



Metro-North Railroad

Financial and Ridership Reports – October 2023

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Financial Report Highlights

Year-to-Date Forecast Performance Summary

- Total revenue of \$712.9 million was \$0.7 million higher than the Mid-Year Forecast (Forecast). This reflects higher ridership revenue and other operating revenue partially offset by lower capital reimbursements.
- Through October 2023 ridership was \$49.4 million, 24.7% above 2022, 31.8% below 2019 pre-COVID levels (adjusted for the same number of workdays), and 8.6% above the Forecast. Commutation ridership of 19.0 million was 27.3% above 2022 and 9.0% above the Forecast. Non-Commutation ridership of 30.4 million was 23.1% above 2022 and 8.4% above the Forecast. Farebox revenue of \$454.3 million was \$30.5 million higher than the Forecast.
- Total expenses before non-cash liability adjustments of \$1,438.6 million were \$25.0 million or 1.7% favorable to the Forecast. The primary drivers of this favorable variance include lower electric expenses, lower professional service contracts costs and lower pensions partially offset by higher materials & supplies.
- At the end of October, the total headcount was 6,475, which was 38 higher than the Forecast of 6,437. Non-reimbursable positions were 427 higher than the Forecast and reimbursable positions were 389 lower than the Forecast.
- October YTD non-reimbursable operating results were favorable to the Forecast by \$18.9 million or 1.9%. Non-reimbursable revenues through October were \$38.5 million favorable to the Forecast due to higher ridership revenue, higher net Grand Central Terminal (GCT) retail, interest income and advertising revenues partially offset by the lower station revenue. Total non-reimbursable expenses were \$12.9 million unfavorable primarily due to higher payroll and overtime, higher health and welfare costs as well as higher materials & supplies costs partially offset by lower electric costs.

2023 Operating Revenue & Expenses, October Year-to-Date

In \$ Millions	Metro-North Railroad		
	Forecast	Actual	Variance
Total Revenues	\$483.7	\$522.3	\$38.5
Farebox Revenue	\$423.8	\$454.3	\$30.5
Other Revenue	\$60.0	\$68.0	\$8.1
Total Expenses	\$1,235.1	\$1,248.0	(\$12.9)
Labor Expenses	\$858.8	\$878.0	(\$19.2)
Non Labor Expenses	\$376.3	\$370.1	\$6.3
Non Cash Liabilities	\$255.2	\$261.9	(\$6.7)
Net Surplus/(Deficit) - Accrued	(\$1,006.5)	(\$987.6)	\$18.9

Staffing Levels

In Full-Time Equivalents	Metro-North Railroad		
	Forecast	Actual	Variance
Non-Reimbursable	5,548	5,975	(427)
Reimbursable	889	500	389
Total Positions	6,437	6,475	(38)

Revenues

- **Farebox Revenues** were \$30.5 million favorable to the Forecast due to increased ridership volumes across all East of Hudson lines. Ridership through October was 49.4 million. This was 24.7% above 2022 (adjusted for the same number of calendar workdays) and 8.6% higher than the Forecast.
- **Other Operating Revenues** were \$8.1 million favorable to the Forecast, which primarily reflects higher net GCT retail, interest income and advertising revenues partially offset by lower station revenue than forecasted.

Expenses

Labor Expenses: \$19.2 million unfavorable to the Forecast.

- **Payroll** expenses were \$9.6 million unfavorable to the Forecast primarily due to lower than forecasted capital work in addition to retiree payouts.
- **Overtime** expenses were \$5.5 million unfavorable to the Forecast primarily due to coverage required for must fill open positions.
- **Health & Welfare** expenses were \$3.7 million unfavorable to the Forecast due to higher labor costs and rates.
- **OPEB Current Payments** were \$0.5 million favorable to the Forecast due to a lower than forecasted number of retirees receiving healthcare premiums.
- **Pension** expenses were \$2.6 million favorable to the Forecast reflecting lower rates partially offset by higher labor costs.
- **Other Fringe Benefits** expenses were \$0.1 million unfavorable to the Forecast primarily due to higher labor costs partially offset by a lower employee claim provision and rates.
- **Reimbursable Overhead** expenses were \$3.4 million unfavorable to the Forecast primarily due to scheduling and timing changes in capital project expenditures.

Non-Labor Expenses: \$6.3 million favorable to the Forecast.

- **Electric Power** costs were \$9.2 million favorable to the Forecast due to lower rates.
- **Fuel** expenses were \$0.6 million favorable to the Forecast due to lower usage.
- **Insurance** expenses were \$0.1 million favorable to the Forecast due to lower insurance premiums than forecasted.
- **Claims** expenses were \$1.2 million unfavorable to the Forecast due to a higher passenger claims provision than forecasted.
- **Maintenance and Other Operating Contracts** were \$1.5 million unfavorable to the Forecast due to the timing of miscellaneous maintenance and operating contracts.
- **Professional Service Contracts** were \$2.9 million favorable to the Forecast primarily due to lower than anticipated consulting and engineering services.
- **Materials and Supplies** were \$4.3 million unfavorable to the Forecast due to miscellaneous inventory adjustments, the timing of infrastructure repairs and other

miscellaneous materials adjustments partially offset by the timing of rolling stock maintenance events and rolling stock material usage.

