft to ensure all purchases for same commodities are consolidated</li> </ul>
Regular Tracking and Reporting	<ul style="list-style-type: none"> <li>• Establish indicators and corresponding reports for regular review and action</li> </ul>	<ul style="list-style-type: none"> <li>➤ Make proactive corrections prior to beginning the procurement process to ensure purchases meet actual need</li> <li>➤ Reduce/Re-Plan/Reject Requirements</li> </ul>
Proper System Utilization	<ul style="list-style-type: none"> <li>• Sort out and Identify system enhancements to address needs</li> </ul>	<ul style="list-style-type: none"> <li>➤ Modify Maximo (Inventory System) to prevent miscoding of material issues.</li> </ul>

# Staff Summary

<b>Subject</b> MAY TIMETABLE CHANGE/TRACK WORK PROGRAMS						<b>Date</b> APRIL 27, 2015			
<b>Department</b> SR. VICE PRESIDENT – OPERATIONS						<b>Vendor Name</b>			
<b>Department Head Name</b> D. KUBICEK						<b>Contract Number</b>			
<b>Department Head Signature</b> 						<b>Contract Manager Signature</b>			
<b>Project Manager Name</b>									
Board Action						Internal Approval			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	LI COMM	4/27/15				3	Executive VP <i>app</i>	1	President. <i>PK</i>
						2	VP Mktg & PA <i>EMD</i>		

**PURPOSE:**

This is to inform the Long Island Committee of the MTA Long Island Rail Road's plan to adjust schedules beginning May 18, 2015, through September 7, 2015. Projects supported during this time include Mechanized Ties and bridge waterproofing projects as well as track outages to progress the Ellison Avenue Bridge replacement project and the Colonial Rd. bridge replacement project. Continuing projects include East Side Access work in Harold interlocking, Atlantic Ave. tunnel lighting work and Half-Tie replacement, Massapequa Station, Long Beach Branch Sandy restoration, West Side Yard Overbuild, Jamaica Capacity Improvements and Vanderbilt (VD) Yard construction. Projects ending include Port Jefferson branch Continuous Welded Rail replacement and Massapequa Pocket track work.

**MAY 18 TIMETABLE CHANGE**

*Service Improvements*

- Babylon branch – The 6:14 a.m. train from Massapequa Park to Penn Station will have an added St. Albans stop closing a 70 minute gap in service.
- Port Jefferson branch – The 5:59 a.m. train to Hunterspoint Ave. will be extended to Long Island City closing a 33 minute gap in service to Long Island City.
- Montauk branch – Eight seasonal Patchogue weekend trains extended from seasonal service to year round service beginning with the May timetable.
- Montauk branch – The 7:01 a.m. Monday morning summer seasonal train from Montauk to Hunterspoint Ave. will have an added Patchogue stop.

*Summer Service*

Summer service partially resumes May 2, 2015 with the resumption of weekend service to Greenport and an early morning round trip service opportunity to Montauk. Complete summer schedule begins May 22. Full details will be provided next month.

### *Summer Construction Activities*

- Main Line Mechanized Tie replacement – One of two main tracks will be out of service midday weekdays between Carle Place and Hicksville for Mechanized Tie replacement and Prep work related to Ellison Ave Bridge replacement.
- Long Beach branch Mechanized Tie Replacement – One of two main tracks between Valley Stream and Long Beach on the Long Beach branch will be out of service midday weekdays for Mechanized Tie replacement.

### *Track Work Programs*

- Port Washington branch Colonial Rd. Bridge Replacement prep-work– Single main track will be out of service between Great Neck and Port Washington for 12 hours on Saturday May 9, 2015, for prep work related to replacement of Colonial Rd. bridge in the village of Thomaston and rail inspection between Great Neck and Port Washington.
- Main Line Mineola to Hicksville – Ellison Ave. Bridge Demolition – Both Main tracks will be out of service between Mineola and Hicksville for 48 hours on the weekend of May 15 & 16, 2015, for demolition of Ellison Ave. Bridge in Westbury. In addition to the bridge demolition, Engineering forces will surface switches in Hicksville, replace a grade crossing at School St. in Westbury and perform drainage work between Carle Place and Hicksville.

## **DISCUSSION**

### *Summer Construction Activities*

- Main Line –One of two main tracks will be out of service midday weekdays between Carle Place and Hicksville for Mechanized Tie replacement and prep work related to Ellison Ave. Bridge replacement. Westbound Main line and Huntington trains have been adjusted between six minutes earlier and 30 minutes later, Port Jefferson service has been adjusted from every 90 minutes to two hourly and connecting trains have been adjusted up to 5 minutes earlier to accommodate this work.
- Long Beach branch – One of two main tracks will be out of service between Valley Stream and Long Beach midday weekdays for Mechanized Tie replacement. This activity will work in conjunction with previously scheduled Sandy Restoration work on the branch. Schedule adjustments remain from the previous timetable.

### *Track Work Programs*

- Port Washington branch – Colonial Rd. Bridge Replacement Prep Work and Rail Inspection - Single main track will be out of service between Great Neck and Port Washington for four 12 hours on Saturday May 9, 2015, starting at 6:00 a.m. Port Washington branch service will be reduced from half-hourly to hourly between Great Neck and Penn Station. Eastbound customers traveling to stations Manhasset, Plandome and Port Washington will detrain at Great Neck where they will transfer to buses or vans for their final destinations. Eastbound customers can expect up to 25 minutes of additional travel time. Westbound customers boarding at Port Washington, Plandome and Manhasset will board buses or vans for Great Neck where they will transfer for train service. Westbound customers will board buses up to 25 minutes earlier than normal at Port Washington, Manhasset and Great Neck.
- Main Line Mineola to Hicksville – Ellison Ave. Bridge Demolition and Miscellaneous Work - The LIRR's Main Line will be out of service between Mineola and Hicksville from 12:45 a.m., Saturday, May 16 until 12:45 a.m., Monday, May 18, 2015, for demolition of Ellison Ave. bridge, switch

surfacing in Hicksville, replacement of School St. crossing in Westbury and drainage work between Carle Place and Hicksville.

This project will require system-wide service changes as buses will replace trains between Mineola and Hicksville. Connection and clearance issues associated with the timetable changes necessary to serve Main Line customers required system-wide schedule alterations. All branches will be impacted throughout the weekend.

During the early morning hours, buses will serve Port Jefferson and Ronkonkoma Branch customers traveling between Mineola and Hicksville. Trains will originate and terminate at Mineola and operate on normal schedules to and from western terminals. Connecting train service will originate and terminate at Hicksville with adjusted schedules that provide two hourly service for stations Greenlawn through Port Jefferson and hourly service for stations Hicksville through Ronkonkoma and Syosset through Huntington.

After the departure of the 5:58 AM westbound train from Ronkonkoma and the 7:32 AM eastbound train from Hicksville, Farmingdale through Ronkonkoma customers will be provided with dual-mode train service operating to and from Penn Station via the Babylon and Central Branch. This allows affected customers to travel to or from western terminals without changing trains or using buses. Adjusted schedules will also be in place for Greenport service in order to preserve connections with re-routed Ronkonkoma Branch trains.

In the course of the 48 hour program, up to 41,000 customers will be affected by using substitute bus service, re-routed train service or schedule alterations. Schedule times may be substantially different than normal schedules with reduced frequencies in some cases. Trip times in the overnight period are extended up to 58 minutes for both Port Jefferson and Ronkonkoma Branch trains. During the day, travel time is increased up to 44 minutes for Ronkonkoma Branch trains and up to an additional 40 minutes for Port Jefferson trains.

A special Port Jefferson/Ronkonkoma Branch Timetable, as well as revised timetables for all other branches will be issued providing details of service.

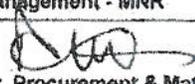
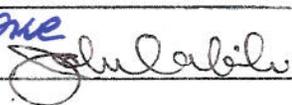
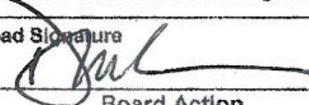
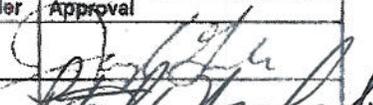
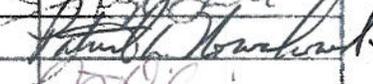
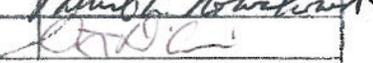
## **IMPACT ON FUNDING**

Funding for these projects is contained in the Long Island Rail Road Operating and Capital budgets.

**METRO-NORTH/LONG ISLAND  
COMMITTEE**

**PROCUREMENTS  
FOR  
BOARD  
ACTION**

**April 27, 2015**

<b>Subject</b> Request for Authorization to Award Various Procurements						<b>Date</b> April 13, 2015			
<b>Department</b> Procurement & Material Management - MNR						<b>Department</b> Law and Procurement - MTACC			
<b>Department Head Name</b> Al Muir, Acting Sr. Director, Procurement & Material Management						<b>Department Head Name</b> Evan M. Elsland, Sr. Vice President & General Counsel			
<b>Department Head Signature</b> 						<b>Department Head Signature</b> <i>EME</i> 			
<b>Department</b> Procurement & Logistics - LIRR									
<b>Department Head Name</b> Dennis L. Mahon, Chief Procurement & Logistics Officer									
<b>Department Head Signature</b> 									
<b>Board Action</b>						<b>Internal Approvals</b>			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	MNR/LIRR Committee	4-27-15	X			X	President, MNR		
2	MTA Board	4-29-16	X			X	President, LIRR		
						X	President, MTACC		

**PURPOSE:**

To obtain approval of the Board to award various contracts and purchase orders, and to inform the Metro-North/Long Island Committee of these procurement actions.

**DISCUSSION:**

MNR proposes to award Non-Competitive procurements in the following categories: NONE

LIRR proposes to award Non-Competitive procurements in the following categories:

<u>Schedules Requiring Two-Thirds Vote (or more where noted)</u>		# of Actions	\$Amount
Schedule A:	Non-Competitive Purchases and Public Work Contracts	1	\$584,500
<u>Schedules Requiring Majority Vote</u>			
Schedule G:	Miscellaneous Service Contracts	1	\$127,365
<b>SUBTOTAL:</b>		<b>2</b>	<b>\$711,865</b>

MTACC proposes to award Non-Competitive procurements in the following categories: NONE

**MNR proposes to award Competitive procurements in the following categories:**

<u>Schedules Requiring Two-Thirds Vote (or more, where noted)</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule B:	Competitive Requests for Proposals	1	TBD
Schedule C:	Competitive Requests for Proposals	1	\$195,000,000
<u>Schedules Requiring Majority Vote</u>			
Schedule F:	Personal Service Contracts	1	\$3,500,000
SUBTOTAL:		3	\$198,500,000

**LIRR proposes to award Competitive Procurements in the following categories:**

<u>Schedules Requiring Two-Thirds Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule B:	Competitive Requests for Proposals	2	TBD
SUBTOTAL:		2	TBD

**MTACC proposes to award Competitive Procurements in the following categories:**

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule I:	Modifications to Purchase & Public Work Contracts	3	\$8,395,982
SUBTOTAL:		3	\$8,395,982

**MNR proposes to award Ratifications in the following categories:**

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule K:	Ratification of Completed Procurement Actions	1	\$102,510
SUBTOTAL:		1	\$102,510

**LIRR proposes to award Ratification in the following categories: NONE**

**MTACC proposes to award Ratifications in the following categories:**

<u>Schedules Requiring Majority Vote</u>		<u># of Actions</u>	<u>\$ Amount</u>
Schedule K:	Ratification of Completed Procurement Actions	2	\$5,679,219
SUBTOTAL:		2	\$5,679,219
<b>TOTAL:</b>		13	\$213,389,576

The contractors noted above and on the following Staff Summary Sheets have been found in all respects responsive and responsible, and are in compliance with State laws and regulations concerning procurements.

**BUDGET IMPACT:**

The purchases/contracts will result in obligating Long Island Rail Road, Metro-North Railroad and MTA Capital Construction 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 2015

METRO-NORTH RAILROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Schedules Requiring Two-Thirds Vote:

**B. Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)**

(Staff Summaries only required for items estimated to be greater than \$1 million)

**1. Request to use RFP Process**

Staff Summary Attached

**Solicit Proposals for a Track Geometry Vehicle**

To obtain MTA Board approval to use the Request for Proposals (RFP) process to solicit and evaluate proposals from prospective contractors for the design, manufacture, and delivery of one Track Geometry Vehicle (TGV). A TGV is an automated track inspection vehicle placed on rail and used by commuter and freight transportations systems to test geometric parameters of track without obstructing normal railroad operations.

This project consists of the design, manufacture and delivery of one TGV and will be used on all of MNR's service territories. The track geometry parameters measured with this unit will include; position/location, curvature, alignment of track, smoothness, and the cross-level of the two rails. The vehicle will use a variety of sensors, measuring systems, and data management systems to create a profile and record of the track being inspected. This data will be used in the planning of general repairs and in the preparation of long term capital improvement projects.

In order to assure the selection of the remanufacturer with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the technical and remanufacturing capabilities of prospective proposers. The Contractor will be selected based on an evaluation of technical capability, past performance, organization resources, experience of team members, and cost.

The estimated cost of this procurement is \$10,000,000 and is to be funded by the MNR Operating Capital Budget.

**C. Competitive Requests for Proposals (Award of Purchase and Public Work Contracts)**

(Staff Summaries required for items requiring Board approval)

**2. Judlau-TC Electric Joint Venture      \$195,000,000 (not-to-exceed)  
Design/Build Power/ C&S Infrastructure Improvements CP-5 to CP-35**

Staff Summary Attached

Approval is requested to award a 50-month competitively solicited and negotiated design-build contract (RFP process, 6 proposals received; 4 shortlisted) to Judlau-TC Electric Joint Venture (Judlau-TC Electric) for Phase I and Phase II for the complete design, construction and testing of replacement infrastructure for various MNR power, communication and signal equipment and cabling that was damaged as a result of Superstorm Sandy on MNR's Hudson Line from CP-5 Mott Haven to CP-35 Croton Harmon.

The project's working limits extends from CP-5 through CP-35, approximately 30 mile continual stretch along MNR's Hudson Line. The overall project is being separated into two Phases. Phase I of the project encompasses all of CP-19 Greystone interlocking to the CP-35 Croton-Harmon. Phase II of the project will be an optional bid item for infrastructure replacement from CP-5 Mott Haven up to CP-19 Greystone.

In accordance with MNR and MTA procurement guidelines, an advertisement for the required services was placed in the New York State Contract Reporter, New York Post, El Diario, and Daily Challenge and posted on MNR's website. On September 26, 2014, proposals containing qualifications from six design-build teams were received. Six proposals were received and evaluated based on the criteria established in the RFP. The Selection Committee short-listed four firms and invited them for scope review discussions before submitting their Best and Final Offers. At the conclusion of the evaluation process, the Selection Committee unanimously selected Judlau-TC Electric. Judlau-TC Electric offered the lowest proposal price coupled with a strong technical approach to the project and the requisite experience required. The Judlau-TC Electric teams had just successfully completed the Montague Tunnel repairs for NYCTA which is similar work and have been determined to be technically competent, capable and compliant with the contract terms and conditions.

Judlau-TC Electric's Best and Final Offer of \$195,000,000 is 2.5% above the amount of the in-house estimate. An analysis of key bid items of the Design Builder's proposal were within acceptable ranges of the engineer's estimate and deemed overall to be fair and reasonable. At this time, negotiations of an alternate design for cable duct bank is under consideration by MNR which has the potential to further reduce the overall cost to both Phases I and II. The not-to-exceed amount of \$195,000,000 includes any contingency cost that may be realized as a result of continuing negotiations at this time. Funding for the project is expected to be provided by grants from the federal government associated with Superstorm Sandy.

**Schedules Requiring Majority Vote:**

**F. Personal Service Contracts**

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

**3. Day Engineering, P.C. \$3,500,000 (not-to-exceed) Staff Summary Attached**  
**Environmental and Occupational Safety Engineering and Consulting Services**

Approval is requested to award a five year competitively solicited and negotiated professional service contract (RFP process, nine proposals received) to Day Engineering, P.C. (Day) to provide on-call environmental and occupational safety engineering and consulting services.

Metro-North's Environmental Compliance Services and Office of System Safety Departments require a consultant to provide on-call technical and engineering expertise to be executed by and under the supervision of licensed engineers and other technical experts and to provide environmental and occupational health and safety compliance consulting, engineering and training services.

In accordance with MTA procurement guidelines, an advertisement for the subject service was placed in the New York State Contract Reporter, New York Post, El Diario, Daily Challenge and posted on the MNR website.

Nine proposals were received and evaluated based on the criteria established in the RFP. Three firms were short-listed and invited for oral presentations. At the conclusion of the evaluation process, the Selection Committee unanimously selected Day Engineering; P.C. Day's hourly rates were the lowest of the short-listed firms. The five year budget estimate is not-to-exceed \$3,500,000. This procurement will be funded by the MNR Operating Budget.

# Staff Summary

Item Number B					
Dept. & Dept. Head Name: Procurement & Material Management, Al Muir, Acting Sr. Director					
Division & Division Head Name: Executive Vice President, Catherine Rinaldi					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	MNR Comm. Mtg.	4-27-15	X		
2	MTA Board Mtg.	4-29-15	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
X	President	X	V.P. Engineering		
X	Sr. V.P. Operations	X	V.P. & General Counsel		
X	V.P. Capital Programs				
X	V. P. Finance & IT				

<b>SUMMARY INFORMATION</b>	
Vendor Name TBD	Contract Number TBD
Description Request to use the RFP process to solicit proposals for a Track Geometry Vehicle	
Total Amount TBD	
Contract Term (including Options, if any) TBD	
Option(s) included in Total Amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Renewal? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Procurement Type <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
Solicitation Type <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

## Narrative

### I. PURPOSE/RECOMMENDATION:

To obtain MTA Board approval to use the Request for Proposals (RFP) process to solicit and evaluate proposals from prospective contractors for the design, manufacture and delivery of one Track Geometry Vehicle (TGV).

### II. DISCUSSION:

MNR is seeking a firm to design, manufacture, and deliver one TGV. A TGV is an automated track inspection vehicle placed on rail and used by commuter and freight transportations systems to test geometric parameters of track without obstructing normal railroad operations.

The TGV will be used on all of MNR's service territories. The track geometry parameters measured with this unit will include; position/location, curvature, alignment of track, smoothness, and the cross-level of the two rails. The vehicle will use a variety of sensors, measuring systems, and data management systems to create a profile and record of the track being inspected. This data will be used in the planning of general repairs and in the preparation of long term capital improvement projects.

The scope of work for the design, manufacture, and delivery of the TGV will require it to be equipped with the latest technological advancement in rail profiling such as:

- The ability to be self-propelled, test and measure up to speeds of 50 mph and assured positive shunt of track signal circuits
- Inertial Navigational Track Geometry Measuring System non-contact zero speed geometry system.
- Rail Profile/Flange way Measuring System
- Corrugation Measuring System
- Clearance Measuring System: Tunnel and Structure clearance profile
- Both Third Rail and Catenary Geometry Measuring System
- Virtual Track Walk Software Program to allow post processing of inspection runs that have been previously video recorded.
- Video Joint Bar Recognition with cameras
- Video Systems recording and Evaluations systems equipped with LED lighting.

# Staff Summary

In addition, the TGV must be engineered and designed employing the highest applicable industry standard technology and practices, and the turbocharged diesel engine must meet current U.S. government diesel emission standards.

In order to assure the selection of the contractor with the necessary experience and expertise, it is in the public interest to use the RFP process to properly evaluate the technical and remanufacturing capabilities of prospective proposers. The Contractor will be selected based on an evaluation of technical capability, past performance, organization resources, experience of team members, and cost. This procurement will be funded by the MNR Operating Budget.

**III. D/M/WBE INFORMATION:**

TBD

**IV. IMPACT ON FUNDING:**

Operating Funds

**V. ALTERNATIVES:**

MNR does not have the available in-house design or capacity to complete the scope of the specified work.

# Staff Summary

<b>Item Number</b> C					
<b>Dept. &amp; Dept. Head Name:</b> Procurement & Material Management, Al Muir - Acting Sr. Director					
<b>Division &amp; Division Head Name:</b> Executive Vice President, Catherine Rinaldi					
<b>Board Reviews</b>					
Order	To	Date	Approv	Info	Other
1	MNR Comm. Mtg.	4/27/15	x		
2	MTA Board Mtg.	4/29/15	x		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
X	President	X	V.P. & General Counsel		
	Sr. V.P. Operations		V.P. Planning		
X	V.P. Finance & IT		V.P. Engineering		
X	V.P. Capital Programs				

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name</b> Judlau-TC Electric Joint Venture	<b>Contract Number</b> 39881
<b>Description</b> Design/Build Power/C&S Infrastructure Improvements CP-5 to CP-35	
<b>Total Amount</b> \$195,000,000 (not-to-exceed)	
<b>Contract Term (including Options, if any)</b> 50 months	
<b>Option(s) included in Total Amount?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

## Narrative

### I. PURPOSE/RECOMMENDATION:

Approval is requested to award a 50-month competitively solicited and negotiated design-build (DB) contract (RFP process, 6 proposals received; 4 shortlisted) to Judlau-TC Electric Joint Venture (Judlau-TC Electric) for Phase I and Phase II for the complete design, construction and testing of replacement infrastructure for various Metro-North Railroad Power, Communication and Signaling equipment and cabling that was damaged as a result of Super Storm Sandy on MNR's Hudson Line from CP-5 Mott Haven to CP-35 Croton Harmon.

### II. DISCUSSION:

On October 29, 2012 the New York region suffered the devastating effects of Super Storm Sandy. The flooding/storm surge and winds impacted rail infrastructure throughout the MNR right-of-way, in particular the 3rd rail traction power in New York State as well as Communications and Signal (C&S) components and systems. Falling trees resulted in damage to power lines and feeds, as well as physically crushing 3rd rail infrastructure components. Flooding and storm surge impacted over 60 miles of right-of-way along the eastern shore of the Harlem and Hudson Rivers. A significant portion of the Hudson Line right-of-way was completely submerged and Power and C&S infrastructure systems inundated with salt water were significantly damaged.

The project involves the complete design, construction and testing of replacement infrastructure for various MNR Power, Communications and Signaling equipment and cabling that was damaged as a result of Super Storm Sandy. The project's working limits extends from CP5 through CP35, a roughly 30 mile continual stretch along MNR's Hudson Line. The overall project is being separated into two Phases. Phase I of the project encompasses all of CP19 Greystone interlocking to the CP35 Croton Harmon interlocking. Phase II of the project will be an optional bid item for infrastructure replacement from CP-5 Mott Haven up to CP-19 Greystone. The project's requirements for the design/replacement of various MNR Power and C&S Department infrastructure items are being classified into specific categories herein:

# Staff Summary

categories herein:

**Elevated Equipment Platforms** – Throughout the limits of this project, various steel platforms are required to raise the replacement equipment to the MNR designated elevation to prevent future storm water damage. The equipment being elevated includes 3<sup>rd</sup> rail sectionalizing switches, snowmelter cases, signal power transformers, RTU Houses, Communications Pedestals and Negative Return Reactors.

**3<sup>rd</sup> Rail Sectionalizing Switch Replacements** – The DB Contractor is to design/construct all traction power positive power cable replacements to their respective 3<sup>rd</sup> rail, negative reference cable and control cabling to the nearest RTU. The sectionalizing switches are being procured in advance by MNR and will be provided to the DB Contractor for final installation on the elevated platforms, cable interconnections and testing.

**Design Interlocking Snow Melter Systems** – The DB Contractor is to design/construct all conduit routing, cabling, circuit distribution and pull box infrastructure (positive, negative and control cables) for this system. The snowmelter control cases and all heater elements are being procured in advance by MNR and will be provided to the DB Contractor for final installation, interconnections and testing.

**3<sup>rd</sup> Rail Feeder and Continuity Jumper Replacements** (2000kcmil traction cables with complete pothead assemblies). MNR has procured a specific quantity of 200MCM and 500MCM cable to be provided to the DB Contractor for installation.

**3<sup>rd</sup> Rail Component Replacement** - insulators, brackets, anchors and fasteners.

**RTU House Replacement** – The DB Contractor is to install the MNR provided RTU Houses onto the elevated platform structure in order to replace the existing facilities that were damaged.

**100Hz Transformer Replacement** - The DB Contractor is to install the MNR provided transformers onto the elevated platform structures in order to replace the existing units that supply power to the signal instrument houses, fiber optic node houses and RTU houses.

**Communication Signal Raceway and Signal Power Cable Replacement for 30 Miles along the Hudson Line** (CP-5 thorough CP-35). The DB Contractor Team is to finalize the design of conduits, cable tray and cable trough systems in multiple configurations to be utilized along tracks, through parking lots, over bridges/culverts, through passenger stations, etc. for the final configuration throughout the project.

A Request for Proposal (RFP), dated August 21, 2014, was prepared and advertised in the New York State Contract Reporter, New York Post, El Dario, Daily Challenge and was posted on MNR's website. On September 26, 2014, proposals containing qualifications from six design-build teams were received.

The criteria for selection established in the RFP for the qualification round were as follows:

1. Past experience on similar projects
  - a. Design-Build Projects
  - b. DC Traction Power, Railroad Communications/Signals
  - c. Railroad "related" projects.
  - d. Experience working together as a Design-Build Team
  - e. Performance on Design-Build Projects
2. Confidence level, commitment of relevant resources to the project including the qualifications and experience of key personnel, team qualifications and reliability to perform the Services including Subcontractor Services including Proposer's demonstrated capability and financial resources to perform the work in the time projected
3. Demonstrated understanding of the Work Scope requirements, including but not limited to the quality and completeness of the Work Plan and any required submissions
4. Proposed Staging Plan and Effective Use of Railroad Support Personnel

The Selection Committee was comprised of members representing MNR's Procurement and Material Management, Capital Engineering, Power and Communication & Signal Departments. The Committee evaluated all proposals received in accordance with the selection criteria of the RFP and MNR's procedures. Four firms were short-listed as a result of the Selection Committee meeting: Judlau-TC Electric Joint Venture; Verde-Skanska-ECCO III Joint Venture, L.K. Comstock and Mass Electric Corporation. The four short-listed firms submitted technical proposals, including cost. The Committee invited the four shortlisted firms to meet with MNR to discuss the parameters of the project including construction

# Staff Summary

schedule, track outage schedule, technical issues and possible alternatives proposed or to be proposed to submit a Best and Final Offer.

The criteria for selection established in the RFP for the Phase II selection round were as follows:

1. Cost
2. Organizational Structure/Confidence Level
  - Qualifications and experience of key personnel
  - Commitment of relevant resources
  - Team qualifications
  - Reliability to perform the services including subcontracts
3. Demonstrated Understanding of the work scope
  - Quality and completeness of work plan
  - Means and Methods
  - MNR Force Account/Access/Crews
4. Schedule, Staging & Quality & Innovativeness of design
  - Schedule
  - Innovativeness
5. Technical Approach
  - Design Evaluation & Completion
  - Filed Office Locations/Submittals/PDC Comments

Final BAFO prices (inclusive of option items) were submitted on January 23, 2015. In accordance with the criteria for selection, the Selection Committee unanimously recommended contract award to Judlau-TC Electric Joint Venture. Judlau-TC Electric Joint Venture not only offered the lowest proposal price but proposed design alternatives and construction concepts that are presently under serious consideration by MNR that could further reduce the overall cost for Phase I and Phase II.

An analysis of key bids items of the Design Builder's proposal were within acceptable ranges of the engineer's estimate

### **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.

### **IV. IMPACT ON FUNDING:**

Board approval is requested in the not-to-exceed amount of \$195,000,000, which includes any contingency cost that may be realized as a result of continuing negotiations at this time. Funding for the project is expected to be provided by grants from the federal government associated with Superstorm Sandy.

### **V. ALTERNATIVES:**

MNR does not have the available in-house staff with both the expertise and capability to perform the required design and construction services as specified.

# Staff Summary

<b>Item Number</b> F					
<b>Dept. &amp; Dept. Head Name:</b> Procurement & Material Management, Al Muir, Acting Sr. Director					
<b>Division &amp; Division Head Name:</b> Executive Vice President, Catherine Rinaldi					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	M-N Comm.Mtg.	4-27-15	X		
2	MTA Board Mtg.	4-29-15	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
X	President	X	V. P. & General Counsel		
X	Sr. V.P. Operations	X	Chief Safety Officer		
X	V.P. Finance & IT				
	V.P. Capital Programs				

<b>SUMMARY INFORMATION</b>	
<b>Vendor Name</b> Day Engineering, P.C.	<b>Contract Number</b> 44751
<b>Description</b> Environmental and Occupational Safety Engineering and Consulting Services	
<b>Total Amount</b> \$3,500,000 (not-to-exceed)	
<b>Contract Term (including Options, if any)</b> Five Years	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

## Narrative

### I. PURPOSE/RECOMMENDATION:

Approval is requested to award a five-year competitively solicited and negotiated professional services contract (RFP process, nine proposals received) to Day Engineering, P.C. to provide on-call environmental and occupational safety engineering and consulting services.

### II. DISCUSSION:

The Metro-North Environmental Compliance Services and Safety Departments require a consultant to provide on-call technical and engineering expertise to be executed by and under the supervision of licensed engineers and other technical experts and to provide environmental and occupational health and safety compliance consulting, engineering and training services. These services include, but are not limited to: (a) timely identification of proposed, new and revised environmental and health and safety laws and regulations, as well as interpretation and compliance assistance; (b) development of plans and programs to meet environmental and occupational health and safety compliance; (c) preparation and delivery of training to MNR personnel; (d) evaluation of operations and facilities for purposes of identifying areas of non-compliance; (e) preparation of design and construction plans and specifications; (f) preparation of environmental site assessments and inspections; and, (g) auditing of regulated waste disposal sites.

A Request for Proposal (RFP), dated December 11, 2014, was prepared and advertised in the New York State Contract Reporter, New York Post, El Diario, Daily Challenge and posted on the MNR website. On January 20, 2015, technical proposals were received from the following firms: Day Engineering, P.C., American Environmental Assessment & Solutions Inc., ARCADIS, HRP Engineering, STV, Tetra-Tech, TRC Solutions, H2M, and URS.

The criteria for selection established in the RFP were as follows:

- A. Demonstrated understanding of the work scope requirements
- B. Project Plan (detailed description of how the services will be performed)
- C. Confidence Level (regarding the commitment of relevant sources)
- D. Past Experience on similar projects

A Selection Committee was formed that comprised members representing MNR's Procurement and Material Management, Environmental Compliance and Services and Safety Departments. The Committee evaluated the nine proposals received and shortlisted three consultants for oral presentations: TRC, ARCADIS and Day Engineering, P.C.

Upon completion of oral presentations and in accordance with the criteria for selection, the Selection Committee unanimously recommended contract award to Day Engineering, P.C. Day Engineering scored the highest and was rated the best overall firm to provide the services based on their project team qualifications, superior solutions, capability, and pricing. Day Engineering, P.C. proposed the lowest hourly rates of the short-listed firms.

### **III. D/M/WBE INFORMATION:**

The MTA Department of Diversity and Civil Rights (DDCR) established 10% MBE and 10% WBE goals for this project. DDCR determined Day Engineering, P.C. has responded satisfactorily to the MBW/WBE submission requirements established for this contract.

### **IV. IMPACT ON FUNDING:**

Board approval is requested in the not-to-exceed amount of \$3,500,000. This project is funded from the MNR Operating Budget.

### **V. ALTERNATIVES:**

MNR does not have the available in-house staff with both the technical expertise and experience to provide environmental and occupational safety engineering and consulting services.



APRIL 2014

MTA LONG ISLAND RAIL ROAD

LIST OF NON-COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

*Procurements Requiring Two-Thirds Vote*

**Schedule A: Non-Competitive Purchase and Public Works Contracts**

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

- |           |  |  |                                      |
|-----------|--|--|--------------------------------------|
| <b>1.</b> | <b>Plasser American Corp.</b><br><b>Sole Source</b><br><b>Contract No. IT07585</b> | <b>\$584,500</b><br><b>Firm Fixed Amount</b> | <i><u>Staff Summary Attached</u></i> |
|-----------|--|--|--------------------------------------|

LIRR requests MTA Board approval to award a Sole Source Contract to Plasser American Corporation (“Plasser”) in the firm fixed amount of \$584,500 for the furnishing of a Laser Scanning System to be installed on LIRR’s TC-82 Track Geometry Vehicle. Plasser is the Original Equipment Manufacturer (OEM) and the sole responsible source to supply the Laser Scanning System, which is part of the on-board measuring computing system.

*Procurements Requiring Majority Vote*

**Schedule G: Miscellaneous Service Contracts**

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

- |           |   |  |                                      |
|-----------|---|--|--------------------------------------|
| <b>2.</b> | <b>Cummins Allison Corporation</b><br><b>Sole Source</b><br><b>Contract No. TBD</b> | <b>\$127,365</b><br><b>Not-to-Exceed</b> | <i><u>Staff Summary Attached</u></i> |
|-----------|---|--|--------------------------------------|

Long Island Rail Road, on behalf of itself and Metro-North Railroad (“the Railroads”), requests MTA Board approval to award a sole source, three-year miscellaneous service contract to Cummins Allison Corporation (“Cummins”) in the not-to-exceed amount of \$127,365 for preventive/scheduled maintenance and “on-call” repair services of currency sorters and counters located throughout each Railroad’s territory.

# Schedule A: Non-Competitive Purchases and Public Works Contracts

## Staff Summary



Item Number: 1

<b>Vendor Name (&amp; Location)</b> Plasser American Corp. (Chesapeake VA.)
<b>Description</b> Plasser Laser Scanning System
<b>Contract Term (including Options, if any)</b> One Time Purchase
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Sole Source

<b>Contract Number</b> IT07585	<b>Renewal?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Total Amount:</b>	\$584,500
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Engineering – M/W Repair Shop/ John Hasley, Chief Engineer	
<b>Contract Manager:</b> Richard Barone	

### Discussion:

LIRR requests MTA Board approval to award a Sole Source Contract to Plasser American Corporation (“Plasser”) in the firm fixed amount of \$584,500 for the furnishing of a Laser Scanning System to be installed on LIRR’s TC-82 Track Geometry Vehicle. Plasser is the Original Equipment Manufacturer (OEM) and the sole responsible source to supply the Laser Scanning System, which is part of the on-board measuring computing system.

LIRR’s Engineering department requires a new laser scanning system for its TC-82 Plasser Track Geometry Vehicle which measures the distance from the track centerline to surrounding infrastructure (i.e. platforms, signal bridges, canopies, etc.). The laser is used to verify that all new and existing structures are in strict compliance with the LIRR clearance diagrams. Non-compliance creates the potential for a train striking the infrastructure. These inspections are performed in accordance with LIRR’s internal policy criteria.

Plasser is the OEM of the Track Geometry Vehicle and holds proprietary rights to the drawings, specifications and related information. Accessories, software and spare parts for all Plasser vehicle equipment can only be obtained through Plasser. LIRR advertised its intent to award a sole-source procurement to Plasser in the NYS Contract Reporter, the NY Post and on the MTA website. No other manufacturer expressed an interest in competing for this contract.

During negotiations, BART and CSX Transportation, railroads which have purchased similar Plasser Laser systems, were contacted to find out if the pricing offered the LIRR was fair and reasonable. In 2010 BART, and in 2011 CSX Transportation, each bought one laser system at a cost of \$542,000.00. Although these systems are similar, the system to be procured by the LIRR is an upgraded version with greater sensitivity. Plasser offers LIRR the same “most favored customer pricing” as they do for all other Commuter Railroad or Transit Agencies. Therefore, pricing has been determined to be fair and reasonable.

With respect to the MTA All-Agency Responsibility Guidelines, a background investigation of Plasser revealed Significant Adverse Information (SAI) related to its past activities. In 2007, a waiver of the SAI in connection with a LIRR purchase of a Ballast Regulator was granted by MTA’s Executive Director and that waiver was prospective, unless new SAI was discovered. Since no new SAI has been identified since the 2007 waiver was granted, the waiver remains in effect, and Plasser remains a responsible firm.

