



Metro-North Railroad

Finance Report

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MTA Office of the Chief Financial Officer



The Bear Mountain Bridge



Metro-North Railroad

July 2022 Highlights: Financial Report

The Metro-North Railroad's Monthly Financial Report provides year-to-date fiscal information comparing actual revenues, expenses and staffing levels to the Mid-Year Forecast (Forecast) and key financial performance indicators. This report presents preliminary 2022 results that are compared and are subject to change pending final year-end accounting adjustments and audit review.

Summary of Non-Reimbursable Year-to-Date (YTD) July 2022 Financial Results

Ridership and accrual results, versus the Forecast, are summarized as follows:

- Ridership of 25.8 million was 80.6% favorable vs. 2021 and 48.4% unfavorable vs. 2019 pre-COVID levels. Ridership was 3.0% favorable vs. Forecast primarily due to higher non-commutation ridership. Consequently, farebox revenue of \$234.3 million was \$11.7 million higher than Forecast.
- Total revenue of \$251.6 million was \$12.8 million higher vs. Forecast primarily due to higher non-commutation ridership.
- Total expenses of \$810.6 million were \$9.4 million or 1.1% favorable vs. Forecast primarily due to the timing of expenses for materials, energy and maintenance partially offset by higher labor costs.

Financial results for Year-to-Date (YTD) July 2022 are presented in the table below and compared to the Mid-Year Forecast.

MTA Metro-North Railroad
July 2022 Year-to-Date Results
(\$ in Millions)

	<u>Mid-Year Forecast</u>	<u>Actual</u>	<u>Fav/(Unfav) \$ Var</u>	<u>Variance % Var</u>
Total Revenue	\$238.8	\$251.6	\$12.8	5.4%
Total Expenses before Non-Cash Liability Adjs.	820.0	810.6	9.4	1.1%
Operating Surplus/(Deficit)	(581.2)	(559.0)	22.2	3.8%
<i>Other Non-Cash Liabilities</i>	187.9	176.0	11.9	6.3%
Net Surplus/(Deficit) after Non-Cash Liability Adjs.	(769.1)	(735.0)	34.1	4.4%
<i>Cash Adjustments</i>	192.3	174.1	(18.3)	-9.5%
Net Cash Surplus/(Deficit)	(\$576.8)	(\$560.9)	\$15.9	2.7%

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NON-REIMBURSABLE and REIMBURSABLE SUMMARY

July 2022 YTD Net Deficit (Non-Reimbursable and Reimbursable) of \$735.0 million was \$34.1 million or 4.4% favorable vs. the Forecast.

Major drivers of the July 2022 YTD favorable result of \$34.1 million include lower Non-Reimbursable Expenses of \$21.3 million primarily due to the timing of materials expense, lower non-cash liability adjustments and lower energy costs partially offset by increased labor costs. Non-Reimbursable Revenues were favorable by \$12.8 million, primarily due to higher non-commutation farebox revenue.

July 2022 YTD Reimbursable Expenses of \$125.0 million were \$28.5 million favorable vs. the Forecast due to the scheduling and timing of several projects.

REVENUE/RIDERSHIP

- **Farebox Revenue** – YTD results were \$11.7 million higher vs. the Forecast primarily due to higher non-commutation ridership revenue.
 - YTD Ridership of 25.8 million was 3.0% favorable vs. the Forecast, 80.6% favorable vs 2021 and 48.4% unfavorable vs. pre-COVID 2019 levels.
- **Other Operating Revenue** – YTD was \$1.1 million favorable vs. the Forecast primarily due to higher advertising revenue partially offset by lower GCT retail and parking & stations revenue.
- **Capital and Other Reimbursements** – YTD was \$28.5 million or 18.6% unfavorable vs. the Forecast primarily due to the scheduling and timing changes of several projects.

TOTAL EXPENSES (Non-Reimbursable and Reimbursable)

Total Expenses – YTD expenses of \$1,111.5 million were \$49.9 million or 4.3% favorable vs. the Forecast.

Labor Expenses (including fringes and overhead recoveries) of \$677.7 million YTD were \$4.9 million unfavorable vs. the Forecast.

- **Payroll** – YTD was \$10.4 million favorable vs. the Forecast primarily due to lower train and engine crew payments.
- **Overtime** – YTD was \$8.2 million unfavorable vs. the Forecast primarily due to vacancy coverage requirements.

Non-Labor Expenses of \$257.8 million YTD were \$42.9 million favorable vs. the Forecast.

- **Electric Power** – YTD results were \$5.7 million favorable vs. the Forecast primarily due to lower than forecasted usage.
- **Fuel** – YTD expenses were \$1.2 million favorable vs. the Forecast primarily due to lower than forecasted usage.
- **Maintenance & Other Operating Contracts** – YTD was \$1.3 million favorable vs. the Forecast due to the timing of Non-Reimbursable expenses for miscellaneous maintenance and operating contracts as well as the timing of Reimbursable project activity partially offset by costs associated with the new laser train technology.
- **Professional Services** – YTD was \$9.0 million favorable vs. the Forecast due to the timing of Reimbursable project activity and Non-Reimbursable expenses for consulting and engineering services.
- **Materials & Supplies** – YTD was \$24.5 million favorable vs. the Forecast due to the timing of rolling stock maintenance events, lower rolling stock material usage and the timing of Reimbursable project activity.
- **Other Business Expenses** – YTD was \$0.8 million favorable vs. the Forecast primarily due to expense recoveries for operation and maintenance of M8 rail cars in Shore Line East

Service, lower credit card processing fees and higher Amtrak recoveries partially offset by higher subsidy payments to New Jersey Transit resulting from inflationary adjustments.