- **Other Business Expenses** were \$0.5 million favorable to the Forecast primarily due to a reduction in bad debt reserves for GCT tenants partially offset by catch-up subsidy payments to New Jersey Transit resulting from inflationary adjustments, lower Amtrak recoveries, and higher credit card fees.

Depreciation and Other were \$6.7 million unfavorable to the Forecast driven by increased depreciation expense due to the timing of asset capitalization, GASB 87 lease accounting adjustments, and environmental remediation projects.

Overtime

- Total overtime was \$1.6 million unfavorable to the Forecast. Non-reimbursable was \$5.5 million unfavorable and reimbursable was \$3.9 million favorable.
- Unfavorable non-reimbursable overtime was primarily driven by higher programmatic maintenance, scheduled service needs and vacancy coverage requirements.

Staffing Levels

- Total headcount at the end of October was 6,475, which was 38 higher than the Forecast.
- Non-Reimbursable is 427 headcount higher than the forecast.
- Reimbursable is 389 lower than the forecast.

Financial Metrics

- The year-to-date October Adjusted Farebox Operating Ratio was 42.9%, which is higher than the Forecast due to higher farebox revenue.
- The year-to-date October Adjusted Cost per Passenger was \$24.00, which is lower than the Forecast.
- The year-to-date October Revenue per Passenger was \$9.20, which is lower than the Forecast.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2023 MID-YEAR FORECAST
ACCURAL STATEMENT of OPERATIONS by CATEGORY
OCTOBER 2023
(\$ in millions)