**Schedule G: Miscellaneous Service Contracts**

**Staff Summary**



Item Number: 2

<b>Vendor Name (&amp; Location)</b> Cummins Allison Corporation / Kew Gardens, NY
<b>Description</b> Preventive Maintenance / On-Call Repair of Currency Counters
<b>Contract Term (including Options, if any)</b> May 1, 2015 – April 30, 2017
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Procurement Type</b> <input type="checkbox"/> Competitive <input checked="" type="checkbox"/> Non-Competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: OEM Sole Source

<b>Contact Number</b> TBD	<b>Renewal?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Total Amount:</b> \$127,365 NTE	
<b>Funding Source</b> <input checked="" type="checkbox"/> Operating <input type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> Customer Service LIRR & MNR (K. Wylie & E. Chin)	
<b>Contract Manager :</b> Robert Kalman	

**Discussion:**

Long Island Rail Road, on behalf of itself and Metro-North Railroad (“the Railroads”), requests MTA Board approval to award a sole source, three-year miscellaneous service contract to Cummins Allison Corporation (“Cummins”) in the not-to-exceed amount of \$127,365 for preventive/scheduled maintenance and “on-call” repair services of currency sorters and counters. Cummins will provide semi-annual scheduled inspections, cleanings, lubrications, and adjustments to the equipment, as well as emergency service and “on-call” repairs for the Railroads’ Customer Service departments at various locations throughout each Railroad’s territory.

Cummins, the Original Equipment Manufacturer (OEM) of the currency sorters and counters, does not sell replacement parts and is the only firm qualified to maintain and repair their equipment. Cummins has more than 50 factory-owned service centers with in-house trained service technicians and maintains an inventory of repair parts for the purpose of servicing its equipment.

Cummins’ pricing for both Railroads, which represents their most favored customer rates provides for an hourly labor rate of \$120.00 for “on-call” repairs and a service visit flat rate of \$180.00. In addition, through negotiations, Cummins has agreed to a 2% reduction in the cost of semi-annual preventive maintenance fees and material used for repairs. Pricing, which will remain firm and fixed for the entire three year period, is determined to be fair and reasonable.

Funding for these contracts (\$74,641 – LIRR; \$52,724 - MNR), is included in each Agency’s Operating Budget.

APRIL 2014

MTA LONG ISLAND RAIL ROAD

LIST OF COMPETITIVE PROCUREMENTS FOR BOARD APPROVAL

Procurements Requiring Two-Thirds Vote

**Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)**

(Staff Summaries only required for items estimated to be greater than \$1 million)

3. **TBD** **\$TBD** *Staff Summary Attached*  
**Competitive RFP**  
**Contract No. TBD**

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the competitive Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a Contract for the Hicksville Improvements Project. At Hicksville Station, the primary objective is to rehabilitate the substructure, replace the platform and its elements to ensure ADA-compliant accessibility, enhance passenger and employee safety, and provide LIRR passengers with an improved station environment. The North Track Siding (NTS) will improve Main Line service with increased AM & PM peak trains, provide added capacity and ability to recover from disruptions, and reduce congestion in the area. Work includes construction of a new retaining wall, new duct bank systems, new pre-wired signal hut and case, new signal components and removal of an existing signal bridge.

4. **TBD** **\$TBD** *Staff Summary Attached*  
**Competitive RFP**  
**Contract No. TBD**

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract to design and furnish signal system components for the new Mainline Second Track – Farmingdale to Ronkonkoma on the LIRR Ronkonkoma Branch.

Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)



Staff Summary

Item Number: 3					
Dept & Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i>					
Division & Division Head Name: Program Mgmt, Richard Oakley					
Division Head Signature & Date <i>[Signature]</i>					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	LI Committee	4.27.15	X		
2	MTA Board	4.29.15	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	President <i>[Signature]</i>	4	VP/CFO <i>[Signature]</i>		
2	Executive VP <i>[Signature]</i>	5	VP/General Counsel <i>[Signature]</i>		
3	Sr. VP/Operations <i>[Signature]</i>	6	Sr. VP/Administration <i>[Signature]</i>		

SUMMARY INFORMATION	
Vendor Name	Contract Number
TBD	TBD
Description	
Hicksville Improvements	
Total Amount	
\$TBD	
Contract Term (including Options, if any)	
41 Months	
Options(s) included in Total Amount:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input type="checkbox"/> Federal <input type="checkbox"/> Other:	

Narrative:

**I. PURPOSE/RECOMMENDATION**

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is in the public's best interest to use the competitive Request for Proposal (RFP) procurement method pursuant to Section 1265-a of the Public Authorities Law to award a contract for the Hicksville Improvements Project. At Hicksville Station, the primary objective is to rehabilitate the substructure, replace the platform and its elements to ensure ADA-compliant accessibility, enhance passenger and employee safety, and provide LIRR passengers with an improved station environment. The North Track Siding (NTS) will improve Main Line service with increased AM & PM peak trains, provide added capacity and ability to recover from disruptions, and reduce congestion in the area. Work includes construction of a new retaining wall, new duct bank systems, new pre-wired signal hut and case, new signal components and removal of an existing signal bridge.

**II. DISCUSSION**

The Long Island Rail Road's Hicksville Station is located on a viaduct and was built in 1961. It has undergone more than 50 years of usage, including platform deterioration resulting from winter weather and freeze-thaw cycles. Platforms and platform-level amenities are well past their useful life and have deteriorated such that replacement is the best option. This project is part of the Railroad's 2005 to 2009 Capital Program Near-Term Capacity Improvements.

Hicksville Station being a heavily traveled station with limited available outages drove the design from conventional platform replacement to a "surgical" construction approach. The contractor must convey an understanding of limited staging areas and safe use of work trains to deliver material and equipment; as well as have the management, experience, expertise, and resources to successfully execute the work. To meet the above challenges, the prospective contractor must demonstrate through the RFP evaluation process the ability to develop a method of construction that

## Staff Summary

will mitigate risk, increase efficiency and potentially reduce the 41-month duration of the project, including the use of the new NTS to support construction of the station.

Ensuring that platforms are returned to service for customers each day during peak service periods, the Contractor will be required to carry out the work using a multi-phase approach to reconstruct the station platform using temporary structures and a hybrid platform system consisting of both pre-cast and cast-in-place slabs. Under the RFP procurement method, the project team will have the opportunity to submit questions and scenarios to the proposers for response to determine their understanding of the contract requirements as well as their approach to the work.

### **III. D/M/WBE INFORMATION**

Goals for this Contract are to be determined by the MTA Office of Civil Rights and Diversity.

### **IV. IMPACT ON FUNDING**

Funding for this project is included in LIRR's 2005 – 2009 Capital Program budget.

### **V. ALTERNATIVES**

The alternative is to use the Invitation for Bid (IFB) procurement method. IFB method limits the Railroad's ability to have pre-award discussions with any firm with respect to constructability, additional best value opportunities or shortening construction schedules. Given the complex nature of this project, where significant construction must be accomplished at an active railroad station with limited impacts to rail operations, there is a need to discuss and negotiate with proposers prior to award various equipment uses (ground based cranes vs high rail cranes), access to and from the jobsite and tracks, track outage plans, and phasing and staging the work.

Schedule B: Competitive Requests for Proposals (Solicitation of Purchase and Public Work Contracts)

Staff Summary



Item Number: 4					
Dept & Dept Head Name: Procurement & Logistics, Dennis Mahon					
Department Head Signature & Date <i>[Signature]</i>					
Division & Division Head Name: Program Management, Richard Oakley					
Division Head Signature & Date <i>[Signature]</i>					
<b>Board Reviews</b>					
Order	To	Date	Approval	Info	Other
1	LI Committee	4.27.15	X		
2	MTA Board	4.29.15	X		
<b>Internal Approvals</b>					
Order	Approval	Order	Approval		
1	President <i>[Signature]</i>	4	VP, Chief Financial Officer <i>[Signature]</i>		
2	Executive VP <i>[Signature]</i>	5	VP, Gen'l Counsel & Sec'y <i>[Signature]</i>		
3	Sr. VP, Operations <i>[Signature]</i>				

SUMMARY INFORMATION	
Vendor Name	Contract Number
TBD	TBD
Description:	
New Signal Equipment - Mainline Second Track, Farmingdale to Ronkonkoma	
Total Amount:	
TBD	
Contract Term (including Options, if any):	
TBD	
Options(s) included in Total Amount:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Renewal?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Procurement Type	
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-Competitive	
Solicitation Type	
<input checked="" type="checkbox"/> RFP <input type="checkbox"/> Bid <input type="checkbox"/> Other:	
Funding Source	
<input type="checkbox"/> Operating <input type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	

**I. PURPOSE/RECOMMENDATION**

LIRR requests MTA Board approval to adopt a resolution declaring that competitive bidding is impractical or inappropriate and that it is therefore in the public interest to use the competitive Request for Proposal (RFP) process pursuant to Section 1265-a of the Public Authorities Law to award a contract to design and furnish signal system components for the new Mainline Second Track – Farmingdale to Ronkonkoma on the LIRR Ronkonkoma Branch.

**II. DISCUSSION**

Work under this contract includes final design, fabrication, delivery of new pre-wired signal components to support Phase 1 (west of Central Islip to Ronkonkoma) currently funded and under construction, and Phase 2 (Farmingdale to west of Central Islip), to be included as an option to be exercised when funding is available.

The Mainline Second Track Project consists of the construction of 12.6 miles of new second track linked to the existing portions of double track in order to provide a full double track along the 17.9 mile corridor between the Farmingdale and Ronkonkoma LIRR Stations. Upon completion, the project will increase service reliability and on-time performance along the Main Line; allow for faster recovery time following service incidents; and when combined with other infrastructure improvements, provide more peak, off-peak, and mid-day service capacity to meet existing and future service and ridership demands. The first phase of the project, currently in the approved LIRR 2010 to 2014 Capital Program, includes preliminary design of the entire double track and construction of the initial 5 mile segment from just west of Ronkonkoma to just west of Central Islip.

This request addresses the procurement of a signal system to support the entire Second Track, which will require final design, fabrication, delivery, testing and integration of wayside signal and train control equipment, including Central Instrument Locations (CILs); signal huts at crossover, grade crossing, and transmitter locations; with communications to the supervisory control tower. This new signal system will be controlled from Divide Tower, and will have new

## Staff Summary



interlockings at Farmingdale, Wyandanch, Deer Park, Central Islip and a modified interlocking at Ronkonkoma, and will include 18 new grade crossing huts, among other features.

The RFP process generally is used in design-furnish and design-build contracts to provide the process for ensuring consistency with the functional requirements that are outlined in the system specifications. With respect to this procurement, the RFP process also gives the LIRR the ability to evaluate terms other than price alone, such as technical approach, staff qualifications, and past performance. Each qualified firm that is capable of designing and furnishing the signal equipment and software system called for under this contract will have the opportunity to present the unique advantages of their system architecture, which can be evaluated under the RFP process.

Adoption of this resolution declaring that competitive bidding is impractical, will allow LIRR to present to the Board a recommendation to award a contract no later than 4<sup>th</sup> quarter, 2015.

### **III. D/M/WBE INFORMATION**

Goals for this contract are to be determined by the MTA Department of Diversity and Civil Rights.

### **IV. IMPACT ON FUNDING**

This contract will be funded through the Capital Budget.

### **V. ALTERNATIVES**

The alternative is to use the Invitation for Bid process. However, this alternative limits communication with any proposer until after award, and as a result the LIRR would lose the ability to thoroughly evaluate proposed systems and to negotiate improvements to the construction schedule and incorporate more efficient means and methods for project delivery.

**METRO NORTH RAILROAD AND LONG ISLAND RAILROAD  
JOINT COMMITTEE**

**MTA BOARD PROCUREMENT PACKAGE**

**APRIL 2015**

APRIL 2015

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 \$750K. Approval without Staff Summary required for change orders greater than 15% of the adjusted contract amount which are also at least \$250K)**

- |           |  |                    |                                      |
|-----------|--|--------------------|--------------------------------------|
| <b>1.</b> | <b>Tutor Perini Corporation<br/>Contract No. CQ032<br/>Modification No. 60</b>   | <b>\$1,310,289</b> | <b><u>Staff Summary Attached</u></b> |
|           | <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC is requesting Board approval to modify the Contract to furnish and install a permanent fire standpipe system in Tunnel A.</p>  |                    |                                      |
| <b>2.</b> | <b>Schiavone/Kiewit Joint Venture<br/>Contract No. CQ039<br/>Modification No. 30</b>   | <b>\$3,126,651</b> | <b><u>Staff Summary Attached</u></b> |
|           | <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC is requesting Board approval to modify the Contract to resolve open Contractor claims, reconcile unit quantities and allowance items to reflect actual costs.</p>                              |                    |                                      |
| <b>3.</b> | <b>Yonkers Contracting Company, Inc.<br/>Contract No. CM014A<br/>Modification No. 50</b>   | <b>\$3,959,042</b> | <b><u>Staff Summary Attached</u></b> |
|           | <p>Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC is requesting Board approval to modify the Contract to provide for acceleration, for interim maintenance of Substation B30 and to compensate the Contractor for impact costs due to delay.</p> |                    |                                      |

**Item Number 1**

<b>Vendor Name (&amp; Location)</b> Tutor Perini Corporation (Peekskill, New York)
<b>Description</b> Plaza Substation and Queens Structures for the ESA Project
<b>Contract Term (including Options, if any)</b> February 3, 2010 – May 11, 2016 (2,289 days)
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> East Side Access, W. Goodrich, P.E.

<b>Contract Number</b> CQ032	<b>AWO/Modification #</b> 60
<b>Original Amount:</b>	\$ 147,377,000
<b>Prior Modifications:</b>	\$ 78,508,574
<b>Prior Budgetary Increases:</b>	\$ 0
<b>Current Amount:</b>	\$ 225,885,574
<b>This Request</b>	\$ 1,310,289
<b>% of This Request to Current Amount:</b>	0.58%
<b>% of Modifications (including This Request) to Original Amount:</b>	54%

**Discussion:**

The work under this Contract is for the structural and architectural rehabilitation of existing facilities within the 63<sup>rd</sup> Street Tunnel as well as the construction of the 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 to furnish and install a permanent fire standpipe system in Tunnel A.

In order to install the Tunnel A duct bench, the existing temporary fire standpipe system in Tunnel A must be relocated. The previous plan was to relocate the temporary standpipe system under this contract and install the permanent system under Contract CS179, when the CS179 contractor takes over Tunnel A in the future. However, during the negotiation of CS179, the project team realized that it would be more efficient to remove the temporary standpipe system and install the permanent system under the same contract than it would be to relocate the system under one contract and then remove the temporary system and install a permanent system under a subsequent contract. Accordingly, the permanent fire standpipe system for Tunnel A was removed from the CS179 package before that contract was awarded and now must be added to this Contract.

The Contractor submitted a cost proposal in the amount of \$1,375,908 while MTACC’s estimate is \$1,310,289. Negotiations were held and the parties agreed to a cost for the Work in the amount of \$1,310,289 which is considered to be fair and reasonable. The addition of this scope of work will not impact the Contract Schedule or Substantial Completion date.

**Item Number 2**

Schiavone/Kiewit, Joint Venture (Secaucus, New Jersey)	
<b>Description</b> Northern Boulevard Crossing for the ESA Project	
<b>Contract Term (including Options, if any)</b> 1,653 days	
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive	
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification	
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:	
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> East Side Access, W. Goodrich, P.E.	

Contract Number	AWO/Modification #	
CQ039	30	
<b>Original Amount:</b>	\$	84,950,000
<b>Prior Modifications:</b>	\$	14,323,349
<b>Prior Budgetary Increases:</b>	\$	0
<b>Current Amount:</b>	\$	99,273,349
<b>This Request</b>	\$	3,126,651
<b>% of This Request to Current Amount:</b>	%	3.15%
<b>% of Modifications (including This Request) to Original Amount:</b>	%	20.54%

**Discussion**

Under this East Side Access Project Contract, the Contractor mined 130 feet of tunnel, which included installation of ground freeze pipes, freezing of the excavation area under Northern Boulevard and under NYCT’s subway system, excavation of the earth under the frozen ground, and installation of the permanent structural tunnel liner. Pursuant to Article IX of the MTA All-Agency Procurement Guidelines, MTACC is requesting Board approval of a modification that will resolve open Contractor claims, reconcile unit quantities and allowance items to reflect actual costs, and allow for close-out of this contract.

This modification:

- resolves the Contractor’s claims arising from an alleged differing site condition encountered during the installation of freeze pipes;
- resolves the Contractor’s claims arising from an alleged differing site condition that delayed the freezing of the excavation arch;
- resolves the Contractor’s claims for additional compensation to implement contingency measures during mining excavation;
- includes additional costs arising from contract modifications for dewatering and newly-mandated safety requirements
- resolves all delay claims and associated impact cost issues;
- contains credits for Contract work the Contractor did not perform; and
- reconciles payment allowance items to account for actual costs.

The Contractor submitted proposals which sought a net increase to the Contract Price of approximately \$14M, which included an extension in Contract Time and Impact Costs. MTACC’s independent cost and time impact assessment resulted in a net increase of approximately \$2.5M to the Contract Price. The parties met on several occasions to discuss the merits of their respective positions and agreed to a net lump sum increase to the Contract Price in the amount of \$3,126,651, which included a resolution of the claims for time extensions and impact costs. This amount is considered to be fair and reasonable.

**Item Number 3**

<b>Vendor Name (&amp; Location)</b> Yonkers Contracting Company, Inc. (Yonkers, New York)
<b>Description</b> GCT Concourse and Facilities Fit-Out for the ESA Project
<b>Contract Term (including Options, if any)</b> 1,037 Days
<b>Option(s) included in Total Amount?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
<b>Procurement Type</b> <input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Non-competitive
<b>Solicitation Type</b> <input type="checkbox"/> RFP <input type="checkbox"/> Bid <input checked="" type="checkbox"/> Other: Modification
<b>Funding Source</b> <input type="checkbox"/> Operating <input checked="" type="checkbox"/> Capital <input checked="" type="checkbox"/> Federal <input type="checkbox"/> Other:
<b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> East Side Access, W. Goodrich, P.E.

<b>Contract Number</b> CM014A	<b>AWO/Modification #</b> 50
<b>Original Amount:</b>	\$ 43,502,000
<b>Prior Modifications:</b>	\$ 8,443,973
<b>Prior Budgetary Increases:</b>	\$ -0-
<b>Current Amount:</b>	\$ 51,945,973
<b>This Request</b>	\$ 3,959,042
<b>% of This Request to Current Amount:</b>	7.6%
<b>% of Modifications (including This Request) to Original Amount:</b>	28.5%

**Discussion:**

The work under this Contract is for the facility fit-out of the lower portion of the new LIRR Concourse located in the lower level of Grand Central Station for the East Side Access project. In accordance with Article IX of the All-Agency Procurement Guidelines, MTACC is requesting Board approval of a modification to the Contract to provide for acceleration, for interim maintenance of Substation B30 and to compensate the Contractor for impact costs due to delay.

As a result of previous modifications to this contract, including modifications to (i) the roof of the Facility Control Room (Modification No. 37), (ii) the Con Edison interlocks (Modification No. 48) and (iii) adjustments to the battery room exhaust system (Modification No. 49), the schedule for this Contract was delayed by a total of 362 calendar days of which 249 calendar days are compensable to the contractor. This modification adjusts the contract milestones and addresses the Contractor’s impact costs for delay.

In addition, in order to avoid further delays and potential impact costs to follow-on contracts that could arise from any further delay in energizing the B30 Facility Substation (which will be the source of construction and facilities power for Contract CM014B), this modification establishes a new milestone (Milestone 5) for completing all Work required to be performed before Con Edison will energize the substation. This modification also compensates the contractor to accelerate its work to achieve Milestone 5 by July 2, rather than September 7, 2015, and provides for liquidated damages to be assessed against the contractor for failing to achieve Milestone 5.

Lastly, this modification will provide for compensation to the contractor at a negotiated daily rate to maintain the substation equipment from the date that Milestone 5 is achieved, until the date that Con Edison energizes the substation, for a maximum of 67 days.

MTACC prepared an estimate in the amount of \$3,961,109. The Contractor submitted a cost proposal in the amount of \$3,958,895. Negotiations were held and the parties agreed to a total cost of \$3,959,042 which is considered to be fair and reasonable. The breakdown of costs is as follows:

- Impact Costs for Compensable Time: \$2,197,170
- Acceleration: \$1.6 Million (with associated liquidated damages of \$25,000 per day and capped at \$1.6 million for failure to achieve Milestone 5)
- Maintenance: Not to exceed \$161,872 (based on a daily rate of \$2,416/day)

APRIL 2015

**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)**

- |           |   |                    |                                      |
|-----------|---|--------------------|--------------------------------------|
| <b>4.</b> | <b>Parsons Brinckerhoff/STV/Parsons<br/>Transportation Group, JV<br/>Contract No. 98-0040-01R<br/>Modification No. 90</b> | <b>\$1,429,219</b> | <b><u>Staff Summary Attached</u></b> |
|-----------|---|--------------------|--------------------------------------|

In accordance with Article XIII of the MTA All-Agency Guidelines for the Procurement of Services, MTACC is requesting Board ratification of a contract modification to account for an adjustment of consultant overhead rates based upon the most recent audits performed by MTA Audit Services.

- |           |   |                    |                                      |
|-----------|---|--------------------|--------------------------------------|
| <b>5.</b> | <b>Harold Structures Joint Venture<br/>Contract No. CH057A<br/>Modification No. 4</b> | <b>\$4,250,000</b> | <b><u>Staff Summary Attached</u></b> |
|-----------|---|--------------------|--------------------------------------|

In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC is requesting Board ratification of a contract modification for the fabrication and installation of eighteen (18) new steel poles and foundations.



**Item Number 5**

<p><b>Vendor Name (&amp; Location)</b> Harold Structures Joint Venture (Secaucus, NJ)</p> <p><b>Description</b> Harold Structures Part 3A for the East Side Access Project</p> <p><b>Contract Term (including Options, if any)</b> 26 Months</p> <p><b>Option(s) included in Total Amount?</b>      <input type="checkbox"/> Yes   <input type="checkbox"/> No   <input checked="" type="checkbox"/> N/A</p> <p><b>Procurement Type</b>      <input checked="" type="checkbox"/> Competitive   <input type="checkbox"/> Non-competitive</p> <p><b>Solicitation Type</b>   <input checked="" type="checkbox"/> RFP   <input type="checkbox"/> Bid   <input checked="" type="checkbox"/> Other: Modification</p> <p><b>Funding Source</b> <input type="checkbox"/> Operating   <input checked="" type="checkbox"/> Capital   <input checked="" type="checkbox"/> Federal   <input type="checkbox"/> Other:</p> <p><b>Requesting Dept/Div &amp; Dept/Div Head Name:</b> East Side Access, W. Goodrich</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;"><b>Contract Number</b> CH057A</td> <td style="width: 50%;"><b>AWO/Modification #</b> 4</td> </tr> <tr> <td colspan="2"><b>Original Amount:</b>                      \$                      104,300,000</td> </tr> <tr> <td colspan="2"><b>Prior Modifications:</b>                      \$                      92,137</td> </tr> <tr> <td colspan="2"><b>Prior Budgetary Increases:</b>                      \$                      0</td> </tr> <tr> <td colspan="2"><b>Current Amount:</b>                      \$                      104,392,137</td> </tr> <tr> <td colspan="2"><b>This Request</b>                                      \$                      4,250,000</td> </tr> <tr> <td colspan="2"><b>% of This Request to Current Amount:</b>                                      4%</td> </tr> <tr> <td colspan="2"><b>% of Modifications (including This Request) to Original Amount:</b>                                      4%</td> </tr> </table>	<b>Contract Number</b> CH057A	<b>AWO/Modification #</b> 4	<b>Original Amount:</b> \$                      104,300,000		<b>Prior Modifications:</b> \$                      92,137		<b>Prior Budgetary Increases:</b> \$                      0		<b>Current Amount:</b> \$                      104,392,137		<b>This Request</b> \$                      4,250,000		<b>% of This Request to Current Amount:</b> 4%		<b>% of Modifications (including This Request) to Original Amount:</b> 4%	
<b>Contract Number</b> CH057A	<b>AWO/Modification #</b> 4																
<b>Original Amount:</b> \$                      104,300,000																	
<b>Prior Modifications:</b> \$                      92,137																	
<b>Prior Budgetary Increases:</b> \$                      0																	
<b>Current Amount:</b> \$                      104,392,137																	
<b>This Request</b> \$                      4,250,000																	
<b>% of This Request to Current Amount:</b> 4%																	
<b>% of Modifications (including This Request) to Original Amount:</b> 4%																	

Discussion:

This Contract is for the construction of a jacked shield tunnel, approach structures, direct fixation track and electrical systems for the Westbound Bypass Structure to be located along the mainline tracks at F Interlocking and Harold Interlocking. Contract work also includes the installation of catenary and signal bridges along the Westbound Bypass alignment. In accordance with Article IX of the MTA All-Agency Procurement Guidelines, MTACC is requesting Board ratification of a contract modification for the fabrication and installation of eighteen (18) new steel poles and foundations.

The 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. As part of the separation work, new communication and signal cables for the LIRR were to be installed on existing lattice towers carrying the cables between Harold Interlocking, Woodside and three Central Instrument Locations (CILs). ESA, the Long Island Railroad and the Design Consultant now agree that the existing 100 year old lattice tower structures are deteriorated and at capacity and, therefore cannot carry the additional loads of the new cables. This Modification is for the fabrication and installation of eighteen (18) new steel poles and foundations which will supplement the existing lattice towers and will be used to carry communication and signal cables for the LIRR between Harold and the Woodside three CILs.

In order to meet the scheduled cutovers to the new switching and signaling systems of the three CILs in the 4th Quarter of 2016, the new steel poles need to be installed by November 2015. This will allow the LIRR approximately 10 months for pre-testing prior to the Cutovers. MTACC has determined that the CH057A Contractor should perform this Work because, presently there is no other Contractor mobilized with the available manpower and equipment that can perform this Work in time for the CIL Cutovers.

The Contractor submitted a cost proposal of \$4,929,201 while the MTACC project estimate was \$4,401,747. Negotiations were held, and both parties agreed to \$4,250,000 which is considered fair and reasonable. There is no time impact associated with this Modification.

In order to maintain the cutover schedule for the three CILs, the President approved a limited Retroactive Memorandum on March 17, 2015 and the Contractor was directed to proceed with the Work up to the not-to-exceed amount of \$912,000. Authorization to proceed with the remainder of the Work under this Modification will be given upon Board ratification of this Modification.



**Metro-North Railroad**

# **Operations Report**

## **April 2015**

Performance Summary			2015 Data			2014 Data		
			Annual Goal	March	YTD thru March	March	YTD thru March	
<b>On Time Performance</b> <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	<b>System</b>	<b>Overall</b>	<b>93.0%</b>	<b>92.1%</b>	<b>90.7%</b>	<b>93.1%</b>	<b>89.8%</b>	
		AM Peak	93.0%	85.9%	82.4%	92.2%	85.9%	
		AM Reverse Peak	93.0%	92.4%	88.9%	95.6%	89.5%	
		PM Peak	93.0%	97.6%	93.4%	91.2%	88.3%	
		<b>Total Peak</b>	<b>93.0%</b>	<b>91.6%</b>	<b>87.9%</b>	<b>92.3%</b>	<b>87.4%</b>	
		Off Peak Weekday	92.0%	92.2%	90.6%	92.2%	88.8%	
		Weekend	92.0%	92.8%	95.0%	96.0%	95.0%	
		<b>Hudson Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>92.6%</b>	<b>93.1%</b>	<b>93.8%</b>	<b>91.4%</b>
		AM Peak	93.0%	85.8%	84.3%	92.7%	89.9%	
		AM Reverse Peak	93.0%	96.3%	94.8%	92.1%	89.5%	
		PM Peak	93.0%	98.7%	97.2%	91.3%	88.1%	
		<b>Total Peak</b>	<b>93.0%</b>	<b>92.5%</b>	<b>90.9%</b>	<b>92.0%</b>	<b>89.1%</b>	
		Off Peak Weekday	92.0%	94.2%	93.9%	93.4%	90.6%	
		Weekend	92.0%	89.6%	95.1%	97.4%	96.0%	
		<b>Harlem Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>93.4%</b>	<b>91.4%</b>	<b>94.3%</b>	<b>92.1%</b>
		AM Peak	93.0%	85.1%	83.4%	94.4%	89.0%	
		AM Reverse Peak	93.0%	92.8%	89.4%	98.1%	94.0%	
		PM Peak	93.0%	98.1%	93.1%	91.4%	92.1%	
		<b>Total Peak</b>	<b>93.0%</b>	<b>91.6%</b>	<b>88.3%</b>	<b>93.8%</b>	<b>91.0%</b>	
		Off Peak Weekday	92.0%	94.1%	91.8%	93.2%	90.4%	
		Weekend	92.0%	95.3%	95.5%	97.1%	96.6%	
	<b>New Haven Line</b>	<b>Overall</b>	<b>93.0%</b>	<b>90.9%</b>	<b>88.8%</b>	<b>91.7%</b>	<b>87.0%</b>	
	AM Peak	93.0%	86.5%	80.4%	90.2%	81.0%		
	AM Reverse Peak	93.0%	90.0%	85.5%	95.5%	85.6%		
	PM Peak	93.0%	96.4%	91.3%	91.1%	85.6%		
	<b>Total Peak</b>	<b>93.0%</b>	<b>91.1%</b>	<b>85.6%</b>	<b>91.3%</b>	<b>83.5%</b>		
	Off Peak Weekday	92.0%	89.7%	87.9%	90.7%	86.5%		
	Weekend	92.0%	92.9%	94.6%	94.2%	93.3%		
<b>Operating Statistics</b>	<b>Trains Scheduled</b>		<b>19,705</b>	<b>55,797</b>	<b>19,172</b>	<b>54,963</b>		
	<b>Avg. Delay per Late Train (min)</b> <small>excluding trains canceled or terminated</small>		14.6	12.9	12.3	14.0		
	<b>Trains Over 15 min. Late</b> <small>excluding trains canceled or terminated</small>		1,800	389	1,101	222		
	<b>Trains Canceled</b>		220	49	178	58		
	<b>Trains Terminated</b>		220	24	147	103		
	<b>Percent of Scheduled Trips Completed</b>		99.7%	99.6%	99.4%	99.2%		
<b>Consist Compliance</b>	<b>System</b>	<b>Overall</b>	<b>99.8%</b>	<b>99.6%</b>	<b>99.5%</b>	<b>99.5%</b>	<b>98.9%</b>	
<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>		AM Peak	99.8%	99.2%	99.0%	98.9%	97.8%	
		AM Reverse Peak	99.8%	99.9%	99.9%	100.0%	99.7%	
		PM Peak	99.8%	98.9%	98.1%	99.5%	98.1%	
		<b>Total Peak</b>	<b>99.8%</b>	<b>99.2%</b>	<b>98.8%</b>	<b>99.3%</b>	<b>98.2%</b>	
		Off Peak Weekday	99.8%	99.8%	99.8%	99.6%	99.2%	
		Weekend	99.8%	100.0%	100.0%	99.9%	99.7%	
		<b>Hudson Line</b>	AM Peak	99.8%	100.0%	100.0%	99.5%	99.0%
		PM Peak	99.8%	99.7%	99.4%	99.8%	99.5%	
		<b>Harlem Line</b>	AM Peak	99.8%	98.5%	98.5%	98.7%	98.5%
		PM Peak	99.8%	99.3%	98.4%	99.9%	99.5%	
		<b>New Haven Line</b>	AM Peak	99.8%	99.3%	98.8%	98.7%	96.7%
		PM Peak	99.8%	98.1%	96.9%	99.1%	96.4%	

**SYSTEM Category of Delay**

Delay Minutes / Delay Threshold	% Total	February	2015 Data		2014 Data		YTD 2015 Vs 2014
			March	YTD thru March	March	YTD thru March	
Maintenance of Way	36.3%	2,446	1,310	5,110	888	5,674	-564
Maintenance of Equipment	16.4%	1,020	592	2,048	342	1,465	583
Transportation	4.7%	50	169	250	102	1,391	-1,141
Capital Projects	0.3%	0	12	12	0	6	6
Weather and Environmental	28.8%	646	1,040	1,829	482	1,990	-161
Police	4.8%	238	174	546	305	500	46
Customers	2.8%	120	101	301	67	262	39
Other	5.7%	154	205	412	204	823	-411
3rd Party Operations	0.2%	0	6	6	1	3	3
<b>TOTAL</b>	<b>100.0%</b>	<b>4,674</b>	<b>3,609</b>	<b>10,514</b>	<b>2,391</b>	<b>12,114</b>	<b>-1,600</b>

HUDSON LINE	% Total	February	March	YTD thru March	March	YTD thru March	YTD 2015 Vs 2014
Maintenance of Way	36.6%	305	321	873	167	920	-47
Maintenance of Equipment	7.0%	174	61	356	73	270	86
Transportation	2.2%	2	19	28	34	370	-342
Capital Projects	0.0%	0	0	0	0	2	-2
Weather and Environmental	30.0%	80	263	355	103	469	-114
Police	1.6%	36	14	65	96	131	-66
Customers	2.2%	31	19	59	19	74	-15
Other	20.4%	12	179	198	25	143	55
3rd Party Operations	0.0%	0	0	0	0	0	0
<b>TOTAL</b>	<b>100.0%</b>	<b>640</b>	<b>876</b>	<b>1,934</b>	<b>517</b>	<b>2,379</b>	<b>-445</b>

HARLEM LINE	% Total	February	March	YTD thru March	March	YTD thru March	YTD 2015 Vs 2014
Maintenance of Way	43.9%	820	407	1,488	259	1,492	-4
Maintenance of Equipment	12.5%	321	116	549	63	258	291
Transportation	4.9%	12	45	60	18	434	-374
Capital Projects	0.0%	0	0	0	0	0	0
Weather and Environmental	32.4%	160	300	497	153	595	-98
Police	4.1%	83	38	178	70	88	90
Customers	1.6%	36	15	64	7	39	25
Other	0.6%	102	6	145	52	188	-43
3rd Party Operations	0.0%	0	0	0	0	0	0
<b>TOTAL</b>	<b>100.0%</b>	<b>1,534</b>	<b>927</b>	<b>2,981</b>	<b>622</b>	<b>3,094</b>	<b>-113</b>

NEW HAVEN LINE	% Total	February	March	YTD thru March	March	YTD thru March	YTD 2015 Vs 2014
Maintenance of Way	32.2%	1,321	582	2,749	461	3,263	-514
Maintenance of Equipment	22.9%	526	414	1,143	206	937	206
Transportation	5.8%	36	105	162	50	586	-424
Capital Projects	0.7%	0	12	12	0	4	8
Weather and Environmental	26.4%	406	477	976	226	925	51
Police	6.8%	119	122	304	139	280	24
Customers	3.7%	53	67	179	41	149	30
Other	1.1%	41	20	68	127	492	-424
3rd Party Operations	0.3%	0	6	6	1	3	3
<b>TOTAL</b>	<b>100.0%</b>	<b>2,502</b>	<b>1,805</b>	<b>5,599</b>	<b>1,251</b>	<b>6,639</b>	<b>-1,040</b>



