

**MTA ANNUAL DISCLOSURE STATEMENT UPDATE
RELATING TO THE 2024 JULY FINANCIAL PLAN
August 7, 2024**

Introduction

This Metropolitan Transportation Authority (“MTA”) Annual Disclosure Statement Update (including Attachment A hereto, the July Plan Update), dated August 7, 2024, is the July Plan Update to the Annual Disclosure Statement (the “ADS”) of MTA, dated April 29, 2024, as supplemented on July 3, 2023 and on July 10, 2024, and contains information only through its date. This July Plan Update contains information only through August 7, 2024, and should be read in its entirety, together with the ADS as so previously supplemented. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ADS.

MTA expects to file this July Plan Update with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access system and may incorporate such information herein by specific cross-reference. Such information, together with the complete July Plan hereinafter referred to, is also posted on the MTA website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA’s website or any other website is included by specific cross-reference herein. All of the information in this July Plan Update is accurate as of its date. MTA retains the right to update and supplement specific information contained herein as events warrant.

The factors affecting MTA’s financial condition are complex. This July Plan Update contains forecasts, projections, and estimates that are based on expectations and assumptions that existed at the time they were prepared and contains statements relating to future results and economic performance that are “forward-looking statements”, as such term is defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “calculate,” “budget,” “project,” “forecast,” “anticipate” or other similar words. The forward-looking statements contained herein are based on MTA’s expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete, imprecise or not reflective of future actual results. Forecasts, projections, calculations and estimates are not intended as representations of fact or guarantees of results. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, general economic and business conditions; natural calamities; foreign hostilities or wars; domestic or foreign terrorism; changes in political, social, economic and environmental conditions including climate change and extreme weather events; severe epidemic or pandemic events; cybersecurity events; impediments to the regulations; litigation; actions by the federal government to reduce or disallow expected aid, including federal aid authorized or appropriated by Congress, but subject to sequestration, administrative actions, or other actions that would reduce aid to MTA; and various other events, conditions and circumstances. Many of these risks and uncertainties are beyond the control of MTA. Except as set forth in the preceding paragraph, MTA does not plan to issue any updates or revisions to those

forward-looking statements if or when its expectations change or events occur that change the conditions or circumstances on which such statements are based. Such forward-looking statements speak only as of the date of this July Plan Update.

In this July Plan Update, readers will find:

1. A summary of the 2024 MTA July Financial Plan presented to the MTA Board on July 31, 2024 (the “July Plan”). The complete July Plan is posted on MTA’s website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA’s website or any other website is included by specific cross-reference herein. The updated information reflected in the July Plan includes the 2024 Mid-Year Forecast, the 2025 Preliminary Budget and a Financial Plan for fiscal years 2025 through 2028 (the “2025-2028 Financial Plan”).
2. **Attachment A** to this July Plan Update, which presents the consolidated July Plan in tabular form and includes Financial Plan tables that summarize MTA’s July Plan projected receipts and expenditures for the 2024 Mid-Year Forecast, the 2025 Preliminary Budget, and a Financial Plan for the fiscal years 2025-2028, in each case prepared by MTA management.

The July Plan

The July Plan remains balanced through 2026 with deficits of \$428 million in 2027 and \$469 million in 2028, compared with the 2024 MTA February Financial Plan (the “February Plan”) which was balanced through 2027.

Changes from the February Plan primarily reflect agency re-estimates and new needs, farebox and subsidy revenues and debt service actions. The two biggest changes from the February Plan are subway and bus farebox revenue, which is projected to be lower by \$811 million through 2027, and real estate transaction tax revenues, which are projected to be lower by \$790 million through 2027.

Projections for commuter railroad farebox revenue and toll revenue at MTA Bridges and Tunnels facilities, on the other hand, are favorable to the February Plan, with commuter railroad farebox revenue favorable by \$114 million through 2027 and MTA Bridges and Tunnels toll revenue favorable by \$209 million through 2027.

The pause in the Central Business District Tolling Program (“CBDTP”) is also expected to have an adverse impact on projected farebox revenue. MTA estimates that farebox revenue will be lower by \$30 million through the remainder of 2024 as anticipated shifts from vehicles to mass transit do not take place. Farebox revenue for 2025 through 2028 has not yet been lowered awaiting an outcome to the congestion pricing pause. Farebox revenue forecasts in 2025 and later will be adjusted accordingly when there is more clarity on the duration of the congestion pricing pause.

The July Plan does not yet include impacts to operating expenses and debt service from the pause in congestion pricing under the assumption that either the congestion pricing pause will be lifted, or a replacement revenue stream will be provided in a timely manner. Such yet to be incorporated higher expenses during the financial plan period would be due to potential earlier

bond issuances, reductions in in-house capital spending which could reduce capital reimbursement of in-house labor costs, delays in new rolling stock which could increase maintenance expenses, and unrealized savings from increased bus speeds due to reduced congestion which could result in less overtime spending from longer operator shifts.

Operating expenses remain under control. Even with \$156 million included in new needs requests, operating expenses in the July Plan are \$226 million favorable compared with the February Plan. This favorable change includes subsidy increases to offset additional expenses necessary for the expansion of the Automated Camera Enforcement (“ACE”) program at MTA New York City Transit and the expansion of the resident toll rebate programs at MTA Bridges and Tunnels.

The February Plan included operating efficiencies initiatives that are expected to generate \$1.88 billion through 2027 directly impacting MTA. The annually recurring saving target was increased from \$400 million to \$500 million in the 2023 July Financial Plan (July Financial Plan 2024-2027), and this July Plan continues to include unidentified savings targets totaling \$296 million for the 2025 to 2028 period, which will be identified in the upcoming 2024 November Financial Plan.

The July Plan continues to reflect additional farebox and toll revenue from biennial 4 percent yield increases proposed for March 2025 and March 2027 in the February Plan.

The July Plan presents a balanced budget through 2026, with deficits of \$428 million in 2027 and \$469 million in 2028.