SCHEDULE I - A

	Nonreimbursable			Reimbursable			Total					
	Favorable (Unfavorable)			Favorable (Unfavorable)			Favorable (Unfavorable)					
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
Revenue												
Farebox Revenue	\$48,203	\$51,257	\$3,054	6.3	\$0,000	\$0,000	\$0,000	-	\$48,203	\$51,257	\$3,054	6.3
Vehicle Toll Revenue	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Other Operating Revenue	2,518	3,674	1,156	45.9	0,000	0,000	0,000	-	2,518	3,674	1,156	45.9
Capital & Other Reimbursements:												
MTA	0,000	0,000	0,000	-	16,263	9,010	(7,253)	(44.6)	16,263	9,010	(7,253)	(44.6)
CDOT	0,000	0,000	0,000	-	15,062	6,468	(8,594)	(57.1)	15,062	6,468	(8,594)	(57.1)
Other	0,000	0,000	0,000	-	1,530	1,234	(0,297)	(19.4)	1,530	1,234	(0,297)	(19.4)
Total Capital and Other Reimbursements	0,000	0,000	0,000	-	32,855	16,712	(16,143)	(49.1)	32,855	16,712	(16,143)	(49.1)
Total Revenue	\$50,721	\$54,931	\$4,210	8.3	\$32,855	\$16,712	(\$16,143)	(49.1)	\$83,576	\$71,642	(\$11,933)	(14.3)
Expenses												
Labor:												
Payroll	\$46,431	\$45,424	\$1,007	2.2	\$6,767	\$3,374	\$3,394	50.1	\$53,199	\$48,798	\$4,401	8.3
Overtime	8,458	8,484	(0,026)	(0.3)	2,898	1,910	0,988	34.1	11,356	10,394	0,962	8.5
Health and Welfare	11,460	10,937	0,523	4.6	2,681	1,450	1,231	45.9	14,140	12,387	1,753	12.4
OPEB Current Payment	4,083	4,036	0,048	1.2	0,000	0,000	0,000	-	4,083	4,036	0,048	1.2
Pensions	10,794	9,726	1,068	9.9	1,861	0,882	0,979	46.9	12,455	10,608	1,847	14.8
Other Fringe Benefits	11,524	10,749	0,775	6.7	1,763	0,941	0,822	46.6	13,286	11,690	1,596	12.0
Reimbursable Overhead	(7,333)	(6,144)	(1,189)	(16.2)	7,295	6,000	1,295	17.8	(0,038)	(0,144)	0,107	*
Total Labor	\$85,418	\$83,212	\$2,206	2.6	\$23,064	\$14,556	\$8,508	36.9	\$108,482	\$97,768	\$10,714	9.9
Non-Labor:												
Electric Power	\$7,396	\$5,819	\$1,578	21.3	\$0,000	\$0,085	(\$0,085)	-	\$7,396	\$5,904	\$1,493	20.2
Fuel	2,413	2,940	(0,527)	(21.6)	0,000	0,000	0,000	-	2,413	2,940	(0,527)	(21.6)
Insurance	1,539	1,545	(0,006)	(0.4)	0,060	0,048	0,012	19.3	1,599	1,593	0,006	0.3
Claims	0,034	0,032	0,003	7.7	0,000	0,000	0,000	-	0,034	0,032	0,003	7.7
Paratransit Service Contracts	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Maintenance and Other Operating Contracts	9,953	10,663	(0,710)	(7.1)	5,155	4,134	1,021	80.2	15,108	11,684	3,424	22.7
Professional Service Contracts	4,189	3,662	0,526	12.6	3,662	0,399	2,868	87.8	7,474	4,062	3,412	45.7
Materials & Supplies	8,864	9,676	(0,812)	(9.2)	1,299	0,554	0,745	57.3	10,163	10,230	(0,067)	(0.7)
Other Business Expenses	2,848	2,717	0,131	4.6	(0,007)	0,049	(0,056)	*	2,841	2,767	0,074	2.6
Total Non-Labor	\$37,237	\$37,054	\$0,182	0.5	\$9,791	\$2,156	\$7,635	78.0	\$47,028	\$39,210	\$7,818	16.6
Other Adjustments:												
Other	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Total Other Adjustments	\$0,000	\$0,000	\$0,000	-	\$0,000	\$0,000	\$0,000	-	\$0,000	\$0,000	\$0,000	-
Total Expenses before Non-Cash Liability Adjs.	\$122,655	\$120,267	\$2,388	1.9	\$32,855	\$16,712	\$16,143	49.1	\$155,510	\$136,979	\$18,531	11.9
Depreciation	25,756	25,087	0,669	2.6	0,000	0,000	0,000	-	25,756	25,087	0,669	2.6
OPEB Obligation	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
GASB68 Pension Adjustment	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Environmental Remediation	(0,090)	(0,072)	(0,163)	*	0,000	0,000	0,000	-	(0,090)	0,072	(0,163)	*
GASB75 Adjustment	0,000	0,000	0,000	-	0,000	0,000	0,000	-	0,000	0,000	0,000	-
GASB87 Lease Adjustment	(1,371)	3,328	(4,698)	*	0,000	0,000	0,000	-	(1,371)	3,328	(4,698)	*
Total Expenses	\$146,950	\$148,754	(\$1,804)	(1.2)	\$32,855	\$16,712	\$16,143	49.1	\$179,805	\$165,466	\$14,339	8.0
Net Surplus/(Deficit)	(\$96,229)	(\$93,823)	\$2,406	2.5	\$0,000	\$0,000	\$0,000	-	(\$96,229)	(\$93,823)	\$2,406	2.5
Cash Conversion Adjustments:												
Depreciation	25,756	25,087	(0,669)	(2.6)	0,000	0,000	0,000	-	25,756	25,087	(0,669)	(2.6)
Operating/Capital	(0,274)	(1,392)	(1,118)	*	0,000	0,000	0,000	-	(0,274)	(1,392)	(1,118)	*
Other Cash Adjustments	20,813	22,568	1,756	8.4	0,000	0,000	0,000	-	20,813	22,568	1,756	8.4
Total Cash Conversion Adjustments	\$46,295	\$46,263	(\$0,032)	(0.1)	\$0,000	\$0,000	\$0,000	-	\$46,295	\$46,263	(\$0,032)	(0.1)
Net Cash Surplus/(Deficit)	(\$49,934)	(\$47,560)	\$2,374	4.8	\$0,000	\$0,000	\$0,000	-	(\$49,934)	(\$47,560)	\$2,374	4.8

Notes:
- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current months' actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.
- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2023 MID-YEAR FORECAST
ACCURAL STATEMENT OF OPERATIONS by CATEGORY
OCTOBER YEAR-TO-DATE

(\$ in millions)