**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	Cxld	Term
			L	C	T	L	C	T	L	C	T	L	C	T	L	C	T			
03/02	Mon	Slow loading and unloading of passengers due to inclement weather.	18	0	0	4	0	0	0	0	0	1	0	0	0	0	0	23	0	0
03/02	Mon	Train 926 lost traction power on track 2 north of CP1.	16	0	0	0	0	0	0	0	0	1	0	0	0	0	0	17	0	0
03/02	Mon	Switch failures of 13, 21 and 343 caused delays.	21	0	0	1	0	0	0	0	0	0	0	0	0	0	0	22	0	0
03/03	Tue	Train 667 reported smoldering third rail on track 2 at 90th Street at 18:43, causing delays.	0	0	0	0	0	0	3	0	1	17	2	1	0	0	0	20	2	2
03/04	Wed	Congestion account Code Yellow on the Harlem Line due to 3rd Rail Burners.	12	2	0	7	0	2	0	0	0	2	0	0	0	0	0	21	2	2
03/04	Wed	Stop and Warn conditions at several locations from Valhalla to Brewster as well as on the Danbury branch.	1	0	0	4	0	0	0	0	0	10	0	0	0	0	0	15	0	0
03/04	Wed	Congestion from CP3 to CP1 due to track circuits down.	26	0	0	5	0	0	0	0	0	12	0	0	0	0	0	43	0	0
03/04	Wed	Congestion resulting from infrastructure failures.	23	0	0	3	0	0	0	0	0	28	0	0	0	0	0	54	0	0
03/05	Thu	Congestion due to smoldering third rail on track 2 at 79th Street.	85	0	0	4	0	1	0	0	0	12	1	0	0	0	0	101	1	1
03/05	Thu	Several trains not making changeover on all tracks at Pelham.	21	1	0	6	0	0	10	0	0	19	1	0	0	0	0	56	2	0
03/05	Thu	The HD and another track circuit on the Upper Level over track I and Ladder X, were down in GCT, causing delays.	0	0	0	0	0	0	0	0	0	19	0	0	0	0	0	19	0	0

**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	Cxld	Term
			L	C	T	L	C	T	L	C	T	L	C	T	L	C	T			
03/06	Fri	Severe weather conditions impacted train service on all three lines.	83	7	1	17	2	0	5	5	0	80	11	1	0	0	0	185	25	2
03/06	Fri	Poor acceleration on track 1 at CP217.	1	0	0	1	0	0	0	0	0	12	0	0	0	0	0	14	0	0
03/09	Mon	Congestion resulting from infrastructure failures.	4	0	0	1	0	0	5	0	0	14	0	0	0	0	0	24	0	0
03/10	Tue	Train 2901 had Car 6227 blowing air, engine 203 of train 908 had blower failure and train 816 received a penalty brake application, all causing delays.	9	0	0	0	0	0	0	0	0	1	0	0	0	0	0	10	0	0
03/12	Thu	Congestion resulting from infrastructure failures.	4	0	0	2	0	0	0	0	0	5	0	0	0	0	0	11	0	0
03/12	Thu	Congestion resulting from infrastructure failures.	4	0	0	2	0	0	0	0	0	5	0	0	0	0	0	11	0	0
03/14	Sat	CSX - Q430 derailed on track 1 at CP58.	0	0	0	0	0	0	0	0	0	0	0	0	27	0	0	27	0	0
03/15	Sun	An explosion and smoke from 317A switch at CP1 and fire and smoke from the 333 switch just south of the DS2 signal, causing delays.	0	0	0	0	0	0	0	0	0	0	0	0	31	0	0	31	0	0
03/20	Fri	Delays at various locations due to programmed track work on all three lines.	4	0	0	1	0	0	0	0	0	7	0	0	0	0	0	12	0	0
03/25	Wed	Congestion account the 31A Switch was out of service on track 3 at CP106.	0	0	0	0	0	0	0	0	0	12	0	0	0	0	0	12	0	0
03/27	Fri	Congestion from CP106 - GCT account IK Track Circuit was down at CP1.	41	0	0	2	0	0	0	0	0	3	0	0	0	0	0	46	0	0
03/28	Sat	Delays at various locations due to programmed track work on all three lines.	0	0	0	0	0	0	0	0	0	0	0	0	40	0	0	40	0	0

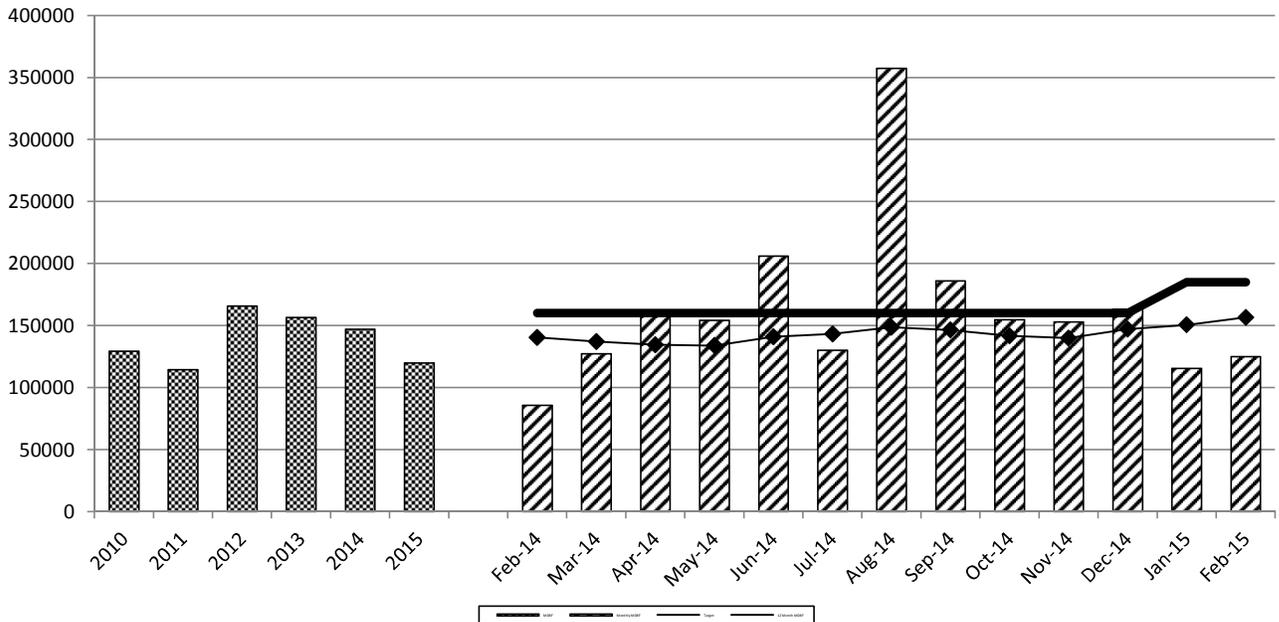
**EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) or TERMINATED (T) TRAINS**

Date	Day	DESCRIPTION OF EVENT	Number of Late Trains																	
			AM Peak			AM Reverse			PM Peak			Off Peak			Weekend			TOTAL		
			L	C	T	L	C	T	L	C	T	L	C	T	L	C	T	Late	Cxld	Term
03/28	Sat	Congestion resulting from infrastructure failures.	0	0	0	0	0	0	0	0	0	0	0	0	30	0	0	30	0	0
03/29	Sun	Amtrak 88 struck a trespasser on track 4 near Cat. 693 east of Fairfield Station.	0	0	0	0	0	0	0	0	0	0	0	0	22	0	0	22	0	0
03/29	Sun	Delays at various locations due to programmed track work on all three lines.	0	0	0	0	0	0	0	0	0	0	0	0	13	0	0	13	0	0
<b>TOTAL FOR MONTH</b>			373	10	1	60	2	3	23	5	1	260	15	2	163	0	0	879	32	7
																		<b>918</b>		

			2015 Data						2014 Data		
	Equipment Type	Total Fleet Size	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)
<b>Mean Distance Between Failures</b>	M246	91	40,000	20,364	7	10	24,181	34,919	21,693	22	22,375
	M8	383	280,000	330,172	9	7	258,792	239,982	112,431	14	155,238
	M3	140	135,000	57,748	2	5	69,996	138,328	147,814	2	106,182
	M7	336	460,000	151,635	4	12	221,707	365,777	577,270	3	265,738
	Coach	213	295,000	215,237	5	6	178,250	290,573	112,310	11	131,981
	P-32	31	35,000	24,583	5	7	17,663	23,126	18,626	9	19,728
	BL-20	12	13,000	17,564	3	2	12,407	17,355	6,943	5	12,361
	<b>Fleet</b>	<b>1206</b>	<b>185,000</b>	<b>124,935</b>	<b>35</b>	<b>49</b>	<b>119,967</b>	<b>156,537</b>	<b>85,704</b>	<b>66</b>	<b>89,914</b>
	M2/4/6/8		185,000	147,932	16	17	132,463	136,142	60,869	36	66,030
	M3/7		320,000	124,021	6	17	173,160	298,026	405,488	5	217,871
Diesel/Coach		120,000	99,909	13	15	75,645	109,011	57,511	25	69,748	

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 2010 - 2015



<b>West of Hudson Performance Summary</b>			<b>2015 Data</b>			<b>2014 Data</b>	
			Annual Goal	March	YTD thru March	March	YTD thru March
<b>On Time Performance</b> <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	<b>West of Hudson Total</b>	<b>Overall</b>	<b>95.5%</b>	<b>91.7%</b>	<b>91.8%</b>	<b>95.9%</b>	<b>92.4%</b>
		AM Peak	95.5%	92.2%	91.7%	95.2%	91.0%
		PM Peak	95.5%	89.2%	89.0%	94.1%	91.9%
		<b>Total Peak</b>	<b>95.5%</b>	<b>90.7%</b>	<b>90.4%</b>	<b>94.7%</b>	<b>91.4%</b>
		Off Peak Weekday	95.5%	92.6%	92.5%	96.2%	93.1%
		Weekend	95.5%	91.2%	92.7%	97.1%	92.5%
	<b>Pascack Line</b>	<b>Overall</b>	<b>96.5%</b>	<b>89.6%</b>	<b>91.8%</b>	<b>96.9%</b>	<b>93.2%</b>
	<b>Valley Line</b>	AM Peak	96.5%	89.8%	92.6%	98.2%	93.3%
		PM Peak	96.5%	88.3%	87.4%	96.6%	92.9%
		<b>Total Peak</b>	<b>96.5%</b>	<b>89.1%</b>	<b>90.2%</b>	<b>97.5%</b>	<b>93.1%</b>
		Off Peak Weekday	96.5%	90.7%	92.8%	96.3%	92.9%
		Weekend	96.5%	88.0%	92.1%	97.1%	93.8%
	<b>Port Jervis Line</b>	<b>Overall</b>	<b>95.0%</b>	<b>94.7%</b>	<b>91.8%</b>	<b>94.5%</b>	<b>91.3%</b>
		AM Peak	95.0%	95.5%	90.4%	91.3%	87.9%
		PM Peak	95.0%	90.2%	91.0%	91.3%	90.8%
	<b>Total Peak</b>	<b>95.0%</b>	<b>92.8%</b>	<b>90.7%</b>	<b>91.3%</b>	<b>89.4%</b>	
	Off Peak Weekday	95.0%	95.5%	91.9%	95.9%	93.5%	
	Weekend	95.0%	96.8%	93.6%	97.1%	90.5%	
<b>Operating Statistics</b>	<b>Trains Scheduled</b>		<b>1,728</b>	<b>4,948</b>	<b>1,703</b>	<b>4,886</b>	
	<b>Avg. Delay per Late Train (min)</b> <small>excluding trains canceled or terminated</small>		16.4	17.7	16.7	19.8	
	<b>Trains Over 15 min. Late</b> <small>excluding trains canceled or terminated</small>	200	46	144	31	147	
	<b>Trains Canceled</b>	60	17	32	1	38	
	<b>Trains Terminated</b>	60	8	21	3	11	
	<b>Percent of Scheduled Trips Completed</b>	99.4%	98.6%	98.9%	99.8%	99.0%	

### MARCH 2015 STANDEE REPORT

#### East of Hudson

			MAR 2014	YTD 2014	MAR 2015	YTD 2015
<b>Daily Average</b>	<b>Hudson Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
<b>Total Standees</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>AM Peak</b>	<b>Harlem Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	1	47	33
<b>Total Standees</b>			<b>0</b>	<b>1</b>	<b>47</b>	<b>33</b>
	<b>New Haven Line</b>	Program Standees	0	0	0	0
		Add'l Standees	23	98	11	29
<b>Total Standees</b>			<b>23</b>	<b>98</b>	<b>11</b>	<b>29</b>
<b>EAST OF HUDSON TOTAL - AM PEAK</b>			<b>23</b>	<b>99</b>	<b>58</b>	<b>62</b>
<b>Daily Average</b>	<b>Hudson Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	2	0	4
<b>Total Standees</b>			<b>0</b>	<b>2</b>	<b>0</b>	<b>4</b>
<b>PM Peak</b>	<b>Harlem Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	7	19	32
<b>Total Standees</b>			<b>0</b>	<b>7</b>	<b>19</b>	<b>32</b>
	<b>New Haven Line</b>	Program Standees	0	0	0	0
		Add'l Standees	20	90	49	63
<b>Total Standees</b>			<b>20</b>	<b>90</b>	<b>49</b>	<b>63</b>
<b>EAST OF HUDSON TOTAL - PM PEAK</b>			<b>20</b>	<b>99</b>	<b>68</b>	<b>99</b>

#### West of Hudson

			MAR 2014	YTD 2014	MAR 2015	YTD 2015
<b>Daily Average</b>	<b>Port Jervis Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
<b>Total Standees</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>AM Peak</b>	<b>Pascack Valley Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
<b>Total Standees</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WEST OF HUDSON TOTAL - AM PEAK</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Daily Average</b>	<b>Port Jervis Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	0	0	0
<b>Total Standees</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PM Peak</b>	<b>Pascack Valley Line</b>	Program Standees	0	0	0	0
		Add'l Standees	0	0	1	0
<b>Total Standees</b>			<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>WEST OF HUDSON TOTAL - PM PEAK</b>			<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>

#### 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 (reported as Consist Compliance below 100%).

**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.

**ELEVATOR AND ESCALATOR OPERATING REPORT**  
**FOR MONTH OF March 2015**

<b>Elevator Availability</b>	<b>2015</b>		<b>2014</b>	
	March	Year to Date	March	Year to Date
Grand Central Terminal	99.63%	97.93%	98.19%	97.15%
HARLEM	99.85%	99.54%	100.00%	99.82%
HUDSON	99.75%	99.66%	99.87%	99.48%
NEW HAVEN	99.77%	99.92%	99.75%	99.92%
Overall Average	99.75%	99.26%	99.09%	99.09%

<b>Escalator Availability</b>	<b>2015</b>		<b>2014</b>	
	March	Year to Date	March	Year to Date
Grand Central Terminal	99.50%	97.69%	91.42%	87.17%
WHITE PLAINS	100.00%	99.50%	100.00%	100.00%
Overall Average	99.75%	98.60%	93.58%	93.58%



# **Metro-North Railroad**

## **Financial Report April 2015**



**FINANCIAL STATEMENTS**

**MONTH ENDED: FEBRUARY 2015**

**OFFICE OF VICE PRESIDENT OF FINANCE & INFORMATION SYSTEMS**

**MTA METRO-NORTH RAILROAD  
FEBRUARY 2015 FINANCIAL AND RIDERSHIP REPORT  
EXECUTIVE SUMMARY**

Although February YTD financial results were approximately 1% better than plan with a net operating deficit that was \$1.3 million lower than the Adopted Budget, results for the month were unfavorable by \$2.5 million or nearly 4%. The February decline is due to the February 3rd collision between a Metro-North Harlem line passenger train and a SUV at the Commerce St. grade crossing near Valhalla station. The total financial impact of this incident was \$3.3 million, consisting of a \$2.9 million charge to Other Business Expenses to reflect the asset write-off of two accident-damaged M-7 cars, \$0.3 million of Payroll and Contract Costs related to clean-up and alternate bus service and estimated Farebox Revenue losses of \$0.1 million resulting from approximately 38,000 fewer Harlem Line riders.

YTD Operating Revenues were \$1.1 million lower than the Adopted Budget reflecting lower passenger receipts due to the impact of a temporary system-wide suspension of service on January 26th-27th related to Winter Storm Juno, ongoing adverse weather events and the Commerce St. collision on non-commutation ridership. Operating expenses through February were \$2.4 million lower than projected due to the timing of contracted services, lower energy costs and unfilled positions. These decreases were partially offset by the asset write-off of the M-7 cars (\$2.9 million) and higher overtime expenses (\$1.7 million) driven by adverse winter weather events.

Reimbursable Capital program expenditures (and reimbursements) were \$6.9 million lower than Budget due to revised timing of several budgeted projects (Cyclical Track Program, Component Change-Out Shop, and Positive Train Control) and the reallocation of forces to operations for storm coverage.

**Ridership**

Total ridership was 6.0 million for February, and 12.3 million YTD which was 2.5% below the Adopted Budget, mainly the result of severe winter weather events.

**East of Hudson**

- YTD Ridership of 12.0 million was 2.6% lower than the Adopted Budget and 0.6% lower than 2014.
- February ridership of 5.9 million was 2.0% below the Adopted Budget.
- YTD Commutation ridership was 2.2% below the Adopted Budget and 0.1% lower for the month. February YTD commutation was 1.1% lower than 2014.
- YTD Non-commutation ridership was 3.2% lower than the Adopted Budget and 4.9% lower for the month. Compared to 2014, YTD non-commutation was 0.1% higher.

**West of Hudson**

- YTD Ridership was higher than the Adopted Budget by 1.3%. February ridership was 0.9% higher than the Adopted Budget. Compared to 2014, YTD ridership was 5.2% higher.

**Revenue and Reimbursements**

Total YTD Revenue and Reimbursements through February was \$127.5 million, 5.9% lower than the Adopted Budget:

- Farebox Revenue of \$97.7 million was \$1.8 million lower than the Adopted Budget due to adverse winter weather.
- Other Operating Revenue of \$9.6 million was \$0.7 million higher than the Adopted Budget due to higher GCT net retail revenue comprised of higher retail rents and lower management expenses.
- Capital and Other Reimbursements of \$20.2 million was \$6.9 million lower than the Adopted Budget due to project timing previously discussed.

**Expenses**

Total YTD Non-Reimbursable and Reimbursable expenses of \$269.2 million through February were \$9.3 million (3.3%) lower than the Adopted Budget:

- \$10.9 million was attributable to lower non-labor costs. These were primarily driven by timing differences in capital project activity, contractual services expenditures and lower energy costs.
- Total Labor costs (operating and capital) were \$0.3 million above the Adopted Budget primarily due lower than projected overhead recoveries.

### **Financial Performance Measures**

The YTD performance indicators reflect lower overall expenses:

- Adjusted Farebox Operating Ratio of 57.6% through February was 2.0% higher than the Adopted Budget
- Adjusted Cost per Passenger of \$15.67 for the period was \$0.33 lower than the Adopted Budget
- Revenue per Passenger of \$8.21 for the period was slightly lower than the Adopted Budget.

**MTA METRO-NORTH RAILROAD  
FEBRUARY 2015 FINANCIAL REPORT  
YEAR-TO-DATE ACTUAL VERSUS ADOPTED BUDGET**

**REVENUE**

**Total Revenue and reimbursements** were \$8.0 million (5.9%) lower than the Adopted Budget through February:

- **Farebox Revenue** – year-to-date and the month were lower than the Adopted Budget by \$1.8 million and \$1.3 million, respectively, primarily due to the impact of a temporary system-wide suspension of service related to Winter Storm Juno on January 26th-27th, adverse weather events and the Commerce St. collision on non-commutation ridership.
- **Other Operating Revenue** – year-to-date was higher than the Adopted Budget by \$0.7 million primarily due to higher GCT net retail revenue (increased tenant rents and lower management expenses). For the month, reimbursements were \$0.1 million below the Adopted Budget.
- **Capital and Other Reimbursements** – year-to-date was lower by \$6.9 million due to timing differences/rescheduling of capital projects (Cyclical Track Program, Component Change Out Shop, and Positive Train Control) and the reallocation of forces for storm coverage. For the month, reimbursements were \$1.8 million below the Adopted Budget.

**EXPENSES**

**Total Expenses** – Year-to-date expenses of \$269.2 million were \$9.3 million (3.3%) lower than the Adopted Budget. For the month, expenses were \$0.6 million (0.5%) lower than the Adopted Budget.

- **Labor expenses** (including fringes and overhead recoveries) were \$158.6 million YTD. This was \$0.3 million above the Adopted Budget primarily due to lower than projected overhead recoveries.
- **Non-Labor Expenses** were \$58.8 million YTD, \$10.9 million lower than Adopted Budget and \$2.9 million lower for the month.
  - **Electric Power** – Lower traction power rates across all lines yielded favorable results vs. Budget of \$1.5 million year-to-date and \$0.7 million for the month.
  - **Fuel** – Lower diesel fuel price per gallon partly offset by higher than budgeted usage drove favorable results compared to the Adopted Budget (\$1.4 million year-to-date and \$0.6 million for the month).
  - **Maintenance & Other Operating Contracts** – year-to-date was \$3.7 million below the Adopted Budget primarily due to timing of expenditures for utilities and service contract costs as well as scheduling changes in reimbursable project activity (GCT Leaks Remediation, Component Change-Out Shop, and Overhead Bridge Program). For the month, expenses were \$1.3 million lower than the Adopted Budget.
  - **Professional Services** – YTD was 1.5 million below the Adopted Budget primarily due to the timing of expenses for engineering services, legal fees, advertising and training. For the month, expenses were favorable by \$1.2 million compared to the Adopted Budget.
  - **Materials & Supplies** – year-to-date was \$5.1 million below the Adopted Budget primarily due to timing differences in reimbursable project activity (Component Change-Out Shop, Hurricane Sandy work, Cyclical Track Program, Devon Bridge Repair and the Stamford Yard Hydraulic Switches). For the month, expenses were favorable by \$1.6 million compared to the Adopted Budget.
  - **Other Business Expenses** – year-to-date and the month were higher than the Adopted Budget by \$2.8 million and \$2.9 million, respectively, due to the asset write-off of two M-7 cars related to the Commerce St. collision.
- **Depreciation and Other Non-Cash Liability Adjustments** – \$1.3 million higher than the Adopted Budget primarily due to timing differences in asset capitalization.

**CASH DEFICIT**

The Cash Deficit through February of \$62.8 million was \$15.5 million favorable to the Adopted Budget. This is essentially due to lower expenses partly offset by lower capital reimbursements (timing).

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**ACCRUAL STATEMENT of OPERATIONS by CATEGORY**  
**February 2015**  
(\$ in millions)

SCHEDULE I - A

	<u>Nonreimbursable</u>				<u>Reimbursable</u>				<u>Total</u>			
	<u>Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>		<u>Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>		<u>Adopted Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>	
			<u>Variance</u>	<u>Percent</u>			<u>Variance</u>	<u>Percent</u>			<u>Variance</u>	<u>Percent</u>
<b>Revenue</b>												
Farebox Revenue	\$48.631	\$47.367	(\$1.264)	(2.6)	\$0.000	\$0.000	\$0.000	-	\$48.631	\$47.367	(\$1.264)	(2.6)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	4.457	4.397	(0.061)	(1.4)	0.000	0.000	0.000	-	4.457	4.397	(0.061)	(1.4)
<i>Capital &amp; Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	8.154	6.866	(1.288)	(15.8)	8.154	6.866	(1.288)	(15.8)
CDOT	0.000	0.000	0.000	-	2.808	2.645	(0.163)	(5.8)	2.808	2.645	(0.163)	(5.8)
Other	0.000	0.000	0.000	-	1.516	1.136	(0.380)	(25.1)	1.516	1.136	(0.380)	(25.1)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	12.478	10.647	(1.831)	(14.7)	12.478	10.647	(1.831)	(14.7)
<b>Total Revenue/Receipts</b>	<b>\$53.089</b>	<b>\$51.764</b>	<b>(\$1.325)</b>	<b>(2.5)</b>	<b>\$12.478</b>	<b>\$10.647</b>	<b>(\$1.831)</b>	<b>(14.7)</b>	<b>\$65.567</b>	<b>\$62.411</b>	<b>(\$3.156)</b>	<b>(4.8)</b>
<b>Expenses</b>												
<i>Labor:</i>												
Payroll	\$36.797	\$36.335	\$0.462	1.3	\$3.436	\$3.358	\$0.078	2.3	\$40.232	\$39.692	\$0.540	1.3
Overtime	7.544	8.563	(1.018)	(13.5)	0.854	1.228	(0.374)	(43.8)	8.398	9.791	(1.393)	(16.6)
Health and Welfare	7.506	7.434	0.071	0.9	0.922	0.937	(0.015)	(1.6)	8.428	8.371	0.057	0.7
OPEB Current Payment	2.099	2.146	(0.047)	(2.2)	0.000	0.000	0.000	-	2.099	2.146	(0.047)	(2.2)
Pensions	6.622	6.544	0.078	1.2	0.535	0.637	(0.103)	(19.2)	7.157	7.182	(0.025)	(0.4)
Other Fringe Benefits	8.795	9.201	(0.406)	(4.6)	0.753	0.923	(0.170)	(22.6)	9.548	10.124	(0.576)	(6.0)
Reimbursable Overhead	(3.129)	(3.071)	(0.058)	(1.9)	3.102	3.159	(0.056)	(1.8)	(0.027)	0.088	(0.115)	*
<b>Total Labor</b>	<b>\$66.233</b>	<b>\$67.152</b>	<b>(\$0.919)</b>	<b>(1.4)</b>	<b>\$9.602</b>	<b>\$10.242</b>	<b>(\$0.640)</b>	<b>(6.7)</b>	<b>\$75.835</b>	<b>\$77.394</b>	<b>(\$1.559)</b>	<b>(2.1)</b>
<i>Non-Labor:</i>												
Electric Power	\$8.288	\$7.551	\$0.737	8.9	\$0.000	\$0.000	\$0.000	-	\$8.288	\$7.551	\$0.737	8.9
Fuel	2.191	1.593	0.598	27.3	0.000	0.000	0.000	-	2.191	1.593	0.598	27.3
Insurance	1.626	1.348	0.278	17.1	0.218	0.209	0.009	4.2	1.844	1.557	0.287	15.6
Claims	0.098	0.051	0.046	47.4	0.000	0.000	0.000	-	0.098	0.051	0.046	47.4
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	8.067	7.108	0.958	11.9	0.650	0.283	0.366	56.4	8.716	7.392	1.324	15.2
Professional Service Contracts	2.984	2.267	0.717	24.0	0.653	0.154	0.499	76.4	3.637	2.421	1.216	33.4
Materials & Supplies	6.127	6.112	0.015	0.2	1.307	(0.265)	1.572	*	7.434	5.847	1.587	21.4
Other Business Expenses	1.890	4.843	(2.953)	*	0.049	0.024	0.024	50.3	1.938	4.867	(2.928)	*
<b>Total Non-Labor</b>	<b>\$31.270</b>	<b>\$30.873</b>	<b>\$0.397</b>	<b>1.3</b>	<b>\$2.876</b>	<b>\$0.405</b>	<b>\$2.471</b>	<b>85.9</b>	<b>\$34.146</b>	<b>\$31.278</b>	<b>\$2.868</b>	<b>8.4</b>
<i>Other Adjustments:</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$97.503</b>	<b>\$98.025</b>	<b>(\$0.522)</b>	<b>(0.5)</b>	<b>\$12.478</b>	<b>\$10.647</b>	<b>\$1.831</b>	<b>14.7</b>	<b>\$109.981</b>	<b>\$108.672</b>	<b>\$1.310</b>	<b>1.2</b>
Depreciation	19.290	20.253	(0.963)	(5.0)	0.000	0.000	0.000	-	19.290	20.253	(0.963)	(5.0)
OPEB Obligation	5.693	5.693	0.000	0.0	0.000	0.000	0.000	-	5.693	5.693	0.000	0.0
Environmental Remediation	0.264	0.000	0.264	100.0	0.000	0.000	0.000	-	0.264	0.000	0.264	100.0
<b>Total Expenses</b>	<b>\$122.750</b>	<b>\$123.971</b>	<b>(\$1.221)</b>	<b>(1.0)</b>	<b>\$12.478</b>	<b>\$10.647</b>	<b>\$1.831</b>	<b>14.7</b>	<b>\$135.228</b>	<b>\$134.618</b>	<b>\$0.610</b>	<b>0.5</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$69.662)</b>	<b>(\$72.207)</b>	<b>(\$2.545)</b>	<b>(3.7)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$69.662)</b>	<b>(\$72.207)</b>	<b>(\$2.545)</b>	<b>(3.7)</b>
<i>Cash Conversion Adjustments:</i>												
Depreciation	19.290	20.253	0.963	5.0	0.000	0.000	0.000	-	19.290	20.253	0.963	5.0
Operating/Capital	(1.997)	(1.201)	0.796	39.9	0.000	0.000	0.000	-	(1.997)	(1.201)	0.796	39.9
Other Cash Adjustments	16.867	24.172	7.305	43.3	0.000	0.000	0.000	-	16.867	24.172	7.305	43.3
<b>Total Cash Conversion Adjustments</b>	<b>\$34.160</b>	<b>\$43.224</b>	<b>\$9.064</b>	<b>26.5</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$34.160</b>	<b>\$43.224</b>	<b>\$9.064</b>	<b>26.5</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$35.502)</b>	<b>(\$28.983)</b>	<b>\$6.519</b>	<b>18.4</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$35.502)</b>	<b>(\$28.983)</b>	<b>\$6.519</b>	<b>18.4</b>

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 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
<b>Revenue</b>												
Farebox Revenue	\$99.566	\$97.732	(\$1.834)	(1.8)	\$0.000	\$0.000	\$0.000	-	\$99.566	\$97.732	(\$1.834)	(1.8)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	8.834	9.550	0.716	8.1	0.000	0.000	0.000	-	8.834	9.550	0.716	8.1
<i>Capital &amp; Other Reimbursements:</i>												
MTA	0.000	0.000	0.000	-	16.737	12.008	(4.729)	(28.3)	16.737	12.008	(4.729)	(28.3)
CDOT	0.000	0.000	0.000	-	7.439	6.189	(1.251)	(16.8)	7.439	6.189	(1.251)	(16.8)
Other	0.000	0.000	0.000	-	2.869	1.992	(0.877)	(30.6)	2.869	1.992	(0.877)	(30.6)
Total Capital and Other Reimbursements	0.000	0.000	0.000	-	27.046	20.189	(6.857)	(25.4)	27.046	20.189	(6.857)	(25.4)
<b>Total Revenue/Receipts</b>	<b>\$108.400</b>	<b>\$107.282</b>	<b>(\$1.118)</b>	<b>(1.0)</b>	<b>\$27.046</b>	<b>\$20.189</b>	<b>(\$6.857)</b>	<b>(25.4)</b>	<b>\$135.446</b>	<b>\$127.471</b>	<b>(\$7.975)</b>	<b>(5.9)</b>
<b>Expenses</b>												
<i>Labor:</i>												
Payroll	\$77.362	\$75.756	\$1.606	2.1	\$7.048	\$6.476	\$0.572	8.1	\$84.410	\$82.232	\$2.177	2.6
Overtime	15.692	17.363	(1.671)	(10.6)	1.748	2.258	(0.510)	(29.2)	17.439	19.620	(2.181)	(12.5)
Health and Welfare	15.936	15.864	0.072	0.5	1.895	1.843	0.052	2.8	17.831	17.707	0.124	0.7
OPEB Current Payment	4.198	4.159	0.038	0.9	0.000	0.000	0.000	-	4.198	4.159	0.038	0.9
Pensions	13.901	13.611	0.290	2.1	1.097	1.194	(0.097)	(8.9)	14.998	14.805	0.192	1.3
Other Fringe Benefits	17.893	17.980	(0.087)	(0.5)	1.546	1.794	(0.248)	(16.0)	19.440	19.774	(0.334)	(1.7)
Reimbursable Overhead	(6.395)	(5.376)	(1.018)	(15.9)	6.336	5.635	0.701	11.1	(0.058)	0.259	(0.317)	*
<b>Total Labor</b>	<b>\$138.587</b>	<b>\$139.357</b>	<b>(\$0.770)</b>	<b>(0.6)</b>	<b>\$19.670</b>	<b>\$19.200</b>	<b>\$0.470</b>	<b>2.4</b>	<b>\$158.257</b>	<b>\$158.557</b>	<b>(\$0.300)</b>	<b>(0.2)</b>
<i>Non-Labor:</i>												
Electric Power	\$15.739	\$14.267	\$1.472	9.4	\$0.000	\$0.005	(\$0.005)	-	\$15.739	\$14.272	\$1.467	9.3
Fuel	4.655	3.261	1.394	29.9	0.000	0.000	0.000	-	4.655	3.261	1.394	29.9
Insurance	3.253	2.953	0.300	9.2	0.450	0.393	0.057	12.7	3.703	3.346	0.357	9.6
Claims	0.190	0.013	0.177	93.0	0.000	0.000	0.000	-	0.190	0.013	0.177	93.0
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	16.175	13.598	2.576	15.9	1.481	0.383	1.098	74.2	17.655	13.981	3.675	20.8
Professional Service Contracts	5.956	4.309	1.647	27.7	1.052	1.158	(0.106)	(10.1)	7.008	5.467	1.541	22.0
Materials & Supplies	12.541	12.771	(0.230)	(1.8)	4.295	(1.002)	5.297	*	16.837	11.770	5.067	30.1
Other Business Expenses	3.853	6.660	(2.807)	(72.8)	0.097	0.052	0.046	47.0	3.950	6.712	(2.761)	(69.9)
<b>Total Non-Labor</b>	<b>\$62.361</b>	<b>\$57.832</b>	<b>\$4.529</b>	<b>7.3</b>	<b>\$7.375</b>	<b>\$0.989</b>	<b>\$6.387</b>	<b>86.6</b>	<b>\$69.737</b>	<b>\$58.821</b>	<b>\$10.916</b>	<b>15.7</b>
<i>Other Adjustments</i>												
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$200.948</b>	<b>\$197.189</b>	<b>\$3.759</b>	<b>1.9</b>	<b>\$27.046</b>	<b>\$20.189</b>	<b>\$6.857</b>	<b>25.4</b>	<b>\$227.994</b>	<b>\$217.378</b>	<b>\$10.616</b>	<b>4.7</b>
Depreciation	38.579	40.435	(1.855)	(4.8)	0.000	0.000	0.000	-	38.579	40.435	(1.855)	(4.8)
OPEB Obligation	11.386	11.386	0.000	0.0	0.000	0.000	0.000	-	11.386	11.386	0.000	0.0
Environmental Remediation	0.529	0.000	0.529	100.0	0.000	0.000	0.000	-	0.529	0.000	0.529	100.0
<b>Total Expenses</b>	<b>\$251.442</b>	<b>\$249.010</b>	<b>\$2.432</b>	<b>1.0</b>	<b>\$27.046</b>	<b>\$20.189</b>	<b>\$6.857</b>	<b>25.4</b>	<b>\$278.488</b>	<b>\$269.199</b>	<b>\$9.289</b>	<b>3.3</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$143.042)</b>	<b>(\$141.728)</b>	<b>\$1.314</b>	<b>0.9</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$143.042)</b>	<b>(\$141.728)</b>	<b>\$1.314</b>	<b>0.9</b>
<i>Cash Conversion Adjustments:</i>												
Depreciation	38.579	40.435	1.855	4.8	0.000	0.000	0.000	-	38.579	40.435	1.855	4.8
Operating/Capital	(8.198)	(1.306)	6.892	84.1	0.000	0.000	0.000	-	(8.198)	(1.306)	6.892	84.1
Other Cash Adjustments	34.287	39.753	5.465	15.9	0.000	0.000	0.000	-	34.287	39.753	5.465	15.9
<b>Total Cash Conversion Adjustments</b>	<b>\$64.668</b>	<b>\$78.881</b>	<b>\$14.213</b>	<b>22.0</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$64.668</b>	<b>\$78.881</b>	<b>\$14.213</b>	<b>22.0</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$78.373)</b>	<b>(\$62.847)</b>	<b>\$15.526</b>	<b>19.8</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$78.373)</b>	<b>(\$62.847)</b>	<b>\$15.526</b>	<b>19.8</b>

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

**MTA METRO-NORTH RAILROAD**  
**ACCUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**FEBRUARY 2015**  
(\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER OPERATING REVENUE	Non-Reimb	(\$0.061)	(1.4%)		\$0.716	8.1%	Primarily reflects higher net GCT revenues due to increased tenant rents and lower management expenses.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$1.831)	(14.7%)	Lower reimbursements reflect scheduling changes in capital project expenditures.	(\$6.857)	(25.4%)	Lower reimbursements reflect scheduling changes in capital project expenditures.
PAYROLL	Reimb	\$0.078	2.3%		\$0.572	8.1%	Reflects timing differences for the following projects: Positive Train Control, Harmon Shop Improvements and the WOH Signal Improvements.
OVERTIME	Non-Reimb	(\$1.018)	(13.5%)	Higher requirements due to preparation, coverage and clean-up for Winter Storm Linus (Feb 2 <sup>nd</sup> ) as well as several other winter weather events during the month.	(\$1.671)	(10.6%)	Higher requirements due to preparation, coverage and clean-up for Winter Storm Juno (Jan 26 <sup>th</sup> -27 <sup>th</sup> ), Winter Storm Linus (Feb 2 <sup>nd</sup> ), and multiple winter weather events.
	Reimb	(\$0.374)	(43.8%)	Reflects higher than budgeted expenses for the following projects: GCT Turnout Switch Renewal, Hurricane Sandy - Tree Removal, NHL - EMU Fleet Replacement & M-8 Purchase projects, MTA Information Technology Services, C-29 and Miscellaneous I&C H&H program.	(\$0.510)	(29.2%)	Reflects higher than budgeted expenses for the following projects: Hurricane Sandy - Tree removal, Yard Turnouts, MTA Information Technology Services, NHL - EMU Fleet Replacement M8, NHL - Bridge Timber & Miter Rail, and GCT Utilities. Partially offset by timing of the Cyclical Track Program.
PENSIONS	Reimb	(\$0.103)	(19.2%)	Reflects higher project activity.	(\$0.097)	(8.9%)	Reflects higher project activity.
OTHER FRINGE BENEFITS	Reimb	(\$0.170)	(22.6%)	Reflects rate differentials and project adjustments.	(\$0.248)	(16.0%)	Reflects rate differentials and project adjustments.
REIMBURSABLE OVERHEAD	Non-Reimb	(\$0.058)	(1.9%)		(\$1.018)	(15.9%)	The non-reimbursable and reimbursable variances reflect lower activity on the following projects: NH Rail Yard - Component Change Out Shop, Cyclical Track Program, and Positive Train Control.
	Reimb	(\$0.056)	(1.8%)		\$0.701	11.1%	
ELECTRIC POWER	Non-Reimb	\$0.737	8.9%	Lower traction power rates across all lines as well as lower than budgeted Harlem and Hudson Line consumption.	\$1.472	9.4%	Primarily due to lower traction power rates across all lines.