Risks to the July Plan include:

There are a variety of challenges and significant risks affecting MTA and the implementation of the July Plan. Additional risks to the July Plan include:

- *Continued paid ridership recovery.* Progress in reducing fare evasion is critical to balancing the financial plan. The potential cost for 5 percent lower recovery is estimated at \$325 million per year.
- *MTA operating efficiencies.* Agencies have been implementing initiatives that achieve savings in excess of \$400 million annually. For 2025 through 2028, between \$70 million and \$75 million annually in savings actions still need to be identified and implemented.
- *Dedicated tax receipts.* An economic slowdown or recession could have a significant impact on the level of dedicated tax receipts received by MTA. Real estate related tax receipts continue to decline related to fewer real estate transactions both in the residential and commercial markets.
- *Casino license and gaming tax revenues.* The approval, awarding, and commencement of operations of downstate casinos is uncertain in both outcome and timing, which risks

the \$500 million assumed to be received by MTA in 2026 and 2027, and the \$600 million assumed for 2028.

- *CBDTP implementation.* As discussed above, the July Plan does not yet include impacts to operating expenses and debt service from the pause in congestion pricing under the assumption that either the congestion pricing pause will be lifted or a replacement revenue stream will be provided in a timely manner.

If the CBDTP is not implemented and other funding sources for the 2020-2024 Capital Program are not provided, there may be additional adverse impacts on MTA's operating and debt service budget. MTA and/or MTA Bridges and Tunnels may have to issue bonds previously authorized for the 2020-2024 Capital Program earlier than anticipated. This earlier debt issuance could increase debt service costs during the financial plan period. Additionally, MTA may have to adjust staffing levels in response to reduced capital spending.

- *Approval and funding for 2025-2029 Capital Program.* MTA is required by state law to submit its next five-year capital program (the 2025-2029 Capital Program) to the Capital Program Review Board by October 1, 2024. Funding of the capital program is needed for MTA to continue its investment in critical state of good repair projects for safe and reliable service. Securing substantial new federal, state and city funding will be required. Over-reliance on MTA debt as a capital funding source could increase debt service costs beyond what is included in the financial plan and put pressure on fares and/or service levels.

MTA Liquidity Resources

As of August 5, 2024, MTA had liquidity resources in the approximate amount of \$5.33 billion, consisting of an operating funds liquidity balance of \$621.8 million, internal available funds and reserves totaling \$3.508 billion, and undrawn commercial bank lines of credit totaling \$1.2 billion.

Litigation

On July 16, 2024, a jury verdict was rendered with respect to the MTA Metro-North Railroad Valhalla incident, which was described in the ADS. The jury found that MTA Metro-North was negligent by reason of the engineer's operation of the train, and negligent in its maintenance and/or design of the third rail, and that the driver of the automobile was negligent in the operation of her motor vehicle at the crossing. The judgment was with respect to the liability trial only, and damages will be determined at separate damages trials. The judge presiding over the trial has scheduled a settlement conference with MTA Metro-North and MTA's excess loss insurance carriers, which will take place prior to scheduling the damages trials.

Based on the estimated damages and evaluations of the wrongful death and personal injury claims, damages would exceed MTA Metro-North's self-insured retention and impact the FMTAC and excess layers of insurance. Defense counsel is in the process of preparing post-trial motions and appeals of the verdict, as well as seeking a stay of the damages trials pending the appeals. MTA cannot predict the outcome of the appeal or post-trial motions at this time.

Two suits have been filed against Governor Hochul and the New York State Department of Transportation, with MTA and MTA Bridges and Tunnels named solely as necessary parties to these actions, challenging the governor's indefinite pause to the CBDTP. In the two suits, *City Club of New York v. Hochul* and *Riders Alliance v. Hochul*, plaintiffs argue that the pause was unlawful and request that the court block the state from further delaying the start of the CBDTP. MTA and MTA Bridges and Tunnels cannot predict the outcome of this litigation.

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**Attachment A to MTA Annual Disclosure Statement
July Plan Update**

