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Press Release

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[MTA Headquarters](#)

IMMEDIATE

MTA Statement On Today'S Court Decision And Bond Rating Assignments

Based on Judge Louis B. York's decision this afternoon the fare increase will go into effect this Sunday at 12:01 AM, as scheduled.

We are confident we will make our case in court again next Friday.

MTA Chairman Peter S. Kalikow said, "Raising the fare is an unpopular task, especially in these difficult economic times. Nonetheless, the MTA needs to increase revenues in order to maintain our progress in supplying New Yorkers with a transportation system they deserve."

Earlier today the MTA also received strong ratings from independent bond rating agencies Fitch, Moody's, and Standard & Poor's.

The rating agencies each conducted a review of the MTA's financial situation over the past week in anticipation of an MTA bond offering. All three rating agencies advised investors that the MTA will maintain its strong "A" rating.

In assigning their rating Fitch cited the MTA's, "track record of prudent financial management."

Standard & Poor's cited MTA's, "strong management track record of maintaining fiscally prudent operations while continuing to invest and upgrade the transit and commuter system."

In assigning their "A2" rating Moody's noted that recent criticism of the MTA finances, "questioned the timing of, rather the need for, a fare increase."

Peter S. Kalikow said, "Our strong "A" ratings by Standard & Poor's, Fitch, and Moody's is a reaffirmation of the MTA's stable financial position. We are pleased that the rating agencies have concluded what we have been saying for some time, that the MTA is a strong and fiscally prudent operation."

With respect to news reports of "hidden funds" Fitch noted that, "surplus generated in one year are typically used to cover deficits in succeeding years, a common practice among transit systems."

"In March we decided it was appropriate to spend money over two years in order to minimize the fare increase. We are pleased that the rating agencies agree that this was a prudent and fiscally sound decision," added Kalikow.