SCHEDULE I - B

	Nonreimbursable			Reimbursable			Total		
	Favorable (Unfavorable)			Favorable (Unfavorable)			Favorable (Unfavorable)		
	Mid-Year Forecast	Actual	Percent	Mid-Year Forecast	Actual	Percent	Mid-Year Forecast	Actual	Percent
Revenue									
Farebox Revenue	\$423,793	\$454,270	7.2	\$0,000	\$0,000	-	\$423,793	\$454,270	7.2
Vehicle Toll Revenue	0,000	0,000	-	0,000	0,000	-	0,000	0,000	-
Other Operating Revenue	59,953	68,013	13.4	0,000	0,000	-	59,953	68,013	13.4
Capital & Other Reimbursements:									
MTA	0,000	0,000	-	122,627	94,017	(23.3)	122,627	94,017	(23.3)
CDOT	0,000	0,000	-	92,814	83,952	(9.5)	92,814	83,952	(9.5)
Other	0,000	0,000	-	13,020	12,632	(3.0)	13,020	12,632	(3.0)
Total Capital and Other Reimbursements	0,000	0,000	-	228,462	190,601	(16.6)	228,462	190,601	(16.6)
Total Revenue/Receipts	\$483,746	\$522,283	8.0	\$228,462	\$190,601	(16.6)	\$712,208	\$712,884	0.1
Expenses									
Labor:									
Payroll	\$470,897	\$480,524	(2.0)	\$50,612	\$34,970	\$15,642	\$521,508	\$515,494	1.2
Overtime	80,866	86,317	(6.7)	23,942	23,942	3,851	108,659	110,258	(1.5)
Health and Welfare	113,524	117,183	(3.2)	21,614	16,005	5,609	135,138	133,188	1.4
OPEB Current Payment	40,830	40,355	1.2	0,000	0,000	0,000	40,830	40,355	0.75
Pensions	104,421	101,839	2.5	13,540	10,066	3,474	117,961	111,905	5.1
Other Fringe Benefits	114,087	114,184	(0.1)	14,344	10,665	3,679	128,430	124,849	2.8
Reimbursable Overhead	(65,838)	(62,452)	(5.1)	66,693	63,259	3,434	0,855	0,807	0.47
Total Labor	\$858,786	\$877,951	(2.2)	\$194,595	\$158,906	\$35,689	\$1,053,381	\$1,036,857	1.6
Non-Labor:									
Electric Power	\$82,355	\$73,164	11.2	\$0,000	\$0,245	(\$0,245)	\$82,355	\$73,409	8.946
Fuel	22,191	21,601	0.590	0,000	0,000	0,000	22,191	21,601	0.590
Insurance	15,509	15,410	0.958	0,000	0,979	(0,024)	16,484	16,390	0.074
Claims	1,137	2,334	(1.197)	0,000	0,000	0,000	1,137	2,334	(1.197)
Paratransit Service Contracts	0,000	0,000	-	0,000	0,000	0,000	0,000	0,000	0,000
Maintenance and Other Operating Contracts	101,505	103,047	(1.5)	13,351	10,818	2,533	114,856	113,865	0.991
Professional Service Contracts	37,305	34,987	7.9	7,390	2,811	4,580	44,695	37,178	7.517
Materials & Supplies	92,970	97,235	(4.6)	12,134	16,559	(4,424)	105,104	113,794	(8.690)
Other Business Expenses	23,370	22,892	2.0	0,035	0,283	(0,248)	23,405	23,175	0.230
Total Non-Labor	\$376,341	\$370,051	1.7	\$33,866	\$31,695	\$2,171	\$410,207	\$401,745	2.1
Other Adjustments									
Other	0,000	0,000	-	0,000	0,000	0,000	0,000	0,000	0,000
Total Other Adjustments	\$0,000	\$0,000	-	\$0,000	\$0,000	0,000	\$0,000	\$0,000	0,000
Total Expenses before Non-Cash Liability Adjs.	\$1,235,126	\$1,248,001	(1.0)	\$228,462	\$190,601	\$37,860	\$1,463,588	\$1,438,602	1.7
Depreciation	254,417	255,607	(0.5)	0,000	0,000	0,000	254,417	255,607	(1.190)
OPEB Obligation	0,000	0,000	-	0,000	0,000	0,000	0,000	0,000	0,000
GASB68 Pension Adjustment	0,000	0,000	-	0,000	0,000	0,000	0,000	0,000	0,000
Environmental Remediation	4,181	4,660	(11.5)	0,000	0,000	0,000	4,181	4,660	(11.5)
GASB75 Adjustment	0,000	0,000	-	0,000	0,000	0,000	0,000	0,000	0,000
GASB87 Lease Adjustment	(3,447)	1,603	(5.050)	0,000	0,000	0,000	(3,447)	1,603	(5.050)
Total Expenses	\$1,490,277	\$1,509,871	(1.3)	\$228,462	\$190,601	\$37,860	\$1,718,739	\$1,700,472	1.1
Net Surplus/(Deficit)	(\$1,006,531)	(\$987,588)	1.9	\$0,000	\$0,000	\$0,000	(\$1,006,531)	(\$987,588)	1.9
Cash Conversion Adjustments:									
Depreciation	254,417	255,607	0.5	0,000	0,000	0,000	254,417	255,607	1.190
Operating/Capital	(12,009)	(16,617)	(38.4)	0,000	0,000	0,000	(12,009)	(16,617)	(46.009)
Other Cash Adjustments	19,010	99,650	80.640	0,000	0,000	0,000	19,010	99,650	80.640
Total Cash Conversion Adjustments	\$261,419	\$338,640	29.5	\$0,000	\$0,000	\$0,000	\$261,419	\$338,640	29.5
Net Cash Surplus/(Deficit)	(\$745,113)	(\$648,948)	12.9	\$0,000	\$0,000	\$0,000	(\$745,113)	(\$648,948)	12.9