Depreciation and Other Non-Cash Liability Adjustments – YTD were \$11.9 million favorable vs. Forecast driven by lower capitalization of assets than forecasted and the timing of projects requiring remediation.

CASH DEFICIT SUMMARY

July YTD Net Cash Deficit of \$560.9 million was \$15.9 million or 2.7% favorable to the Forecast primarily due to the timing of expenditures for several categories.

FINANCIAL PERFORMANCE MEASURES

- Adjusted Farebox Operating Ratio of 33.8% was 2.4 percentage points favorable vs. the Forecast.
- Adjusted Cost per Passenger of \$29.98 was \$1.65 favorable vs. the Forecast.
- Revenue per Passenger of \$9.08 was \$0.19 favorable vs. the Forecast.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
ACCURAL STATEMENT OF OPERATIONS by CATEGORY
JULY 2022
(\$ 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	\$36,903	\$39,342	\$2,439	6.6	\$0,000	\$0,000	\$0,000	\$39,342	\$2,439	6.6
Vehicle Toll Revenue	0,000	0,000	0,000	-	0,000	0,000	0,000	0,000	0,000	-
Other Operating Revenue	2,503	(0,063)	(2,566)	*	0,000	0,000	0,000	(0,063)	(2,566)	*
Capital & Other Reimbursements:										
MTA	0,000	0,000	0,000	-	14,463	10,678	(3,785)	14,463	10,678	(3,785)
CDOT	0,000	0,000	0,000	-	10,973	10,047	(926)	10,973	10,047	(926)
Other	0,000	0,000	0,000	-	1,742	1,042	(700)	1,742	1,042	(700)
Total Capital and Other Reimbursements	0,000	0,000	0,000	-	27,178	21,766	(5,412)	27,178	21,766	(5,412)
Total Revenue	\$39,405	\$39,279	(\$1,127)	(0.3)	\$27,178	\$21,766	(\$5,412)	\$66,584	\$61,045	(\$5,538)
Expenses										
Labor:										
Payroll	\$46,133	\$44,586	\$1,547	3.4	\$5,226	\$3,379	\$1,847	\$51,359	\$47,965	\$3,394
Overtime	9,283	9,123	0,160	1.7	3,291	2,587	0,704	12,574	11,710	0,864
Health and Welfare	10,228	9,493	0,735	7.2	1,979	1,346	0,634	12,208	10,839	1,369
OP&B Current Payment	3,436	3,381	0,055	1.6	0,000	0,000	0,000	3,436	3,381	0,055
Pensions	9,534	10,299	(0,765)	(8.0)	1,481	1,038	0,443	11,015	11,337	(0,322)
Other Fringe Benefits	11,789	12,380	(0,591)	(5.0)	1,510	1,048	0,462	13,299	13,428	(1,000)
Reimbursable Overhead	(7,550)	(5,337)	(2,213)	(29.3)	7,412	5,362	2,050	(0,138)	0,026	(0,163)
Total Labor	\$82,853	\$83,925	(\$1,072)	(1.3)	\$20,900	\$14,761	\$6,140	\$103,753	\$98,686	\$5,067
Non-Labor:										
Electric Power	\$10,027	\$8,292	\$1,735	17.3	\$0,000	\$0,023	(\$0,023)	\$10,027	\$8,314	\$1,712
Fuel	3,027	2,635	0,392	12.9	0,000	0,000	0,000	3,027	2,635	0,392
Insurance	1,527	1,576	(0,049)	(3.2)	0,167	0,120	0,047	1,694	1,696	(0,002)
Claims	0,113	0,009	0,105	92.3	0,000	0,000	0,000	0,113	0,009	0,105
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	11,223	9,027	2,196	19.6	1,390	2,167	(0,776)	12,613	11,194	1,419
Professional Service Contracts	3,909	3,114	0,794	20.3	2,414	0,532	1,883	6,323	3,646	2,677
Materials & Supplies	12,606	7,850	4,756	37.7	2,306	4,154	(1,848)	14,912	12,004	2,908
Other Business Expenses	2,446	1,401	1,045	42.7	0,000	0,011	(0,011)	2,446	1,411	1,034
Total Non-Labor	\$44,878	\$33,904	\$10,974	24.5	\$6,278	\$7,006	(\$0,728)	\$51,156	\$40,910	\$10,246
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.	\$127,730	\$117,829	\$9,902	7.8	\$27,178	\$21,766	\$5,412	\$154,909	\$139,595	\$15,313
Depreciation	25,865	24,969	0,895	3.5	0,000	0,000	0,000	25,865	24,969	0,895
OP&B 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	0,416	0,000	0,416	100.0	0,000	0,000	0,000	0,416	0,000	0,416
GASB75 Adjustment	0,000	0,000	0,000	-	0,000	0,000	0,000	0,000	0,000	0,000
Total Expenses	\$154,011	\$142,798	\$11,213	7.3	\$27,178	\$21,766	\$5,412	\$181,190	\$164,565	\$16,625
Net Surplus/(Deficit)	(\$114,606)	(\$103,519)	\$11,087	9.7	\$0,000	\$0,000	(\$0,000)	(\$114,606)	(\$103,519)	\$11,087
Cash Conversion Adjustments:										
Depreciation	25,865	24,969	(0,895)	(3.5)	0,000	0,000	0,000	25,865	24,969	(0,895)
Operating/Capital	(1,987)	(0,861)	1,025	51.6	0,000	0,000	0,000	(1,987)	(0,861)	1,025
Other Cash Adjustments	11,924	(0,979)	(12,903)	*	0,000	0,000	0,000	11,924	(0,979)	12,903
Total Cash Conversion Adjustments	\$35,802	\$23,028	(\$12,773)	(35.7)	\$0,000	\$0,000	\$0,000	\$35,802	\$23,028	(\$12,773)
Net Cash Surplus/(Deficit)	(\$78,804)	(\$80,491)	(\$1,687)	(2.1)	\$0,000	\$0,000	(\$0,000)	(\$78,804)	(\$80,491)	(\$1,687)