**MTA METRO-NORTH RAILROAD**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**FEBRUARY 2015**  
(\$ 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
		\$	%		\$	%	
FUEL	Non-Reim	\$0.598	27.3%	Lower diesel fuel price per gallon partly offset by higher than budgeted usage.	\$1.394	29.9%	Lower diesel fuel price per gallon partly offset by higher than budgeted usage.
INSURANCE	Non-Reimb	\$0.278	17.1%	Reflects a refund for Station Liability Insurance from a prior year premium audit.	\$0.300	9.2%	Reflects a refund for Station Liability Insurance from a prior year premium audit.
	Reimb	\$0.009	4.2%		\$0.057	12.7%	Reflects lower project activity.
CLAIMS	Non-Reimb	\$0.046	47.4%	Primarily due to lower current period claims payments and adjustments to prior period estimates.	\$0.177	93.0%	Primarily due to lower claims payments and adjustments.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$0.958	11.9%	Reflects timing of expenses for maintenance contracts, GCT utilities and environmental waste removal.	\$2.576	15.9%	Reflects timing of expenses for maintenance contracts, GCT utilities and environmental waste removal.
	Reimb	\$0.366	56.4%	Reflects delays on the Overhead Bridge Program - EOFH and lower activity on the GCT Leaks Remediation and Haverstraw - Ossining Ferry program.	\$1.098	74.2%	Reflects timing differences for the following projects: GCT Leaks Remediation, NH Rail Yard - Component Change Out Shop, Overhead Bridge Program - EOFH, and Haverstraw - Ossining and Newburg - Beacon Ferry.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$0.717	24.0%	Favorable variance reflects the timing of expenses for engineer services, advertising and outside training.	\$1.647	27.7%	Favorable variance reflects the timing of expenses for engineer services, legal fees, advertising and outside training.
	Reimb	\$0.499	76.4%	Reflects timing differences for the NH Central Distribution Warehouse, NHL - EMU Fleet Replacement - M-8 (Camera) and the Non - M-8 Rolling Stock (Camera).	(\$0.106)	(10.1%)	Reflects higher than budgeted expenses for Positive Train Control offset by delays on the NHL - EMU Fleet Replacement (Camera) and on the NH Central Distribution Warehouse.
MATERIAL AND SUPPLIES	Reimb	\$1.572	*	Reflects timing differences for the following projects: Hurricane Sandy - C&S Matl, 2014 Cyclical Track Program, Bridgeport Station Improvement, Positive Train Control, GCT - Turn Out Renewal, NHL - Bridge Timbers and GCT Recycling Facility.	\$5.297	*	Reflects timing differences for the following projects: NH Yard - Component Change Out Shop, Hurricane Sandy Power C&S Infrastructure Restoration project, Cyclical Track Program, Devon Bridge Repair and the Stamford Yard Hydraulic Switches.

MTA METRO-NORTH RAILROAD  
 ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY  
 EXPLANATION OF VARIANCE BETWEEN ADOPTED BUDGET AND ACTUAL RESULTS  
 FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET  
 FEBRUARY 2015  
 (\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Adopted Budget			Year to Date vs. Adopted Budget		
		Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
		\$	%		\$	%	
OTHER BUSINESS EXPENSES	Non-Reimb	(\$2.953)	*	Reflects the asset write-off of two M-7 cars related to the Commerce St. collision (\$2.9M).	(\$2.807)	(72.8%)	Primarily reflects the asset write-off of two M-7 cars related to the Commerce St. collision (\$2.9M).
	Reimb	\$0.024	50.3%	Reflects several insignificant variances.	\$0.046	47.0%	Reflects several insignificant variances.
DEPRECIATION	Non-Reimb	(\$0.963)	(5.0%)	Higher capitalization of assets than budgeted.	(\$1.855)	(4.8%)	Higher capitalization of assets than budgeted.
ENVIRONMENTAL REMEDATION	Non-Reimb	\$0.264	100.0%	Primarily due to timing of projects requiring remediation.	\$0.529	100.0%	Primarily due to timing of projects requiring remediation.
OPERATING CAPITAL	Non-Reim	\$0.796	39.9%	Reflects lower activity during the period on the Cameras/Audios For M-8 And Non-M-8 Fleet, and Vehicle Fleet Replacement projects, partially offset by higher than anticipated payment of prior year project carryover costs.	\$6.892	84.1%	Reflects lower activity during the period on the Autonomous Track Geometry Measurement System, Cameras/Audios For M-8 And Non-M-8 Fleet, and Vehicle Fleet Replacement projects, partially offset by higher than anticipated payment of prior year project carryover costs.

\* Variance exceeds 100%.

**MTA Metro-North Railroad**  
**February Financial Plan - 2015 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	\$	
<b>NON-REIMBURSABLE OVERTIME</b>											
<u>Scheduled Service</u> <sup>1</sup>	47,333	\$ 3.033	50,174	\$ 2.967	(2,841) \$ 0.067 -6.0% 2.2%	105,949	\$ 6.789	112,294	\$ 6.549	(6,345) \$ 0.240 -6.0% 3.5%	
<u>Unscheduled Service</u>	0	\$ -	0	\$ -	0 \$ - - -	0	\$ -	0	\$ -	0 \$ - - -	
<u>Programmatic/Routine Maintenance</u>	43,152	\$ 2.212	28,180	\$ 1.542	14,973 \$ 0.670 34.7% 30.3%	79,618	\$ 4.082	57,734	\$ 3.176	21,884 \$ 0.905 27.5% 22.2%	
<u>Unscheduled Maintenance</u>	666	\$ 0.034	4,451	\$ 0.245	(3,785) \$ (0.211) - *	2,910	\$ 0.149	5,046	\$ 0.274	(2,136) \$ (0.125) -73.4% \$ (0.838)	
<u>Vacancy/Absentee Coverage</u> <sup>2</sup>	20,768	\$ 1.065	23,281	\$ 1.217	(2,513) \$ (0.152) -12.1% -14.3%	44,310	\$ 2.272	44,770	\$ 2.354	(460) \$ (0.082) -1.0% -3.6%	
<u>Weather Emergencies</u>	23,408	\$ 1.200	43,719	\$ 2.377	(20,311) \$ (1.177) -86.8% -98.1%	46,816	\$ 2.400	79,090	\$ 4.289	(32,274) \$ (1.889) -68.9% -78.7%	
<u>Safety/Security/Law Enforcement</u> <sup>3</sup>	0	\$ -	0	\$ -	0 \$ - - -	0	\$ -	0	\$ -	0 \$ - - -	
<u>Other</u> <sup>4</sup>	0	\$ -	0	\$ 0.215	0 \$ (0.215) - -	0	\$ -	0	\$ 0.720	0 \$ (0.720) - -	
Subtotal	135,327	\$ 7.544	149,805	\$ 8.563	(14,478) \$ (1.019) -10.7% -13.5%	279,603	\$ 15.692	298,934	\$ 17.363	(19,331) \$ (1.671) -6.9% -10.7%	
<b>REIMBURSABLE OVERTIME</b>	16,661	\$ 0.854	20,375	\$ 1.228	(3,714) \$ (0.374) -22.3% -43.8%	34,091	\$ 1.748	44,896	\$ 2.257	(10,805) \$ (0.509) -31.7% -29.1%	
<b>TOTAL OVERTIME</b>	<b>151,988</b>	<b>\$ 8.398</b>	<b>170,180</b>	<b>\$ 9.791</b>	<b>(18,192) \$ (1.393)</b> <b>-12.0% -16.6%</b>	<b>313,694</b>	<b>\$ 17.440</b>	<b>343,830</b>	<b>\$ 19.620</b>	<b>(30,136) \$ (2.180)</b> <b>-9.6% -12.5%</b>	

Totals may not add due to rounding.

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

\* Exceeds 100%

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

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

<sup>3</sup> Not Applicable

<sup>4</sup> Reflects overtime for administrative functions. Also reflects timing differences related to payroll and calendar cutoff dates.

**MTA Metro-North Railroad**  
**February Financial Plan - 2015 Adopted Budget**  
**Non-Reimbursable/Reimbursable Overtime**  
**(\$ in millions)**

	February			February Year To Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
<b>NON-REIMBURSABLE OVERTIME</b>						
<u>Scheduled Service</u> <sup>1</sup>	(2,841)	\$0.067	Higher MTD service coverage hours for weather and Commerce St. collision utilizing hourly staff with lower than budgeted rates.	(6,345)	\$0.240	Higher YTD service coverage hours for weather and Commerce St. collision utilizing hourly staff with lower than budgeted rates.
	-6.0%	2.2%		-6.0%	3.5%	
<u>Unscheduled Service</u>	0	\$0.000		0	\$0.000	
	-	-		-	-	
<u>Programmatic/Routine Maintenance</u>	14,973	\$0.670	Lower requirements due to MofW forces used for weather emergencies.	21,884	\$0.905	Lower requirements due to MofW forces used for weather emergencies.
	34.7%	30.3%		27.5%	22.2%	
<u>Unscheduled Maintenance</u>	(3,785)	(\$0.211)	Reflects the Commerce St. collision near Valhalla Station and GCT derailment.	(2,136)	(\$0.125)	Reflects the Commerce St. collision near Valhalla Station and GCT derailment.
	*	*		-73.4%	-83.8%	
<u>Vacancy/Absentee Coverage</u> <sup>2</sup>	(2,513)	(\$0.152)	Primarily reflects vacation and sick coverage for must-fill positions within MofE.	(460)	(\$0.082)	Primarily reflects vacation and sick coverage for must-fill positions within MofE.
	-12.1%	-14.3%		-1.0%	-3.6%	
<u>Weather Emergencies</u>	(20,311)	(\$1.177)	Higher requirements due to preparation, coverage and clean-up for Winter Storm Linus (Feb 2 <sup>nd</sup> ) as well as several other adverse weather events during the month.	(32,274)	(\$1.889)	Higher requirements due to preparation, coverage and clean-up for Winter Storm Juno (Jan 26 <sup>th</sup> -27 <sup>th</sup> ), Winter Storm Linus (Feb 2 <sup>nd</sup> ), and multiple other inclement weather events.
	-86.8%	-98.1%		-68.9%	-78.7%	
<u>Safety/Security/Law Enforcement</u> <sup>3</sup>	0	\$0.000		0	\$0.000	
	-	-		-	-	
<u>Other</u> <sup>4</sup>	0	(\$0.215)	Reflects timing differences related to payroll and calendar cutoff dates.	0	(\$0.720)	Reflects timing differences related to payroll and calendar cutoff dates.
	-	-		-	-	
<b>Subtotal</b>	<b>(14,478)</b>	<b>(\$1.019)</b>		<b>(19,331)</b>	<b>(\$1.671)</b>	
	-10.7%	-13.5%		-6.9%	-10.7%	
<b>REIMBURSABLE OVERTIME</b>	(3,714)	(\$0.374)	Higher requirements for the following projects: GCT Turnout Switch Renewal, Hurricane Sandy - Tree Removal, NHL - EMU Fleet Replacement & M-8 Purchase projects, MTA Information Technology Services, and C-29 Track program.	(10,805)	(\$0.509)	Higher requirements for the following projects: Hurricane Sandy - Tree removal, Yard Turnouts, MTA Information Technology Services, NHL - EMU Fleet Replacement M8, NHL - Bridge Timber & Miter Rail, and GCT Utilities. Partially offset by timing of the Cyclical Track Program.
	-22.3%	-43.8%		-31.7%	-29.1%	
<b>TOTAL OVERTIME</b>	<b>(18,192)</b>	<b>(\$1.393)</b>		<b>(30,136)</b>	<b>(\$2.180)</b>	

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

\* Exceeds 100%

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

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

<sup>3</sup> Not Applicable

<sup>4</sup> 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  
2015 Overtime Report  
Overtime Legend**

**REVISED OVERTIME DECOMPOSITION LEGEND DEFINITIONS**

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

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**CASH RECEIPTS AND EXPENDITURES**  
(\$ in millions)

SCHEDULE III

	February 2015				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Percent	Adopted Budget	Actual	Favorable (Unfavorable) Variance	Percent
<b>Receipts</b>								
Farebox Receipts	\$49.105	\$47.961	(\$1.144)	(2.3)	\$100.643	\$97.868	(\$2.775)	(2.8)
Toll Receipts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Receipts	4.970	7.691	2.721	54.8	10.920	13.158	2.238	20.5
<i>Capital &amp; Other Reimbursements:</i>								
MTA	12.457	5.222	(7.235)	(58.1)	23.280	7.538	(15.742)	(67.6)
CDOT	3.488	9.000	5.512	*	8.530	9.000	0.470	5.5
Other	1.300	0.998	(0.302)	(23.2)	2.785	1.809	(0.976)	(35.0)
Total Capital and Other Reimbursements	17.245	15.220	(2.025)	(11.7)	34.595	18.347	(16.248)	(47.0)
<b>Total Receipts</b>	<b>\$71.320</b>	<b>\$70.872</b>	<b>(\$0.448)</b>	<b>(0.6)</b>	<b>\$146.157</b>	<b>\$129.373</b>	<b>(\$16.784)</b>	<b>(11.5)</b>
<b>Expenditures</b>								
<i>Labor:</i>								
Payroll	\$37.821	\$40.877	(\$3.056)	(8.1)	\$75.311	\$76.881	(\$1.570)	(2.1)
Overtime	8.210	9.179	(0.969)	(11.8)	16.229	17.142	(0.913)	(5.6)
Health and Welfare	10.193	6.855	3.338	32.7	20.386	13.313	7.073	34.7
OPEB Current Payment	2.099	2.058	0.041	1.9	4.198	4.118	0.080	1.9
Pensions	7.949	0.368	7.581	95.4	15.898	0.919	14.979	94.2
Other Fringe Benefits	9.473	9.024	0.449	4.7	21.617	18.338	3.279	15.2
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	-
<b>Total Labor</b>	<b>\$75.745</b>	<b>\$68.361</b>	<b>\$7.384</b>	<b>9.7</b>	<b>\$153.638</b>	<b>\$130.711</b>	<b>\$22.927</b>	<b>14.9</b>
<i>Non-Labor:</i>								
Electric Power	\$8.401	\$8.501	(\$0.100)	(1.2)	\$15.972	\$11.116	\$4.856	30.4
Fuel	2.120	2.414	(0.294)	(13.9)	4.512	4.647	(0.135)	(3.0)
Insurance	0.224	0.000	0.224	100.0	5.632	6.337	(0.705)	(12.5)
Claims	0.083	0.162	(0.079)	(94.4)	0.167	0.370	(0.203)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	5.898	6.025	(0.127)	(2.1)	12.432	12.295	0.137	1.1
Professional Service Contracts	3.508	2.198	1.310	37.3	7.345	5.100	2.245	30.6
Materials & Supplies	7.070	8.446	(1.376)	(19.5)	17.008	14.443	2.565	15.1
Other Business Expenditures	3.773	3.748	0.025	0.7	7.824	7.201	0.623	8.0
<b>Total Non-Labor</b>	<b>\$31.077</b>	<b>\$31.494</b>	<b>(\$0.417)</b>	<b>(1.3)</b>	<b>\$70.893</b>	<b>\$61.509</b>	<b>\$9.384</b>	<b>13.2</b>
<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	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$106.822</b>	<b>\$99.855</b>	<b>\$6.967</b>	<b>6.5</b>	<b>\$224.531</b>	<b>\$192.220</b>	<b>\$32.311</b>	<b>14.4</b>
<b>Net Cash Deficit ( excludes Opening Cash Balance)</b>	<b>(\$35.502)</b>	<b>(\$28.983)</b>	<b>\$6.519</b>	<b>18.4</b>	<b>(\$78.373)</b>	<b>(\$62.847)</b>	<b>\$15.526</b>	<b>19.8</b>
<b>Subsidies</b>								
MTA	17.900	13.882	(4.018)	(22.4)	49.058	40.157	(8.901)	(18.1)
CDOT	17.602	8.182	(9.420)	(53.5)	29.315	9.904	(19.411)	(66.2)
<b>Total Subsidies</b>	<b>\$35.502</b>	<b>\$22.064</b>	<b>(\$13.438)</b>	<b>(37.9)</b>	<b>\$78.373</b>	<b>\$50.061</b>	<b>(\$28.312)</b>	<b>(36.1)</b>
<b>Cash Timing and Availability Adjustment</b>	<b>\$0.000</b>	<b>\$6.919</b>	<b>\$6.919</b>	<b>-</b>	<b>\$0.000</b>	<b>\$12.786</b>	<b>\$12.786</b>	<b>-</b>

-- Results are preliminary and subject to audit review.

-- Differences are due to rounding.

\* Variance exceeds 100%.

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 BUDGET**  
**CASH RECEIPTS AND EXPENDITURES**  
**EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS**  
(\$ in millions)

\$ Detail

Generic Receipt or Expense Category	February Month vs Budget			Year-To-Date as of February 28, 2015		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
FARE REVENUE	(1.144)	(2.3%)		(2.775)	(2.8%)	
OTHER OPERATING REVENUE	2.721	54.8%	Force Account insurance refund combined with timing of MTA-LaSalle charges and commuter parking receipts.	2.238	20.5%	Timing of MTA-LaSalle charges combined with Force Account premium refund partially offset by lower scrap sales and claim reimbursements.
CAPITAL AND OTHER REIMBURSEMENTS:						
MTA	(7.235)	(58.1%)	Lower cash receipts due to lower capital related project activity and lower Cap Admin activity combined with timing of payments.	(15.742)	(67.6%)	Lower cash receipts due to timing of payments combined with lower capital related project activity.
CDOT	5.512	*	Higher cash receipts due to timing of payments partially offset by lower capital related project activity.	0.470	5.5%	Higher cash receipts due to timing of payments partially offset by lower capital related project activity.
OTHER	(0.302)	(23.2%)	Lower cash receipts due to lower capital related project activity partially offset by timing of payments.	(0.976)	(35.0%)	Lower cash receipts due to timing of payments combined with lower capital related project activity.
PAYROLL	(3.056)	(8.1%)	Timing of retiree RWA payments and January payroll taxes partially offset by vacancies.	(1.570)	(2.1%)	
OVERTIME	(0.969)	(11.8%)	Inclement weather, GCT derailment and Commerce Street Collision.	(0.913)	(5.6%)	Inclement weather, GCT derailment and Commerce Street Collision.
HEALTH & WELFARE	3.338	32.7%	Timing of payments for Connecticare, Dental/Vision and other premiums combined with headcount favorability.	7.073	34.7%	Timing of payments for Connecticare, Dental/Vision and other premiums combined with headcount favorability.
OPEB CURRENT PAYMENT	0.041	1.9%		0.079	1.9%	
PENSIONS	7.581	95.4%	Timing of February payments made in prior months.	14.979	94.2%	Timing of January & February pension obligation payments made prior months.
OTHER FRINGE BENEFITS	0.449	4.7%		3.279	15.2%	Lower Tier I and Tier II payments driven by vacancies combined with lower FELA claims.
GASB ACCOUNT	0.000	0.0%		0.000	0.0%	
ELECTRIC POWER	(0.100)	(1.2%)		4.856	30.4%	Timing of January payment combined with lower usage due to inclement weather.
FUEL	(0.294)	(13.9%)	Timing of payments partially offset by rate favorability.	(0.135)	(3.0%)	

**MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN - 2015 BUDGET  
CASH RECEIPTS AND EXPENDITURES  
EXPLANATION OF VARIANCE BETWEEN BUDGET AND ACTUAL RESULTS  
(\$ in millions)**

\$ Detail

Generic Receipt or Expense Category	February Month vs Budget			Year-To-Date as of February 28, 2015		
	Variance Fav (Unfav)		Reason for Variance	Variance Fav (Unfav)		Reason for Variance
	\$	%		\$	%	
INSURANCE	0.224	100.0%	Timing of monthly Force Account insurance premiums.	(0.705)	(12.5%)	Timing of premiums paid for All Agency Property partially offset by timing of Excess Liability and Force Account payments.
CLAIMS	(0.079)	(94.4%)	Higher miscellaneous passenger injury settlement payments.	(0.203)	*	Higher miscellaneous passenger injury settlement payments.
MAINTENANCE & OTHER OPERATING CONTRACTS	(0.127)	(2.1%)		0.137	1.1%	
PROFESSIONAL SERVICE CONTRACTS	1.310	37.3%	Timing of capital related projects (Camera's/Audio for Fleet, Central Distribution Warehouse and NHL-EMU Fleet Replacement).	2.245	30.6%	Timing of capital related projects (Camera's/Audio for Fleet, NHL-EMU Fleet Replacement and Central Distribution Warehouse).
MATERIALS & SUPPLIES	(1.376)	(19.5%)	Higher spend on Wire & Cable and Switch & Signal Equipment.	2.565	15.1%	Lower spend on materials for Truck Suspension, Friction Braking and Carbody partially offset by Wire & Cable and Switch & Signal payments.
OTHER BUSINESS EXPENSES	0.025	0.7%		0.623	8.0%	Lower spend on New Jersey Transit subsidy \$0.4M due to higher ridership combined with timing of Metro Mobility Tax payment.
MTA SUBSIDY RECEIPTS	(4.018)	(22.4%)	Impact of utilization of cash balances and lower net cash deficit partially offset by lower CDOT subsidy receipts.	(8.901)	(18.1%)	Lower net cash deficit and impact of utilization of cash balances partially offset by lower CDOT subsidy receipts.
CDOT SUBSIDY RECEIPTS	(9.420)	(53.5%)	Payment timing differences, adjustment for estimate to actual deficit for prior month and lower retroactive wage adjustment payments.	(19.411)	(66.2%)	Payment timing differences, deficit adjustment for estimate to actual for prior month and lower retroactive wage adjustment payments.
TOTAL SUBSIDY RECEIPTS	(13.438)	(37.9%)		(28.312)	(36.1%)	

\* Variance exceeds 100%

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**CASH CONVERSION (CASH FLOW ADJUSTMENT)**  
(\$ in millions)

	February 2015				Year-to-Date			
	Adopted Budget	Actual	Favorable (Unfavorable) Percent		Adopted Budget	Actual	Favorable (Unfavorable) Percent	
<b>Receipts</b>								
Farebox Revenue	\$0.474	\$0.594	\$0.120	25.4	\$1.077	\$0.136	(\$0.941)	(87.3)
Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	0.512	3.294	2.782	*	2.085	3.608	1.523	73.0
<i>Capital &amp; Other Reimbursements:</i>		0.000			0.000	0.000		
MTA	4.304	(1.644)	(5.947)	*	6.542	(4.470)	(11.013)	*
CDOT	0.680	6.355	5.675	*	1.090	2.811	1.721	*
Other	(0.216)	(0.138)	0.078	36.2	(0.084)	(0.183)	(0.099)	*
Total Capital and Other Reimbursements	4.767	4.573	(0.194)	(4.1)	7.549	(1.842)	(9.391)	*
<b>Total Revenue/Receipts</b>	<b>\$5.753</b>	<b>\$8.461</b>	<b>\$2.708</b>	<b>47.1</b>	<b>\$10.712</b>	<b>\$1.902</b>	<b>(\$8.809)</b>	<b>(82.2)</b>
<b>Expenditures</b>								
<i>Labor:</i>								
Payroll	\$2.412	(\$1.185)	(\$3.596)	*	\$9.099	\$5.351	(\$3.747)	(41.2)
Overtime	0.188	0.612	0.424	*	1.210	2.478	1.268	*
Health and Welfare	(1.765)	1.516	3.281	*	(2.554)	4.394	6.949	*
OPEB Current Payment	(0.000)	0.088	0.000		(0.000)	0.041	0.041	*
Pensions	(0.792)	6.814	7.606	*	(0.900)	13.886	14.787	*
Other Fringe Benefits	0.075	1.100	1.025	*	(2.177)	1.436	3.613	*
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0.027)	0.088	0.115	*	(0.058)	0.259	0.317	*
<b>Total Labor</b>	<b>\$0.090</b>	<b>\$9.033</b>	<b>\$8.942</b>	<b>*</b>	<b>\$4.619</b>	<b>\$27.846</b>	<b>\$23.228</b>	<b>*</b>
<i>Non-Labor:</i>								
Electric Power	(\$0.113)	(\$0.950)	(\$0.837)	*	(\$0.234)	\$3.156	\$3.390	*
Fuel	0.071	(0.821)	(0.892)	*	0.143	(1.386)	(1.528)	*
Insurance	1.620	1.557	(0.064)	(3.9)	(1.929)	(2.991)	(1.062)	(55.1)
Claims	0.014	(0.111)	(0.125)	*	0.023	(0.357)	(0.380)	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	2.818	1.367	(1.451)	(51.5)	5.223	1.686	(3.537)	(67.7)
Professional Service Contracts	0.129	0.223	0.094	73.3	(0.337)	0.367	0.704	*
Materials & Supplies	0.364	(2.599)	(2.963)	*	(0.172)	(2.673)	(2.502)	*
Other Business Expenses	(1.835)	1.119	2.953	*	(3.873)	(0.489)	3.384	87.4
<b>Total Non-Labor</b>	<b>\$3.069</b>	<b>(\$0.216)</b>	<b>(\$3.285)</b>	<b>*</b>	<b>(\$1.156)</b>	<b>(\$2.688)</b>	<b>(\$1.532)</b>	<b>*</b>
<i>Other Adjustments:</i>								
Other	0.000	0.000	0.000	-	0.000	0.000	0.000	-
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenditures Adjustments before Non-Cash Liability Adjs.</b>	<b>\$3.159</b>	<b>\$8.817</b>	<b>\$5.658</b>	<b>*</b>	<b>\$3.463</b>	<b>\$25.158</b>	<b>\$21.695</b>	<b>*</b>
Depreciation	19.290	20.253	0.963	5.0	38.579	40.435	1.855	4.8
OPEB Obligation	5.693	5.693	0.000	0.0	11.386	11.386	0.000	0.0
Environmental Remediation	0.264	0.000	(0.264)	(100.0)	0.529	0.000	(0.529)	100.0
<b>Total Expenditures Adjustments</b>	<b>\$28.406</b>	<b>\$34.763</b>	<b>\$6.357</b>	<b>22.4</b>	<b>\$53.957</b>	<b>\$76.979</b>	<b>\$23.022</b>	<b>42.7</b>
<b>Total Cash Conversion Adjustments</b>	<b>\$34.160</b>	<b>\$43.224</b>	<b>\$9.064</b>	<b>26.5</b>	<b>\$64.668</b>	<b>\$78.881</b>	<b>\$14.213</b>	<b>22.0</b>

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

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**UTILIZATION**  
(in millions)

	<u>Month of February</u>		<u>Variance</u>		<u>Year-to-Date February</u>		<u>Variance</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Fav (Unfav)</u>		<u>Budget</u>	<u>Actual</u>	<u>Fav (Unfav)</u>	
			<u>Amount</u>	<u>%</u>			<u>Amount</u>	<u>%</u>
<u>Farebox Revenue</u>								
Harlem Line	\$14.783	\$14.150	(\$0.633)	-4.3	\$30.194	\$29.271	(\$0.923)	-3.1
Hudson Line	\$10.364	\$10.155	(\$0.209)	-2.0	\$21.130	\$20.831	(\$0.299)	-1.4
New Haven Line	\$23.449	\$23.030	(\$0.419)	-1.8	\$48.172	\$47.565	(\$0.607)	-1.3
Total Farebox Revenue	\$48.596	\$47.335 <sup>(1)</sup>	(\$1.261)	-2.6	\$99.495	\$97.667 <sup>(1)</sup>	(\$1.828)	-1.8
<u>Ridership</u>								
Harlem Line	2.003	1.932	(0.072)	-3.6	4.135	3.972	(0.162)	-3.9
Hudson Line	1.156	1.135	(0.021)	-1.8	2.380	2.321	(0.059)	-2.5
New Haven Line	2.810	2.783	(0.027)	-1.0	5.830	5.730	(0.100)	-1.7
Total Ridership East of Hudson	5.970	5.850	(0.120)	-2.0	12.344	12.023	(0.321)	-2.6
West of Hudson	0.121	0.122	0.001	0.9	0.250	0.253	0.003	1.3
Total Ridership	6.091	5.972	(0.119)	-1.9	12.594	12.276	(0.318)	-2.5

(1) Excludes West of Hudson Mail & Ride revenue totaling \$0.032 million for the month and \$0.64 million year-to-date.

**East of Hudson:**

Overall, East of Hudson ridership for the month reflected a decrease of 2.0%, (120K rides). Specifically, the Harlem Line was 3.6% lower than budget, followed by decreases of 1.8% on the Hudson Line and 1.0% on the New Haven Line. The Harlem Line reflected a negative impact resulting from the February 3<sup>rd</sup> Commerce Street collision having an estimated impact of 38K fewer rides. As compared to February 2014, ridership was up overall by 0.1%. Year-to-date ridership was 12.0 million, 2.6% lower than Budget and 0.6% lower than 2014, reflecting the service suspension in January resulting from Winter Storm Juno, the Commerce Street collision, as well as multiple adverse weather events.

Weather impacted both commutation and non-commutation ridership in January and February. Commutation ridership was 0.1% lower for the month and 2.2% lower year-to-date. Compared to 2014, February year-to-date commutation ridership was 1.1% lower. Non-commutation ridership was 3.2% below budget year-to-date and 0.1% higher than 2014. For the month, non-commutation ridership was 4.9% lower than budget and 1.5% lower than 2014.

**West of Hudson:**

West of Hudson ridership was 0.9% higher for the month and 1.3% higher year-to-date vs.2015 Budget. Commutation ridership was 2.8% higher for the period. Non-commutation ridership was 1.0% lower year-to-date. Compared to 2014, February year-to-date ridership was 5.2% higher reflecting progressive growth over the projected ridership.

**MTA METRO-NORTH RAILROAD  
2015 ADOPTED BUDGET VS. ACTUALS  
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS  
February 28, 2015**

<u>Department</u>	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>
<b>Administration</b>			
President	4	3	1
Labor Relations (1)	8	9	(1)
Safety (2)	45	38	8
COS/Corporate & Public Affairs	18	16	2
Legal	18	18	-
Claims Services	14	11	3
Environmental Compliance & Svce	8	7	1
VP Administration (1)	2	-	2
VP Human Resources	6	5	1
Human Resources	28	27	1
Training (2)	64	50	14
Employee Relations & Diversity	5	5	-
VP Planning	2	2	-
Operations Planning & Analysis	19	16	3
Capital Planning & Programming	16	14	2
GCT & Corporate Development	32	32	-
Long Range Planning	8	7	1
VP Finance & Information Systems	6	1	5
Controller (3)	79	73	6
Budget	18	18	0
Customer Service	50	45	5
Procurement & Material Mgmt	30	30	0
<b>Total Administration</b>	<b>478</b>	<b>426</b>	<b>52</b>
<b>Operations</b>			
Operations Administration	62	54	7
Transportation (4)(6)	1,443	1,471	(28)
Customer Service (3)	240	230	10
GCT & Corporate Development	38	33	5
Metro-North West	32	25	6
<b>Total Operations</b>	<b>1,815</b>	<b>1,813</b>	<b>1</b>
<b>Maintenance</b>			
GCT & Corporate Development (3)	170	160	10
Maintenance of Equipment (2)(3)	1,664	1,614	50
Maintenance of Way (2)	1,940	1,858	83
Procurement & Material Mgmt (5)	118	120	(3)
<b>Total Maintenance</b>	<b>3,892</b>	<b>3,752</b>	<b>140</b>
<b>Engineering/Capital</b>			
Construction Management (3)	43	32	11
Engineering & Design	66	59	7
<b>Total Engineering/Capital</b>	<b>109</b>	<b>91</b>	<b>18</b>
<b>Total Positions</b>	<b>6,294</b>	<b>6,082</b>	<b>212</b>
<b>Non-Reimbursable</b>	<b>5,775</b>	<b>5,774</b>	<b>1</b>
<b>Reimbursable</b>	<b>519</b>	<b>308</b>	<b>211</b>
<b>Total Full-Time</b>	<b>6,293</b>	<b>6,081</b>	<b>212</b>
<b>Total Full-Time-Equivalents (of part-time positions)</b>	<b>1</b>	<b>1</b>	<b>-</b>

(1) Variance reflects the consolidation of the Labor Relations (-1 position) and VP Administration (+2 positions) departments which result in a net vacancy of one position (Labor Relations Representative).

(2) Variance reflects new vacant positions.

(3) Variance reflects existing vacant positions.

(4) Variance reflects lower attrition than planned as well as employees in training not ready for service.

(5) Variance reflects earlier hiring of positions than planned. (Paid positions are within authorized levels.)

(6) Please note that the Transportation department has recently undergone a name change and was formerly known as Operation Services.