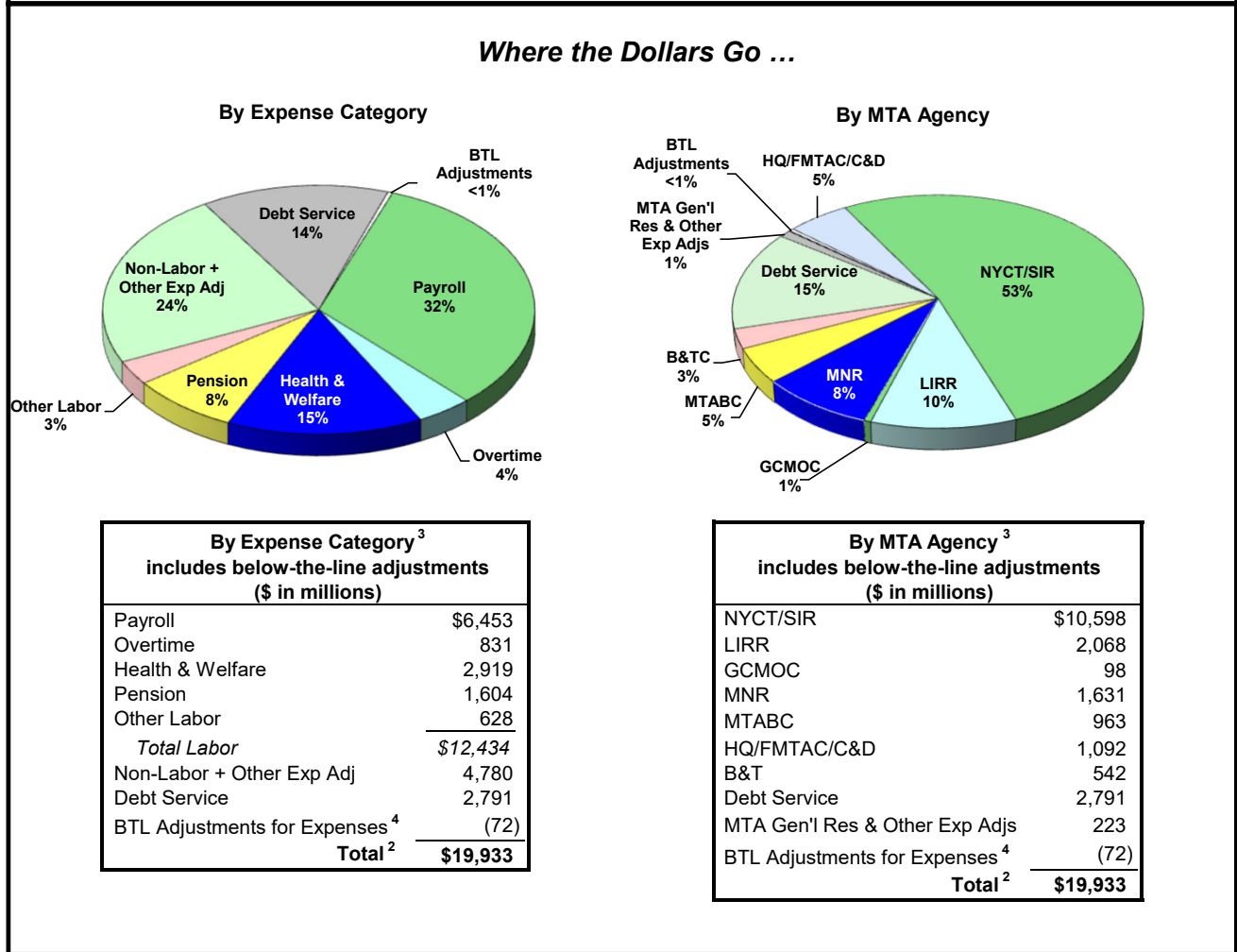
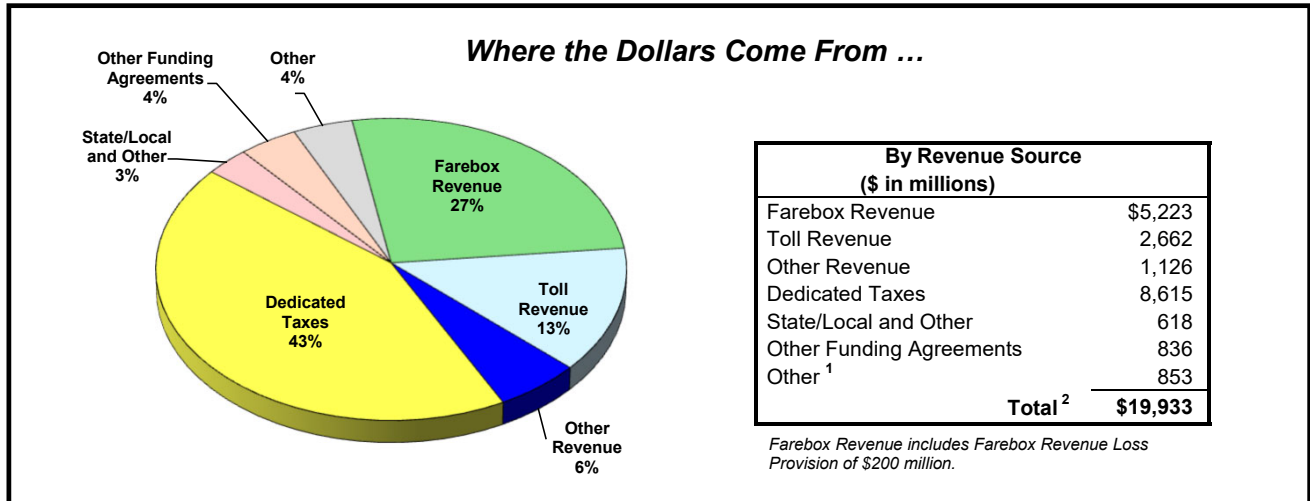
August 7, 2024

MTA July Financial Plan

This **Attachment A** to the 2024 ADS July Plan Update sets forth the consolidated July Plan in tabular form and includes Financial Plan tables that summarize MTA's July Plan, which includes the 2024 Mid-Year Forecast, the 2025 Preliminary Budget and a Financial Plan for the fiscal years 2025 through 2028, in each case prepared by MTA management. The complete July Plan is posted on MTA's website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA's website or any other website is included by specific cross-reference herein.

In general, MTA's July Plan provides the opportunity for MTA to present a revised forecast of the current year's finances and a four-year re-forecast of out-year finances. The July Plan may include a series of gap closing proposals necessary to maintain a balanced budget and actions requiring public hearings.

MTA 2025 Preliminary Budget
Baseline Revenues and Expenses After Below-the-Line (BTL) Adjustments
Non-Reimbursable



Note: The revenues and expenses reflected in these charts are on an accrued basis.

- 1 Includes cash adjustments and prior-year carryover.
- 2 Totals may not add due to rounding.
- 3 Expenses exclude Non-Cash Liabilities.
- 4 The "BTL Adjustments for Expenses" reflect unidentified MTA Operating Efficiencies that cannot be segmented by expense category or by Agency .