Notes:
- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current month's actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.
- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2023 MID-YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

SCHEDULE III

	OCTOBER 2023			Year-to-Date				
	Favorable (Unfavorable)			Favorable (Unfavorable)				
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
Receipts								
Farebox Revenue	\$46,509	\$50,182	\$3,673	7.9	\$407,665	\$440,259	\$32,594	8.0
Vehicle Toll Revenue	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Other Operating Revenue	4,206	4,068	(0,138)	(3.3)	335,956	344,281	8,325	2.5
<i>Capital & Other Reimbursements:</i>								
MTA	16,263	12,961	(3,302)	(20.3)	110,844	123,550	12,706	11.5
CDOT	15,062	14,512	(0,550)	(3.6)	87,660	88,390	0,730	0.8
Other	1,530	0,600	(0,930)	(60.8)	11,604	11,223	(0,381)	(3.3)
Total Capital and Other Reimbursements	32,855	28,073	(4,782)	(14.6)	210,107	223,163	13,056	6.2
Total Receipts	\$83,570	\$82,323	(\$1,247)	(1.5)	\$953,729	\$1,007,703	\$53,974	5.7
Expenditures								
<i>Labor:</i>								
Payroll	\$47,920	\$50,105	(\$2,185)	(4.6)	\$527,340	\$511,402	\$15,938	3.0
Overtime	10,324	10,700	(0,376)	(3.6)	111,507	111,376	0,131	0.1
Health and Welfare	15,192	13,018	2,174	14.3	147,372	136,203	11,169	7.6
OPEB Current Payment	4,083	3,947	0,136	3.3	40,760	40,206	0,554	1.4
Pensions	0,220	0,223	(0,003)	(1.6)	278,376	278,339	0,037	0.0
Other Fringe Benefits	11,673	14,038	(2,365)	(20.3)	133,764	135,186	(1,422)	(1.1)
GASB Account	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Reimbursable Overhead	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Total Labor	\$89,413	\$92,031	(\$2,618)	(2.9)	\$1,239,119	\$1,212,712	\$26,407	2.1
<i>Non-Labor:</i>								
Electric Power	\$7,595	\$5,410	\$2,185	28.8	\$88,492	\$79,933	\$8,559	9.7
Fuel	2,413	2,616	(0,203)	(8.4)	22,454	24,730	(2,276)	(10.1)
Insurance	2,655	0,000	2,655	100.0	20,008	17,081	2,927	14.6
Claims	0,034	0,051	(0,017)	(48.7)	0,662	4,107	(3,445)	*
Paratransit Service Contracts	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Maintenance and Other Operating Contracts	11,496	9,671	1,825	15.9	107,069	104,091	2,978	2.8
Professional Service Contracts	5,529	1,622	3,907	70.7	68,756	36,708	32,048	46.6
Materials & Supplies	9,782	13,694	(3,912)	(40.0)	104,867	127,111	(22,244)	(21.2)
Other Business Expenditures	4,588	4,788	(0,200)	(4.4)	47,414	50,178	(2,764)	(5.8)
Total Non-Labor	\$44,092	\$37,852	\$6,240	14.2	\$459,722	\$443,939	\$15,783	3.4
<i>Other Adjustments:</i>								
Other	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Total Other Adjustments	\$0,000	\$0,000	\$0,000	-	\$0,000	\$0,000	\$0,000	-
Total Expenditures	\$133,505	\$129,883	\$3,622	2.7	\$1,698,841	\$1,656,651	\$42,190	2.5
Net Cash Deficit (excludes Opening Cash Balance)	(\$49,934)	(\$47,560)	\$2,374	4.8	(\$745,113)	(\$648,948)	\$96,165	12.9
Subsidies								
MTA	31,218	41,351	10,133	32.5	644,433	581,027	(63,406)	(9.8)
CDOT	18,717	20,173	1,456	7.8	219,673	219,228	(0,445)	(0.2)
Total Subsidies	\$49,934	\$61,524	\$11,590	23.2	\$864,107	\$800,255	(\$63,852)	(7.4)
Cash Timing and Availability Adjustment	\$0,000	(\$2,000)	(\$2,000)	-	\$0,000	\$1,042	\$1,042	-

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

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2023 MID-YEAR FORECAST
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