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 - 2022 MID-YEAR FORECAST
ACCURAL STATEMENT OF OPERATIONS by CATEGORY
JULY 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	\$222,548	\$234,268	5.3	\$0,000	\$0,000	-	\$222,548	\$234,268	5.3
Vehicle Toll Revenue	0,000	0,000	-	0,000	0,000	-	0,000	0,000	-
Other Operating Revenue	16,260	17,336	6.6	0,000	0,000	-	16,260	17,336	6.6
<i>Capital & Other Reimbursements:</i>									
MTA	0,000	0,000	-	87,456	66,770	(23.7)	87,456	66,770	(23.7)
CDOT	0,000	0,000	-	56,733	49,456	(12.8)	56,733	49,456	(12.8)
Other	0,000	0,000	-	9,307	8,744	(6.0)	9,307	8,744	(6.0)
Total Capital and Other Reimbursements	0,000	0,000	-	153,496	124,969	(18.6)	153,496	124,969	(18.6)
Total Revenue/Receipts	\$238,807	\$251,604	5.4	\$153,496	\$124,969	(18.6)	\$392,303	\$376,574	(4.0)
Expenses									
<i>Labor:</i>									
Payroll	\$304,775	\$299,975	1.6	\$33,432	\$27,851	(16.7)	\$338,208	\$327,826	(3.1)
Overtime	50,986	62,138	(21.9)	18,147	15,200	16.2	69,132	77,338	(11.9)
Health and Welfare	66,844	65,273	2.3	11,769	9,442	19.8	78,612	74,715	3,897
OPEB Current Payment	24,819	26,290	(6.9)	0,000	0,000	0.0	24,819	26,290	(1,471)
Pensions	68,103	73,753	(8.3)	8,839	7,134	19.3	76,942	80,887	(3,945)
Other Fringe Benefits	76,949	83,675	(8.7)	9,861	7,277	18.8	85,909	90,952	(5,042)
Reimbursable Overhead	(45,147)	(40,921)	(9.4)	44,308	40,620	3.6	(0,838)	(0,300)	(5.4)
Total Labor	\$547,329	\$570,183	(4.2)	\$125,456	\$107,524	14.3	\$672,785	\$677,708	(0.7)
<i>Non-Labor:</i>									
Electric Power	\$58,652	\$52,800	10.0	\$0,003	\$0,135	(80.132)	\$58,655	\$52,935	6.2
Fuel	19,547	18,337	6.2	0,000	0,000	0.0	19,547	18,337	1,209
Insurance	10,906	10,887	0.2	1,025	0,906	12.4	11,930	11,693	2,238
Claims	0,579	0,474	18.1	0,000	0,000	0.0	0,579	0,474	0,105
Paratransit Service Contracts	0,000	0,000	-	0,000	0,000	0.0	0,000	0,000	0.0
Maintenance and Other Operating Contracts	69,843	65,600	4.243	0,000	5,490	(2,924)	72,409	71,090	1,319
Professional Service Contracts	25,266	23,390	18.76	9,508	2,369	7.4	34,774	25,760	9,014
Materials & Supplies	74,220	56,127	18.093	14,915	8,537	6.378	89,135	64,664	24,471
Other Business Expenses	13,657	12,772	6.5	0,023	0,107	(0.085)	13,680	12,879	0,800
Total Non-Labor	\$272,670	\$240,387	11.8	\$28,039	\$17,445	\$10,594	\$300,709	\$257,832	14.3
<i>Other Adjustments</i>									
Other	0,000	0,000	-	0,000	0,000	0.0	0,000	0,000	0.0
Total Other Adjustments	\$0,000	\$0,000	-	\$0,000	\$0,000	0.0	\$0,000	\$0,000	0.0
Total Expenses before Non-Cash Liability Adjs.	\$819,998	\$810,570	1.1	\$153,496	\$124,969	18.6	\$973,494	\$935,540	3.9
Depreciation	185,973	175,949	5.4	0,000	0,000	0.0	185,973	175,949	10,024
OPEB Obligation	0,000	0,000	-	0,000	0,000	0.0	0,000	0,000	0.0
GASB68 Pension Adjustment	0,000	0,000	-	0,000	0,000	0.0	0,000	0,000	0.0
Environmental Remediation	1,918	0,044	97.7	0,000	1,874	0.044	1,918	0,044	1,874
GASB75 Adjustment	0,000	0,000	-	0,000	0,000	0.0	0,000	0,000	0.0
Total Expenses	\$1,007,890	\$986,563	2.1	\$153,496	\$124,969	18.6	\$1,161,386	\$1,111,533	4.3
Net Surplus/(Deficit)	(\$769,083)	(\$734,959)	4.4	\$0,000	\$0,000	0.0	(\$769,083)	(\$734,959)	4.4
<i>Cash Conversion Adjustments:</i>									
Depreciation	185,973	175,949	(5.4)	0,000	0,000	0.0	185,973	175,949	(10,024)
Operating/Capital	(18,905)	(10,754)	43.1	0,000	0,000	0.0	(18,905)	(10,754)	8,152
Other Cash Adjustments	25,254	8,860	(64.9)	0,000	0,000	0.0	25,254	8,860	(16,394)
Total Cash Conversion Adjustments	\$192,322	\$174,056	(9.5)	\$0,000	\$0,000	0.0	\$192,322	\$174,056	(9.5)
Net Cash Surplus/(Deficit)	(\$576,760)	(\$560,903)	2.7	\$0,000	\$0,000	0.0	(\$576,760)	(\$560,903)	2.7