**MTA METRO-NORTH RAILROAD**  
**2015 ADOPTED BUDGET VS. ACTUALS**  
**TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS**  
**February 28, 2015**

FUNCTION/OCCUPATION	Budget	Actual	Favorable (Unfavorable) Variance
<b>Administration (1)</b>			
Managers/Supervisors	160	136	24
Professional, Technical, Clerical	318	290	28
Operational Hourlies	-	-	-
<b>Total Administration</b>	<b>478</b>	<b>426</b>	<b>52</b>
<b>Operations (1)</b>			
Managers/Supervisors	149	130	19
Professional, Technical, Clerical	247	220	27
Operational Hourlies	1,419	1,463	(45)
<b>Total Operations</b>	<b>1,815</b>	<b>1,813</b>	<b>1</b>
<b>Maintenance (1)</b>			
Managers/Supervisors	541	496	45
Professional, Technical, Clerical	525	507	18
Operational Hourlies	2,827	2,750	77
<b>Total Maintenance</b>	<b>3,892</b>	<b>3,752</b>	<b>140</b>
<b>Engineering/Capital</b>			
Managers/Supervisors	51	40	11
Professional, Technical, Clerical	58	51	7
Operational Hourlies	-	-	-
<b>Total Engineering/Capital</b>	<b>109</b>	<b>91</b>	<b>18</b>
<b>Public Safety</b>			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Positions</b>			
Managers/Supervisors	901	802	99
Professional, Technical, Clerical	1,148	1,069	79
Operational Hourlies	4,246	4,213	33
<b>Total Positions</b>	<b>6,294</b>	<b>6,082</b>	<b>212</b>

**Notes**

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

**MTA METRO-NORTH RAILROAD  
2015 ADOPTED BUDGET VS. ACTUALS**

February 28, 2015

<u>Agency-wide (Non-Reimbursable and Reimbursable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Explanation of Variances</u>
<i>Functional Classification:</i>				
Operations (1)	1,815	1,813	1	Reflects vacancies in Operations Administration and Customer Service (custodians and ticket sellers) partially offset by a greater number of train crew positions paid than projected due to lower than anticipated attrition as well as employees in training not yet ready for service.
Maintenance (1)	3,892	3,752	140	Reflects vacancies in Maintenance of Way (trackmen, mechanics, vehicle & machine operators and signal maintainers) and Maintenance of Equipment (electricians, carmen, machinists and sheetmetal workers) of which 70% are under active recruitment. Vacancies are driven by a high degree of internal transfers in filling open jobs which has extended the time of reducing vacant positions.
Administration (1)	478	426	52	Vacancies reflects timing differences in hiring newly created positions in the Training and Safety departments of which 55% are under active recruitment.
Engineering / Capital	109	91	18	Reflects vacancies in Engineering & Design and Construction Management (structural and construction engineers) driven by high attrition and salary constraints for external hires.
<b>Total Agency-wide Headcount</b>	<b>6,294</b>	<b>6,082</b>	<b>212</b>	
Non-Reimbursable	5,775	5,774	1	
Reimbursable	519	308	211	

**Notes**

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

**MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET  
MONTHLY PERFORMANCE INDICATORS \*  
FEBRUARY 2015**

	<u>MONTH</u>			<u>VARIANCE</u>	
	<u>2015</u>	<u>BUDGET</u>	<u>2014</u>	<u>BUDGET</u>	<u>2014</u>
Farebox Operating Ratio					
Standard <sup>(1)</sup>	50.1%	51.4%	53.3%	(1.3)%	(3.2)%
Adjusted <sup>(2)</sup>	55.9%	57.4%	58.1%	(1.5)%	(2.2)%
Cost per Passenger					
Standard <sup>(1)</sup>	\$16.35	\$16.02	\$15.36	(\$0.33)	(\$0.99)
Adjusted <sup>(2)</sup>	\$16.03	\$15.70	\$14.79	(\$0.33)	(\$1.24)
Passenger Revenue/Passenger <sup>(3)</sup>	\$8.19	\$8.23	\$8.19	(\$0.04)	\$0.00
	<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
	<u>2015</u>	<u>BUDGET</u>	<u>2014</u>	<u>BUDGET</u>	<u>2014</u>
Farebox Operating Ratio					
Standard <sup>(1)</sup>	51.4%	50.0%	53.1%	1.4%	(1.7)%
Adjusted <sup>(2)</sup>	57.6%	55.6%	58.1%	2.0%	(0.5)%
Cost per Passenger					
Standard <sup>(1)</sup>	\$15.98	\$16.30	\$15.07	\$0.32	(\$0.91)
Adjusted <sup>(2)</sup>	\$15.67	\$16.00	\$14.66	\$0.33	(\$1.01)
Passenger Revenue/Passenger <sup>(3)</sup>	\$8.21	\$8.15	\$8.01	\$0.06	\$0.20

(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.



# **Metro-North Railroad**

## **Ridership Report April 2015**

# FEBRUARY 2015 RIDERSHIP & REVENUE REPORT MTA METRO-NORTH RAILROAD

## EXECUTIVE SUMMARY

### February Ridership and Revenue (millions)

	February 2015	% Change vs. 2014
Total Rail Ridership	5.972	+0.1% ▲
Commutation Ridership	3.678	+1.1% ▲
Non-Commutation Ridership	2.294	-1.4% ▼
Connecting Service Ridership	0.040	+2.7% ▲
Total MNR System Ridership	6.012	+0.2% ▲
Rail Revenue	\$48.4	+0.0% ▲

### Key Factors Impacting February Ridership

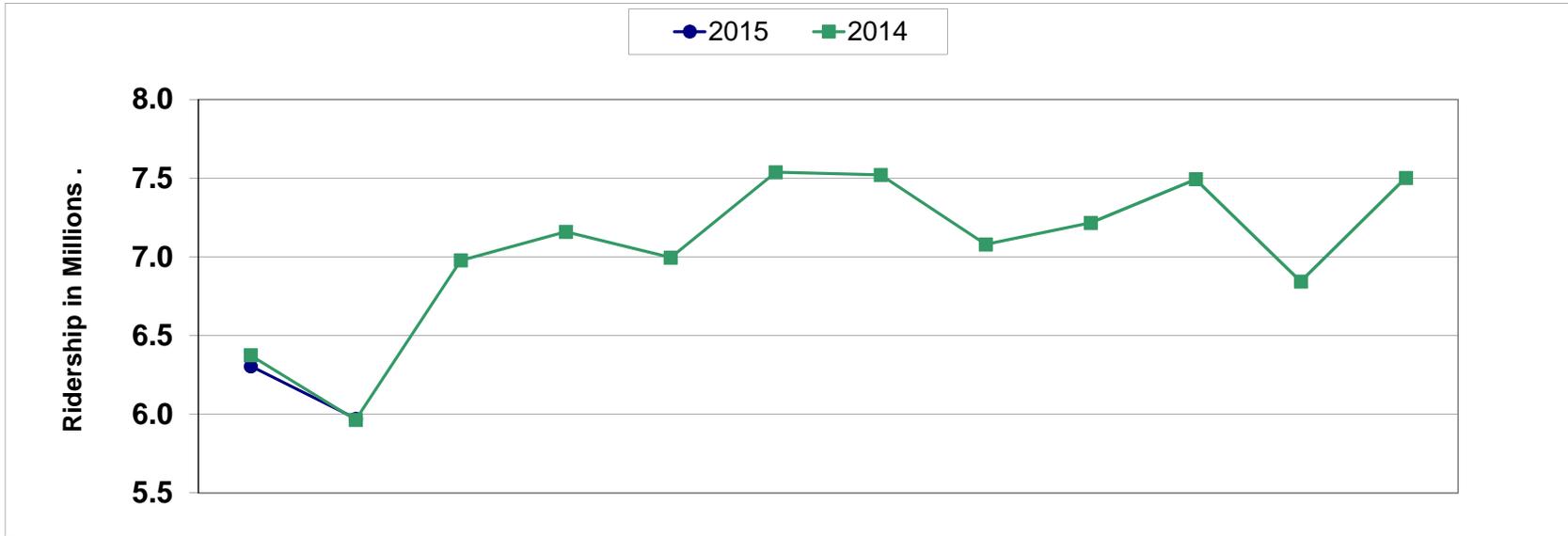
- The non-commutation ridership decrease was primarily due to the unusually cold weather with subzero temperatures which occurred during February.
- The February 3<sup>rd</sup> grade crossing collision at Valhalla resulted in approximately 38,000 fewer rides.

### Year-to-Date to February Ridership and Revenue (millions)

	YTD 2015	% Change vs. 2014	Comparison to Budget
Total Rail Ridership	12.276	-0.5% ▼	-2.5% ▼
Commutation Ridership	7.426	- 0.9% ▼	-2.1% ▼
Non-Commutation Ridership	4.850	+0.2% ▲	-3.2% ▼
Connecting Service Ridership	0.080	+3.4% ▲	+2.5% ▲
Total MNR System Ridership	12.356	-0.5% ▼	-2.5% ▼
Rail Revenue	\$99.8	+0.8% ▲	-1.8% ▼

# FEBRUARY RAIL RIDERSHIP <sup>(1)</sup>

- February's Total Rail Ridership was 0.1% above 2014 and 1.9% below budget.

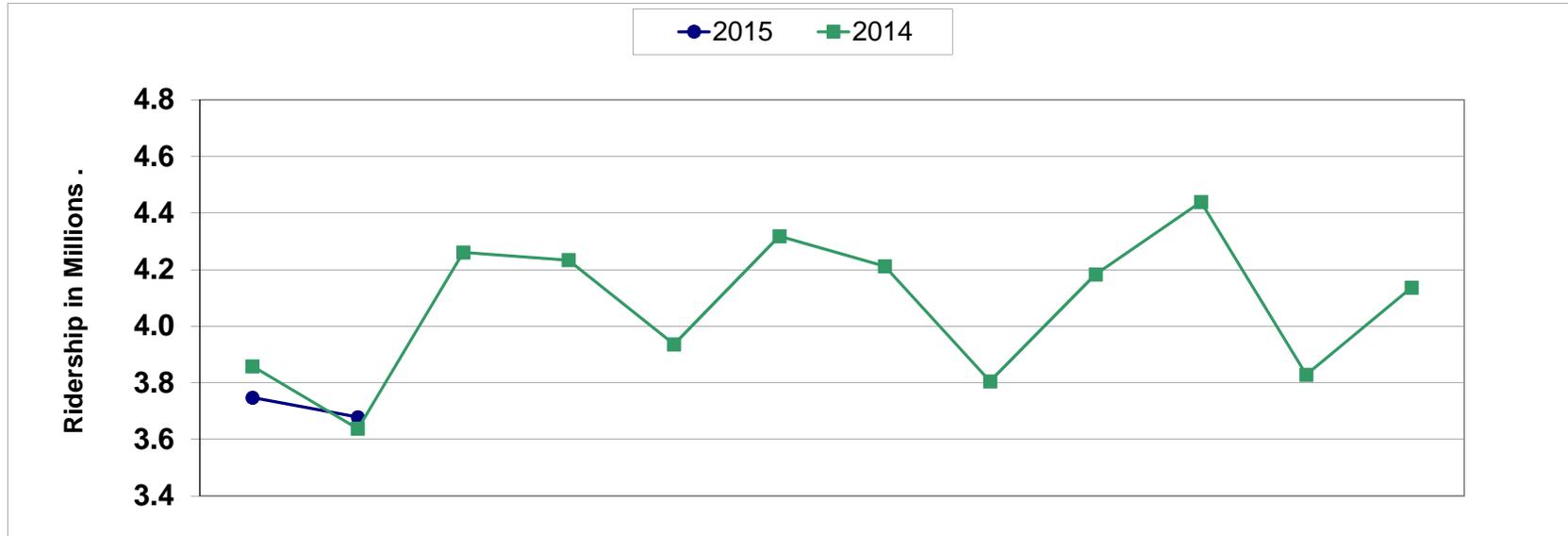


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	6.3	6.0											12.3
<b>2014</b>	6.4	6.0	7.0	7.2	7.0	7.5	7.5	7.1	7.2	7.5	6.8	7.5	12.3
<b>PCT CHG.</b>	-1.1%	0.1%											-0.5%

1) Includes East and West of Hudson.

# FEBRAURY RAIL COMMUTATION RIDERSHIP <sup>(1)</sup>

- February's Rail Commutation Ridership was 1.1% above 2014 and 0.1% below budget.

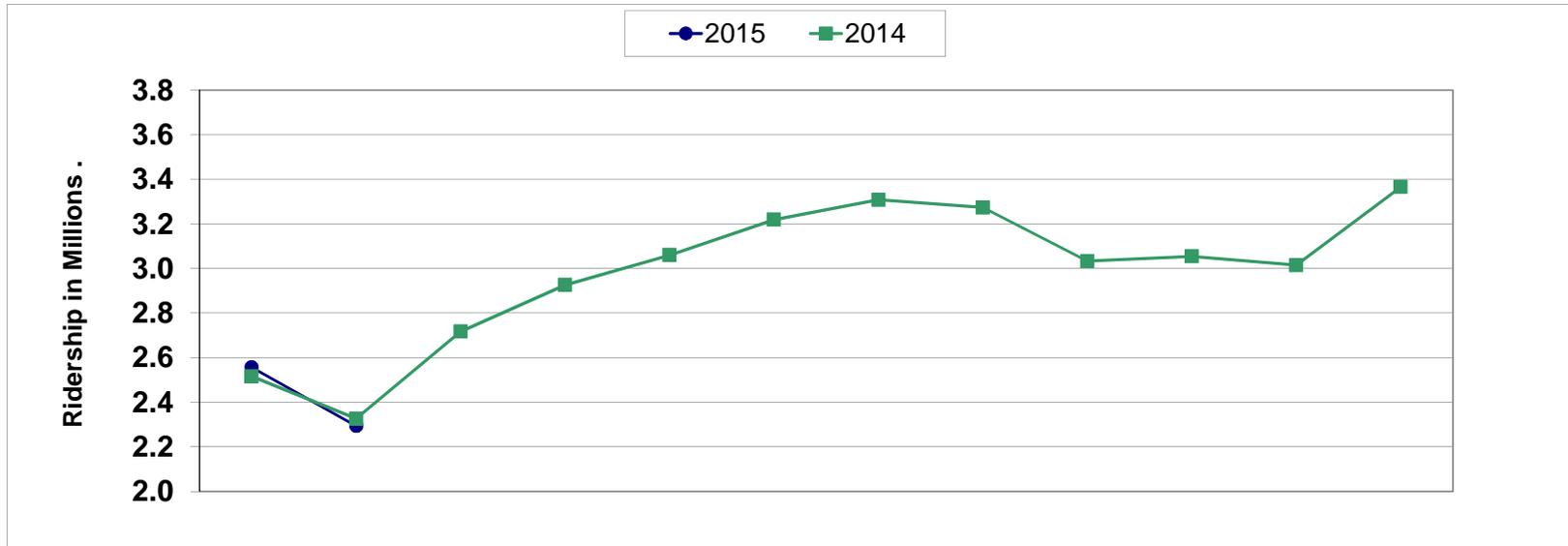


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	3.7	3.7											7.4
<b>2014</b>	3.9	3.6	4.3	4.2	3.9	4.3	4.2	3.8	4.2	4.4	3.8	4.1	7.5
<b>PCT CHG.</b>	-2.9%	1.1%											-0.9%

1) Includes East and West of Hudson.

# FEBRUARY RAIL NON-COMMUTATION RIDERSHIP <sup>(1)</sup>

- February's Rail Non-Commutation Ridership was 1.4% below 2014 and 4.8% below budget.

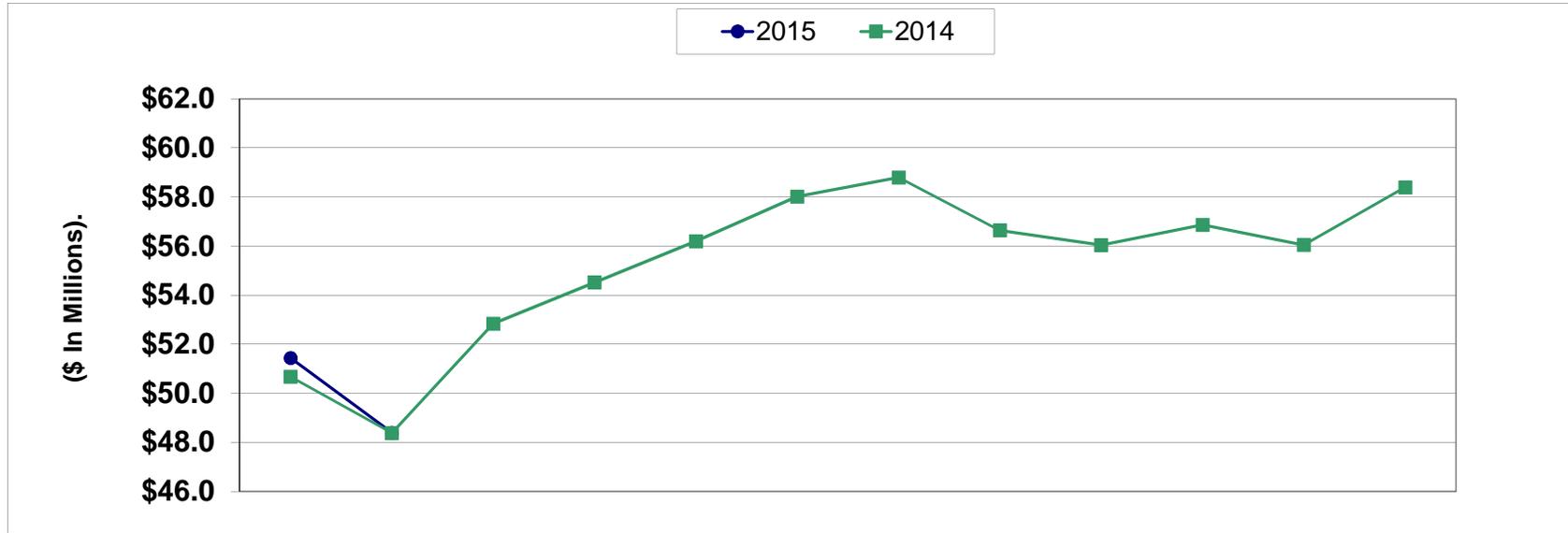


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	2.6	2.3											4.9
<b>2014</b>	2.5	2.3	2.7	2.9	3.1	3.2	3.3	3.3	3.0	3.1	3.0	3.4	4.8
<b>PCT CHG.</b>	1.6%	-1.4%											0.2%

1) Includes East and West of Hudson.

# FEBRUARY RAIL REVENUE <sup>(1)</sup>

- February's Total Rail Revenue was unchanged vs. 2014 and 2.5% below budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	\$51.4	\$48.4											\$99.8
<b>2014</b>	\$50.7	\$48.4	\$52.8	\$54.5	\$56.2	\$58.0	\$58.8	\$56.6	\$56.0	\$56.9	\$56.0	\$58.4	\$99.0
<b>PCT CHG.</b>	1.5%	0.0%											0.8%

1) Includes East and West of Hudson.

**MTA METRO-NORTH RAILROAD  
RIDERSHIP SUMMARY  
FEBRUARY 2015**

TICKET TYPE/SERVICE	FEBRUARY 2015 ACTUAL	FEBRUARY 2015 BUDGET	VARIANCE VS. BUDGET		FEBRUARY 2014 RESTATE <sup>(1)</sup>	CHANGE FROM 2014	
			AMOUNT	PERCENT		AMOUNT	PERCENT
<b>RAIL COMMUTATION RIDERSHIP</b>							
East of Hudson	3,602,837	3,607,026	(4,189)	-0.1%	3,566,103	36,734	1.0%
West of Hudson	75,325	73,692	1,633	2.2%	71,438	3,887	5.4%
<b>Total Rail Commutation Ridership</b>	<b>3,678,162</b>	<b>3,680,718</b>	<b>(2,556)</b>	<b>-0.1%</b>	<b>3,637,541</b>	<b>40,621</b>	<b>1.1%</b>
<b>RAIL NON-COMMUTATION RIDERSHIP</b>							
East of Hudson	2,247,005	2,362,513	(115,508)	-4.9%	2,280,536	(33,531)	-1.5%
West of Hudson	46,858	47,378	(520)	-1.1%	45,907	951	2.1%
<b>Total Rail Non-Commutation Ridership</b>	<b>2,293,863</b>	<b>2,409,891</b>	<b>(116,028)</b>	<b>-4.8%</b>	<b>2,326,443</b>	<b>(32,580)</b>	<b>-1.4%</b>
<b>TOTAL RAIL RIDERSHIP</b>							
East of Hudson	5,849,842	5,969,539	(119,697)	-2.0%	5,846,639	3,203	0.1%
West of Hudson	122,183	121,070	1,113	0.9%	117,345	4,838	4.1%
<b>TOTAL RAIL RIDERSHIP</b>	<b>5,972,025</b>	<b>6,090,609</b>	<b>(118,584)</b>	<b>-1.9%</b>	<b>5,963,984</b>	<b>8,041</b>	<b>0.1%</b>
<b>CONNECTING SERVICES RIDERSHIP <sup>(2)</sup></b>	<b>39,675</b>	<b>38,984</b>	<b>691</b>	<b>1.8%</b>	<b>38,640</b>	<b>1,035</b>	<b>2.7%</b>
<b>TOTAL MNR SYSTEM RIDERSHIP</b>	<b>6,011,700</b>	<b>6,129,593</b>	<b>(117,893)</b>	<b>-1.9%</b>	<b>6,002,624</b>	<b>9,076</b>	<b>0.2%</b>

Notes:

- 1) 2014 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  
2015 YEAR-TO-DATE**

TICKET TYPE/SERVICE	2015 YTD ACTUAL	2015 YTD BUDGET	VARIANCE VS. BUDGET		2014 YTD RESTATE <sup>(1)</sup>	CHANGE FROM 2014	
			AMOUNT	PERCENT		AMOUNT	PERCENT
<b>RAIL COMMUTATION RIDERSHIP</b>							
East of Hudson	7,271,740	7,434,923	(163,183)	-2.2%	7,350,678	(78,938)	-1.1%
West of Hudson	153,868	149,614	4,254	2.8%	145,036	8,832	6.1%
<b>Total Rail Commutation Ridership</b>	<b>7,425,608</b>	<b>7,584,537</b>	<b>(158,929)</b>	<b>-2.1%</b>	<b>7,495,714</b>	<b>(70,106)</b>	<b>-0.9%</b>
<b>RAIL NON-COMMUTATION RIDERSHIP</b>							
East of Hudson	4,751,489	4,909,249	(157,760)	-3.2%	4,747,056	4,433	0.1%
West of Hudson	98,994	99,952	(958)	-1.0%	95,233	3,761	3.9%
<b>Total Rail Non-Commutation Ridership</b>	<b>4,850,483</b>	<b>5,009,201</b>	<b>(158,718)</b>	<b>-3.2%</b>	<b>4,842,289</b>	<b>8,194</b>	<b>0.2%</b>
<b>TOTAL RAIL RIDERSHIP</b>							
East of Hudson	12,023,229	12,344,172	(320,943)	-2.6%	12,097,734	(74,505)	-0.6%
West of Hudson	252,862	249,566	3,296	1.3%	240,269	12,593	5.2%
<b>TOTAL RAIL RIDERSHIP</b>	<b>12,276,091</b>	<b>12,593,738</b>	<b>(317,647)</b>	<b>-2.5%</b>	<b>12,338,003</b>	<b>(61,912)</b>	<b>-0.5%</b>
<b>CONNECTING SERVICES RIDERSHIP <sup>(2)</sup></b>	<b>79,864</b>	<b>77,903</b>	<b>1,961</b>	<b>2.5%</b>	<b>77,216</b>	<b>2,648</b>	<b>3.4%</b>
<b>TOTAL MNR SYSTEM RIDERSHIP</b>	<b>12,355,955</b>	<b>12,671,641</b>	<b>(315,686)</b>	<b>-2.5%</b>	<b>12,415,219</b>	<b>(59,264)</b>	<b>-0.5%</b>

Notes:

- 1) 2014 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 2015**

LINE	FEBRUARY 2015 ACTUAL	FEBRUARY 2014 RESTATE <sup>(1)</sup>	CHANGE FROM 2014	
			AMOUNT	PERCENT
<b>EAST OF HUDSON</b>				
Harlem Line	1,931,569	1,958,194	(26,625)	-1.4%
Hudson Line	1,135,396	1,134,115	1,281	0.1%
New Haven Line	2,782,877	2,754,330	28,547	1.0%
<b>Total East of Hudson</b>	<b>5,849,842</b>	<b>5,846,639</b>	<b>3,203</b>	<b>0.1%</b>
<b>WEST OF HUDSON</b>				
Port Jervis Line	72,288	71,485	803	1.1%
Pascack Valley Line	49,895	45,860	4,035	8.8%
<b>Total West of Hudson</b>	<b>122,183</b>	<b>117,345</b>	<b>4,838</b>	<b>4.1%</b>
<b>TOTAL RAIL RIDERSHIP</b>				
	<b>5,972,025</b>	<b>5,963,984</b>	<b>8,041</b>	<b>0.1%</b>
<b>CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS</b>				
Hudson Rail Link	30,844	29,983	861	2.9%
Haverstraw-Ossining Ferry	6,101	6,148	(47)	-0.8%
Newburgh-Beacon Ferry	2,730	2,509	221	8.8%
<b>Total Connecting Services</b>	<b>39,675</b>	<b>38,640</b>	<b>1,035</b>	<b>2.7%</b>
<b>TOTAL MNR SYSTEM</b>				
	<b>6,011,700</b>	<b>6,002,624</b>	<b>9,076</b>	<b>0.2%</b>

Notes:

1) 2014 ridership figures have been restated to eliminate calendar impacts on ridership.

**MTA METRO-NORTH RAILROAD  
RIDERSHIP BY LINE  
2015 YEAR-TO-DATE**

TICKET TYPE/SERVICE	2015 YTD ACTUAL	2014 YTD RESTATE <sup>(1)</sup>	CHANGE FROM 2014	
			AMOUNT	PERCENT
<b>EAST OF HUDSON</b>				
Harlem Line	3,972,328	4,043,579	(71,251)	-1.8%
Hudson Line	2,320,925	2,336,248	(15,323)	-0.7%
New Haven Line	5,729,976	5,717,907	12,069	0.2%
<b>Total East of Hudson</b>	<b>12,023,229</b>	<b>12,097,734</b>	<b>(74,505)</b>	<b>-0.6%</b>
<b>WEST OF HUDSON</b>				
Port Jervis Line	149,623	145,932	3,691	2.5%
Pascack Valley Line	103,239	94,337	8,902	9.4%
<b>Total West of Hudson</b>	<b>252,862</b>	<b>240,269</b>	<b>12,593</b>	<b>5.2%</b>
<b>TOTAL RAIL RIDERSHIP</b>	<b>12,276,091</b>	<b>12,338,003</b>	<b>(61,912)</b>	<b>-0.5%</b>
<b>CONNECTING SERVICES PROVIDED BY METRO-NORTH CONTRACTORS</b>				
Hudson Rail Link	60,157	59,868	289	0.5%
Haverstraw-Ossining Ferry	12,945	12,838	107	0.8%
Newburgh-Beacon Ferry	6,762	4,510	2,252	49.9%
<b>Total Connecting Services</b>	<b>79,864</b>	<b>77,216</b>	<b>2,648</b>	<b>3.4%</b>
<b>TOTAL MNR SYSTEM</b>	<b>12,355,955</b>	<b>12,415,219</b>	<b>(59,264)</b>	<b>-0.5%</b>

Notes:

1) 2014 ridership figures have been restated to eliminate calendar impacts on ridership.



**Metro-North Railroad**

# **Capital Program Report**

## **April 2015**

## CAPITAL PROGRAM

### HIGHLIGHTS

April 27, 2015

#### ***STATIONS/PARKING/FACILITIES***

##### **North White Plains Station Access and Parking Garage (Design-Build)**

The foundation construction for the balance of the new garage is complete. Erection of precast panels for the remaining portion of the parking garage's exterior walls continues. Final turnover and commissioning of the new utility building is in process. Construction for the new elevators in the southwest corner of the garage has commenced. The garage, when complete in 2015, will add 400 extra spaces to the station inventory.

##### **Poughkeepsie Station Improvements**

The 60% design documents, to bring specific station elements (e.g., replace heating system, upgrade electrical, plumbing, and fire protection systems, replace steel walkway on north west side of the station and replace the sidewalk at station entrance, etc...) to a state-of-good repair, are under review by project stakeholders.

##### **Fordham Station Improvements**

Work continues on the inbound and outbound platforms which include: canopy construction, electrical and concrete work. On outbound platform only, the following is progressing: stair foundations and temporary elevator installation.

#### ***POWER***

##### **Power & Communication & Signals Infrastructure Restoration Phase I & II – Sandy**

MTA Board Approval will be sought at the April 2015 session for the recommended design-build team to perform the required infrastructure restoration services. Approval was given at the March MTA Board session for the Construction Supervision & Inspection Consultant team; contract award is imminent.

##### **Power Infrastructure Restoration – Substations – Sandy**

Submittal process and site coordination, for this recently approved work, are underway.

##### **Harlem & Hudson Lines Power Improvements**

*Construction of 86<sup>th</sup> and 110<sup>th</sup> street substations* - Submittal process and site coordination are underway. Mobilization at 86<sup>th</sup> Street is anticipated to commence the third quarter of 2015. Completed the installation of a temporary working platform at 110<sup>th</sup> street substation, to provide access to areas to perform cleaning and lead abatement.

*Brewster Substation* – Submittal process, for this recently approved work, is underway.

### **Substation Replacement Bridge-23**

Mount Vernon East switchgear and New Rochelle substation are in fabrication. A purchase order has been placed for the signal substation S-14. Tower 31T installation work will commence in 3rd quarter 2015.

### **Harlem River Lift Bridge-Cable Replacement/Control System**

The installation of: new wire ropes, major electrical equipment in the towers and circuit breaker house #6 is complete. Installation of circuit breaker house #7 and bridge electrical and control commissioning processes have commenced.

## **TRACK AND STRUCTURES**

### **2013 Cyclical Track Program (Resumption of Program after Bronx Priority Repairs)**

This program consists of the replacement of 19,800 wood ties, 3 miles of continuous welded rail, and surfacing of 125 miles of track. To date, MNR forces have installed approximately 11,000 ties and three (3) miles of rail. Tie installation and surfacing to commence in April 2015 on the Hudson line Track #1 between Spuyten Duyvil and Greystone.

### **Undergrade Bridges – East of Hudson**

*NH 20.39 (Mamaroneck Avenue, Mamaroneck)* – Steel and bearing repair work is substantially complete.

*HU 3.41 over 110th Street:* The commencement of the repairs is contingent upon the approval of roadway outages from NYCDOT and completion of the ongoing 110<sup>th</sup> Street Substation work.

Contract for Inspection and Load Rating design services for select undergrade bridges located in New York was executed on March 31, 2015.

### **Undergrade Bridges – West of Hudson**

*Rehabilitation of JS 51.00 culvert at Highland Mills:* Excavation and demolition of the existing culvert end section was completed prior to the winter shut down. Work resumed at the site on April 6, 2015.

## **SHOPS AND YARDS**

### **Harmon Shop Improvements**

*Phase V, Stage I Design-Build* – Exploratory borings for foundation piles are complete. Field survey and inspection activities, coordination meetings and the preparation of technical/design submittal packages continue.

*Phase V Stage II Preliminary Design* - Geotechnical borings and environmental samplings to facilitate the preliminary design work for the Electric Multiple Unit Running Repair and Support Shop facility commenced.

## **GRAND CENTRAL TERMINAL**

### **Grand Central Terminal Train Shed Rehabilitation**

Submittal process, measurement of field locations, and demolition of concrete fireproofing around column repair locations continue.

### **GCT Elevators Rehabilitation Phase 4**

Demolition of the SE-1 elevator which serves the lower level (track100) continues.

### **GCT Utilities**

*Domestic Water System* - The 43rd Street tank demolition is complete; it is anticipated that the new suction tank will be complete by end of April 2015.

*Fire Suppression Design* – 100% design review continues with project stakeholders.

### **GCT Leaks Remediation**

Removal of existing pavers, asphalt, and concrete in the north half of the former GCT Taxi Stand is complete. Asbestos abatement and concrete removal on the northbound Park Avenue Bridge (45th Street Bridge) continues.

### **Park Avenue Viaduct Direct Fixation**

Contract executed on March 3, 2015 for engineering services to design a method to rehabilitate the direct fixation system that supports the running rails and the third rail atop the Park Avenue from East 1110th to East 131 St. Street.

## **ROLLING STOCK**

### **M-8 Car Program**

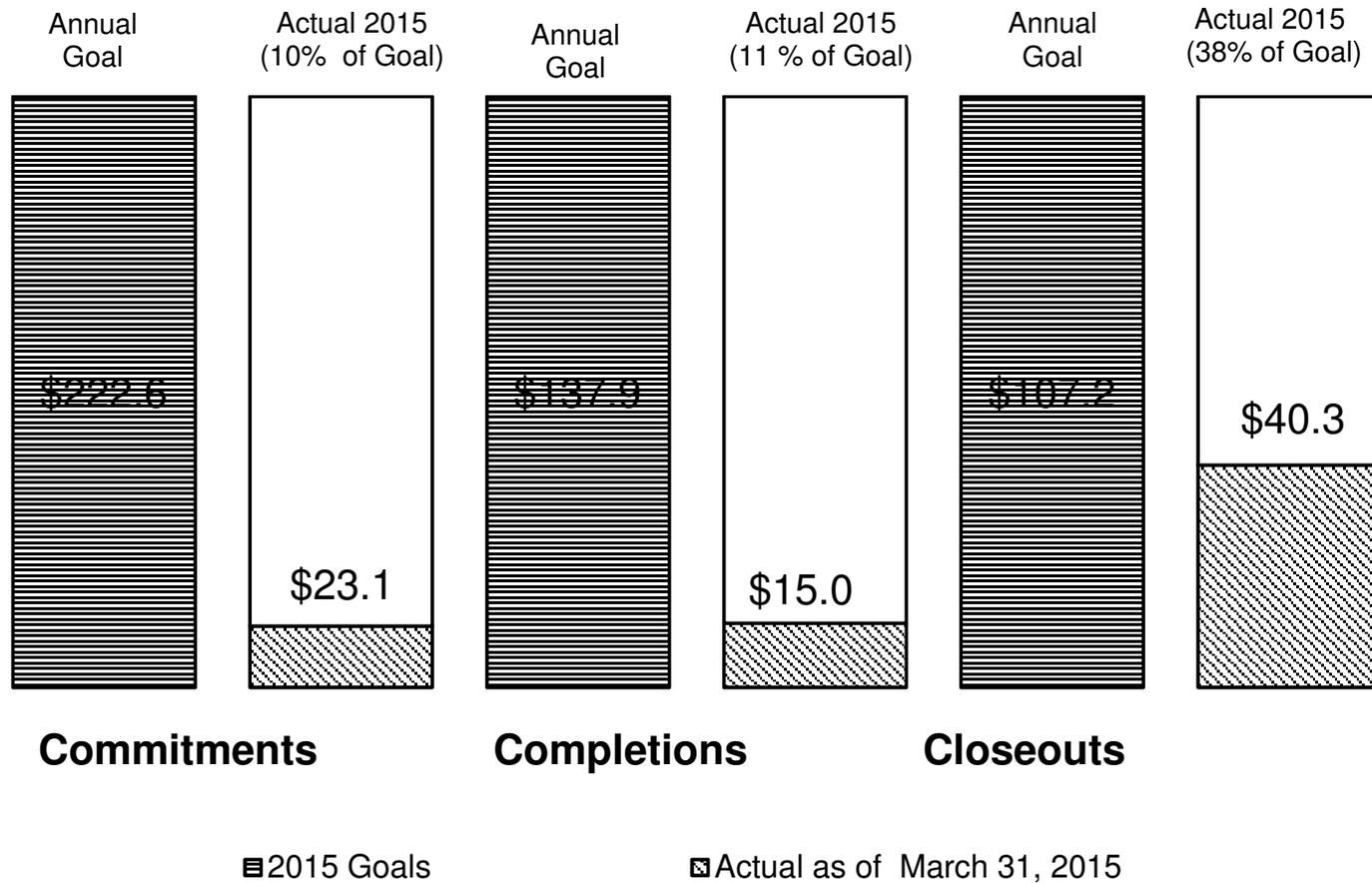
As of January 2015, 380 married paired cars were conditionally accepted and placed into revenue service. Three (3) new cars that were added to the order in spring 2014 are forecasted conditional acceptance in first quarter January 2016.

As of March 31, 2015, 4 Single Cars (S-Cars) out of 25 have been conditionally accepted and placed into revenue service.

# 2015 MNR Capital Program Goals

As of March 31, 2015

In Millions





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# LONG ISLAND RAIL ROAD

A graphic featuring a grid of dotted lines. A large, bold, black text "MONTHLY OPERATING REPORT" is centered within the grid. The text has a slight drop shadow. The grid lines are also dotted and form a rectangular frame around the text.