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
MTA Consolidated Accrued Statement of Operations By Category
(\$ in millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
<u>Non-Reimbursable</u>						
Operating Revenues						
Farebox Revenue	\$4,658	\$5,061	\$5,276	\$5,426	\$5,585	\$5,566
Toll Revenue	2,419	2,576	2,581	2,585	2,588	2,591
Other Revenue	881	999	996	1,035	1,077	1,121
Capital and Other Reimbursements	0	0	0	0	0	0
Total Revenues	\$7,958	\$8,637	\$8,853	\$9,046	\$9,249	\$9,279
Operating Expenses						
<u>Labor:</u>						
Payroll	\$5,820	\$6,310	\$6,453	\$6,620	\$6,768	\$6,928
Overtime	1,152	856	831	852	872	885
Health and Welfare	1,581	1,843	1,977	2,115	2,261	2,430
OPEB Current Payments	827	870	942	1,023	1,111	1,208
Pension	1,363	1,439	1,604	1,673	1,745	1,791
Other Fringe Benefits	1,059	1,084	1,118	1,173	1,236	1,292
Reimbursable Overhead	(474)	(476)	(491)	(501)	(487)	(490)
Total Labor Expenses	\$11,328	\$11,927	\$12,434	\$12,955	\$13,507	\$14,044
<u>Non-Labor:</u>						
Electric Power	\$510	\$555	\$598	\$634	\$640	\$670
Fuel	226	216	227	226	223	227
Insurance	32	19	15	16	20	31
Claims	394	399	426	439	453	467
Paratransit Service Contracts	517	582	606	639	672	718
Maintenance and Other Operating Contracts	908	1,083	969	945	976	1,018
Professional Services Contracts	631	789	729	768	793	748
Materials and Supplies	641	685	666	716	806	870
Other Business Expenses	314	333	330	338	353	354
Total Non-Labor Expenses	\$4,174	\$4,660	\$4,567	\$4,719	\$4,937	\$5,103
<u>Other Expense Adjustments:</u>						
Other	(\$16)	\$19	\$13	\$14	\$14	\$14
General Reserve	185	195	200	205	220	225
Total Other Expense Adjustments	\$169	\$214	\$213	\$219	\$234	\$239
Total Expenses Before Non-Cash Liability Adjs.	\$15,671	\$16,802	\$17,214	\$17,893	\$18,678	\$19,386
Depreciation	\$3,549	\$3,583	\$3,595	\$3,626	\$3,662	\$3,702
GASB 75 OPEB Expense Adjustment	591	764	774	790	800	816
GASB 68 Pension Expense Adjustment	170	(253)	(216)	(266)	(196)	(422)
GASB 87 Lease Adjustment	20	19	16	12	12	12
GASB 96 SBITA Adjustment	(2)	(3)	(3)	(3)	(3)	(3)
Environmental Remediation	51	6	6	6	6	6
Total Expenses After Non-Cash Liability Adjs.	\$20,049	\$20,917	\$21,386	\$22,057	\$22,959	\$23,498
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$4,378)	(\$4,116)	(\$4,172)	(\$4,164)	(\$4,281)	(\$4,112)
Debt Service	2,631	2,666	2,791	2,986	3,344	3,469
Total Expenses with Debt Service	\$18,302	\$19,467	\$20,005	\$20,879	\$22,022	\$22,855
Dedicated Taxes & State and Local Subsidies	\$8,887	\$9,799	\$10,081	\$11,064	\$11,487	\$11,799
Net Surplus/(Deficit) After Subsidies and Debt Service	(\$1,457)	(\$1,032)	(\$1,071)	(\$770)	(\$1,286)	(\$1,777)
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	1,457	949	853	396	444	866
Cash Balance Before Prior-Year Carryover	\$0	(\$83)	(\$219)	(\$374)	(\$842)	(\$911)
Below the Line Adjustments	\$0	\$83	\$219	\$374	\$414	\$442
Prior Year Carryover Balance	0	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	(\$428)	(\$469)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
Plan Adjustments
(\$ in millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
Cash Balance Before Prior-Year Carryover	\$0	(\$83)	(\$219)	(\$374)	(\$842)	(\$911)
Fare and Toll Increases:						
<i>Fare/Toll Increase, March 2025 (4% Yield)</i>		<i>0</i>	<i>228</i>	<i>301</i>	<i>308</i>	<i>308</i>
<i>Subsidy Impacts - Fare/Toll Increase, March 2025</i>		<i>0</i>	<i>(11)</i>	<i>(9)</i>	<i>(8)</i>	<i>(9)</i>
<i>Fare/Toll Increase - March 2027 (4% Yield)</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>275</i>	<i>320</i>
<i>Subsidy Impacts - Fare/Toll Increase, March 2027</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>(13)</i>	<i>(10)</i>
Subtotal:		\$0	\$217	\$291	\$562	\$610
MTA Initiatives:						
<i>MTA Operating Efficiencies</i>		<i>0</i>	<i>72</i>	<i>70</i>	<i>75</i>	<i>78</i>
Subtotal:		\$0	\$72	\$70	\$75	\$78
Management and Policy Actions:						
<i>Penn Station Access</i>		<i>0</i>	<i>(1)</i>	<i>(8)</i>	<i>(22)</i>	<i>(45)</i>
<i>Farebox Revenue Loss Provision</i>		<i>(137)</i>	<i>(200)</i>	<i>(200)</i>	<i>(200)</i>	<i>(200)</i>
Subtotal:		(\$137)	(\$201)	(\$208)	(\$222)	(\$245)
MTA Re-estimates:						
<i>CBDTP Farebox Loss</i>		<i>(30)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Subtotal:		(\$30)	\$0	\$0	\$0	\$0
Other:						
<i>FEMA COVID Reimbursement</i>		<i>250</i>	<i>130</i>	<i>220</i>	<i>0</i>	<i>0</i>
Subtotal:		\$250	\$130	\$220	\$0	\$0
TOTAL ADJUSTMENTS		\$83	\$219	\$374	\$414	\$442
<i>Prior Year Carryover Balance</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Net Cash Surplus/(Deficit)	\$0	\$0	\$0	\$0	(\$428)	(\$469)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$4,640	\$5,049	\$5,262	\$5,412	\$5,570	\$5,551
Other Revenue	2,154	1,271	1,218	1,109	1,096	1,140
Capital and Other Reimbursements	1,876	2,710	2,350	2,400	2,388	2,354
Total Receipts	\$8,671	\$9,030	\$8,831	\$8,922	\$9,053	\$9,046
Expenditures						
Labor:						
Payroll	\$6,392	\$7,029	\$7,256	\$7,265	\$7,380	\$7,535
Overtime	1,381	1,061	1,030	1,054	1,068	1,085
Health and Welfare	1,601	1,953	2,046	2,185	2,332	2,501
OPEB Current Payments	814	858	929	1,009	1,096	1,192
Pension	2,062	1,500	1,083	1,767	1,840	1,887
Other Fringe Benefits	1,069	1,119	1,134	1,160	1,193	1,232
Contribution to GASB Fund	0	0	0	0	0	0
Reimbursable Overhead	0	0	0	0	0	0
Total Labor Expenditures	\$13,319	\$13,519	\$13,479	\$14,440	\$14,909	\$15,432
Non-Labor:						
Electric Power	\$513	\$574	\$607	\$640	\$646	\$676
Fuel	229	214	225	224	221	225
Insurance	4	54	14	12	15	28
Claims	296	333	335	334	339	348
Paratransit Service Contracts	510	580	604	637	670	716
Maintenance and Other Operating Contracts	776	1,134	903	860	880	920
Professional Services Contracts	652	1,010	811	865	916	813
Materials and Supplies	759	842	793	830	900	970
Other Business Expenses	275	300	298	326	334	336
Total Non-Labor Expenditures	\$4,014	\$5,042	\$4,591	\$4,728	\$4,923	\$5,033
Other Expenditure Adjustments:						
Other	\$171	\$155	\$122	\$130	\$114	\$91
General Reserve	185	195	200	205	220	225
Total Other Expenditure Adjustments	\$356	\$350	\$322	\$335	\$334	\$316
Total Expenditures	\$17,689	\$18,911	\$18,392	\$19,503	\$20,167	\$20,781
Net Cash Balance before Subsidies and Debt Service	(\$9,018)	(\$9,881)	(\$9,561)	(\$10,582)	(\$11,113)	(\$11,735)
Dedicated Taxes & State and Local Subsidies	\$10,961	\$11,816	\$11,363	\$12,352	\$12,723	\$13,331
Debt Service	(1,943)	(2,019)	(2,020)	(2,144)	(2,452)	(2,507)
Cash Balance Before Prior-Year Carryover	\$0	(\$83)	(\$219)	(\$374)	(\$842)	(\$911)
Adjustments	\$0	\$83	\$219	\$374	\$414	\$442
Prior-Year Carryover Balance	0	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	(\$428)	(\$469)