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
 ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY
 EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
 JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
 July 2022
 (\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast		Year to Date vs. Mid-Year Forecast		Reason for Variance
		Variance Fav (Unfav)	%	Variance Fav (Unfav)	%	
		\$		\$		
FAREBOX REVENUE	Non-Reimb	\$2,439	6.6%	\$11,720	5.3%	Reflects primarily higher non-commutation ridership and higher average yield in all East of Hudson lines.
OTHER OPERATING REVENUE	Non-Reimb	(\$2,566)	*	\$1,077	6.6%	Higher advertising revenue partially offset by lower GCT retail and parking & stations revenue.
CAPITAL AND OTHER REIMBURSEMENTS	Reimb	(\$5,412)	(19.9%)	(\$28,526)	(18.6%)	Lower reimbursements reflect scheduling and timing changes in capital project expenditures.
PAYROLL	Non-Reimb	\$1,547	3.4%	\$4,800		Primarily lower train and engine contractual payments.
	Reimb	\$1,847	35.3%	\$5,581	16.7%	Reflects timing of project activity.
OVERTIME	Non-Reimb	\$0,160	1.7%	(\$11,152)	(21.9%)	See overtime graphs.
	Reimb	\$0,704	21.4%	\$2,947	16.2%	See overtime graphs.
HEALTH AND WELFARE	Non-Reimb	\$0,735	7.2%	\$1,570	2.3%	
	Reimb	\$0,634	32.0%	\$2,327	19.8%	Reflects timing of project activity.
OPEB CURRENT PAYMENT	Non-Reimb	\$0,055	1.6%	(\$1,471)	(5.9%)	Primarily reflects a higher than forecasted number of retirees receiving healthcare premiums.
	Reimb					
PENSIONS	Non-Reimb	(\$0,765)	(8.0%)	(\$5,650)	(8.3%)	Primarily reflects higher than forecasted rates and labor costs.
	Reimb	\$0,443	29.9%	\$1,705	19.3%	Reflects timing of project activity.
OTHER FRINGE BENEFITS	Non-Reimb	(\$0,591)	(5.0%)	(\$6,727)	(8.7%)	Primarily reflects a higher employee claim provision, labor cost and other employee reimbursements partially offset by lower rates.
	Reimb	\$0,462	30.6%	\$1,684	18.8%	Reflects timing of project activity.
REIMBURSABLE OVERHEAD	Non-Reimb	(\$2,213)	(29.3%)	(\$4,226)	(9.4%)	The non-reimbursable and reimbursable variances reflect lower activity for several projects.
	Reimb	\$2,050	27.7%	\$3,688	8.3%	
ELECTRIC POWER	Non-Reimb	\$1,735	17.3%	\$5,853	10.0%	Primarily lower usage than forecast

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JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
 July 2022
 (\$ in millions)

Generic Revenue or Expense Category	Non Reimb. or Reimb.	Current Month vs. Mid-Year Forecast			Year to Date vs. Mid-Year Forecast		
		Fav (Unfav) \$	Variance %	Reason for Variance	Fav (Unfav) \$	Variance %	Reason for Variance
FUEL	Non-Reimb	\$0.392	12.9%	Lower rates and lower usage than forecast	\$1,209	6.2%	Primarily lower usage than forecast
INSURANCE	Reimb	\$0.047	28.1%	Reflects timing of project activity.	\$0,219	21.4%	Reflects timing of project activity.
CLAIMS	Non-Reimb	\$0.105	92.3%	Reflects a lower passenger claims provision than forecasted.	\$0,105	18.1%	Reflects a lower passenger claims provision than forecasted.
MAINTENANCE AND OTHER OPERATING CONTRACTS	Non-Reimb	\$2.196	19.6%	Reflects timing of miscellaneous maintenance and operating contracts as well as costs associated with the new laser train technology.	\$4,243	6.1%	Reflects timing of miscellaneous maintenance and operating contracts as well as costs associated with the new laser train technology.
	Reimb	(\$0.776)	(55.8%)	Reflects timing of project activity.	(\$2,924)	*	Reflects timing of project activity.
PROFESSIONAL SERVICE CONTRACTS	Non-Reimb	\$0.794	20.3%	Lower than anticipated consulting and engineering services.	\$1,876	7.4%	Lower than anticipated consulting and engineering services.
	Reimb	\$1.883	78.0%	Reflects timing of project activity.	\$7,138	75.1%	Reflects timing of project activity.
MATERIALS AND SUPPLIES	Non-Reimb	\$4.756	37.7%	Timing of rolling stock maintenance events and rolling stock material usage.	\$18,093	24.4%	Timing of rolling stock maintenance events and rolling stock material usage partially offset by higher obsolete material reserves.
	Reimb	(\$1,848)	(80.1%)	Reflects timing of project activity.	\$6,378	42.8%	Reflects timing of project activity.
OTHER BUSINESS EXPENSES	Non-Reimb	\$1,045	42.7%	Expense recoveries for operation and maintenance of M8 rail cars in Shore Line East Service and lower credit card processing fees partially offset by higher subsidy payments to New Jersey Transit resulting from inflationary adjustments.	\$0,885	6.5%	Expense recoveries for operation and maintenance of M8 rail cars in Shore Line East Service, lower credit card processing fees and higher Amtrak recoveries partially offset by higher subsidy payments to New Jersey Transit resulting from inflationary adjustments.
	Reimb	(\$0,011)	-	Reflects timing of project activity.	(\$0,085)	*	Reflects timing of project activity.
DEPRECIATION	Non-Reimb	\$0.895	3.5%	Primarily reflects lower capitalization of assets than forecasted due to timing differences in project completions and assets reaching beneficial use.	\$10,024	5.4%	Primarily reflects lower capitalization of assets than forecasted due to timing differences in project completions and assets reaching beneficial use.
ENVIRONMENTAL REMEDIATION	Non-Reimb	\$0.416	100.0%	Reflects timing of projects requiring remediation.	\$1,874	97.7%	Reflects timing of projects requiring remediation.
OPERATING CAPITAL	Non-Reimb	\$1,025	51.6%	Reflects timing of project activity.	\$8,152	43.1%	Reflects timing of project activity.