# MONTHLY OPERATING REPORT

## March 2015

**Patrick Nowakowski**  
President

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04/27/15 \*\*\*\*\*

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Performance Summary			2015 Data			2014 Data	
			Annual	YTD thru		YTD thru	
			Goal	Mar	Mar	Mar	Mar
<b>On Time Performance</b> <i>(Trains that arrive at their final destination within 5 minutes 59 seconds of scheduled arrival time)</i>	<b>System</b>	<b>Overall</b>	<b>94.0%</b>	<b>90.4%</b>	<b>89.2%</b>	<b>93.0%</b>	<b>90.4%</b>
		AM Peak		87.3%	83.0%	93.7%	87.1%
		PM Peak		85.0%	83.3%	86.9%	83.9%
		<b>Total Peak</b>		<b>86.2%</b>	<b>83.1%</b>	<b>90.4%</b>	<b>85.6%</b>
		Off Peak Weekday		91.1%	89.6%	93.6%	90.5%
		Weekend		94.4%	95.3%	94.8%	95.6%
	<b>Babylon Branch</b>	<b>Overall</b>	<b>93.9%</b>	<b>90.5%</b>	<b>89.0%</b>	<b>92.4%</b>	<b>89.4%</b>
		AM Peak		87.1%	82.6%	96.0%	88.7%
		PM Peak		84.9%	83.4%	81.5%	77.1%
		<b>Total Peak</b>		<b>86.1%</b>	<b>83.0%</b>	<b>89.2%</b>	<b>83.4%</b>
		Off Peak Weekday		92.3%	90.2%	93.8%	90.3%
		Weekend		94.0%	95.6%	94.2%	95.9%
	<b>Far Rockaway Branch</b>	<b>Overall</b>	<b>96.6%</b>	<b>95.1%</b>	<b>94.1%</b>	<b>96.7%</b>	<b>95.0%</b>
		AM Peak		88.8%	84.4%	94.4%	87.5%
		PM Peak		93.4%	92.4%	94.2%	91.9%
		<b>Total Peak</b>		<b>90.9%</b>	<b>88.0%</b>	<b>94.3%</b>	<b>89.5%</b>
		Off Peak Weekday		96.1%	95.1%	97.3%	95.9%
		Weekend		97.3%	97.5%	97.8%	98.3%
	<b>Huntington Branch</b>	<b>Overall</b>	<b>92.5%</b>	<b>87.1%</b>	<b>86.2%</b>	<b>89.6%</b>	<b>87.0%</b>
	AM Peak		86.7%	80.1%	92.4%	86.3%	
	PM Peak		81.5%	79.4%	81.6%	78.9%	
	<b>Total Peak</b>		<b>84.2%</b>	<b>79.8%</b>	<b>87.2%</b>	<b>82.8%</b>	
	Off Peak Weekday		85.3%	84.1%	88.8%	85.0%	
	Weekend		92.3%	93.7%	92.3%	92.7%	
<b>Hempstead Branch</b>	<b>Overall</b>	<b>96.5%</b>	<b>94.5%</b>	<b>93.5%</b>	<b>95.4%</b>	<b>93.6%</b>	
	AM Peak		92.7%	90.5%	97.6%	91.5%	
	PM Peak		89.9%	88.0%	91.0%	88.3%	
	<b>Total Peak</b>		<b>91.4%</b>	<b>89.3%</b>	<b>94.5%</b>	<b>90.0%</b>	
	Off Peak Weekday		95.2%	93.9%	96.0%	93.7%	
	Weekend		96.0%	96.6%	95.1%	96.5%	
<b>Long Beach Branch</b>	<b>Overall</b>	<b>95.9%</b>	<b>93.5%</b>	<b>91.4%</b>	<b>94.6%</b>	<b>92.8%</b>	
	AM Peak		91.7%	85.4%	95.6%	90.5%	
	PM Peak		89.3%	86.7%	92.2%	89.8%	
	<b>Total Peak</b>		<b>90.5%</b>	<b>86.0%</b>	<b>94.0%</b>	<b>90.2%</b>	
	Off Peak Weekday		93.9%	91.7%	93.1%	91.7%	
	Weekend		96.6%	96.8%	98.1%	98.1%	
<b>Montauk Branch</b>	<b>Overall</b>	<b>90.8%</b>	<b>89.5%</b>	<b>87.3%</b>	<b>92.3%</b>	<b>89.1%</b>	
	AM Peak		88.6%	81.9%	90.5%	83.5%	
	PM Peak		84.4%	83.2%	86.1%	84.5%	
	<b>Total Peak</b>		<b>86.5%</b>	<b>82.5%</b>	<b>88.2%</b>	<b>84.0%</b>	
	Off Peak Weekday		90.6%	87.2%	93.8%	89.7%	
	Weekend		91.1%	92.6%	93.5%	92.9%	
<b>Oyster Bay Branch</b>	<b>Overall</b>	<b>94.1%</b>	<b>91.0%</b>	<b>90.1%</b>	<b>93.7%</b>	<b>90.5%</b>	
	AM Peak		91.6%	87.9%	95.2%	89.4%	
	PM Peak		81.1%	79.4%	77.8%	79.4%	
	<b>Total Peak</b>		<b>86.7%</b>	<b>84.0%</b>	<b>87.2%</b>	<b>84.8%</b>	
	Off Peak Weekday		91.9%	91.0%	96.5%	92.2%	
	Weekend		95.0%	96.2%	96.0%	94.0%	

Performance Summary		2015 Data			2014 Data	
		Annual	YTD thru		YTD thru	
		Goal	Mar	Mar	Mar	Mar
<b>Port Jefferson Branch</b>	<b>Overall</b>	<b>90.9%</b>	<b>85.0%</b>	<b>83.0%</b>	<b>87.9%</b>	<b>83.4%</b>
	AM Peak		82.4%	76.0%	84.5%	78.8%
	PM Peak		80.5%	80.0%	83.0%	78.7%
	<b>Total Peak</b>		<b>81.5%</b>	<b>77.9%</b>	<b>83.8%</b>	<b>78.8%</b>
	Off Peak Weekday		82.8%	79.9%	87.5%	80.1%
	Weekend		95.2%	94.6%	93.2%	94.5%
<b>Port Washington Branch</b>	<b>Overall</b>	<b>95.3%</b>	<b>92.3%</b>	<b>90.4%</b>	<b>95.5%</b>	<b>93.4%</b>
	AM Peak		89.9%	86.1%	94.4%	88.4%
	PM Peak		83.0%	78.3%	90.2%	86.2%
	<b>Total Peak</b>		<b>86.4%</b>	<b>82.1%</b>	<b>92.3%</b>	<b>87.3%</b>
	Off Peak Weekday		93.5%	90.7%	95.6%	93.9%
	Weekend		96.9%	98.3%	98.4%	98.7%
<b>Ronkonkoma Branch</b>	<b>Overall</b>	<b>91.6%</b>	<b>83.2%</b>	<b>84.7%</b>	<b>90.6%</b>	<b>87.0%</b>
	AM Peak		76.3%	75.7%	90.0%	81.5%
	PM Peak		80.7%	84.0%	91.7%	88.2%
	<b>Total Peak</b>		<b>78.3%</b>	<b>79.6%</b>	<b>90.8%</b>	<b>84.7%</b>
	Off Peak Weekday		84.1%	86.0%	91.0%	86.1%
	Weekend		88.9%	89.1%	89.6%	92.3%
<b>West Hempstead Branch</b>	<b>Overall</b>	<b>95.8%</b>	<b>95.5%</b>	<b>94.0%</b>	<b>94.9%</b>	<b>94.0%</b>
	AM Peak		94.6%	91.0%	96.2%	93.6%
	PM Peak		93.2%	86.9%	88.9%	88.1%
	<b>Total Peak</b>		<b>93.8%</b>	<b>88.8%</b>	<b>92.2%</b>	<b>90.6%</b>
	Off Peak Weekday		95.9%	95.7%	96.7%	96.0%
	Weekend		96.9%	96.9%	80.0%	92.9%
<b>Operating Statistics</b>	<b>Trains Scheduled</b>		<b>20,990</b>	<b>60,022</b>	<b>20,681</b>	<b>59,553</b>
	<b>Avg. Delay per Late Train (min)</b> <small>excluding trains canceled or terminated</small>		-15.1	-13.0	-11.4	-12.7
	<b>Trains Over 15 min. Late</b> <small>excluding trains canceled or terminated</small>		400	1,548	214	1,037
	<b>Trains Canceled</b>		76	526	30	297
	<b>Trains Terminated</b>		68	237	23	208
	<b>Percent of Scheduled Trips Completed</b>		99.3%	98.7%	99.7%	99.2%
<b>Consist Compliance</b> <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>	AM Peak		99.3%			
	PM Peak		97.9%			
	<b>Total Peak</b>		98.7%			



**OPERATING REPORT  
FOR MONTH OF MARCH 2015**

Categories Of Delay		2015 Data			2014 Data		YTD 2014 Vs 2015
		February	March	YTD Thru March	March	YTD Thru March	
Late Train Incidents	<b>National Rail Passenger Corp</b>	171	275	668	48	428	240
	<b>Capital Programs</b>	10	2	13	21	171	(158)
	<b>Engineering</b>	232	192	539	117	630	(91)
	<b>Penn Station Central Control</b>	23	16	46	15	82	(36)
	<b>Maintenance of Equipment</b>	175	113	442	155	496	(54)
	<b>* Other / Miscellaneous</b>	170	305	695	162	486	209
	<b>**Public</b>	437	471	1,253	595	1,464	(211)
	<b>Transportation</b>	62	38	109	45	90	19
	<b>Vandalism</b>	22	18	68	17	62	6
	<b>Weather and Environmental</b>	1,078	471	2,337	131	1,593	744
	<b>Maintenance of Way (Sched.)</b>	6	78	90	143	154	(64)

\* **Other/Miscellaneous** includes incidents that were a direct result of external factors causing disruption to LIRR operations

\*\* **Public** includes incidents that were a direct result of factors involving the following: Trespassers, Motor Vehicles, Loading, Disorderly or Dispute Situations, etc.

**EVENTS RESULTING IN 10 or MORE LATE (L), CANCELED (C) OR TERMINATED (T) TRAINS**

Date	Day	DESCRIPTION OF EVENT	AM Peak			PM Peak			Off Peak			TOTAL		
			L	C	T	L	C	T	L	C	T	Late	Cxld	Term
1-Mar	Sun	Various delays system wide due to snow accumulation							68		1	68		1
2-Mar	Mon	Various delays system wide due to snow accumulation	23			1			4			28		
2-Mar	Mon	Track circuit failure in Port Interlocking	23	1					2			25	1	
3-Mar	Tues	Broken rail west of KO1 Interlocking	33	3					4		5	37	3	5
3-Mar	Tues	Various delays system wide due to snow accumulation				21	1		16			37	1	
4-Mar	Wed	Amtrak related track circuit failure in JO Interlocking				60	10		21	1	6	81	11	6
4-Mar	Wed	Broken rail west of Forest Hills Station	5	1					7			12	1	
5-Mar	Thurs	Train 2737 with equipment trouble in Bellport	8						5			13		
5-Mar	Thurs	Various delays system wide due to snow accumulation				71	10	6	90	5	11	161	15	17
6-Mar	Fri	Various delays system wide due to snow accumulation	42	2		9	2		31		1	82	4	1
6-Mar	Fri	Train 156 disabled in Massapequa				6			4	1		10	1	
6-Mar	Fri	Train 5761 struck an unauthorized person at Great River Station				9	1	2	2	2		11	3	2
15-Mar	Sun	Track circuit failure due to 2 defective insulated joints east of Merrick							10	1		10	1	
17-Mar	Tues	Heavy loading due to St. Patrick's Day				5			8			13		
18-Mar	Wed	Amtrak related switch trouble in Line 2, Penn Station	73		9				42		1	115		10
18-Mar	Wed	Equipment Train 3302 struck an unauthorized person west of Great Neck Station	8	4					1	1		9	5	
19-Mar	Thurs	Debris found in switch points at Nassau 2 Interlocking				18	3		3			21	3	
20-Mar	Fri	Various delays system wide due to weather slow loading				1			9			10		
20-Mar	Fri	Various delays system wide due to snow accumulation				1	1		8			9	1	
23-Mar	Mon	Track circuit failure due to a broken rail west of East New York	8		3				2			10		3
23-Mar	Mon	Fire on the tracks west of Nassau Interlocking							12		1	12		1
25-Mar	Wed	Track circuit failure west of Divide Interlocking due to a crimped bond wire	6						4			10		
30-Mar	Mon	Freight derailment in Wyandanch DEF (From 3/29)	24			15			42	1		81	1	
31-Mar	Tues	Freight derailment in Wyandanch DEF (From 3/29)	13			18	1		43		1	74	1	1
<b>TOTAL FOR MONTH</b>			<b>266</b>	<b>11</b>	<b>12</b>	<b>235</b>	<b>29</b>	<b>8</b>	<b>438</b>	<b>12</b>	<b>27</b>	<b>939</b>	<b>52</b>	<b>47</b>
												<b>1038</b>		

# Long Island Rail Road

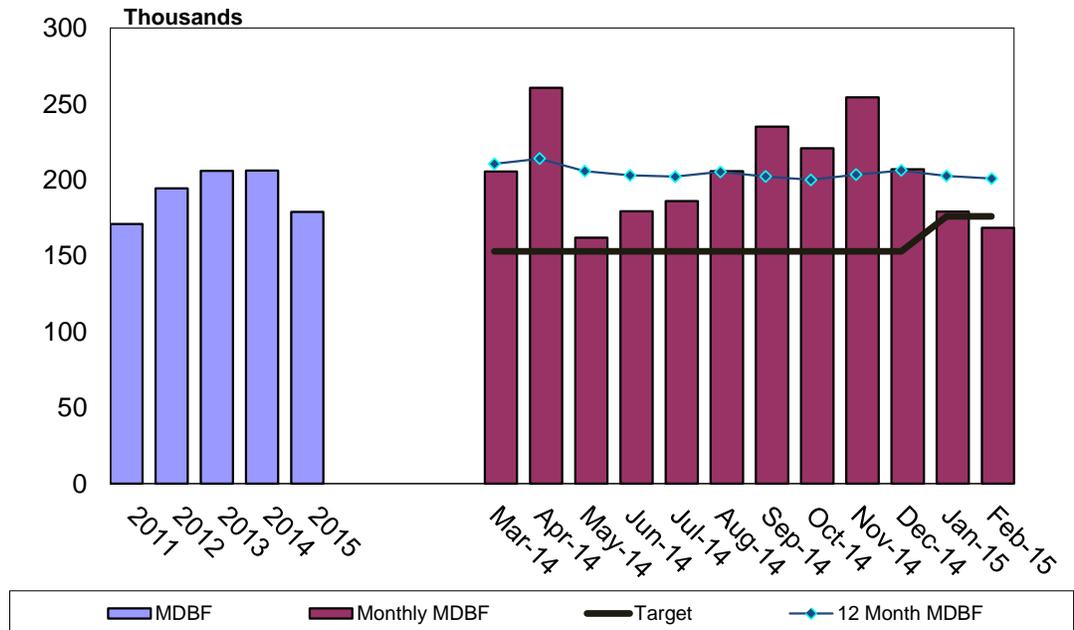
## MEAN DISTANCE BETWEEN FAILURES

	2015 Data							2014 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)
<b>Mean</b>	M-3	150	75,000	52,108	9	57,583	88,750	97,088	5	77,989
<b>Distance</b>	M-7	836	400,000	400,525	12	479,280	477,694	584,168	8	516,018
<b>Between Failures</b>	DM	21	20,000	15,610	4	10,862	21,086	16,051	4	23,157
	DE	24	20,000	28,009	3	21,949	25,501	9,124	9	15,390
	C-3	134	80,000	79,876	8	89,454	82,122	102,796	6	97,926
	Diesel	179	51,000	52,365	15	47,078	55,954	40,163	19	52,709
<b>Fleet</b>	<b>1,165</b>	<b>176,000</b>	<b>168,354</b>	<b>36</b>	<b>173,857</b>	<b>200,898</b>	<b>185,059</b>	<b>32</b>	<b>201,991</b>	

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

2011 - 2015





Standee Report

East Of Jamaica

			2015 Data	
			March	
			AM Peak	PM Peak
<b>Daily</b>	<b>Babylon Branch</b>	Program Standees	0	0
		Add'l Standees	3	33
			<b>Total Standees</b>	<b>33</b>
Average	<b>Far Rockaway Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
			<b>Total Standees</b>	<b>0</b>
	<b>Huntington Branch</b>	Program Standees	60	0
		Add'l Standees	18	0
			<b>Total Standees</b>	<b>0</b>
	<b>Hempstead Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
			<b>Total Standees</b>	<b>0</b>
	<b>Long Beach Branch</b>	Program Standees	0	0
		Add'l Standees	0	1
			<b>Total Standees</b>	<b>1</b>
	<b>Montauk Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
			<b>Total Standees</b>	<b>0</b>
	<b>Oyster Bay Branch</b>	Program Standees	0	0
		Add'l Standees	10	0
			<b>Total Standees</b>	<b>0</b>
	<b>Port Jefferson Branch</b>	Program Standees	0	0
		Add'l Standees	0	5
			<b>Total Standees</b>	<b>5</b>
	<b>Port Washington Branch</b>	Program Standees	0	0
		Add'l Standees	18	61
			<b>Total Standees</b>	<b>61</b>
	<b>Ronkonkoma Branch</b>	Program Standees	0	0
		Add'l Standees	9	14
			<b>Total Standees</b>	<b>14</b>
	<b>West Hempstead Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
			<b>Total Standees</b>	<b>0</b>
			<b>System Wide PEAK</b>	<b>115</b>

**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.



Standee Report

West Of Jamaica

		2015 Data		
		March		
		AM Peak	PM Peak	
<b>Daily Average</b>	<b>Babylon Branch</b>	Program Standees	0	0
		Add'l Standees	2	42
		<b>Total Standees</b>	<b>2</b>	<b>42</b>
	<b>Far Rockaway Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>
	<b>Huntington Branch</b>	Program Standees	0	0
		Add'l Standees	10	61
		<b>Total Standees</b>	<b>10</b>	<b>61</b>
	<b>Hempstead Branch</b>	Program Standees	0	0
		Add'l Standees	0	35
		<b>Total Standees</b>	<b>0</b>	<b>35</b>
	<b>Long Beach Branch</b>	Program Standees	18	0
		Add'l Standees	5	5
		<b>Total Standees</b>	<b>23</b>	<b>5</b>
	<b>Montauk Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>
	<b>Oyster Bay Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>
	<b>Port Jefferson Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>
	<b>Port Washington Branch</b>	Program Standees	0	0
		Add'l Standees	18	61
		<b>Total Standees</b>	<b>18</b>	<b>61</b>
	<b>Ronkonkoma Branch</b>	Program Standees	0	0
		Add'l Standees	11	14
		<b>Total Standees</b>	<b>11</b>	<b>14</b>
	<b>West Hempstead Branch</b>	Program Standees	0	0
		Add'l Standees	0	0
		<b>Total Standees</b>	<b>0</b>	<b>0</b>
		<b>System Wide PEAK</b>	<b>64</b>	<b>218</b>

**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.

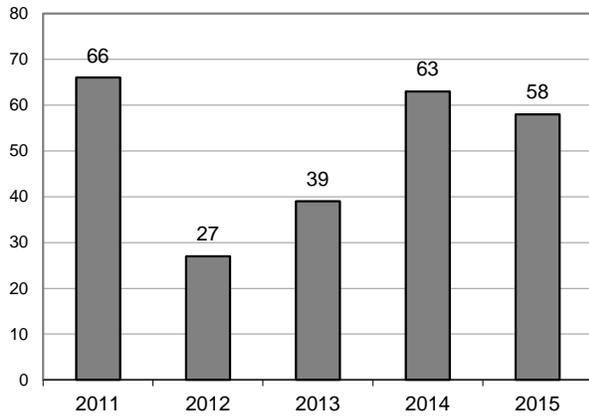
"Additional Standees" reflect the impact of reduced train car consists (as reported in the weekday equipment reports).

**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.



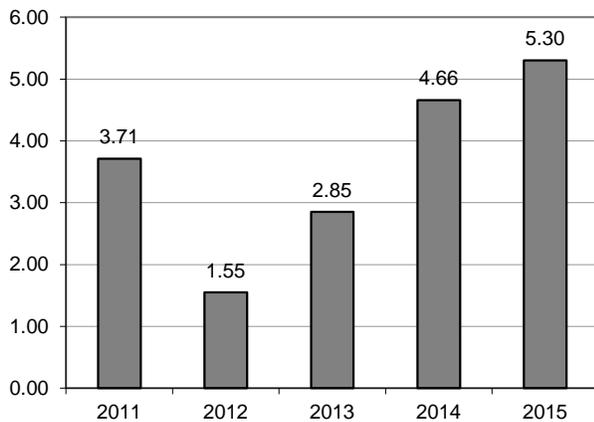
### MTA Long Island Rail Road Summary of Employee Injuries through February 2015



Total Employee Injuries

Year	Total
2011	66
2012	27
2013	39
2014	63
2015	58

% change from last year: -8.0%



Employee FRA Reportable Injuries

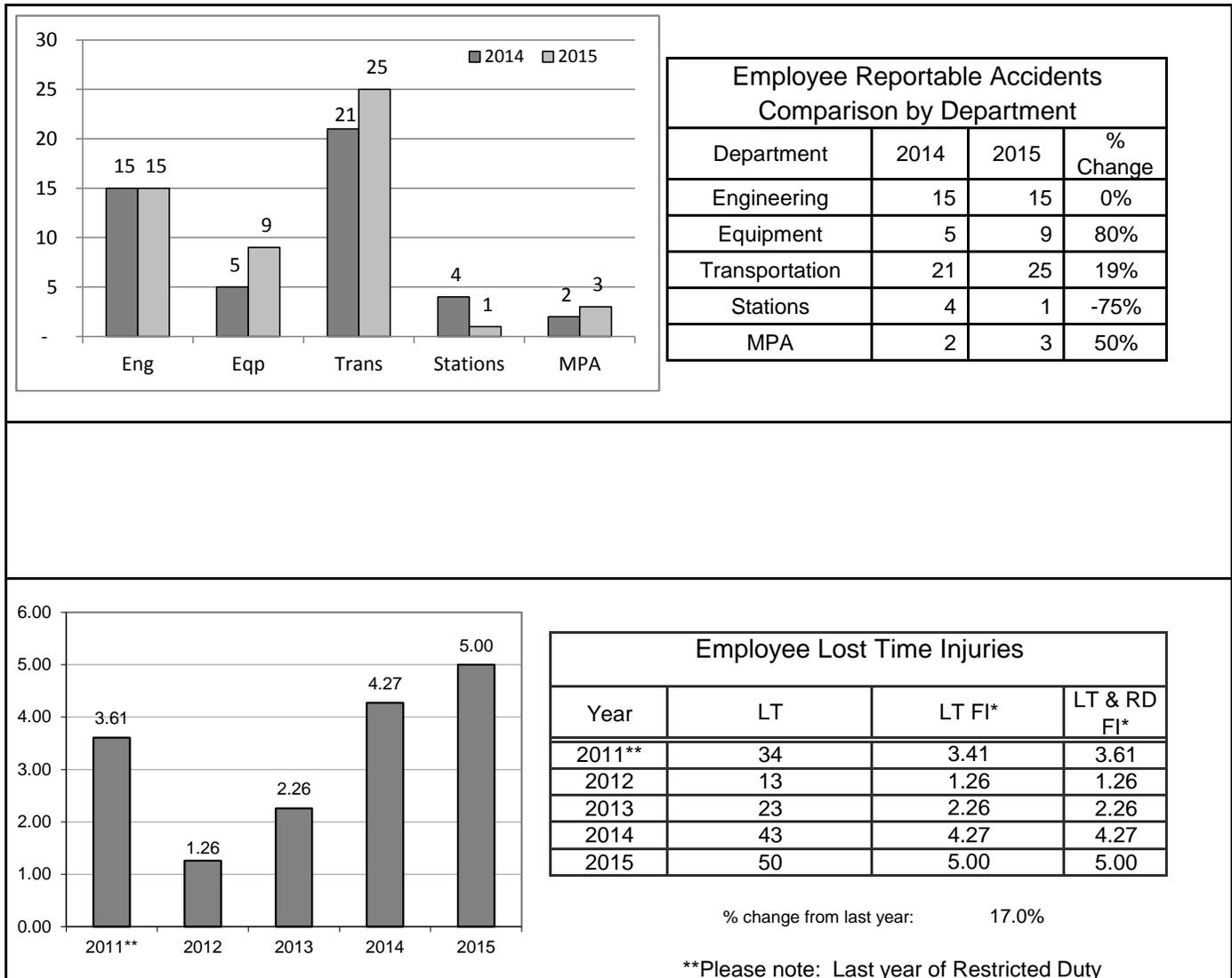
Year	Total	FRA FI*
2011	37	3.71
2012	16	1.55
2013	29	2.85
2014	47	4.66
2015	53	5.30

% change from last year: 14.0%

\* Federal Railroad Administration Frequency Index

\* - Injuries per 200,000 hours worked

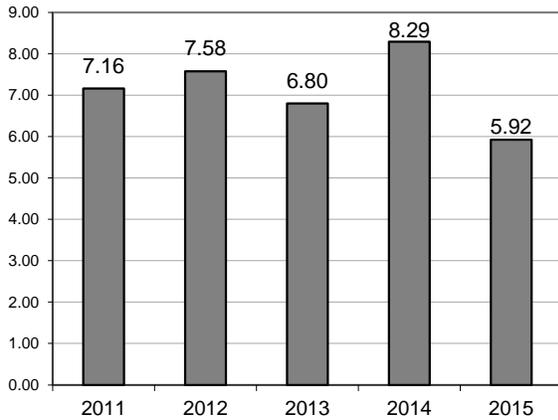
## MTA Long Island Rail Road Summary of Employee Injuries through February 2015



\* - Injuries per 200,000 hours worked



## MTA Long Island Rail Road Summary of Customer Injuries through February 2015

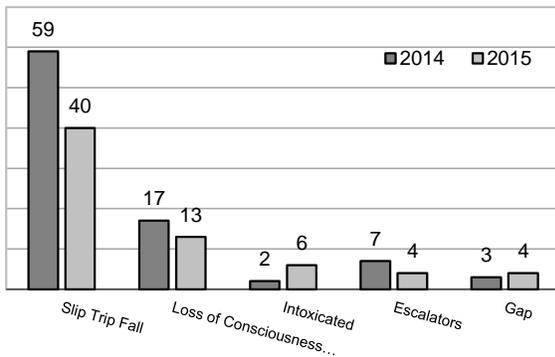


Total Customer Injuries

Year	Total	FI**
2011	84	7.16
2012	97	7.58
2013	86	6.80
2014	105	8.29
2015	74	5.92

% change from last year: -28.6%

\*\*Injuries per 1,000,000 rides



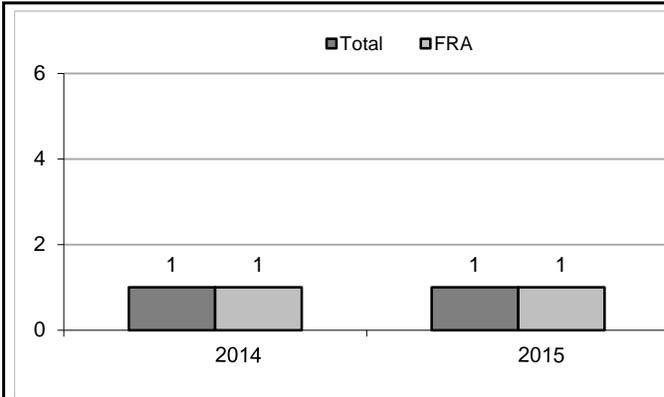
Top 5 Customer Injuries by Type

Year	Slip Trip Fall	Loss of Consciousness (sick/fainted)	Intoxicated	Escalators	Gap
2014	59	17	2	7	3
2015	40	13	6	4	4



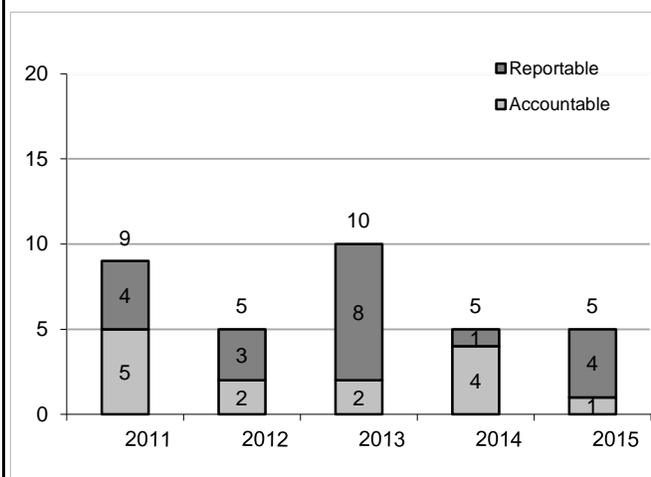
MTA Long Island Rail Road

Summary of Contractor Injuries, Train Accidents & T.R.A.C.K.S. through February 2015

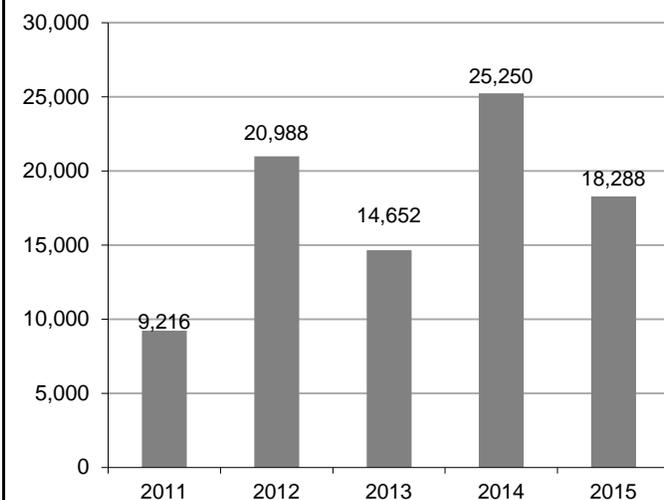


Year	Total	FRA Rpt.
2014	1	1
2015	1	1

% change from last year: 0%



Year	Accountable	Reportable
2011	5	4
2012	2	3
2013	2	8
2014	4	1
2015	1	4



Community Education and Outreach  
(Including T.R.A.C.K.S.)  
2011 - 2015 Month of February

Year	Total
2011	9,216
2012	20,988
2013	14,652
2014	25,250
2015	18,288

# Memorandum



**Date:** April 2015

**To:** Members of the LIRR Operating Committee

**From:** Patrick A. Nowakowski, President

**Re:** Enhanced Safety Action Update

This is to update you on the LIRR's comprehensive efforts to enhance safety throughout our system:

- Our first Corporate Quarterly Safety Stand-Down for 2015 was conducted March 27<sup>th</sup>. Over 4,000 employees participated. The focus was Confidential Close Call Reporting.
- Our Confidential Close call Reporting Program officially started March 29, 2015.
- The following progress was made on speed compliance enhancements and Positive Train Control (PTC):

Action Item	Status
<b>Alerters</b>	Installation is complete on all fleets.
<b>Speed Compliance</b>	For the period 3/1/15 through 3/31/15, there were 114 Radar Observations. Seventy-six different LIRR Engineers were observed. Thirty-six event recorder downloads were analyzed. All results indicate compliance. <i>Please note:</i> There is a seven day window for radar observations to be entered into our Efficiency Testing System. Numbers are subject to change.
<b>Emergency Order 29</b>	All critical curves were completed as scheduled by 3/1/14.
<b>Tangent Track Evaluation</b>	Study of potential enforcement of civil speed restrictions on tangent track is on-going. Six identified segments were completed in 2014. Three additional segments are currently being reviewed. One is tied to ESA and projected for completion September 2016. One is being tested. The final is being designed.
<b>PTC</b>	The Systems Integrator (SI) is progressing Preliminary Design and beginning some Final Design elements. Radio compliance testing is completed; results have been submitted to manufacturer for review. Preparing for Wayside Interface hardware and 220MHZ/Antenna Array First Article Inspections (FAI).
<b>Cameras</b>	Notice to Proceed pending. 4D proceeding with required safety training to allow access to LIRR property for fleet surveys to support design.



# **Long Island Rail Road**

## **Monthly Financial Report**

**February 2015**

# MTA LONG ISLAND RAIL ROAD

## February Ridership and Financial Report

### Executive Summary

#### Ridership

- During the month of February, total ridership was 6.1 million, which was 0.6% higher than February 2014 (adjusted for same number of work days) and 1.8% below the Adopted Budget.
  - Ridership through February was 12.5 million. This was 0.1% lower than 2014 (adjusted for same number of calendar work days) and 2.9% lower than the 2015 Adopted Budget.
  - Through February, commutation ridership was the same as 2014 (work day adjusted) and 1.7% lower than the 2015 Adopted Budget.
  - Through February, non-commutation ridership was 0.2% lower than 2014 and 4.6% below the Adopted Budget.
- 

#### Revenues

- Farebox revenue through February totaling \$99.6 million was \$1.7 million below the budget due to lower ridership, partially offset by higher yield per passenger.
- Capital & Other Revenue of \$43.0 million was \$5.0 million lower than the Adopted Budget due to timing of capital activity.
- In summary, total LIRR revenue of \$142.6 million was \$6.7 million lower than the Adopted Budget.

#### Expenses

- Through February, total expenses of \$337.7 million were \$18.3 million less than the budget.
- Straight-time payroll spending was \$2.5 million less than budget due to the existence of vacant positions. At the end of February, 250 of 7,098 positions were vacant. These vacancies consisted primarily of management/supervisory and maintenance operational hourly.
- Year-to-date overtime hours worked was 18.8%, or 69,600 hours higher than the budget primarily as a result of weather-related overtime, which was 83,000 hours over budget, vacancy/absentee coverage, which were 15,400 hours over budget, and maintenance, which were 2,800 hours over budget. This was partially offset by lower unscheduled service, which was 11,500 hours below budget, reimbursable overtime, which was 10,900 hours below budget and scheduled service, which were 9,300 hours below budget.
- Year-to-date overtime hours decreased by 0.4% in 2015 compared to 2014 due to lower weather and scheduled/unscheduled service, partially offset by higher vacancy/absentee coverage, maintenance and reimbursable overtime.
- Other variances are primarily timing related.

#### Financial Performance Measures

- Through February, the Adjusted Farebox Operating Ratio was 51.4%, which is favorable to budget due to lower expenses, partially offset by lower revenue.
- Through February, the Adjusted Cost per Passenger was \$16.63, which is lower than budget due to lower expenses, partially offset by lower ridership.
- Through February, the Revenue per Passenger was \$7.99, which is above budget.

**FINANCIAL REPORT**  
**(\$ In Millions)**  
**For the Month Ending February 28, 2015**

**REVENUE**

Year-to-date February **Total Revenues** (including Capital and Other Reimbursements) of \$142.6 were \$(6.7) million or (4.5)% unfavorable to budget. The month of February of \$71.2 million was unfavorable to budget by \$(2.9) million or (3.9)%.

- **Y-T-D Farebox Revenues** were \$(1.7) unfavorable to budget. The month was \$(0.9) unfavorable to the budget due to lower ridership, partially offset by higher yield per passenger.
- **Y-T-D Other Operating Revenues** were \$0.3 favorable to budget. The month was \$1.3 favorable due to timing.
- **Y-T-D Capital and Other Reimbursements** were \$(5.3) unfavorable to budget. The month was \$(3.3) unfavorable to the budget due to timing of capital activity.

**OPERATING EXPENSES**

Year-to-date February **Total Expenses** (including depreciation and other) of \$337.7 were favorable to budget by \$18.3 or 5.1%. The total expenses for the month of \$165.7 million were favorable to budget by \$9.2 million or 5.3%.

**Labor Expenses**, \$0.7 favorable Y-T-D; \$1.3 favorable for the month.

- **Payroll**, \$2.5 favorable Y-T-D; \$1.8 favorable for the month (primarily vacant positions and lower vacation pay accruals).
- **Overtime**, \$(4.8) unfavorable Y-T-D; \$(2.4) unfavorable for the month (primarily higher weather-related overtime, vacancy/absentee coverage and maintenance overtime, partially offset by lower capital project activity, unscheduled and scheduled service overtime).
- **Health & Welfare**, \$0.3 favorable Y-T-D; \$0.3 favorable for the month (vacant positions and lower rates).
- **OPEB Current Payment**, \$0.8 favorable Y-T-D; \$0.4 favorable for the month (fewer retirees/beneficiaries).
- **Other Fringe**, \$1.8 favorable Y-T-D; \$1.1 favorable for the month (primarily lower FELA Indemnity payments and Railroad Retirement taxes).