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METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025-2028
MTA Consolidated July Financial Plan Compared with February Financial Plan
Cash Reconciliation after Below-the-Line Adjustments
(\$ in millions)

	Favorable/(Unfavorable)			
	2024	2025	2026	2027
FEBRUARY FINANCIAL PLAN 2024-2027				
NET CASH SURPLUS/(DEFICIT)	(\$0)	(\$0)	(\$0)	(\$0)
Agency Baseline Re-estimates	(\$316)	\$66	(\$30)	(\$29)
Farebox Revenue	(42)	26	28	33
Toll Revenue	50	52	53	54
NYCT Fare Media Liability	32	32	31	13
Paratransit ¹	(51)	(11)	3	16
Electric Power and Fuel	113	82	44	55
Health & Welfare (including retirees)	(11)	(9)	(5)	(3)
Pensions	(30)	(37)	(42)	(51)
Pensions Prepayment	(41)	81	-	-
Re-examination of Budgetary Needs and Impacts	126	209	203	205
ACE Program Expansion ²	(3)	(61)	(88)	(105)
Resident Toll Rebate Program Expansion ³	(22)	(22)	(22)	(22)
Fare Media Card Surcharge and Fees	(27)	(24)	(30)	(40)
Timing	(136)	(49)	(22)	2
Other Baseline Re-estimates ⁴	(274)	(204)	(183)	(184)
New Needs/Investments	(\$57)	(\$48)	(\$26)	(\$26)
Information Technology	(11)	(15)	(16)	(16)
Maintenance and Service Support	(8)	(9)	(7)	(8)
Fare Evasion Mitigation Efforts	(35)	(16)	-	-
All Other New Needs	(3)	(7)	(2)	(2)
B&T Adjustments	\$28	\$31	\$34	\$34
B&T Net Baseline Impacts ⁵	28	31	34	34
MTA Adjustments	(\$5)	\$0	\$0	\$0
General Reserve	(5)	-	-	-
Debt Service (Cash)	\$77	\$66	(\$15)	\$27
Subsidies (Cash)	\$339	\$266	\$224	(\$233)
Metropolitan Mass Transportation Operating Assist (MMTOA)	9	159	159	99
Petroleum Business Tax (PBT) Receipts	29	(21)	(21)	(21)
Real Estate Taxes	(340)	(273)	(178)	1
MTA Aid	(9)	(10)	(10)	(10)
For-Hire Vehicle (FHV) Surcharge	10	4	(2)	(3)
Automated Camera Enforcement (ACE)	3	52	75	89
Peer-to-Peer Car Sharing Trip Tax	1	1	1	1
Station Maintenance	2	2	(0)	(0)
Other Subsidy Adjustments:	411	229	117	(418)
<i>Forward Energy Contracts Program - Gain/(Loss)</i>	(7)	(3)	(0)	-
<i>Committed to Capital Program Contributions</i>	109	232	65	1
<i>Other Local Subsidy Resources</i>	549	-	52	(419)
<i>Other Local Subsidy to Cover Debt Service Prepayment</i>	(240)	-	-	-
City Subsidy for MTA Bus	(2)	(2)	16	(32)
City Subsidy for Staten Island Railway	3	(4)	(8)	(7)
CDOT Subsidy for Metro-North Railroad	8	(10)	(23)	(30)
B&T Surplus Transfer	213	138	97	98
Subtotal Changes before Below-the-Line Adjustments	\$66	\$381	\$188	(\$227)

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METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025-2028
MTA Consolidated July Financial Plan Compared with February Financial Plan
Cash Reconciliation after Below-the-Line Adjustments
(\$ in millions)

Continued from Page 1

	Favorable/(Unfavorable)			
	2024	2025	2026	2027
Below-the-Line (BTL) Adjustments	(\$66)	(\$381)	(\$188)	(\$201)
Fare and Toll Increases:	-	(68)	(6)	(7)
<i>Fare/Toll Increase - March 2025 (4% Yield)</i>	-	(71)	(4)	(4)
<i>Subsidy Impacts - Fare/Toll Increase, March 2025</i>	-	3	(1)	(0)
<i>Fare/Toll Increase - March 2027 (4% Yield)</i>	-	-	-	(2)
<i>Subsidy Impacts - Fare/Toll Increase, March 2027</i>	-	-	-	(0)
Management and Policy Actions:	(36)	(193)	(186)	(194)
<i>Penn Station Access</i>	1	7	14	23
<i>Reimbursement from OPEB Trust</i>	-	-	-	(17)
<i>Farebox Revenue Loss Provision</i>	(37)	(200)	(200)	(200)
MTA Re-estimates:	(30)	-	-	-
<i>CBDTP Pause - Farebox Revenue Loss</i>	(30)	-	-	-
Other:	-	(120)	3	-
<i>FEMA COVID Reimbursement</i>	-	(120)	3	-
Prior Year Carryover	\$0	\$0	\$0	\$0
JULY FINANCIAL PLAN 2025-2028				
NET CASH SURPLUS/(DEFICIT)	\$0	\$0	\$0	(\$428)

¹ Includes Paratransit revenue, Paratransit expenses and Urban Tax for Paratransit.

² Additional expenses related to the expansion of the ACE program are covered by additional revenue from fines, which are captured in the Subsidies section of the Financial Plan.

³ Revenues are from the OBTA reserve account which were released to the operating budget after the Governor and State Legislature approved the use of the funds for the toll rebate programs.

⁴ Includes OTPS and reimbursable adjustments, operating capital and cash adjustments.