* Variance exceeds 100%.

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
CASH RECEIPTS AND EXPENDITURES
(\$ in millions)

SCHEDULE III

	JULY 2022			Year-to-Date		
	Favorable (Unfavorable)			Favorable (Unfavorable)		
	Mid-Year Forecast	Actual	Variance Percent	Mid-Year Forecast	Actual	Variance Percent
Receipts						
Farebox Revenue	\$35.415	\$36.310	\$0.895 2.5	\$213.002	\$223.706	\$10.704 5.0
Vehicle Toll Revenue	0.000	0.000	-	0.000	0.000	0.000
Other Operating Revenue	4.838	7.319	2.481 51.3	98.250	99.097	0.847 0.9
<i>Capital & Other Reimbursements:</i>						
MTA	14.463	3.882	(10.581) (73.2)	57.304	20.986	(36.318) (63.4)
CDOT	10.973	2.142	(8.831) (80.5)	56.709	35.015	(21.694) (38.3)
Other	1.742	0.795	(0.947) (54.4)	8.636	6.138	(2.498) (28.9)
Total Capital and Other Reimbursements	27.178	6.819	(20.359) (74.9)	122.649	62.139	(60.510) (49.3)
Total Receipts	\$67.432	\$50.448	(\$16.984) (25.2)	\$433.901	\$384.942	(\$48.959) (11.3)
Expenditures						
<i>Labor:</i>						
Payroll	\$48.555	\$46.630	\$1.925 4.0	\$337.541	\$325.132	\$12.409 3.7
Overtime	11.982	10.791	1.191 9.9	72.491	74.220	(1.729) (2.4)
Health and Welfare	13.245	9.819	3.426 25.9	86.041	84.354	1.687 2.0
OPEB Current Payment	3.436	3.427	0.009 0.3	25.455	26.294	(0.839) (3.3)
Pensions	11.461	11.282	0.179 1.6	78.044	78.603	(0.559) (0.7)
Other Fringe Benefits	12.285	14.931	(2.646) (21.5)	89.981	91.955	(1.974) (2.2)
GASB Account	0.000	0.000	-	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	-	0.000	0.000	0.000
Total Labor	\$100.964	\$96.880	\$4.084 4.0	\$689.554	\$680.558	\$8.996 1.3
<i>Non-Labor:</i>						
Electric Power	\$10.275	\$6.859	\$3.416 33.2	\$64.510	\$53.546	\$10.964 17.0
Fuel	3.027	1.751	1.276 42.2	18.446	16.920	1.526 8.3
Insurance	0.174	0.000	0.174 100.0	9.393	13.637	(4.244) (45.2)
Claims	0.113	0.094	0.019 17.2	1.087	0.974	0.113 10.4
Paratransit Service Contracts	0.000	0.000	0.000 (8.9)	0.000	0.000	0.000
Maintenance and Other Operating Contracts	9.838	10.715	(0.877) (8.9)	79.953	69.915	10.038 12.6
Professional Service Contracts	4.370	1.636	2.734 62.6	39.210	20.043	19.167 48.9
Materials & Supplies	13.564	9.943	3.621 26.7	81.943	62.744	19.199 23.4
Other Business Expenditures	3.911	3.061	0.850 21.7	26.565	27.508	(0.943) (3.6)
Total Non-Labor	\$45.272	\$34.059	\$11.213 24.8	\$321.108	\$265.287	\$55.821 17.4
<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	\$146.236	\$130.939	\$15.297 10.5	\$1,010.661	\$945.845	\$64.816 6.4
Net Cash Deficit (excludes Opening Cash Balance)	(\$78.804)	(\$80.491)	(\$1.687) (2.1)	(\$576.760)	(\$560.903)	\$15.857 2.7
Subsidies						
MTA	57.871	29.113	(28.758) (49.7)	401.675	65.089	(336.586) (83.8)
CDOT	20.933	36.226	15.293 73.1	142.690	152.027	9.337 6.5
Total Subsidies	\$78.804	\$65.339	(\$13.465) (17.1)	\$544.365	\$217.116	(\$327.249) (60.1)
Cash Timing and Availability Adjustment	\$0.000	(\$1.132)	(\$1.132) -	\$0.000	\$0.416	\$0.416 -

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

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
CASH CONVERSION (CASH FLOW ADJUSTMENT)
(\$ in millions)