**Non-Labor Expenses**, \$12.9 favorable Y-T-D; \$6.0 favorable for the month.

- **Electric Power**, \$1.6 favorable Y-T-D; \$1.3 favorable for the month (lower consumption and rates).
- **Fuel**, \$1.2 favorable Y-T-D; \$0.4 favorable for the month (lower rates and consumption).
- **Insurance**, \$0.4 favorable Y-T-D; \$0.3 favorable for the month (lower Force Account Insurance).
- **Claims**, \$(0.2) unfavorable Y-T-D; \$0.3 favorable for the month (timing).
- **Maintenance and Other Operating Contracts**, \$1.8 favorable Y-T-D; \$1.0 favorable for the month (primarily timing of joint facilities, vegetation management and elevator/escalator maintenance, partially offset by higher non-revenue vehicle repairs, waste maintenance and cleaning services).
- **Professional Services**, on budget Y-T-D. \$(0.3) unfavorable for the month (primarily unbudgeted IT related expenses captured in MTA-HQ).
- **Materials and Supplies**, \$7.7 favorable Y-T-D; \$3.1 favorable for the month (primarily timing of material usage in the support shops, capital project activity and miscellaneous inventory adjustments).
- **Other Business Expenses**, \$0.4 favorable Y-T-D; \$(0.1) unfavorable for the month (primarily timing).

**Depreciation and Other**, \$4.7 favorable Y-T-D; \$2.0 favorable for the month (favorable Depreciation).

**FAREBOX OPERATING RATIO**

The year-to-date Farebox Operating Ratio was 42.1%, 0.5 percentage points above January. The Farebox Operating Ratio for the month of February of 42.4% was 0.7 percentage points above the budget resulting from lower expenses, partially offset by lower revenue. The adjusted year-to-date Farebox Operating Ratio was 51.4%. 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 - 2015 ADOPTED BUDGET**  
**ACCRUAL STATEMENT of OPERATIONS by CATEGORY**  
**February 2015**  
(\$ in millions)

	Nonreimbursable				Reimbursable				Total			
	Budget	Actual	Favorable (Unfavorable)		Budget	Actual	Favorable (Unfavorable)		Budget	Actual	Favorable (Unfavorable)	
			Variance	Percent			Variance	Percent			Variance	Percent
<b>Revenue</b>												
Farebox Revenue	\$49.846	\$48.940	(\$0.906)	(1.8)	\$0.000	\$0.000	\$0.000	-	\$49.846	\$48.940	(\$0.906)	(1.8)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	3.518	4.833	1.315	37.4	0.000	0.000	0.000	-	3.518	4.833	1.315	37.4
Capital & Other Reimbursements	0.000	0.000	0.000	-	20.677	17.388	(3.289)	(15.9)	20.677	17.388	(3.289)	(15.9)
<b>Total Revenue</b>	<b>\$53.364</b>	<b>\$53.772</b>	<b>\$0.408</b>	<b>0.8</b>	<b>\$20.677</b>	<b>\$17.388</b>	<b>(\$3.289)</b>	<b>(15.9)</b>	<b>\$74.041</b>	<b>\$71.160</b>	<b>(\$2.881)</b>	<b>(3.9)</b>
<b>Expenses</b>												
<i>Labor:</i>												
Payroll	\$39.237	\$38.320	\$0.917	2.3	\$7.119	\$6.246	\$0.873	12.3	\$46.356	\$44.566	\$1.790	3.9
Overtime	9.465	12.113	(2.648)	(28.0)	1.286	1.017	0.269	21.0	10.751	13.129	(2.378)	(22.1)
Health and Welfare	8.075	7.678	0.397	4.9	1.272	1.393	(0.121)	(9.5)	9.347	9.071	0.276	3.0
OPEB Current Payment	5.151	4.723	0.428	8.3	0.000	0.000	0.000	-	5.151	4.723	0.428	8.3
Pensions	15.410	14.916	0.494	3.2	1.838	2.332	(0.494)	(26.9)	17.248	17.248	(0.000)	(0.0)
Other Fringe Benefits	11.406	10.559	0.847	7.4	1.532	1.245	0.287	18.7	12.938	11.804	1.134	8.8
Reimbursable Overhead	(2.314)	(2.023)	(0.291)	(12.6)	2.314	2.023	0.291	12.6	0.000	0.000	0.000	-
<b>Total Labor Expenses</b>	<b>\$86.430</b>	<b>\$86.285</b>	<b>\$0.145</b>	<b>0.2</b>	<b>\$15.361</b>	<b>\$14.256</b>	<b>\$1.105</b>	<b>7.2</b>	<b>\$101.791</b>	<b>\$100.541</b>	<b>\$1.250</b>	<b>1.2</b>
<i>Non-Labor:</i>												
Electric Power	\$8.642	\$7.367	\$1.275	14.8	\$0.062	\$0.001	\$0.061	98.8	\$8.704	\$7.368	\$1.336	15.4
Fuel	2.201	1.835	0.366	16.6	0.000	0.000	0.000	-	2.201	1.835	0.366	16.6
Insurance	2.007	1.994	0.013	0.6	0.448	0.204	0.244	54.5	2.455	2.198	0.257	10.5
Claims	0.352	0.091	0.261	74.2	0.000	0.000	0.000	-	0.352	0.091	0.261	74.2
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	5.591	4.912	0.679	12.1	0.850	0.537	0.313	36.9	6.441	5.449	0.992	15.4
Professional Service Contracts	1.821	2.138	(0.317)	(17.4)	0.173	0.111	0.062	35.9	1.994	2.249	(0.255)	(12.8)
Materials & Supplies	11.094	9.705	1.389	12.5	3.775	2.078	1.697	45.0	14.869	11.783	3.086	20.8
Other Business Expenses	1.144	1.035	0.109	9.5	0.008	0.202	(0.194)	*	1.152	1.237	(0.085)	(7.4)
<b>Total Non-Labor Expenses</b>	<b>\$32.852</b>	<b>\$29.077</b>	<b>\$3.775</b>	<b>11.5</b>	<b>\$5.316</b>	<b>\$3.132</b>	<b>\$2.184</b>	<b>41.1</b>	<b>\$38.168</b>	<b>\$32.209</b>	<b>\$5.959</b>	<b>15.6</b>
<i>Other Expense Adjustments:</i>												
Other	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation &amp; Other Post Employment Benefits</b>	<b>\$119.282</b>	<b>\$115.362</b>	<b>\$3.920</b>	<b>3.3</b>	<b>\$20.677</b>	<b>\$17.388</b>	<b>\$3.289</b>	<b>15.9</b>	<b>\$139.959</b>	<b>\$132.750</b>	<b>\$7.209</b>	<b>5.2</b>
Depreciation	\$28.611	\$26.210	\$2.401	8.4	\$0.000	\$0.000	\$0.000	-	\$28.611	\$26.210	\$2.401	8.4
Other Post Employment Benefits	6.161	6.581	(0.420)	(6.8)	0.000	0.000	0.000	-	\$6.161	6.581	(0.420)	(6.8)
Environmental Remediation	0.167	0.167	0.000	0.2	0.000	0.000	0.000	-	\$0.167	0.167	0.000	0.2
<b>Total Expenses</b>	<b>\$154.221</b>	<b>\$148.320</b>	<b>\$5.901</b>	<b>3.8</b>	<b>\$20.677</b>	<b>\$17.388</b>	<b>\$3.289</b>	<b>15.9</b>	<b>\$174.898</b>	<b>\$165.708</b>	<b>\$9.190</b>	<b>5.3</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$100.857)</b>	<b>(\$94.547)</b>	<b>\$6.310</b>	<b>6.3</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$100.857)</b>	<b>(\$94.547)</b>	<b>\$6.310</b>	<b>6.3</b>
<i>Cash Conversion Adjustments</i>												
Depreciation	\$28.611	\$26.210	(\$2.401)	(8.4)	\$0.000	\$0.000	\$0.000	-	\$28.611	\$26.210	(\$2.401)	(8.4)
Operating/Capital	(0.555)	(0.371)	0.184	33.2	0.000	0.000	0.000	-	(0.555)	(0.371)	0.184	33.2
Other Cash Adjustments	10.558	20.938	10.380	98.3	0.000	0.000	0.000	-	10.558	20.938	10.380	98.3
<b>Total Cash Conversion Adjustments</b>	<b>\$38.614</b>	<b>\$46.777</b>	<b>\$8.163</b>	<b>21.1</b>	<b>0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$38.614</b>	<b>\$46.777</b>	<b>\$8.163</b>	<b>21.1</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$62.243)</b>	<b>(\$47.770)</b>	<b>\$14.473</b>	<b>23.3</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$62.243)</b>	<b>(\$47.770)</b>	<b>\$14.473</b>	<b>23.3</b>

TABLE 2

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 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
<b>Revenue</b>												
Farebox Revenue	\$101.271	\$99.576	(\$1.695)	(1.7)	\$0.000	\$0.000	\$0.000	-	\$101.271	\$99.576	(\$1.695)	(1.7)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	7.032	7.350	0.318	4.5	0.000	0.000	0.000	-	7.032	7.350	0.318	4.5
Capital & Other Reimbursements	0.000	0.000	0.000	-	40.926	35.642	(5.284)	(12.9)	40.926	35.642	(5.284)	(12.9)
<b>Total Revenue</b>	<b>\$108.303</b>	<b>\$106.926</b>	<b>(\$1.377)</b>	<b>(1.3)</b>	<b>\$40.926</b>	<b>\$35.642</b>	<b>(\$5.284)</b>	<b>(12.9)</b>	<b>\$149.229</b>	<b>\$142.568</b>	<b>(\$6.661)</b>	<b>(4.5)</b>
<b>Expenses</b>												
<i>Labor:</i>												
Payroll	\$84.434	\$82.900	\$1.534	1.8	\$13.905	\$12.920	\$0.985	7.1	\$98.339	\$95.820	\$2.519	2.6
Overtime	18.029	23.230	(5.201)	(28.8)	2.629	2.183	0.446	17.0	20.658	25.413	(4.755)	(23.0)
Health and Welfare	16.211	15.500	0.711	4.4	2.499	2.887	(0.388)	(15.5)	18.710	18.387	0.323	1.7
OPEB Current Payment	10.302	9.481	0.821	8.0	0.000	0.000	0.000	-	10.302	9.481	0.821	8.0
Pensions	30.886	29.679	1.207	3.9	3.610	4.817	(1.207)	(33.4)	34.496	34.496	(0.000)	(0.0)
Other Fringe Benefits	22.860	21.489	1.371	6.0	3.009	2.593	0.416	13.8	25.869	24.081	1.788	6.9
Reimbursable Overhead	(4.512)	(4.234)	(0.278)	(6.2)	4.512	4.234	0.278	6.2	0.000	0.000	0.000	-
<b>Total Labor Expenses</b>	<b>\$178.210</b>	<b>\$178.045</b>	<b>\$0.165</b>	<b>0.1</b>	<b>\$30.164</b>	<b>\$29.634</b>	<b>\$0.530</b>	<b>1.8</b>	<b>\$208.374</b>	<b>\$207.679</b>	<b>\$0.695</b>	<b>0.3</b>
<i>Non-Labor:</i>												
Electric Power	\$18.224	\$16.789	\$1.435	7.9	\$0.124	\$0.001	\$0.123	99.2	\$18.348	\$16.790	\$1.558	8.5
Fuel	4.605	3.412	1.193	25.9	0.000	0.000	0.000	-	4.605	3.412	1.193	25.9
Insurance	4.014	3.990	0.024	0.6	0.880	0.478	0.402	45.7	4.894	4.468	0.426	8.7
Claims	0.704	0.861	(0.157)	(22.3)	0.000	0.000	0.000	-	0.704	0.861	(0.157)	(22.3)
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	11.344	9.943	1.401	12.3	1.682	1.276	0.406	24.1	13.026	11.219	1.807	13.9
Professional Service Contracts	3.573	3.803	(0.230)	(6.4)	0.338	0.131	0.207	61.3	3.911	3.934	(0.023)	(0.6)
Materials & Supplies	22.184	18.181	4.003	18.0	7.542	3.852	3.690	48.9	29.726	22.033	7.693	25.9
Other Business Expenses	2.392	1.926	0.466	19.5	0.196	0.270	(0.074)	(37.9)	2.588	2.196	0.392	15.1
<b>Total Non-Labor Expenses</b>	<b>\$67.040</b>	<b>\$58.905</b>	<b>\$8.135</b>	<b>12.1</b>	<b>\$10.762</b>	<b>\$6.009</b>	<b>\$4.753</b>	<b>44.2</b>	<b>\$77.802</b>	<b>\$64.914</b>	<b>\$12.888</b>	<b>16.6</b>
Other Expense Adjustments												
Other	\$0.000	\$0.000	\$0.000	-	\$0.000	\$0.000	\$0.000	-	0.000	\$0.000	\$0.000	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>
<b>Total Expenses before Depreciation &amp; Other Post Employment Benefits</b>	<b>\$245.250</b>	<b>\$236.950</b>	<b>\$8.300</b>	<b>3.4</b>	<b>\$40.926</b>	<b>\$35.642</b>	<b>\$5.284</b>	<b>12.9</b>	<b>\$286.176</b>	<b>\$272.593</b>	<b>\$13.583</b>	<b>4.7</b>
Depreciation	\$57.222	\$52.420	4.802	8.4	\$0.000	\$0.000	\$0.000	-	\$57.222	\$52.420	\$4.802	8.4
Other Post Employment Benefits	12.322	12.388	(0.066)	(0.5)	0.000	0.000	0.000	-	12.322	12.388	(0.066)	(0.5)
Environmental Remediation	0.334	0.333	0.001	0.2	0.000	0.000	0.000	-	0.334	0.333	0.001	0.2
<b>Total Expenses</b>	<b>\$315.128</b>	<b>\$302.092</b>	<b>\$13.036</b>	<b>4.1</b>	<b>\$40.926</b>	<b>\$35.642</b>	<b>\$5.284</b>	<b>12.9</b>	<b>\$356.054</b>	<b>\$337.734</b>	<b>\$18.320</b>	<b>5.1</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$206.825)</b>	<b>(\$195.166)</b>	<b>\$11.659</b>	<b>5.6</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$206.825)</b>	<b>(\$195.166)</b>	<b>\$11.659</b>	<b>5.6</b>
<i>Cash Conversion Adjustments</i>												
Depreciation	\$57.222	\$52.420	(\$4.802)	(8.4)	\$0.000	\$0.000	\$0.000	-	\$57.222	\$52.420	(\$4.802)	(8.4)
Operating/Capital	(1.290)	(0.646)	0.644	49.9	0.000	0.000	0.000	-	(1.290)	(0.646)	0.644	49.9
Other Cash Adjustments	7.551	29.247	21.696	*	0.000	0.000	0.000	-	7.551	29.247	21.696	*
<b>Total Cash Conversion Adjustments</b>	<b>\$63.483</b>	<b>\$81.021</b>	<b>\$17.538</b>	<b>27.6</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>\$63.483</b>	<b>\$81.021</b>	<b>\$17.538</b>	<b>27.6</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$143.342)</b>	<b>(\$114.145)</b>	<b>\$29.197</b>	<b>20.4</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>-</b>	<b>(\$143.342)</b>	<b>(\$114.145)</b>	<b>\$29.197</b>	<b>20.4</b>

**MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN BUDGET AND ACTUAL: ACCRUAL BASIS**

February 2015				Year-to-Date February 2015			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
<b>Revenue</b>							
Farebox Revenue	Non Reimb.	(0.906)	(1.8)	Lower ridership \$(0.880) and lower yield per passenger \$(0.026).	(1.695)	(1.7)	Lower ridership \$(2.898), partially offset by higher yield per passenger \$1.203.
Other Operating Revenue	Non Reimb.	1.315	37.4	Timing of advertising revenue, partially offset by timing of miscellaneous income and rentals.	0.318	4.5	Timing of advertising revenue, partially offset by timing of miscellaneous income and rentals.
Capital & Other Reimbursements	Reimb.	(3.289)	(15.9)	Timing of capital project activity	(5.284)	(12.9)	Timing of capital project activity
<b>Expenses</b>							
Payroll	Non Reimb.	0.917	2.3	Vacant positions and lower vacation pay accruals.	1.534	1.8	Vacant positions and lower vacation pay accruals.
	Reimb.	0.873	12.3	Primarily due to timing of project activity.	0.985	7.1	Primarily due to timing of project activity.
Overtime	Non Reimb.	(2.648)	(28.0)	Higher weather-related overtime, vacancy/absentee coverage and higher maintenance overtime, partially offset by lower scheduled/unscheduled service overtime.	(5.201)	(28.8)	Higher weather-related overtime and vacancy/absentee coverage, partially offset by lower scheduled/unscheduled service overtime.
	Reimb.	0.269	21.0	Timing of East Side Access project schedule and other capital project activity.	0.446	17.0	Timing of East Side Access project schedule and other capital project activity.
Health and Welfare	Non Reimb.	0.397	4.9	Vacant positions.	0.711	4.4	Vacant positions.
	Reimb.	(0.121)	(9.5)	Primarily due to timing of project activity.	(0.388)	(15.5)	Primarily due to timing of project activity.
OPEB Current Payment	Non Reimb.	0.428	8.3	Fewer retirees/beneficiaries.	0.821	8.0	Fewer retirees/beneficiaries.

**MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN BUDGET AND ACTUAL: ACCRUAL BASIS**

February 2015				Year-to-Date February 2015			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Pensions	Non Reimb.	0.494	3.2	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was under-estimated.	1.207	3.9	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was under-estimated.
	Reimb.	(0.494)	(26.9)	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was under-estimated.	(1.207)	(33.4)	Total pension is on plan. However the estimated percentage of pension allocated to reimbursable was under-estimated.
Other Fringe Benefits	Non Reimb.	0.847	7.4	Lower FELA payments.	1.371	6.0	Lower FELA payments.
	Reimb.	0.287	18.7	Primarily due to timing of project activity.	0.416	13.8	Primarily due to timing of project activity.
Electric Power	Non Reimb.	1.275	14.8	Lower consumption and rates.	1.435	7.9	Lower consumption and rates.
	Reimb.	0.061	98.8	Timing of payments.	0.123	99.2	Timing of payments.
Fuel	Non Reimb.	0.366	16.6	Lower rates and consumption.	1.193	25.9	Lower rates and consumption.
Insurance	Non Reimb.	0.013	0.6		0.024	0.6	
	Reimb.	0.244	54.5	Force Account Insurance associated with project activity.	0.402	45.7	Force Account Insurance associated with project activity.
Claims	Non Reimb.	0.261	74.2	Decrease in corporate reserves.	(0.157)	(22.3)	Increase in public liability reserves.

**MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN BUDGET AND ACTUAL: ACCRUAL BASIS**

February 2015				Year-to-Date February 2015			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Maintenance & Other Operating Contracts	Non Reimb.	0.679	12.1	Primarily timing of joint facilities, vegetation management and elevator/escalator maintenance, partially offset by higher non-revenue vehicle repairs, waste maintenance and cleaning services.	1.401	12.3	Primarily timing of vegetation management, elevator/escalator maintenance, security services, HVAC maintenance and bus and transfer services, partially offset by higher non-revenue vehicle repairs, waste maintenance and communication expenses.
	Reimb.	0.313	36.9	Primarily due to timing of project activity.	0.406	24.1	Primarily due to timing of project activity.
Professional Service Contracts	Non Reimb.	(0.317)	(17.4)	Primarily IT software and maintenance posted in LIRR but captured from a budget perspective in MTA HQ.	(0.230)	(6.4)	Primarily IT software and maintenance posted in LIRR but captured from a budget perspective in MTA HQ.
	Reimb.	0.062	35.9	Primarily due to timing of project activity.	0.207	61.3	Primarily due to timing of project activity.
Materials & Supplies	Non Reimb.	1.389	12.5	Primarily due to lower material usage for MU Car Shop (RCM for M3 and M7 modifications drop sash window), lower material usage for Diesel Car Shop (delay RCM for 15 yr. and C3 modifications), lower running repair in Wheel Shop, delay in M7 propulsion and higher reclaims in pool materials, partially offset by timing of chargeouts for M7 Traction motors and higher material usage for MU Fleet cleaning.	4.003	18.0	Primarily due to lower material usage in the MU Car Shop (RCM for M3 and M7 modification drop sash window), lower material usage for Diesel Car Shop (delay RCM for 15 yr. and C3 modifications), fewer running repairs in Wheel Shop and delay in M7 propulsion, partially offset by the timing of chargeouts for M7 Trucks and higher material usage for MU Fleet cleaning.
	Reimb.	1.697	45.0	Primarily due to timing of project activity.	3.690	48.9	Primarily due to timing of project activity.

**MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET  
EXPLANATION OF VARIANCES BETWEEN BUDGET AND ACTUAL: ACCRUAL BASIS**

February 2015				Year-to-Date February 2015			
Generic Revenue or Expense Category	Non Reimb. Or Reimb.	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
		\$	%		\$	%	
Other Business Expenses	Non Reimb.	0.109	9.5	Timing of miscellaneous expenses, office supplies and bad debt.	0.466	19.5	Timing of miscellaneous expenses, office supplies and bad debt.
	Reimb.	(0.194)	*	Primarily due to timing project activity.	(0.074)	(37.9)	Primarily due to timing project activity.
Depreciation	Non Reimb.	2.401	8.4	Based on certain capital assets being fully depreciated.	4.802	8.4	Based on certain capital assets being fully depreciated.
Other Post Employment Benefits	Non Reimb.	(0.420)	(6.8)	Primarily due to timing.	(0.066)	(0.5)	Primarily due to timing.

Table 4

MTA LONG ISLAND RAIL ROAD								
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET								
CASH RECEIPTS and EXPENDITURES								
February 2015								
(\$ in millions)								
	Month				Year-to-Date			
	Budget	Actual	Favorable (Unfavorable) Variance	Percent	Budget	Actual	Favorable (Unfavorable) Variance	Percent
<b>Receipts</b>								
Farebox Revenue	\$51.721	\$50.600	(\$1.121)	(2.2)	\$105.021	\$101.611	(\$3.410)	(3.2)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.849	3.780	0.931	32.7	5.668	5.535	(0.133)	(2.3)
Capital & Other Reimbursements	24.078	15.447	(8.631)	(35.8)	43.659	36.332	(7.327)	(16.8)
<b>Total Receipts</b>	<b>\$78.648</b>	<b>\$69.827</b>	<b>(\$8.821)</b>	<b>(11.2)</b>	<b>\$154.348</b>	<b>\$143.477</b>	<b>(\$10.871)</b>	<b>(7.0)</b>
<b>Expenditures</b>								
<i>Labor:</i>								
Payroll	\$45.211	\$43.938	\$1.273	2.8	\$97.924	\$94.671	\$3.253	3.3
Overtime	10.752	15.566	(4.814)	(44.8)	21.809	25.441	(3.632)	(16.7)
Health and Welfare	9.347	0.175	9.172	98.1	18.709	11.106	7.603	40.6
OPEB Current Payment	5.151	0.712	4.439	86.2	10.302	7.087	3.215	31.2
Pensions	17.248	9.714	7.534	43.7	34.496	19.401	15.095	43.8
Other Fringe Benefits	12.646	12.374	0.272	2.1	28.384	25.064	3.320	11.7
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	-
<b>Total Labor Expenditures</b>	<b>\$100.355</b>	<b>\$82.479</b>	<b>\$17.876</b>	<b>17.8</b>	<b>\$211.624</b>	<b>\$182.769</b>	<b>\$28.855</b>	<b>13.6</b>
<i>Non-Labor:</i>								
Electric Power	\$8.704	\$9.170	(\$0.466)	(5.4)	\$18.348	\$17.561	\$0.787	4.3
Fuel	2.201	1.338	0.863	39.2	4.605	3.427	1.178	25.6
Insurance	2.277	(0.565)	2.842	*	10.303	7.492	2.811	27.3
Claims	0.219	0.047	0.172	78.5	0.438	0.131	0.307	70.1
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	6.441	5.310	1.131	17.6	13.027	9.588	3.439	26.4
Professional Service Contracts	1.254	2.106	(0.852)	(68.0)	3.556	3.503	0.053	1.5
Materials & Supplies	16.413	17.154	(0.741)	(4.5)	29.504	27.004	2.500	8.5
Other Business Expenses	1.152	1.244	(0.092)	(8.0)	2.535	2.604	(0.069)	(2.7)
<b>Total Non-Labor Expenditures</b>	<b>\$38.661</b>	<b>\$35.805</b>	<b>\$2.856</b>	<b>7.4</b>	<b>\$82.316</b>	<b>\$71.310</b>	<b>\$11.006</b>	<b>13.4</b>
<i>Other Expenditure Adjustments:</i>								
Other	\$1.875	\$1.725	\$0.150	8.0	\$3.750	\$2.837	\$0.913	24.4
<b>Total Other Expenditure Adjustments</b>	<b>\$1.875</b>	<b>\$1.725</b>	<b>\$0.150</b>	<b>8.0</b>	<b>\$3.750</b>	<b>\$2.837</b>	<b>\$0.913</b>	<b>24.4</b>
<b>Total Expenditures</b>	<b>\$140.891</b>	<b>\$120.009</b>	<b>\$20.882</b>	<b>14.8</b>	<b>\$297.690</b>	<b>\$256.916</b>	<b>\$40.774</b>	<b>13.7</b>
Cash Timing and Availability Adjustment	0.000	2.412	2.412	-	0.000	(0.706)	(0.706)	-
<b>Net Cash Deficit (excludes opening balance)</b>	<b>(\$62.243)</b>	<b>(\$47.770)</b>	<b>\$14.473</b>	<b>23.3</b>	<b>(\$143.342)</b>	<b>(\$114.145)</b>	<b>\$29.197</b>	<b>20.4</b>
<b>Subsidies</b>								
MTA	62.243	47.770	(14.473)	(23.3)	143.342	114.143	(29.199)	(20.4)

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**EXPLANATION OF VARIANCES BETWEEN FEBRUARY BUDGET AND ACTUAL CASH BASIS**

**Table 5**

Generic Revenue or Expense Category	February 2015			Year-to-Date as of February 28, 2015		
	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%		\$	%	
<b>Receipts</b>						
Farebox Revenue	(1.121)	(2.2)	Lower ridership \$(0.880), lower Metrocard/AirTrain sales \$(0.326), and lower yields \$(0.026), partially offset by higher advance sales impact \$0.111.	(3.410)	(3.2)	Lower ridership \$(2.898), lower advance sales impact \$(1.277), and lower Metrocard/AirTrain sales \$(0.477), partially offset by higher yields \$1.242.
Other Operating Revenue	0.931	32.7	Primarily due to the timing of intercompany receipts.	(0.133)	(2.3)	Primarily due to the timing of intercompany receipts.
Capital and Other Reimbursements	(8.631)	(35.8)	Timing of activity and reimbursement for capital and other reimbursements.	(7.327)	(16.8)	Timing of activity and reimbursement for capital and other reimbursements.
<b>Expenditures</b>						
Labor:						
Payroll	1.273	2.8	Primarily due to lower headcount.	3.253	3.3	Primarily due to lower headcount.
Overtime	(4.814)	(44.8)	Primarily due to higher weather-related overtime, maintenance and vacancy /absentee coverage, partially offset by lower unscheduled and scheduled service, and project overtime.	(3.632)	(16.7)	Primarily due to higher weather-related overtime and vacancy/absentee coverage, partially offset by lower scheduled/unscheduled service and project overtime.
Health and Welfare	9.172	98.1	Primarily due to timing of payments and vacant positions.	7.603	40.6	Primarily due to timing of payments and vacant positions.
OPEB Current Payment	4.439	86.2	Primarily timing of payments and fewer retirees/beneficiaries.	3.215	31.2	Primarily timing of payments, partially offset by fewer retirees/beneficiaries.
Pensions	7.534	43.7	Primarily due to accelerated December 2014 payments.	15.095	43.8	Primarily due to accelerated December 2014 payments.
Other Fringe Benefits	0.272	2.1	Primarily the timing of FELA payments and lower Railroad Retirement payments, partially offset by the timing of Railroad Unemployment Insurance payments.	3.320	11.7	Primarily lower Railroad Retirement payments and the timing of FELA payments.

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET**  
**EXPLANATION OF VARIANCES BETWEEN FEBRUARY BUDGET AND ACTUAL CASH BASIS**

**Table 5**

Generic Revenue or Expense Category	February 2015			Year-to-Date as of February 28, 2015		
	Favorable/ (Unfavorable) Variance		Reason for Variance	Favorable/ (Unfavorable) Variance		Reason for Variance
	\$	%		\$	%	
Non-Labor:						
Electric Power	(0.466)	(5.4)	Primarily due to the timing of payments.	0.787	4.3	Primarily due to lower consumption and rates, partially offset by the timing of payments.
Fuel	0.863	39.2	Primarily due to lower rates and consumption.	1.178	25.6	Primarily due to lower rates and consumption, partially offset by the timing of payments.
Insurance	2.842	*	Timing of insurance premium payments.	2.811	27.3	Timing of insurance premium payments.
Claims	0.172	78.5	Timing of payment for claims.	0.307	70.1	Timing of payment for claims.
Maintenance and Other Operating Contracts	1.131	17.6	Timing of payments.	3.439	26.4	Timing of payments.
Professional Service Contracts	(0.852)	(68.0)	Primarily the timing of payments for consulting services including payments for IT related expenses posted in LIRR but captured from a budget perspective in MTA HQ.	0.053	1.5	Primarily the timing of payments for consulting services.
Materials and Supplies	(0.741)	(4.5)	Primarily the timing of program, production plan, and operating funded capital material and supplies.	2.500	8.5	Primarily the timing of program, production plan, and operating funded capital material and supplies.
Other Business Expenses	(0.092)	(8.0)	Timing of payments.	(0.069)	(2.7)	Timing of payments.
Other Expenditure Adjustments	0.150	8.0	Lower Metrocard/AirTrain pass through payments.	0.913	24.4	Lower Metrocard/AirTrain pass through payments.

Table 6

MTA LONG ISLAND RAIL ROAD								
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET								
CASH CONVERSION (CASH FLOW ADJUSTMENTS)								
February 2015								
(\$ in millions)								
	Month				Year-to-Date			
	Budget	Actual	Favorable (Unfavorable) Variance	Percent	Budget	Actual	Favorable (Unfavorable) Variance	Percent
<b>Receipts</b>								
Farebox Revenue	\$1.875	\$1.661	(\$0.214)	(11.4)	\$3.750	\$2.035	(\$1.715)	(45.7)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	(0.669)	(1.052)	(0.383)	(57.3)	(1.364)	(1.815)	(0.451)	(33.1)
Capital & Other Reimbursements	3.401	(1.941)	(5.342)	*	2.733	0.689	(2.044)	(74.8)
<b>Total Receipts</b>	<b>\$4.607</b>	<b>(\$1.333)</b>	<b>(\$5.940)</b>	<b>*</b>	<b>\$5.119</b>	<b>\$0.909</b>	<b>(\$4.210)</b>	<b>(82.2)</b>
<b>Expenditures</b>								
<i>Labor:</i>								
Payroll	\$1.145	\$0.628	(\$0.517)	(45.1)	\$0.415	\$1.150	\$0.735	*
Overtime	(0.001)	(2.437)	(2.436)	*	(1.151)	(0.028)	1.123	97.6
Health and Welfare	0.000	8.896	8.896	-	0.001	7.281	7.280	*
OPEB Current Payment	0.000	4.011	4.011	-	0.000	2.394	2.394	-
Pensions	0.000	7.534	7.534	-	0.000	15.095	15.095	-
Other Fringe Benefits	0.292	(0.570)	(0.862)	*	(2.515)	(0.983)	1.532	60.9
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	-
<b>Total Labor Expenditures</b>	<b>\$1.436</b>	<b>\$18.062</b>	<b>\$16.626</b>	<b>*</b>	<b>(\$3.250)</b>	<b>\$24.910</b>	<b>\$28.160</b>	<b>*</b>
<i>Non-Labor:</i>								
Electric Power	\$0.000	(\$1.802)	(\$1.802)	-	\$0.000	(\$0.771)	(\$0.771)	-
Fuel	0.000	0.497	0.497	-	0.000	(0.014)	(0.014)	-
Insurance	0.178	2.763	2.585	*	(5.409)	(3.024)	2.385	44.1
Claims	0.133	0.044	(0.089)	(67.2)	0.266	0.730	0.464	*
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	0.000	0.138	0.138	-	(0.001)	1.631	1.632	*
Professional Service Contracts	0.740	0.143	(0.597)	(80.7)	0.355	0.431	0.076	21.3
Materials & Supplies	(1.544)	(5.371)	(3.827)	*	0.222	(4.971)	(5.193)	*
Other Business Expenses	0.000	(0.007)	(0.007)	-	0.053	(0.408)	(0.461)	*
<b>Total Non-Labor Expenditures</b>	<b>(\$0.493)</b>	<b>(\$3.596)</b>	<b>(\$3.103)</b>	<b>*</b>	<b>(\$4.514)</b>	<b>(\$6.396)</b>	<b>(\$1.882)</b>	<b>(41.7)</b>
<i>Other Expenditure Adjustments:</i>								
Other	(\$1.875)	(\$1.725)	\$0.150	8.0	(\$3.750)	(\$2.837)	\$0.913	24.4
<b>Total Other Expenditure Adjustments</b>	<b>(\$1.875)</b>	<b>(\$1.725)</b>	<b>\$0.150</b>	<b>8.0</b>	<b>(\$3.750)</b>	<b>(\$2.837)</b>	<b>\$0.913</b>	<b>24.4</b>
<b>Total Expenditures before Depreciation</b>	<b>(\$0.932)</b>	<b>\$12.741</b>	<b>\$13.673</b>	<b>*</b>	<b>(\$11.514)</b>	<b>\$15.677</b>	<b>\$27.191</b>	<b>*</b>
Depreciation Adjustment	\$28.611	\$26.210	(\$2.401)	(8.4)	\$57.222	\$52.420	(\$4.802)	(8.4)
Other Post Employment Benefits	6.161	6.581	0.420	6.8	12.322	12.388	0.066	0.5
Environmental Remediation	0.167	0.167	(0.000)	(0.2)	0.334	0.333	(0.001)	(0.2)
<b>Total Expenditures</b>	<b>\$34.007</b>	<b>\$45.699</b>	<b>\$11.692</b>	<b>34.4</b>	<b>\$58.364</b>	<b>\$80.818</b>	<b>\$22.454</b>	<b>38.5</b>
Cash Timing and Availability Adjustment	0.000	2.412	2.412	-	0.000	(0.706)	(0.706)	-
<b>Total Cash Conversion Adjustments</b>	<b>\$38.614</b>	<b>\$46.777</b>	<b>\$8.163</b>	<b>21.1</b>	<b>\$63.483</b>	<b>\$81.021</b>	<b>\$17.538</b>	<b>27.6</b>

**MTA LONG ISLAND RAIL ROAD**  
**2015 February Financial Plan**  
**Non-Reimbursable/Reimbursable Overtime**  
(\$ in millions)

	February 2015						February Year-to-Date					
	Adopted Budget		Actuals		Var. - Fav./(Unfav)		Adopted Budget		Actuals		Var. - Fav./(Unfav)	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
<b>NON-REIMBURSABLE OVERTIME</b>												
<u>Scheduled Service</u> <sup>1</sup>	43,932	\$2.507	38,139	\$2.182	5,793 13.2%	\$0.326 13.0%	87,716	\$5.021	78,375	\$4.483	9,341 10.6%	\$0.539 10.7%
<u>Unscheduled Service</u>	12,623	\$0.738	6,772	\$0.424	5,851 46.4%	\$0.315 42.6%	25,571	\$1.499	14,116	\$0.862	11,455 44.8%	\$0.637 42.5%
<u>Programmatic/Routine Maintenance</u>	42,203	\$2.251	52,465	\$2.790	(10,262) -24.3%	(\$0.539) -24.0%	82,176	\$4.390	84,984	\$4.527	(2,808) -3.4%	(\$0.137) -3.1%
<u>Unscheduled Maintenance</u>	513	\$0.030	540	\$0.031	(27) -5.3%	(\$0.002) -5.3%	1,188	\$0.068	1,156	\$0.066	32 2.7%	\$0.002 2.7%
<u>Vacancy/Absentee Coverage</u>	42,372	\$2.341	46,943	\$2.650	(4,571) -10.8%	(\$0.309) -13.2%	72,116	\$3.993	87,511	\$4.914	(15,395) -21.3%	(\$0.921) -23.1%
<u>Weather Emergencies</u>	26,561	\$1.505	64,206	\$3.596	(37,645) *	(\$2.091) *	50,463	\$2.871	133,499	\$7.652	(83,037) *	(\$4.781) *
<u>Safety/Security/Law Enforcement</u> <sup>2</sup>	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	0 0.0%	\$0.000 0.0%
<u>Other</u> <sup>3</sup>	1,699	\$0.093	1,982	\$0.440	(283) -16.6%	(\$0.347) *	3,399	\$0.186	3,433	\$0.726	(34) -1.0%	(\$0.539) *
<b>NON-REIMBURSABLE OVERTIME</b>	169,904	\$9.465	211,047	\$12.113	(41,143) -24.2%	(\$2.648) -28.0%	322,628	\$18.029	403,074	\$23.230	(80,446) -24.9%	(\$5.201) -28.8%
<b>REIMBURSABLE OVERTIME</b>	22,858	\$1.286	16,229	\$1.017	6,630 29.0%	\$0.269 21.0%	46,732	\$2.629	35,845	\$2.183	10,887 23.3%	\$0.446 17.0%
<b>TOTAL OVERTIME</b>	<b>192,762</b>	<b>\$10.751</b>	<b>227,276</b>	<b>\$13.129</b>	<b>(34,514)</b> -17.9%	<b>(\$2.378)</b> -22.1%	<b>369,360</b>	<b>\$20.658</b>	<b>438,919</b>	<b>\$25.413</b>	<b>(69,559)</b> -18.8%	<b>(\$4.755)</b> -23.0%

<sup>1</sup> Includes Tour Length and Holiday overtime.