⁵ While B&T Operating Surplus Transfer is captured as a subsidy, B&T's baseline impacts are captured in individual reconciliation categories in the Agency Baseline Adjustments above. To avoid duplication, B&T's baseline impacts are eliminated within this line. Included within this B&T Net Baseline Impacts are reversals for higher toll revenue and favorable OTPS adjustments which are captured above.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
Consolidated Subsidies

Cash Basis
(\$ in Millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
MMTOA, PBT, Real Estate Taxes and Other						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$2,838.5	\$3,000.0	\$3,150.0	\$3,150.0	\$3,150.0	\$3,213.0
Petroleum Business Tax (PBT)	574.9	644.7	594.7	594.7	594.7	594.7
Mortgage Recording Tax (MRT)	359.4	313.4	381.8	466.0	569.6	589.7
MRT Transfer to Suburban Counties	(18.0)	(11.4)	(11.0)	(12.7)	(14.8)	(17.1)
MTA Bus Debt Service	(12.3)	(12.3)	(12.6)	(14.5)	(13.6)	(12.3)
Urban Tax	<u>382.0</u>	<u>313.9</u>	<u>384.1</u>	<u>471.0</u>	<u>578.9</u>	<u>598.4</u>
	\$4,124.5	\$4,248.4	\$4,487.1	\$4,654.6	\$4,864.9	\$4,966.5
PMT and MTA Aid						
Payroll Mobility Tax (PMT)	\$2,232.9	\$3,020.5	\$3,150.1	\$3,277.7	\$3,403.7	\$3,530.8
Payroll Mobility Tax Replacement Funds	244.3	244.3	244.3	244.3	244.3	244.3
MTA Aid	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>
	\$2,750.8	\$3,538.4	\$3,668.0	\$3,795.6	\$3,921.6	\$4,048.7
For-Hire Vehicle (FHV) Surcharge						
Subway Action Plan Account	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0
Outerborough Transportation Account (OBTA) Transfer to Operating	22.2	22.2	22.2	22.2	22.2	22.2
General Transportation Account	<u>0.0</u>	<u>12.5</u>	<u>18.7</u>	<u>24.6</u>	<u>25.6</u>	<u>26.6</u>
	\$322.2	\$334.7	\$340.9	\$346.8	\$347.8	\$348.8
Automated Camera Enforcement (ACE)						
	\$9.2	\$48.6	\$93.0	\$113.2	\$127.7	\$86.1
Peer-to-Peer Car Sharing Trip Tax						
	\$1.1	\$1.1	\$1.1	\$1.2	\$1.2	\$1.2
Capital Program Funding from Lockbox Revenues						
Central Business District Tolling Program (CBDTP)	\$0.0	\$0.0	\$1,000.0	\$1,000.0	\$1,000.0	\$1,000.0
Real Property Transfer Tax Surcharge (Mansion Tax)	345.1	320.6	332.8	335.7	335.8	339.9
Internet Marketplace Tax -NYS	154.2	155.7	157.3	158.8	160.4	162.0
Internet Marketplace Tax - NYC	<u>174.7</u>	<u>176.5</u>	<u>178.2</u>	<u>180.0</u>	<u>181.8</u>	<u>183.6</u>
Subtotal:	673.9	652.8	1,668.3	1,674.5	1,678.0	1,685.6
Less: Debt Service on Lockbox Bonds	(80.4)	(201.5)	(425.9)	(642.0)	(963.4)	(1,170.0)
Less: Lockbox Allocated to PAYGO / CBDTP Expenses	<u>(593.5)</u>	<u>(451.2)</u>	<u>(1,242.3)</u>	<u>(1,032.5)</u>	<u>(714.6)</u>	<u>(515.6)</u>
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State and Local Subsidies						
State Operating Assistance	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	192.7	187.9	187.9	187.9	187.9	187.9
Station Maintenance	198.2	205.5	208.2	210.6	215.2	220.2
State General Fund Subsidy	<u>150.0</u>	<u>150.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$728.8	\$731.4	\$584.1	\$586.5	\$591.1	\$596.0
Casino License and Gaming Tax Revenues						
	\$0.0	\$0.0	\$0.0	\$500.0	\$500.0	\$600.0
Investment Income						
	\$86.2	\$61.4	\$36.3	\$15.9	\$14.3	\$14.3
Other Subsidy Adjustments						
NYCT Charge Back of MTA Bus Debt Service	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)
Forward Energy Contracts Program - Gain/(Loss)	12.6	(5.3)	(2.4)	(0.3)	0.0	0.0
Committed to Capital Program Contributions	(114.1)	0.0	0.0	0.0	0.0	0.0
Other Local Subsidy Resources	964.3	768.8	0.0	52.3	50.0	224.3
Other Local Subsidy to Cover Debt Service Prepayment	0.0	(240.1)	0.0	0.0	0.0	0.0
Reimbursement from OPEB Trust	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>250.0</u>
	\$851.3	\$511.8	(\$13.9)	\$40.5	\$38.5	\$462.8
Subtotal: Taxes & State and Local Subsidies	\$8,874.1	\$9,475.8	\$9,196.7	\$10,054.2	\$10,406.9	\$11,124.3
Other Funding Agreements						
City Subsidy for MTA Bus Company	\$524.8	\$519.3	\$519.5	\$723.1	\$802.1	\$769.0
City Subsidy for Staten Island Railway	36.5	44.6	51.0	70.0	69.9	70.8
CDOT Subsidy for Metro-North Railroad	<u>269.1</u>	<u>275.7</u>	<u>282.9</u>	<u>283.1</u>	<u>286.3</u>	<u>288.5</u>
	\$830.4	\$839.6	\$853.4	\$1,076.2	\$1,158.3	\$1,128.3
Subtotal, including Other Funding Agreements	\$9,704.5	\$10,315.3	\$10,050.0	\$11,130.4	\$11,565.3	\$12,252.6
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$1,256.2</u>	<u>\$1,501.1</u>	<u>\$1,312.8</u>	<u>\$1,221.5</u>	<u>\$1,157.6</u>	<u>\$1,078.3</u>
	\$1,256.2	\$1,501.1	\$1,312.8	\$1,221.5	\$1,157.6	\$1,078.3
TOTAL SUBSIDIES	\$10,960.8	\$11,816.5	\$11,362.8	\$12,351.9	\$12,722.8	\$13,330.9