	JULY 2022							
	Favorable (Unfavorable)			Year-to-Date Favorable (Unfavorable)				
	Mid-Year Forecast	Actual	Variance	Percent	Mid-Year Forecast	Actual	Variance	Percent
Receipts								
Farebox Revenue	(\$1,487)	(\$3,032)	(\$1,544)	*	(\$9,546)	(\$10,562)	(\$1,016)	(10.6)
Vehicle Toll Revenue	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Other Operating Revenue	2.335	7.382	5.047	*	81.990	81.761	(0.229)	(0.3)
Capital & Other Reimbursements:								
MTA	0.000	(6.796)	(6.796)	-	(30.152)	(45.784)	(15.632)	(51.8)
CDOT	0.000	(7.905)	(7.905)	-	(0.024)	(14.441)	(14.417)	*
Other	0.000	(0.247)	(0.247)	-	(0.671)	(2.606)	(1.935)	*
Total Capital and Other Reimbursements	0.000	(14.947)	(14.947)	-	(30.846)	(62.830)	(31.984)	*
Total Revenue/Receipts	\$0.848	(\$10.597)	(\$11.445)	*	\$41.598	\$8.368	(\$33.230)	(79.9)
Expenditures								
Labor:								
Payroll	\$2,804	\$1,335	(\$1,469)	(52.4)	\$0,667	\$2,694	\$2,027	*
Overtime	0.592	0.919	0.327	55.1	(3,359)	3,118	6,476	*
Health and Welfare	(1,037)	1,020	2,057	*	(7,428)	(9,639)	(2,210)	(29.8)
OPEB Current Payment	0.000	(0.46)	0.000	-	(0,636)	(0,004)	0,632	99.4
Pensions	(0,446)	0,055	0,501	*	(1,102)	2,284	3,386	*
Other Fringe Benefits	1,013	(1,503)	(2,516)	*	(4,072)	(1,003)	3,069	75.4
GASB Account	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Reimbursable Overhead	(0,138)	0,026	0,163	*	(0,838)	(0,300)	0,538	64.2
Total Labor	\$2,789	\$1,806	(\$0,984)	(35.3)	(\$16,768)	(\$2,850)	\$13,918	83.0
Non-Labor:								
Electric Power	(\$0,249)	\$1,455	\$1,704	*	(\$5,855)	(\$0,611)	\$5,244	89.6
Fuel	0.000	0,884	0,884	-	1,101	1,417	0,317	28.8
Insurance	1,521	1,696	0,176	11.5	2,537	(1,944)	(4,482)	*
Claims	0.000	(0,085)	(0,085)	-	(0,509)	(0,500)	0,008	1.7
Paratransit Service Contracts	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Maintenance and Other Operating Contracts	2,775	0,479	(2,296)	(82.7)	(7,544)	1,175	8,719	*
Professional Service Contracts	1,954	2,010	0,056	2.9	(4,436)	5,717	10,153	*
Materials & Supplies	1,348	2,061	0,713	52.9	7,192	1,920	(5,272)	(73.3)
Other Business Expenses	(1,465)	(1,650)	(0,185)	(12.6)	(12,885)	(14,629)	(1,743)	(13.5)
Total Non-Labor	\$5,884	\$6,851	\$0,967	16.4	(\$20,399)	(\$7,455)	\$12,944	63.5
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.	\$8,673	\$8,656	(\$0,017)	(0.2)	(\$37,167)	(\$10,305)	\$26,862	72.3
Depreciation	25,865	24,969	(0,896)	(3.5)	185,973	175,949	(10,024)	(5.4)
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	0.416	0.000	(0,416)	(100.0)	1,918	0.044	(1,874)	97.7
GASB75 Adjustment	0.000	0.000	0.000	-	0.000	0.000	0.000	-
Total Expenditures Adjustments	\$34,954	\$33,626	(\$1,328)	(3.8)	\$150,724	\$165,688	\$14,963	9.9
Total Cash Conversion Adjustments	\$35,802	\$23,028	(\$12,773)	(35.7)	\$192,322	\$174,056	(\$18,266)	(9.5)

NOTES:
- Results are based on the preliminary close of the general ledger and are subject to review and adjustment. Please note that the current 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 - 2022 MID-YEAR FORECAST
 CASH RECEIPTS AND EXPENDITURES
 EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
 (\$ in millions)

Generic Receipt or Expense Category	July Month vs Mid-Year Forecast		Year-to-Date as of July 31st, 2022 vs. Mid-Year Forecast		Reason for Variance
	Variance Fav (Unfav)	%	Variance Fav (Unfav)	%	
	\$		\$		
FARE REVENUE	0.895	2.5%	10.704	5.0%	Primarily reflects higher non-commutation ridership on East of Hudson lines partially offset by lower commutation ridership.
OTHER OPERATING REVENUE	2.481	51.3%	0.847	0.9%	
CAPITAL AND OTHER REIMBURSEMENTS:					
MTA	(10.581)	(73.2%)	(36.318)	(63.4%)	Primarily reflects lower cash receipts and capital related project activity than forecasted.
CDOT	(8.831)	(80.5%)	(21.694)	(38.3%)	Primarily reflects lower cash receipts and capital related project activity than forecasted.
OTHER	(0.947)	(54.4%)	(2.498)	(28.9%)	Primarily reflects lower reimbursable related project activity and cash receipts than forecasted.
PAYROLL	1.925	4.0%	12.409	3.7%	Primarily reflects the timing of pay periods and RWA payments partially offset by the timing of remittance payments for the employee portion of withheld income taxes and inter-agency payroll.
OVERTIME	1.191	9.9%	(1.729)	(2.4%)	
HEALTH & WELFARE	3.426	25.9%	1.687	2.0%	
OPEB CURRENT PAYMENT	0.009	0.3%	(0.839)	(3.3%)	Primarily reflects a higher than forecasted number of retirees receiving healthcare premiums.
OTHER FRINGE BENEFITS	(2.646)	(21.5%)	(1.974)	(2.2%)	
ELECTRIC POWER	3.416	33.2%	10.964	17.0%	Primarily reflects lower usage than forecasted and timing of payments.
FUEL	1.276	42.2%	1.526	8.3%	Primarily reflects lower usage than forecasted and timing of payments.
INSURANCE	0.174	100.0%	(4.244)	(45.2%)	Primarily reflects the timing of insurance premium payments.