	OCTOBER 2023				Year-to-Date			
			Favorable (Unfavorable)				Favorable (Unfavorable)	
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
Receipts								
Farebox Revenue	(\$1,694)	(\$1,075)	\$0,619	36.5	(\$16,127)	(\$14,011)	\$2,116	13.1
Vehicle Toll Revenue	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Other Operating Revenue	1,689	0,394	(1,294)	(76.6)	276,003	276,268	0,265	0.1
Capital & Other Reimbursements:								
MTA	0,000	3,951	3,951	-	(11,783)	29,533	41,317	*
CDOT	0,000	8,044	8,044	-	(5,155)	4,438	9,592	*
Other	0,000	(0,634)	(0,634)	-	(1,416)	(1,409)	0,007	0.5
Total Capital and Other Reimbursements	0,000	11,361	11,361	-	(18,354)	32,562	50,916	*
Total Revenue/Receipts	(\$0,005)	\$10,681	\$10,686	*	\$241,521	\$294,819	\$53,298	22.1
Expenditures								
Labor:								
Payroll	\$5,279	(\$1,307)	(\$6,586)	*	(\$5,832)	\$4,092	\$9,923	*
Overtime	1,032	(0,306)	(1,338)	*	(2,848)	(1,118)	1,730	60.8
Health and Welfare	(1,052)	(0,631)	0,421	40.0	(12,234)	(3,015)	9,219	75.4
OPEB Current Payment	0,000	0,089	0,000	-	0,070	0,149	0,080	*
Pensions	12,235	10,385	(1,850)	(15.1)	(160,415)	(166,434)	(6,019)	(3.8)
Other Fringe Benefits	1,613	(2,348)	(3,961)	*	(5,334)	(10,337)	(5,003)	(93.8)
GASB Account	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Reimbursable Overhead	(0,038)	(0,144)	(0,107)	*	0,855	0,807	(0,047)	(5.5)
Total Labor	\$19,069	\$5,737	(\$13,332)	(69.9)	(\$185,738)	(\$175,855)	\$9,883	5.3
Non-Labor:								
Electric Power	(\$0,198)	\$0,494	\$0,692	*	(\$6,137)	(\$6,524)	(\$0,387)	(6.3)
Fuel	0,000	0,324	0,324	-	(0,263)	(3,129)	(2,866)	*
Insurance	(1,057)	1,593	2,650	*	(3,544)	(0,691)	2,853	80.5
Claims	0,000	(0,019)	(0,019)	-	0,475	(1,773)	(2,248)	*
Paratransit Service Contracts	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Maintenance and Other Operating Contracts	3,613	2,013	(1,600)	(44.3)	7,786	9,774	1,988	25.5
Professional Service Contracts	1,945	2,440	0,495	25.5	(24,061)	0,470	24,531	*
Materials & Supplies	0,381	(3,464)	(3,845)	*	0,237	(13,317)	(13,554)	*
Other Business Expenses	(1,747)	(2,021)	(0,275)	(15.7)	(24,009)	(27,003)	(2,994)	(12.5)
Total Non-Labor	\$2,936	\$1,358	(\$1,578)	(53.7)	(\$49,515)	(\$42,194)	\$7,322	14.8
Other Adjustments:								
Other	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Total Other Adjustments	\$0,000	\$0,000	\$0,000	-	\$0,000	\$0,000	\$0,000	-
Total Expenditures before Non-Cash Liability Adjs.	\$22,005	\$7,096	(\$14,910)	(67.8)	(\$235,253)	(\$218,049)	\$17,205	7.3
Depreciation	25,756	25,087	(0,669)	(2.6)	254,417	255,607	1,190	0.5
OPEB Obligation	0,000	0,000	0,000	-	0,000	0,000	0,000	-
GASB68 Pension Adjustment	0,000	0,000	0,000	-	0,000	0,000	0,000	-
Environmental Remediation	(0,090)	0,072	0,163	*	4,181	4,660	0,479	(11.5)
GASB75 Adjustment	0,000	0,000	0,000	-	0,000	0,000	0,000	-
GASB87 Lease Adjustment	(1,371)	3,328	4,699	*	(3,447)	1,603	5,050	*
Total Expenditures Adjustments	\$46,300	\$35,583	(\$10,718)	(23.1)	\$19,888	\$43,821	\$23,924	*
Total Cash Conversion Adjustments	\$46,295	\$46,263	(\$0,032)	(0.1)	\$261,419	\$338,640	\$77,222	29.5

Notes:

-- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current month's actuals do not include post-close adjustments, which will be captured in the subsequent month's YTD results.
-- Differences are due to rounding.
* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
2023 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
October 31, 2023