METROPOLITAN TRANSPORTATION AUTHORITY
Summary of Changes Between July and February Financial Plans
Consolidated Subsidies
Cash Basis
(\$ in Millions)

	2024	2025	2026	2027
MMTOA, PBT, Real Estate Taxes and Other				
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$9.1	\$159.1	\$159.1	\$99.2
Petroleum Business Tax (PBT)	29.5	(20.5)	(20.5)	(20.5)
Mortgage Recording Tax (MRT)	(142.0)	(116.8)	(74.9)	0.0
MRT Transfer to Suburban Counties	0.1	2.0	1.8	1.1
Urban Tax	<u>(197.9)</u>	<u>(158.6)</u>	<u>(104.5)</u>	<u>0.0</u>
	(\$301.3)	(\$134.9)	(\$39.0)	\$79.8
PMT and MTA Aid				
Payroll Mobility Tax (PMT)	\$0.0	\$0.0	\$0.0	\$0.0
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0
MTA Aid	<u>(9.3)</u>	<u>(9.5)</u>	<u>(9.7)</u>	<u>(9.9)</u>
	(\$9.3)	(\$9.5)	(\$9.7)	(\$9.9)
For-Hire Vehicle (FHV) Surcharge				
Subway Action Plan Account	\$0.0	\$0.0	\$0.0	\$0.0
Outerborough Transportation Account (OBTA) Transfer to Operating	22.2	22.2	22.2	22.2
General Transportation Account	<u>(12.5)</u>	<u>(18.7)</u>	<u>(24.6)</u>	<u>(25.6)</u>
	\$9.7	\$3.5	(\$2.4)	(\$3.4)
Automated Camera Enforcement (ACE)				
	\$3.3	\$52.2	\$75.0	\$89.5
Peer-to-Peer Car Sharing Trip Tax				
	\$0.9	\$0.9	\$0.9	\$0.9
Capital Program Funding from Lockbox Revenues				
Central Business District Tolling Program (CBDTP)	(\$400.0)	\$0.0	\$0.0	\$0.0
Real Property Transfer Tax Surcharge (Mansion Tax)	0.0	0.0	0.0	0.0
Internet Marketplace Tax - NYS	0.0	0.0	0.0	0.0
Internet Marketplace Tax - NYC	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Subtotal:	(400.0)	0.0	0.0	0.0
Less: Debt Service on Lockbox Bonds	5.5	24.3	205.6	196.1
Less: Lockbox Allocated to PAYGO / CBDTP Expenses	<u>394.5</u>	<u>(24.3)</u>	<u>(205.6)</u>	<u>(196.1)</u>
	\$0.0	\$0.0	\$0.0	\$0.0
State and Local Subsidies				
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0
Station Maintenance	2.2	1.7	(0.2)	(0.3)
State General Fund Subsidy	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$2.2	\$1.7	(\$0.2)	(\$0.3)
Casino License and Gaming Tax Revenues				
	\$0.0	\$0.0	\$0.0	\$0.0
Investment Income				
	\$0.0	\$0.0	\$0.0	\$0.0
Other Subsidy Adjustments				
NYCT Charge Back of MTA Bus Debt Service	\$0.0	\$0.0	\$0.0	\$0.0
Forward Energy Contracts Program - Gain/(Loss)	(7.1)	(3.0)	(0.3)	0.0
Committed to Capital Program Contributions	108.8	231.8	64.6	0.8
Other Local Subsidy Resources	549.2	0.0	52.3	(419.0)
Other Local Subsidy to Cover Debt Service Prepayment	(240.1)	0.0	0.0	0.0
Reimbursement from OPEB Trust	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$410.9	\$228.9	\$116.6	(\$418.2)
Subtotal: Taxes & State and Local Subsidies	\$116.5	\$142.9	\$141.2	(\$261.5)
Other Funding Agreements				
City Subsidy for MTA Bus Company	(\$2.0)	(\$2.0)	\$16.1	(\$31.7)
City Subsidy for Staten Island Railway	3.1	(3.6)	(7.7)	(6.8)
CDOT Subsidy for Metro-North Railroad	<u>8.1</u>	<u>(9.9)</u>	<u>(22.8)</u>	<u>(30.2)</u>
	\$9.2	(\$15.5)	(\$14.4)	(\$68.7)
Subtotal, including Other Funding Agreements	\$125.6	\$127.4	\$126.8	(\$330.3)
Inter-agency Subsidy Transactions				
B&T Operating Surplus Transfer	<u>\$213.5</u>	<u>\$138.5</u>	<u>\$97.4</u>	<u>\$97.7</u>
	\$213.5	\$138.5	\$97.4	\$97.7
TOTAL SUBSIDIES	\$339.1	\$265.8	\$224.2	(\$232.6)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025-2028
Debt Affordability Statement after Below-the-Line Adjustments ⁽¹⁾
 \$ in millions