MTA METRO-NORTH RAILROAD
 JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
 CASH RECEIPTS AND EXPENDITURES
 EXPLANATION OF VARIANCE BETWEEN MID-YEAR FORECAST AND ACTUAL RESULTS
 (\$ in millions)

Generic Receipt or Expense Category	July Month vs Mid-Year Forecast		Year-to-Date as of July 31st, 2022 vs. Mid-Year Forecast		
	Variance Fav (Unfav)	Reason for Variance	Variance Fav (Unfav)	Reason for Variance	
	\$	%	\$	%	
CLAIMS	0.019	17.2%	0.113	10.4%	Reflects lower than forecasted passenger injury settlements.
MAINTENANCE & OTHER OPERATING CONTRACTS	(0.877)	(8.9%)	10.038	12.6%	Primarily reflects the timing of payments for security services, real estate management services and leases & rentals partially offset by lower maintenance & repair costs.
PROFESSIONAL SERVICE CONTRACTS	2.734	62.6%	19.167	48.9%	Primarily reflects lower than anticipated consulting and engineering services.
MATERIALS & SUPPLIES	3.621	26.7%	19.199	23.4%	Primarily reflects the timing of rolling stock maintenance events and rolling stock material usage.
OTHER BUSINESS EXPENSES	0.850	21.7%	(0.943)	(3.6%)	Primarily reflects the timing of NJT subsidy payments.
MTA SUBSIDY RECEIPTS CDOT SUBSIDY RECEIPTS	(28.758) 15.293	(49.7%) 73.1%	(336.586) 9.337	(83.8%) 6.5%	Reflects lower MTA subsidy receipts than forecasted. Primarily reflects the timing of the receipt of the monthly CDOT subsidy partially offset by a lower CDOT share of estimated deficits than forecasted.

* Variance exceeds 100%

**MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
RIDERSHIP/UTILIZATION
JULY 2022
(in millions)**

	MONTH		VARIANCE Fav/(Unfav)		YTD		VARIANCE Fav/(Unfav)	
	MID-YEAR FORECAST	2022 ^(A)	MID-YEAR FORECAST	2021	MID-YEAR FORECAST	2022	MID-YEAR FORECAST	2021 ^(A)
FAREBOX REVENUE								
Harlem Line - Commutation	5,319	3,572	1,386	2,166	26,893	22,579	4,314	14,359
Harlem Line - Non-Commutation	5,298	6,875	5,597	1,278	36,691	42,665	5,974	18,040
TOTAL HARLEM LINE	\$10,618	\$10,447	\$6,983	\$3,464	\$63,584	\$65,244	\$1,660	\$32,399
Hudson Line - Commutation	3,504	2,389	0,984	1,405	18,063	15,177	(2,886)	9,282
Hudson Line - Non-Commutation	4,841	6,916	5,370	1,546	38,594	23,616	6,292	14,978
TOTAL HUDSON LINE	\$8,345	\$9,305	\$6,354	\$2,951	\$50,365	\$39,791	\$3,406	\$24,260
New Haven Line - Commutation	7,287	4,932	1,709	3,223	36,007	30,154	(5,853)	20,842
New Haven Line - Non-Commutation	9,919	13,988	10,755	3,233	68,376	81,240	12,865	36,393
TOTAL NEW HAVEN LINE	\$17,206	\$18,920	\$12,463	\$6,456	\$104,383	\$111,394	\$7,012	\$57,235
All Lines - Commutation	16,110	10,892	4,078	6,814	80,963	67,910	(13,053)	44,483
All Lines - Non-Commutation	20,059	27,780	21,722	6,058	137,369	162,499	25,130	68,412
TOTAL EAST OF HUDSON LINES	\$36,169	\$38,672	\$25,800	\$12,872	\$218,331	\$230,409	\$12,078	\$113,895
West of Hudson ^(B)	\$0,734	\$0,570	\$0,558	\$0,112	\$4,216	\$3,859	(0,357)	7,109
TOTAL FAREBOX REVENUE	\$36,903	\$39,242	\$26,358	\$12,983	\$222,548	\$234,268	\$11,720	\$115,002
RIDERSHIP								
Harlem Line - Commutation	0,465	0,503	0,224	0,279	3,373	3,403	0,030	1,967
Harlem Line - Non-Commutation	0,801	0,730	0,634	0,096	4,541	4,652	0,111	2,591
TOTAL HARLEM LINE	1,286	1,234	0,859	0,375	7,914	8,055	0,141	4,558
Hudson Line - Commutation	0,288	0,279	0,123	0,156	1,914	1,868	(0,046)	1,094
Hudson Line - Non-Commutation	0,559	0,589	0,498	0,091	3,140	3,402	0,262	1,152
TOTAL HUDSON LINE	0,846	0,868	0,621	0,247	5,054	5,271	0,217	2,246
New Haven Line - Commutation	0,589	0,662	0,276	0,386	4,219	4,311	0,092	2,647
New Haven Line - Non-Commutation	1,307	1,308	1,093	0,216	7,390	4,847	(0,370)	2,912
TOTAL NEW HAVEN LINE	1,896	1,970	1,369	0,601	11,609	12,071	0,462	5,559
Total Ridership East of Hudson								
All Lines - Commutation	1,361	1,444	0,624	0,820	9,506	9,563	0,076	5,708
All Lines - Non-Commutation	2,667	2,628	2,225	0,403	15,070	15,814	0,743	5,713
TOTAL EAST OF HUDSON LINES	4,028	4,072	2,849	1,223	24,577	25,396	0,820	11,422
West of Hudson ^(B)	0,081	0,064	0,060	0,004	0,393	0,302	(0,092)	0,091
TOTAL EAST & WEST OF HUDSON LINES	4,109	4,136	2,910	1,227	25,031	25,789	0,758	11,513

^(A) 2021 Ridership figures have been restated to simulate the 2022 calendar.