FUNCTION/DEPARTMENT	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance	Notes
Administration				
President	4	4	-	
Labor Relations	11	13	(2)	
Safety	91	83	8	
Security	23	21	2	
VP Ops Support and Org Res	27	24	3	
Corporate & Public Affairs	11	11	-	
Customer Service	54	47	7	
Legal	8	9	(1)	
Claims	5	5	-	
VP Human Resources	34	35	(1)	
Training	98	91	7	
Employee Relations & Diversity	5	4	1	
Capital Planning & Programming	5	5	-	
Long Range Planning	4	4	-	
Controller	55	52	3	
Budget	15	13	2	
Procurement & Material Management	11	7	4	
Rolling Stock Delivery & Integration	7	9	(2)	
Total Administration	468	437	31	
Operations				
Operations Support	65	56	9	
Enterprise Asset Management	21	16	5	
Transportation	1,732	1,685	47	B
Customer Service	388	383	5	
Metro-North West	32	32	0	
Total Operations	2,238	2,172	66	
Maintenance				
Maintenance of Equipment	1,680	1,563	117	A,B
Maintenance of Way	2,198	2,138	60	A,B
Procurement & Material Management	117	104	13	
Corporate	(332)	-	(332)	C
Total Maintenance	3,663	3,805	(142)	
Engineering/Capital				
Construction Management	17	14	3	
Engineering & Design	51	47	4	
Total Engineering/Capital	68	61	7	
Total Positions	6,437	6,475	(38)	
<i>Non-Reimbursable</i>	5,548	5,975	(427)	
<i>Reimbursable</i>	889	500	389	
<i>Total Full-Time</i>	6,436	6,474	(38)	
<i>Total Full-Time-Equivalents</i>	1	1	-	

Notes

(A) Variance reflects higher attrition than planned

(B) Variance reflects delayed hiring of vacant positions

MTA METRO-NORTH RAILROAD
2023 MID-YEAR FORECAST VS. ACTUALS
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	Mid-Year Forecast	Actual	Favorable (Unfavorable) Variance
Administration			
Managers/Supervisors	152	157	(5)
Professional, Technical, Clerical	316	280	36
Operational Hourlies	-	-	-
Total Administration	468	437	31
Operations			
Managers/Supervisors	288	277	11
Professional, Technical, Clerical	254	222	32
Operational Hourlies	1,696	1,673	23
Total Operations	2,238	2,172	66
Maintenance			
Managers/Supervisors	683	700	(17)
Professional, Technical, Clerical	523	485	38
Operational Hourlies	2,457	2,620	(163)
Total Maintenance	3,663	3,805	(142)
Engineering/Capital			
Managers/Supervisors	32	31	1
Professional, Technical, Clerical	36	30	6
Operational Hourlies	-	-	-
Total Engineering/Capital	68	61	7
Public Safety			
Managers/Supervisors	-	-	-
Professional, Technical, Clerical	-	-	-
Operational Hourlies	-	-	-
Total Public Safety	-	-	-
Total Positions			
Managers/Supervisors	1,155	1,164	(9)
Professional, Technical, Clerical	1,129	1,017	112
Operational Hourlies	4,153	4,294	(141)
Total Positions	6,437	6,475	(38)

**MTA METRO-NORTH RAILROAD
2023 MID-YEAR FORECAST VS. ACTUALS
October 31, 2023**

<u>Agency-wide (Non-Reimbursable and Reimbursable)</u>	<u>Mid-Year Forecast</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Explanation of Variances</u>
<i>Functional Classification:</i> Administration	468	437	31	
Operations	2,238	2,172	66	Primarily reflects delayed hiring of vacant positions
Maintenance	3,663	3,805	(142)	Primarily reflects the Budget adjustment to reflect realistic monthly growth of approximately 20 Full-Time Equivalents partially offset by delayed hiring of vacant positions and higher attrition than planned
Engineering / Capital	68	61	7	
Total Agency-wide Headcount	6,437	6,475	(38)	
Non-Reimbursable	5,548	5,975	(427)	
Reimbursable	889	500	389	

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2023 MID-YEAR FORECAST
MONTHLY PERFORMANCE INDICATORS ^(A)
OCTOBER 2023

	MONTH			VARIANCE	
				Fav/(Unfav)	
	MYF	2023	2022*	MYF	2022
Farebox Operating Ratio					
Standard ^(B)	40.6%	43.6%	37.2%	3.0%	6.3%
Adjusted ^(C)	45.5%	49.6%	41.3%	4.1%	8.3%
Cost per Passenger					
Standard ^(B)	\$22.70	\$20.87	\$24.85	\$1.84	\$3.99
Adjusted ^(C)	\$21.92	\$20.15	\$24.17	\$1.77	\$4.02
Passenger Revenue/Passenger	\$9.22	\$9.09	\$9.25	(\$0.12)	(\$0.16)
	YEAR-TO-DATE			VARIANCE	
				Fav/(Unfav)	
	MYF	2023	2022*	MYF	2022
Farebox Operating Ratio					
Standard ^(B)	35.1%	37.1%	31.1%	2.0%	6.0%
Adjusted ^(C)	40.2%	42.9%	35.2%	2.6%	7.7%
Cost per Passenger					
Standard ^(B)	\$26.82	\$24.82	\$29.44	\$2.00	\$4.62
Adjusted ^(C)	\$25.91	\$24.00	\$28.62	\$1.91	\$4.62
Passenger Revenue/Passenger	\$9.41	\$9.20	\$9.15	(\$0.21)	\$0.06

(A) Monthly Performance Indicators include both East and West of Hudson revenue and expenses.