Forecasted Debt Service and Borrowing Schedule	Notes	2023 ACTL	2024	2025	2026	2027	2028
Combined MTA/TBTA Forecasted Debt Service Schedule	1, 2, 3	\$2,631.4	\$2,665.9	\$2,791.4	\$2,986.0	\$3,344.1	\$3,468.6
Forecasted New Long-Term Bonds Issued	4	-	1,525.0	502.0	557.0	2,760.9	423.8
Forecasted Debt Service by Credit ⁹	Notes	2023 ACTL	2024	2025	2026	2027	2028
Transportation Revenue Bonds							
Pledged Revenues	5	\$14,224.2	\$15,857.2	\$16,117.1	\$16,626.1	\$16,835.0	\$16,900.2
Debt Service	10	1,364.3	1,174.1	1,176.1	1,227.2	1,340.8	1,340.9
Debt Service as a % of Pledged Revenues		10%	7%	7%	7%	8%	8%
Dedicated Tax Fund Bonds							
Pledged Revenues	6	\$574.9	\$644.7	\$594.7	\$594.7	\$594.7	\$594.7
Debt Service	10	229.7	264.5	292.5	291.5	341.9	372.3
Debt Service as a % of Pledged Revenues		40%	41%	49%	49%	57%	63%
Payroll Mobility Tax Bonds							
Pledged Revenues	7	\$2,506.6	\$3,294.2	\$3,423.7	\$3,551.3	\$3,677.3	\$3,804.4
Debt Service	10	358.7	599.1	574.6	649.7	795.1	821.7
Debt Service as a % of Pledged Revenues		14%	18%	17%	18%	22%	22%
Triborough Bridge and Tunnel Authority General Revenue Bonds							
Pledged Revenues	8	\$1,949.0	\$2,065.3	\$2,043.3	\$2,027.9	\$2,015.9	\$2,002.7
Debt Service	10	604.5	600.7	720.2	814.6	864.3	924.9
Debt Service as a % of Total Pledged Revenues		31%	29%	35%	40%	43%	46%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds							
Pledged Revenues	9	\$1,344.4	\$1,464.5	\$1,323.1	\$1,213.3	\$1,151.6	\$1,077.8
Debt Service	10	73.9	18.3	16.0	-	-	7.5
Debt Service as a % of Total Pledged Revenues		5%	1%	1%	0%	0%	1%
Triborough Bridge and Tunnel Authority 2nd Subordinate Revenue Bonds							
Pledged Revenues	11	\$1,270.6	\$1,446.2	\$1,307.1	\$1,213.3	\$1,151.6	\$1,070.3
Debt Service	10	-	5.6	8.0	-	-	-
Debt Service as a % of Total Pledged Revenues		0%	0%	1%	0%	0%	0%
2 Broadway Certificates of Participation							
Lease Payments		\$0.3	\$3.6	\$3.9	\$3.0	\$2.1	\$1.2
Cumulative Debt Service (Excluding State Service Contract Bonds)	Notes	2023 ACTL	2024	2025	2026	2027	2028
Total Debt Service before Below-the-Line Adjustments:	1, 2, 3	\$2,631.4	\$2,665.9	\$2,791.4	\$2,986.0	\$3,344.1	\$3,468.6
Fare and Toll Revenues before Below-the-Line Adjustments		\$7,077.2	\$7,637.7	\$7,856.9	\$8,010.7	\$8,172.8	\$8,157.8
Total Debt Service as a % of Fare/Toll Revenue		37.2%	34.9%	35.5%	37.3%	40.9%	42.5%
Operating Revenues (including Fare/Toll Revenues) and Subsidies		\$16,845.4	\$18,435.7	\$18,933.8	\$20,109.6	\$20,735.9	\$21,077.5
Total Debt Service as a % of Operating Revenues and Subsidies		15.6%	14.5%	14.7%	14.8%	16.1%	16.5%
Non-Reimbursable Exp with Debt Service without Non-Cash Liabilities		\$18,302.1	\$19,467.5	\$20,005.0	\$20,879.1	\$22,022.4	\$22,854.9
Total Debt Service as % of Non-reimbursable Expenses		14.4%	13.7%	14.0%	14.3%	15.2%	15.2%
Total Debt Service <u>after</u> Below the Line Adjustments:	12	\$2,631.4	\$2,665.9	\$2,791.4	\$2,986.0	\$3,344.1	\$3,468.6
Fare and Toll Revenues after Below the Line Adjustments	12	\$7,077.2	\$7,637.7	\$8,085.0	\$8,311.7	\$8,755.7	\$8,785.7
<i>Total Debt Service as a % of Fare and Toll Revenue after BTL Adjustments</i>		<i>37.2%</i>	<i>34.9%</i>	<i>34.5%</i>	<i>35.9%</i>	<i>38.2%</i>	<i>39.5%</i>
Operating Revenues and Subsidies after Below the Line Adjustments	12	\$16,845.4	\$18,518.8	\$19,080.8	\$20,421.1	\$21,097.5	\$21,487.1
<i>Total Debt Service as a % of Operating Rev/Subsidies after BTL Adjs.</i>		<i>15.6%</i>	<i>14.4%</i>	<i>14.6%</i>	<i>14.6%</i>	<i>15.9%</i>	<i>16.1%</i>
Non-reimbursable Exp with DS after Below the Line Adjustments	12	\$18,302.1	\$19,467.5	\$19,933.4	\$20,816.7	\$21,969.7	\$22,822.1
<i>Total Debt Service as a % of Non-Reimbursable Exp after BTL Adjs.</i>		<i>14.4%</i>	<i>13.7%</i>	<i>14.0%</i>	<i>14.3%</i>	<i>15.2%</i>	<i>15.2%</i>

Notes on the following page are integral to this table.

- ¹ Floating rate notes assumed at the variable rate assumption plus the current fixed spread to maturity.
- ² Synthetic fixed-rate debt assumed at swap rate; floating rate notes assumed at swap rate plus the current fixed spread to maturity.
- ³ All debt service numbers reduced by Build America Bonds (BAB) subsidy.
- ⁴ All bonds to be issued assume 30-year level debt service with the principal amortized over the life of the bonds, with the following exceptions: PMT Bonds for MTA Bond funded portion of the 2020-24 capital program, which are 30-year bonds, amortized on a level debt service basis over 20 years, from year 11 to year 30.
- ⁵ Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies; funds contributed to the General Transportation Account of the NYC Transportation Assistance Fund; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds, and the Payroll Mobility Tax Obligation Resolution Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.
- ⁶ Dedicated Tax Fund pledged revenues as shown above consist generally of the following: petroleum business tax, motor fuel tax and motor vehicle fees deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; in addition, while not reflected in the DTF pledged revenue figures above, the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Transportation Operating Assistance Account for the benefit of the MTA are also pledged. After the payment of debt service on the MTA Dedicated Tax Fund Bonds, these subsidies are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and SIRTQA.
- ⁷ Payroll Mobility Tax Obligations pledged revenues consist of Payroll Mobility Tax and Aid Trust Account Receipts.
- ⁸ Triborough Bridge and Tunnel Authority General Revenue Bond pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels. Pledged revenues secure TBTA General Revenue Bonds after the payment of TBTA operating and maintenance expenses, including certain reserves.
- ⁹ Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue Bonds.
- ¹⁰ A debt service schedule for each credit is attached as addendum hereto, net of investment income.
- ¹¹ Triborough Bridge and Tunnel Authority Second Subordinate (2nd SUB) Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue and Subordinate Revenue Bonds.
- ¹² These totals incorporate the Plan's Below-the-Line Adjustments.

Note: Does not include debt service to be paid by CBDTP Lockbox.