^(B) West of Hudson current year actuals are preliminary and prior year actuals are stated as received from New Jersey Transit.

MTA METRO-NORTH RAILROAD
2022 MID-YEAR FORECAST VS. ACTUALS
TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
July 31, 2022

<u>Department</u>	<u>MID-YEAR FORECAST</u>	<u>Actual</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Notes</u>
Administration				
President	3	4	(1)	
Labor Relations	10	10	0	
Safety	74	63	11	A
Security	21	18	3	
Corporate & Public Affairs	12	10	2	
Customer Service	53	50	3	
Legal	9	9	-	
Claims	5	5	0	
Human Resources	35	28	7	
Training	90	78	12	A
Employee Relations & Diversity	4	4	-	
VP Ops Support and Org Resiliency	27	20	7	
Capital Planning & Programming	10	6	4	
Long Range Planning	4	4	-	
Rolling Stock Delivery & Integ	-	3	(3)	
Controller	55	49	6	
Budget	15	12	3	
Procurement & Material Mgmt	17	9	8	
Total Administration	444	381	63	
Operations				
Operations Support	55	46	9	
Rolling Stock & EAM	23	11	12	
Transportation	1,588	1,572	16	
Customer Service	369	341	28	B
Metro-North West	31	29	2	
Total Operations	2,066	1,999	67	
Maintenance				
Maintenance of Equipment	1,567	1,567	0	
Maintenance of Way	2,037	1,997	39	A
Procurement & Material Mgmt	116	106	10	
Total Maintenance	3,720	3,670	50	
Engineering/Capital				
Construction Management	15	15	0	
Engineering & Design	51	48	3	
Total Engineering/Capital	66	63	3	
Total Positions	6,296	6,113	183	
Non-Reimbursable	5,449	5,683	(234)	
Reimbursable	846	430	417	
Total Full-Time	6,295	6,112	183	
Total Full-Time-Equivalents (of part-time positions)	1	1	-	

Notes

(A) Variance reflects delayed hiring of vacant positions.

(B) Variance reflects higher attrition than planned.

MTA METRO-NORTH RAILROAD
 2022 MID-YEAR FORECAST VS. ACTUALS
 TOTAL FULL-TIME POSITIONS AND FULL-TIME EQUIVALENTS
 July 31, 2022

FUNCTION/OCCUPATION	MID-YEAR FORECAST	Actual	Favorable (Unfavorable) Variance
Administration			
Managers/Supervisors	150	132	18
Professional, Technical, Clerical	294	248	46
Operational Hourlies	-	-	-
Total Administration	444	381	63
Operations			
Managers/Supervisors	246	243	3
Professional, Technical, Clerical	235	216	19
Operational Hourlies	1,585	1,540	45
Total Operations	2,066	1,999	67
Maintenance			
Managers/Supervisors	636	643	(7)
Professional, Technical, Clerical	497	446	51
Operational Hourlies	2,587	2,580	6
Total Maintenance	3,720	3,670	50
Engineering/Capital			
Managers/Supervisors	26	28	(2)
Professional, Technical, Clerical	40	35	5
Operational Hourlies	-	-	-
	66	63	3
Total Positions			
Managers/Supervisors	1,058	1,046	12
Professional, Technical, Clerical	1,066	945	121
Operational Hourlies	4,172	4,121	51
Total Positions	6,296	6,113	183

MTA METRO-NORTH RAILROAD
2022 MID-YEAR FORECAST VS. ACTUALS
 July 31, 2022

<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	444	381	63	Primarily reflects delayed hiring of vacant positions
Operations	2,066	1,999	67	Primarily reflects higher attrition than planned.
Maintenance	3,720	3,670	50	Primarily reflects delayed hiring of vacant positions
Engineering / Capital	66	63	3	
Total Agency-wide Headcount	6,296	6,113	183	
Non-Reimbursable	5,449	5,683	(234)	
Reimbursable	846	430	417	

MTA METRO-NORTH RAILROAD
JULY FINANCIAL PLAN - 2022 MID-YEAR FORECAST
MONTHLY PERFORMANCE INDICATORS ^(A)
JULY 2022

	MONTH			VARIANCE	
	Fav/(Unfav)			Fav/(Unfav)	
	MYF	2022	2021*	MYF	2021
Farebox Operating Ratio					
Standard ^(B)	29.3%	34.2%	23.8%	4.9%	10.4%
Adjusted ^(C)	33.1%	36.2%	25.8%	3.1%	10.4%
Cost per Passenger					
Standard ^(B)	\$30.63	\$27.82	\$37.69	\$2.81	\$9.87
Adjusted ^(C)	\$29.94	\$27.14	\$36.61	\$2.80	\$9.48
Passenger Revenue/Passenger	\$8.98	\$9.51	\$8.97	\$0.53	\$0.54
	YEAR-TO-DATE			VARIANCE	
	Fav/(Unfav)			Fav/(Unfav)	
	MYF	2022	2021*	MYF	2021
Farebox Operating Ratio					
Standard ^(B)	27.4%	29.5%	16.1%	2.1%	13.4%
Adjusted ^(C)	31.4%	33.8%	18.9%	2.4%	14.8%
Cost per Passenger					
Standard ^(B)	\$32.45	\$30.84	\$52.03	\$1.61	\$21.20
Adjusted ^(C)	\$31.64	\$29.98	\$50.54	\$1.65	\$20.56
Passenger Revenue/Passenger	\$8.89	\$9.08	\$8.36	\$0.19	\$0.72

(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) 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.