(B) The Standard Farebox Operating Ratio and Cost Per Passenger indicators reflect MTA-wide adopted calculations that exclude non-cash liability adjustments: Depreciation, OPEB Expense (GASB 75), Pension Expense (GASB 68), Lease Adjustment (GASB 87) and Environmental Remediation (GASB 49) as well as the NHL share of MTA Police, Business Service Center and IT costs.

(C) 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.

*2022 YTD results exclude the ARPA Federal Aid.

Farebox Revenue Report Highlights

Month of October

Metro-North farebox revenue totaled \$51.3 million, which was \$3.1 million or 6.3% above the Forecast. The variances below are driven by increased volumes.

- Commutation revenue of \$13.0 million was \$1.3 million or 8.8% below the Forecast.
- Non-Commutation revenue of \$38.2 million was \$4.3 million or 12.7% above the Forecast.

Year-to-Date

Metro-North farebox revenue totaled \$454.3 million, which was \$30.5 million or 7.2% above the Forecast. The variances below are driven by increased volumes.

- Commutation revenue of \$133.2 million was \$1.8 million or 1.4% above the Forecast.
- Non-Commutation revenue of \$321.1 million was 28.7 million or 9.8% above the Forecast.

October 2023 Ridership vs. Forecast - (In Millions)								
	<u>October</u>				<u>October Year-to-Date</u>			
			<u>More/(Less)</u>				<u>More/(Less)</u>	
	<u>Forecast</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent</u>	<u>Forecast</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent</u>
Commutation	1.848	2.126	0.278	15.1%	17.411	18.983	1.571	9.0%
Non-Commutation	3.184	3.511	0.328	10.3%	28.022	30.372	2.351	8.4%
Total	5.031	5.637	0.606	12.0%	45.433	49.355	3.922	8.6%

October 2023 Farebox Revenue vs. Forecast - (In \$ Millions)								
	<u>October</u>				<u>October Year-to-Date</u>			
			<u>Fav/(Unfav)</u>				<u>Fav/(Unfav)</u>	
	<u>Forecast</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent</u>	<u>Forecast</u>	<u>Actual</u>	<u>Variance</u>	<u>Percent</u>
Commutation	\$14.3	\$13.0	(\$1.3)	-8.8%	\$131.4	\$133.2	\$1.8	1.4%
Non-Commutation	\$33.9	\$38.2	\$4.3	12.7%	\$292.4	\$321.1	\$28.7	9.8%
Total	\$48.2	\$51.3	\$3.1	6.3%	\$423.8	\$454.3	\$30.5	7.2%

MTA METRO-NORTH RAILROAD
MID-YEAR FORECAST AND NOVEMBER FORECAST vs. ACTUAL RESULTS (NON-REIMBURSABLE)
OCTOBER 2023 YEAR-TO-DATE
(\$ in millions)

	October Year-to-Date		Fav/(Unfav) Variance		
	Mid-Year Forecast	November Forecast	Mid-Year Forecast	November Forecast	
	\$	\$	\$ Var	\$ Var	
Total Revenue	483.7	509.1	38.5	13.2	2.6
Total Expenses before Non-Cash Liability Adjs	1,235.1	1,247.3	(12.9)	(1.0)	(0.1)
Depreciation	254.4	255.8	(1.2)	(0.5)	0.1
OPEB Obligation	-	-	-	-	-
GASB 68 Pension Adjustment	-	-	-	-	-
Environmental Remediation	4.2	4.3	(0.5)	(11.5)	(9.6)
GASB 75 OPEB Expense Adj	-	-	-	-	-
GASB87 Lease Adjustment	(3.4)	(3.4)	(5.1)	*	*
Total Expenses	1,490.3	1,504.0	(19.6)	(1.3)	(0.4)
Net Surplus/(Deficit)	(1,006.5)	(994.9)	18.9	1.9	0.7

Notes:

- Totals may not add due to rounding
- * Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
EXPLANATION OF VARIANCES BETWEEN NOVEMBER FORECAST AND ACTUAL RESULTS
NON-REIMBURSABLE
OCTOBER 2023 YEAR-TO-DATE
(\$ in millions)

	<u>Favorable/(Unfavorable)</u> <u>Variance</u>	<u>Percent</u>	<u>Variance Explanation</u>
Total Revenue	\$13.2	2.6	Higher farebox revenue as a result of increased ridership as well as higher GCT retail and advertising revenue.
Total Expenses	(\$5.9)	(0.4)	Primarily reflects the timing non-cash liability adjustments.

NOTE: Mid-Year Forecast vs. Actual Variance explanations are provided in the monthly report to the Finance Committee