<sup>2</sup> Not Applicable

<sup>3</sup> Reflects overtime for marketing, 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**  
**2015 February Financial Plan**  
**Non-Reimbursable/Reimbursable Overtime**  
(\$ in millions)

	February 2015			February Year-to-Date		
	Var. - Fav./(Unfav)		Explanations	Var. - Fav./(Unfav)		Explanations
	Hours	\$		Hours	\$	
<b>NON-REIMBURSABLE OVERTIME</b>						
<u>Scheduled Service</u>	5,793	\$0.326	Lower than anticipated holiday overtime within Maintenance of Equipment.	9,341	\$0.539	Lower than anticipated holiday overtime within Maintenance of Equipment and Transportation.
	13.2%	13.0%		10.6%	10.7%	
<u>Unscheduled Service</u>	5,851	\$0.315	Lower than forecasted outside of assignment penalty payments.	11,455	\$0.637	Lower than forecasted outside of assignment penalty payments.
	46.4%	42.6%		44.8%	42.5%	
<u>Programmatic/Routine Maintenance</u>	(10,262)	(\$0.539)	Attributed to an increase in sperry activity, boutet welding in field and storm protection to preempt track hazards resulting from inclement weather conditions.	(2,808)	(\$0.137)	Attributed to an increase in sperry activity, boutet welding in field and storm protection to preempt track hazards resulting from inclement weather conditions.
	-24.3%	-24.0%		-3.4%	-3.1%	
<u>Unscheduled Maintenance</u>	(27)	(\$0.002)		32	\$0.002	
	-5.3%	-5.3%		2.7%	2.7%	
<u>Vacancy/Absentee Coverage</u>	(4,571)	(\$0.309)	Primarily due to open jobs in Maintenance of Equipment. There are an average of 53 open jobs in this department. Availability in Maintenance of Equipment is unfavorable to budget.	(15,395)	(\$0.921)	Primarily due to open jobs in Maintenance of Equipment. There are an average of 53 open jobs in this department. Availability in Maintenance of Equipment is unfavorable to budget.
	-10.8%	-13.2%		-21.3%	-23.1%	
<u>Weather Emergencies</u>	(37,645)	(\$2.091)	Higher than budgeted weather related expenses.	(83,037)	(\$4.781)	Higher than budgeted weather related expenses.
	*	*		*	*	
<u>Safety/Security/Law Enforcement</u>						
<u>Other</u>	(283)	(\$0.347)	Due to double time impact and higher rated crafts.	(34)	(\$0.539)	Due to double time impact and higher rated crafts.
	-16.6%	*		-1.0%	*	
<b>NON-REIMBURSABLE OVERTIME</b>	<b>(41,143)</b>	<b>(\$2.648)</b>		<b>(80,446)</b>	<b>(\$5.201)</b>	
	-24.2%	-28.0%		-24.9%	-28.8%	
<b>REIMBURSABLE OVERTIME</b>	6,630	\$0.269	Under-run attributed to latest project schedule for ESA.	10,887	\$0.446	Under-run attributed to latest project schedule for ESA.
	29.0%	21.0%		23.3%	17.0%	
<b>TOTAL OVERTIME</b>	<b>(34,514)</b>	<b>(\$2.378)</b>		<b>(69,559)</b>	<b>(\$4.755)</b>	
	-17.9%	-22.1%		-18.8%	-23.0%	

\* Exceeds 100%

**METROPOLITAN TRANSPORTATION AUTHORITY - LONG ISLAND RAIL ROAD**  
**2015 Overtime Reporting**  
**Overtime Legend**

**OVERTIME DECOMPOSITION LEGEND DEFINITIONS**

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

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN - 2015 BUDGET**  
**TOTAL FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS by FUNCTION and DEPARTMENT**  
**NON-REIMBURSABLE and REIMBURSABLE**  
**END-of-MONTH FEBRUARY 2015**

	Budget	Actual	Favorable/ (Unfavorable) Variance
<b>Administration</b>			
Executive VP	5	7	(2)
Labor Relations	18	16	2
Procurement & Logistics (excl. Stores)	83	82	1
Human Resources	32	31	1
Sr VP Administration	2	1	1
Strategic Investments	34	28	6
President	4	4	0
VP & CFO	5	2	3
Information Technology	0	0	0
Controller	46	40	6
Management & Budget	21	19	2
Process Re-Engineering	7	7	0
VP - East Side Access & Special Projects	38	33	5
Market Dev. & Public Affairs	70	68	2
Gen. Counsel & Secretary	31	30	1
Diversity Management	2	2	0
Security	13	12	1
System Safety	36	22	14
Training	60	59	1
Service Planning	23	22	1
Sr. VP Operations	2	2	-
<b>Total Administration</b>	<b>532</b>	<b>487</b>	<b>45</b>
<b>Operations</b>			
Train Operations	2,100	2,056	44
Customer Services	299	298	1
<b>Total Operations</b>	<b>2,399</b>	<b>2,354</b>	<b>45</b>
<b>Maintenance</b>			
Engineering	1,862	1,759	103
Equipment	2,082	2,026	56
Procurement (Stores)	93	95	(2)
<b>Total Maintenance</b>	<b>4,037</b>	<b>3,880</b>	<b>157</b>
<b>Engineering/Capital</b>			
Department of Project Management	130	127	3
<b>Total Engineering/Capital</b>	<b>130</b>	<b>127</b>	<b>3</b>
<b>Baseline Total Positions</b>	<b>7,098</b>	<b>6,848</b>	<b>250</b>
<i>Non-Reimbursable</i>	<b>6,211</b>	<b>6,195</b>	<b>16</b>
<i>Reimbursable</i>	<b>887</b>	<b>653</b>	<b>234</b>
<b>Total Full-Time</b>	<b>7,098</b>	<b>6,848</b>	<b>250</b>
<b>Total Full-Time-Equivalents</b>			

Note: Totals may not add due to rounding

**MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN - 2015 BUDGET  
FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS  
NON-REIMBURSABLE and REIMBURSABLE  
END-OF-MONTH FEBRUARY 2015**

Explanation of Variances
<b>NON-REIMBURSABLE POSITIONS</b> - Favorable 16 positions due to vacant positions in the Equipment, Engineering and Train Service Departments along with vacancies company-wide, partially offset by Engineering workforce allocated to maintenance and weather-related activities instead of project activity.
<b>REIMBURSABLE POSITIONS</b> - Favorable 234 positions primarily due to the timing of project activity and vacant positions.

**MTA LONG ISLAND RAIL ROAD  
 FEBRUARY FINANCIAL PLAN - 2015 BUDGET  
 TOTAL FULL-TIME POSITIONS and FULL-TIME EQUIVALENTS by FUNCTION and OCCUPATION  
 END-of-MONTH FEBRUARY 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Favorable/ (Unfavorable) Variance</u>
<b>Administration</b>			
Managers/Supervisors	319	277	42
Professional, Technical, Clerical	213	210	3
Operational Hourlies			-
<b>Total Administration</b>	<b>532</b>	<b>487</b>	<b>45</b>
<b>Operations</b>			
Managers/Supervisors	304	289	15
Professional, Technical, Clerical	184	181	3
Operational Hourlies	1,911	1,884	27
<b>Total Operations</b>	<b>2,399</b>	<b>2,354</b>	<b>45</b>
<b>Maintenance</b>			
Managers/Supervisors	782	714	68
Professional, Technical, Clerical	287	272	15
Operational Hourlies	2,968	2,894	74
<b>Total Maintenance</b>	<b>4,037</b>	<b>3,880</b>	<b>157</b>
<b>Engineering/Capital</b>			
Managers/Supervisors	93	90	3
Professional, Technical, Clerical	37	37	-
Operational Hourlies	-	-	-
<b>Total Engineering/Capital</b>	<b>130</b>	<b>127</b>	<b>3</b>
<b>Total Positions</b>			
Managers/Supervisors	1,498	1,370	128
Professional, Technical, Clerical	721	700	21
Operational Hourlies	4,879	4,778	101
<b>Total Positions</b>	<b>7,098</b>	<b>6,848</b>	<b>250</b>

**MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN - 2015 BUDGET  
RIDERSHIP  
(In Thousands)**

RIDERSHIP	February 2015				Year-To-Date February 2015			
	Budget	Actual	Favorable/ (Unfavorable) Variance	%	Budget	Actual	Favorable/ (Unfavorable) Variance	%
Monthly	3.606	3.639	0.032	0.9%	7.391	7.283	(0.108)	-1.5%
Weekly	0.147	0.144	(0.002)	-1.6%	0.300	0.280	(0.019)	-6.5%
Total Commutation	3.753	3.783	0.030	0.8%	7.690	7.563	(0.128)	-1.7%
One-Way Full Fare	0.578	0.564	(0.014)	-2.3%	1.186	1.148	(0.038)	-3.2%
One-Way Off-Peak	1.205	1.105	(0.100)	-8.3%	2.551	2.382	(0.169)	-6.6%
All Other	0.716	0.690	(0.027)	-3.7%	1.445	1.412	(0.033)	-2.3%
Total Non-Commutation	2.499	2.359	(0.140)	-5.6%	5.182	4.942	(0.241)	-4.6%
Total	6.252	6.142	(0.110)	-1.8%	12.873	12.504	(0.368)	-2.9%

**MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN - 2015 ADOPTED BUDGET  
MONTHLY PERFORMANCE INDICATORS  
February 2015**

		<u>MONTH</u>			<u>VARIANCE</u>	
		<u>Actual 2015</u>	<u>Adopted Budget</u>	<u>Actual 2014</u>	<u>vs. Budget</u>	<u>vs. 2014</u>
Farebox Operating Ratio	Standard <sup>(1)</sup>	42.4%	41.7%	44.1%	0.7%	-1.7%
	Adjusted <sup>(2)</sup>	52.8%	51.2%	55.9%	1.6%	-3.1%
Cost Per Passenger	Standard <sup>(1)</sup>	\$18.84	\$19.17	\$18.11	\$0.32	(\$0.73)
	Adjusted <sup>(2)</sup>	\$17.49	\$16.66	\$15.63	(\$0.83)	(\$1.86)
Passenger Revenue/Passenger <sup>(3)</sup>		\$8.00	\$8.00	\$7.99	\$0.00	\$0.01
		<u>YEAR-TO-DATE</u>			<u>VARIANCE</u>	
		<u>Actual 2015</u>	<u>Adopted Budget</u>	<u>Actual 2014</u>	<u>vs. Budget</u>	<u>vs. 2014</u>
Farebox Operating Ratio	Standard <sup>(1)</sup>	42.1%	41.2%	43.6%	0.9%	-1.5%
	Adjusted <sup>(2)</sup>	51.4%	50.3%	55.9%	1.1%	-4.4%
Cost Per Passenger	Standard <sup>(1)</sup>	\$19.00	\$19.15	\$17.85	\$0.15	(\$1.15)
	Adjusted <sup>(2)</sup>	\$16.63	\$16.72	\$15.63	\$0.09	(\$1.00)
Passenger Revenue/Passenger <sup>(3)</sup>		\$7.99	\$7.89	\$7.79	\$0.10	\$0.20

(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

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**MTA LONG ISLAND RAIL ROAD**

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**MONTHLY RIDERSHIP REPORT**

**FEBRUARY 2015**

**FEBRUARY 2015 RIDERSHIP & REVENUE REPORT**  
**MTA LONG ISLAND RAIL ROAD**

**EXECUTIVE SUMMARY**

**February Ridership and Revenue (millions)**

	February 2015	% Change vs. 2014
Total Rail Ridership	6.142	+ 0.6% ▲
Commutation Ridership	3.783	+ 2.7% ▲
Non-Commutation Ridership	2.359	- 2.6% ▼
Rail Revenue	\$48.9	+ 0.6% ▲

**Key Factors Impacting February Ridership**

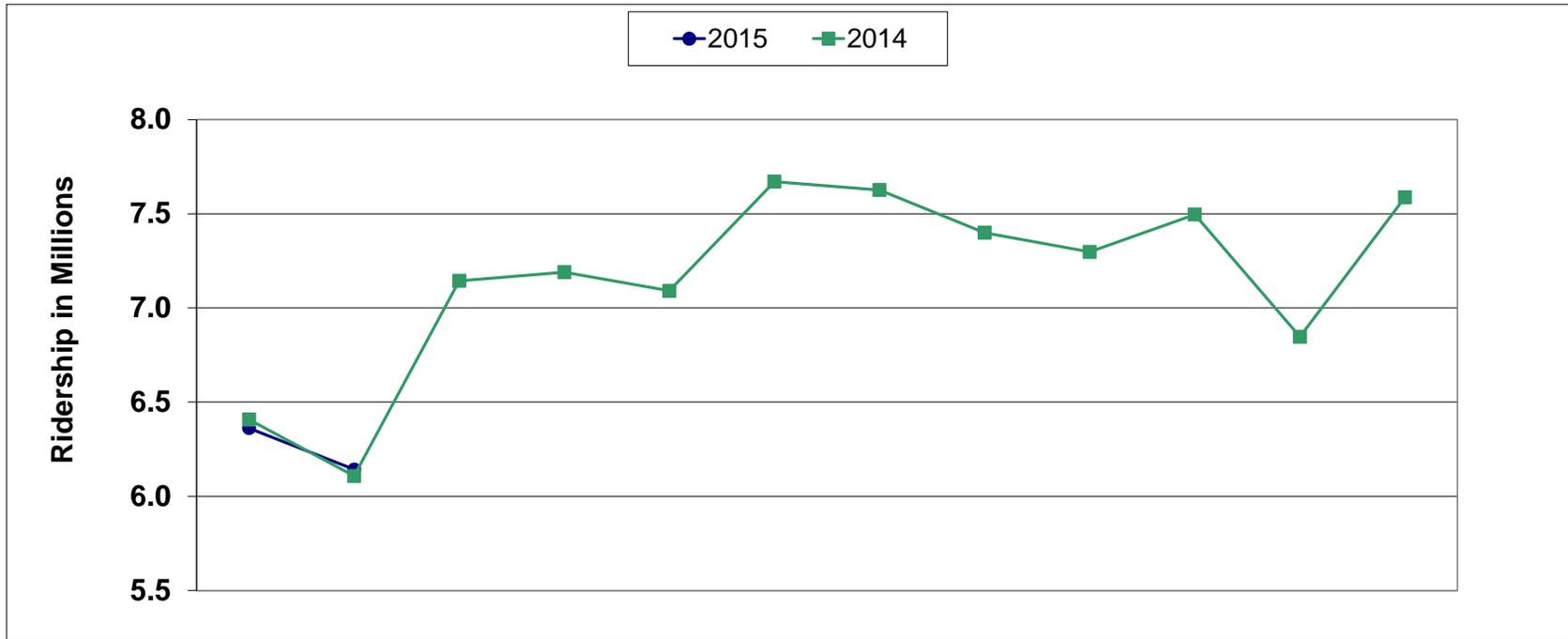
In February, ridership experienced a slight increase of +0.6% compare to last year, despite challenging weather conditions. The ridership loss in non-commutation was influenced by exceptionally cold weather (February 2015 was the coldest February since 1931), which hampered discretionary travel – especially during the school mid-winter recess week (multiple snowstorms and low temperatures prevented passengers from traveling). Another factor contributing to the ridership decline pertained to last year’s temporary higher non-commutation trips due to the Super Bowl 2014 and the associated New York City series of events that led up to Super Bowl Sunday, which affect year-to-year comparisons.

**Year-to-Date through February Ridership and Revenue (millions)**

	February 2015	% Change vs. 2014	Comparison to Budget
Total Rail Ridership	12.504	- 0.1% ▼	- 2.9% ▼
Commutation Ridership	7.563	+ 0.0% ●	- 1.7% ▼
Non-Commutation Ridership	4.942	- 0.2% ▼	- 4.6% ▼
Rail Revenue	\$99.6	+ 1.2% ▲	- 1.7% ▼

# FEBRUARY RIDERSHIP

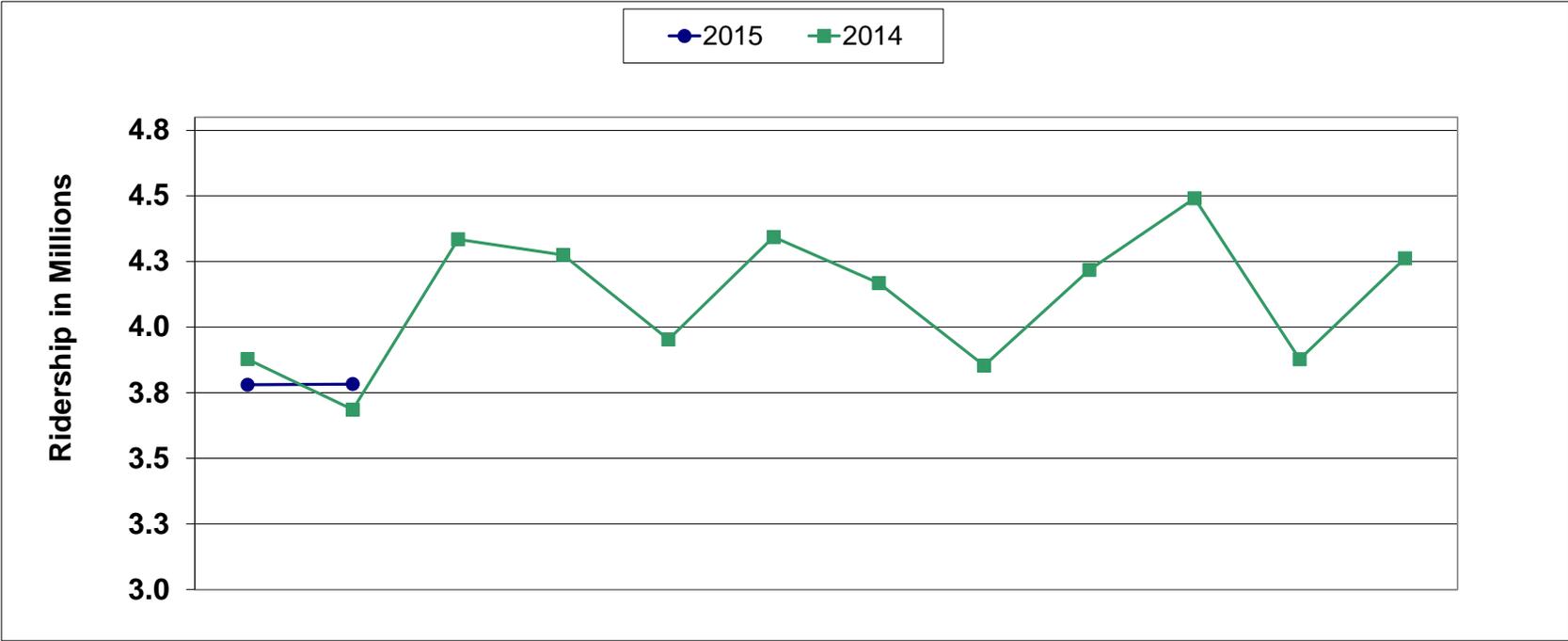
●February's Total Ridership was 0.6% above '14 and -1.8% below Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	6.4	6.1											12.5
<b>2014</b>	6.4	6.1	7.1	7.2	7.1	7.7	7.6	7.4	7.3	7.5	6.8	7.6	12.5
<b>PCT CHG.</b>	-0.7%	0.6%											-0.1%

# FEBRUARY COMMUTATION RIDERSHIP

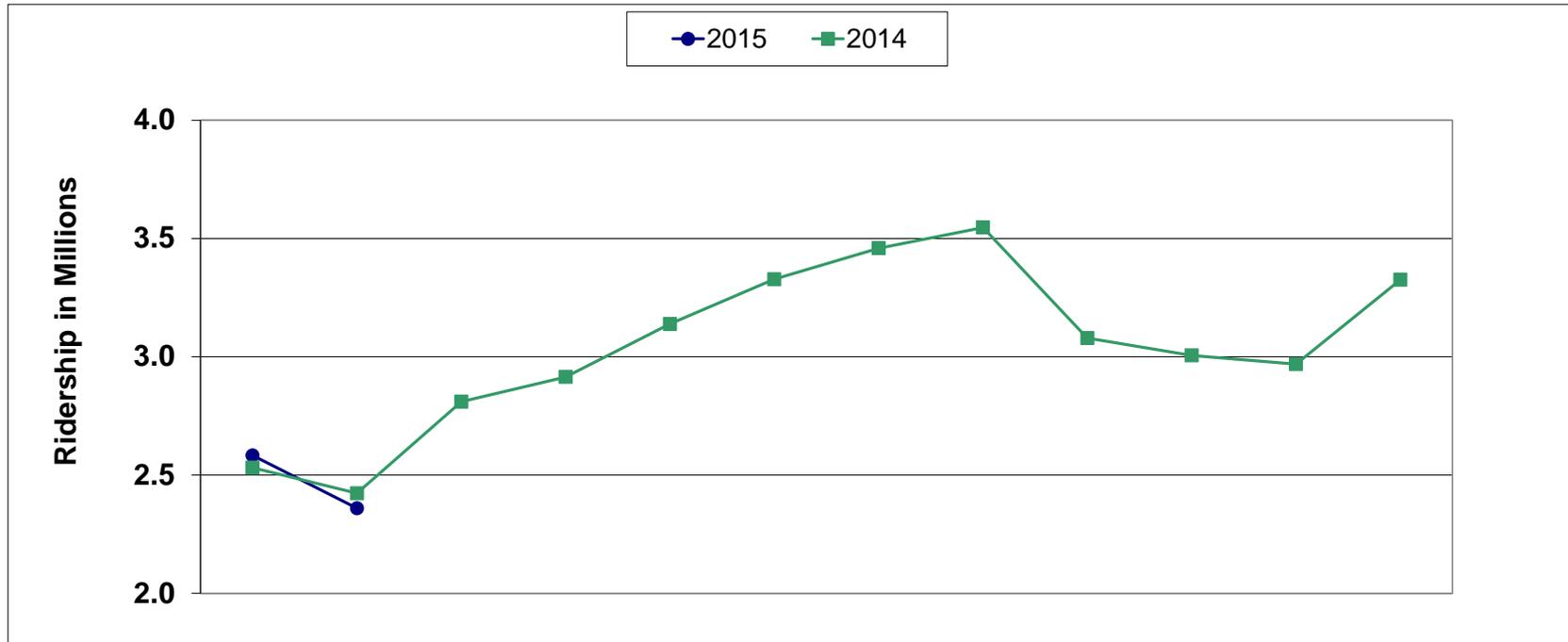
●February's Commutation Ridership was 2.7% above '14 and 0.8% above Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	3.8	3.8											7.6
<b>2014</b>	3.9	3.7	4.3	4.3	4.0	4.3	4.2	3.9	4.2	4.5	3.9	4.3	7.6
<b>PCT CHG.</b>	-2.5%	2.7%											0.0%

# FEBRUARY NON-COMMUTATION RIDERSHIP

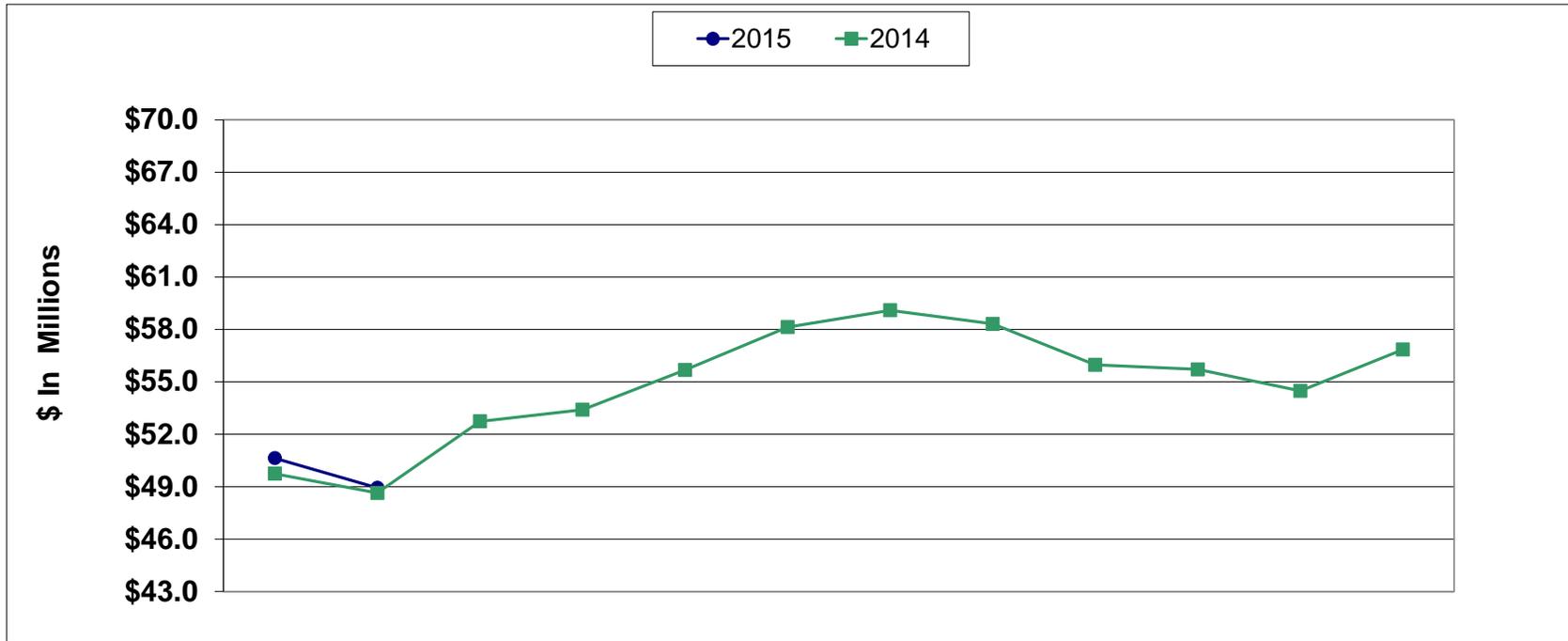
●February's Non-Commutation Ridership was -2.6% below '14 and -5.6% below Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	2.6	2.4											4.9
<b>2014</b>	2.5	2.4	2.8	2.9	3.1	3.3	3.5	3.5	3.1	3.0	3.0	3.3	5.0
<b>PCT CHG.</b>	2.1%	-2.6%											-0.2%

# FEBRUARY REVENUE

- February's Total Revenue was 0.6% above '14 and -1.8% below Budget.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Y-T-D Total
<b>2015</b>	\$50.6	\$48.9											\$99.6
<b>2014</b>	\$49.7	\$48.6	\$52.7	\$53.4	\$55.7	\$58.1	\$59.1	\$58.3	\$56.0	\$55.7	\$54.5	\$56.8	\$98.4
<b>PCT CHG.</b>	1.8%	0.6%											1.2%

**MTA LONG ISLAND RAIL ROAD  
RIDERSHIP SUMMARY  
FEBRUARY 2015**

TICKET TYPE/SERVICE	FEBRUARY 2015	FEBRUARY 2014	CHANGE VS. 2014	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	3,783,037	3,685,194	97,844	2.7%
NON-COMMUTATION RIDERSHIP	2,359,031	2,422,469	(63,438)	-2.6%
<b>TOTAL RIDERSHIP</b>	<b>6,142,068</b>	<b>6,107,663</b>	<b>34,406</b>	<b>0.6%</b>

**MTA LONG ISLAND RAIL ROAD  
RIDERSHIP SUMMARY  
2015 YEAR-TO-DATE**

TICKET TYPE/SERVICE	FEBRUARY 2015	FEBRUARY 2014	CHANGE VS. 2014	
			NUMBER	PERCENT
COMMUTATION RIDERSHIP	7,562,856	7,563,160	(304)	0.0%
NON-COMMUTATION RIDERSHIP	4,941,521	4,952,908	(11,387)	-0.2%
<b>TOTAL RIDERSHIP</b>	<b>12,504,377</b>	<b>12,516,068</b>	<b>(11,691)</b>	<b>-0.1%</b>

\* 2014 ridership numbers were adjusted using 2015 factors.



**Long Island Rail Road**

## **CAPITAL PROGRAM**

## **HIGHLIGHTS**

**LONG ISLAND RAIL ROAD  
CAPITAL PROGRAM HIGHLIGHTS & UPDATES  
MARCH 2015**

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**HIGHLIGHTS**

**PN-AS: PENN STATION TRACTION POWER SUBSTATION REPLACEMENT**

Project Budget: \$22.10M

Milestone: Contract Award

A Contract for Design and Engineering Services for Design-Build Documents for Replacement of the Traction Power Substation in Penn Station was awarded to URS Corporation – New York for \$975,074 with an Option for Construction Phase Services for an additional \$401,760. This project will provide a new AC-DC Traction Power Substation to replace the existing 40-year old structure located on 21 Track that provides third rail traction power for LIRR operations in Penn Station and the East River Tunnels. Replacement of the Penn Station Substation is crucial to the continued long term reliability of operations and future traction power needs at Penn Station.

**PN-ZF: MISCELLANEOUS INFRASTRUCTURE AND SYSTEMS RESTORATION – SANDY PROGRAM**

Project Budget: \$9.70M

Milestone: Contract Award

A Construction Contract for Infrastructure Replacements and Restorations at Hillside, Penn Station, and Westbury was awarded to Lighthouse Builders, Inc for \$1,544,000 under the Federal Small Business Program. The work includes roofing and 2 portable generators at Hillside Support Facility; replacement of the roll-up gate at the Penn Station 34<sup>th</sup> St entrance; and replacement of the shelter shed at Westbury Station. This project is part of the LIRR's efforts to restore storm-damaged infrastructure. Additional project work by F/A includes repair and replacement of third rail cable and switches at Shea Yard, repairs at Far Rockaway Yard, and platform lighting at Oceanside and Island Park Stations.

**PN-BB: BRIDGE PROGRAM**

Project Budget: \$24.60M

Milestone: Contract Award

A Design Services Contract for Replacement of Buckram Road Bridge, Rehabilitation of Springfield Boulevard Bridge and Union Turnpike Bridge, and Replacement of Post Avenue Bridge was awarded to Henningson, Durham, and Richardson Architecture and Engineering, P.C. [HDR] for \$1,289,760. This work is part of the Bridge Program project that addresses selected bridges identified for rehabilitation and replacement.

**PN-ZE: SUBSTATION REPLACEMENTS – SANDY PROGRAM**

Project Budget: \$56.63M

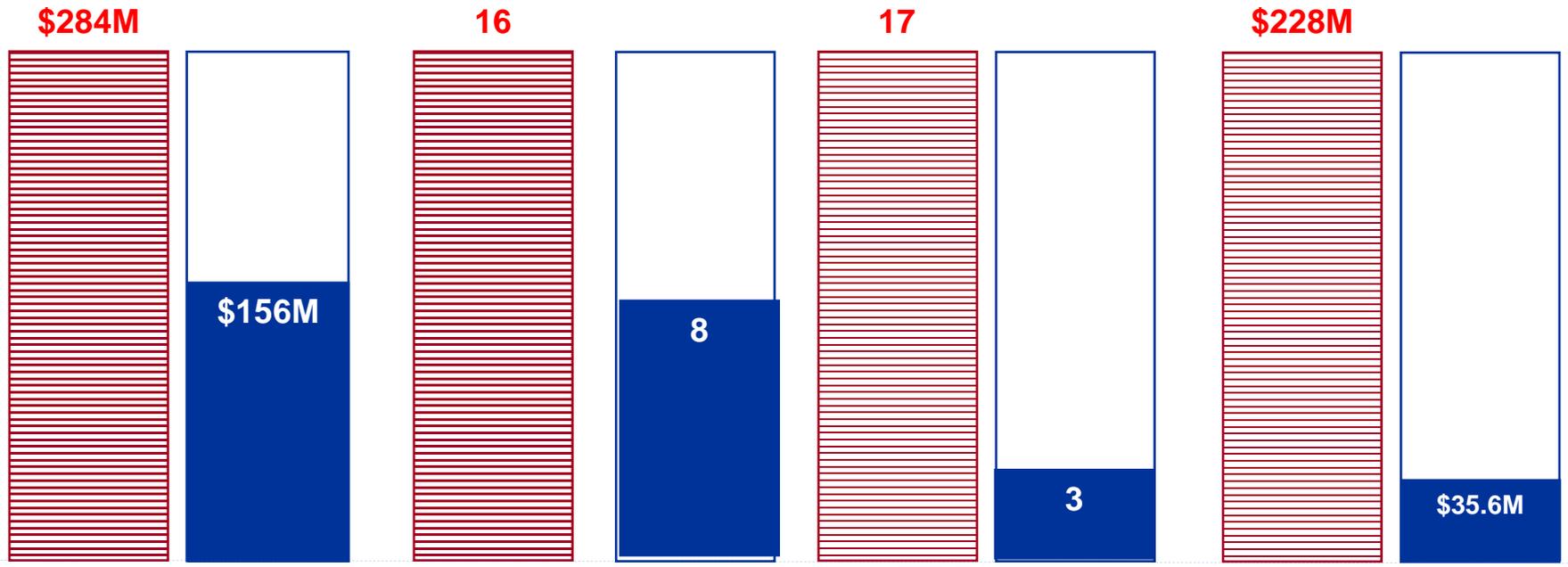
Milestone: Contract Award

A Construction Contract to Install Wooden Piles for the Oil City Substation was awarded to J-Track, LLC for \$209,125. The work includes furnishing, installing, and testing of timber piles for structure foundations. Replacement of the Oil City Substation on the Long Beach Branch will commence following the in-service use of the new Oceanside Substation in April. The new Oil City Substation is scheduled to be complete in the Fall 2016.

**MENTORING ACTIVITIES**

- Woodside / Merrick Elevator Replacement: Site work at Woodside and Merrick continued.
- Jamaica HR Building Improvements: Work continued.
- Harold Tower Rehabilitation: Work continued.
- Sandy Roof Replacement [Hillside] and Shelter Shed Replacement [Westbury]: Federal SBP Contract awarded [see PN-ZF above].
- Long Beach Branch Equipment Platforms: Submittals continued.
- Hillside Support Facility HVAC / Fire Alarm: Procurement continued.

# 2015 LIRR Capital Program Goals



2015 PLAN



ACTUAL as of March 31, 2015



FORECAST through December 31, 2015