
Metropolitan Transportation Authority

November 2024 Financial Plan Presentation

11/20/2024



Budget results for first ten months of 2024

- 2024 overall revenue and expenses are on budget with expenses below budget by 2.1%

Revenues

- Subway and bus revenue below budget by 4.5% primarily due to fare evasion, but covered by loss provision built into budget
- Commuter rail revenue better than budget by almost 5%
- B&T revenues on budget
- Dedicated tax receipts are slightly above the reforecast

Expenses

- Overall operating expenses below budget by 2.1%
 - Operating efficiencies of over \$400 million on target to be delivered

November Financial Plan update, slightly better than July

	2024	2025	2026	2027	2028
July financial plan forecasted deficit	\$0	\$0	\$0	(\$428M)	(\$469M)
November financial plan forecasted deficit	\$0	\$0	\$0	(\$378M)	(\$419M)

Major contributors to deficits:

- Projected subway and bus fare revenue below midpoint
- Continued lower real estate related taxes



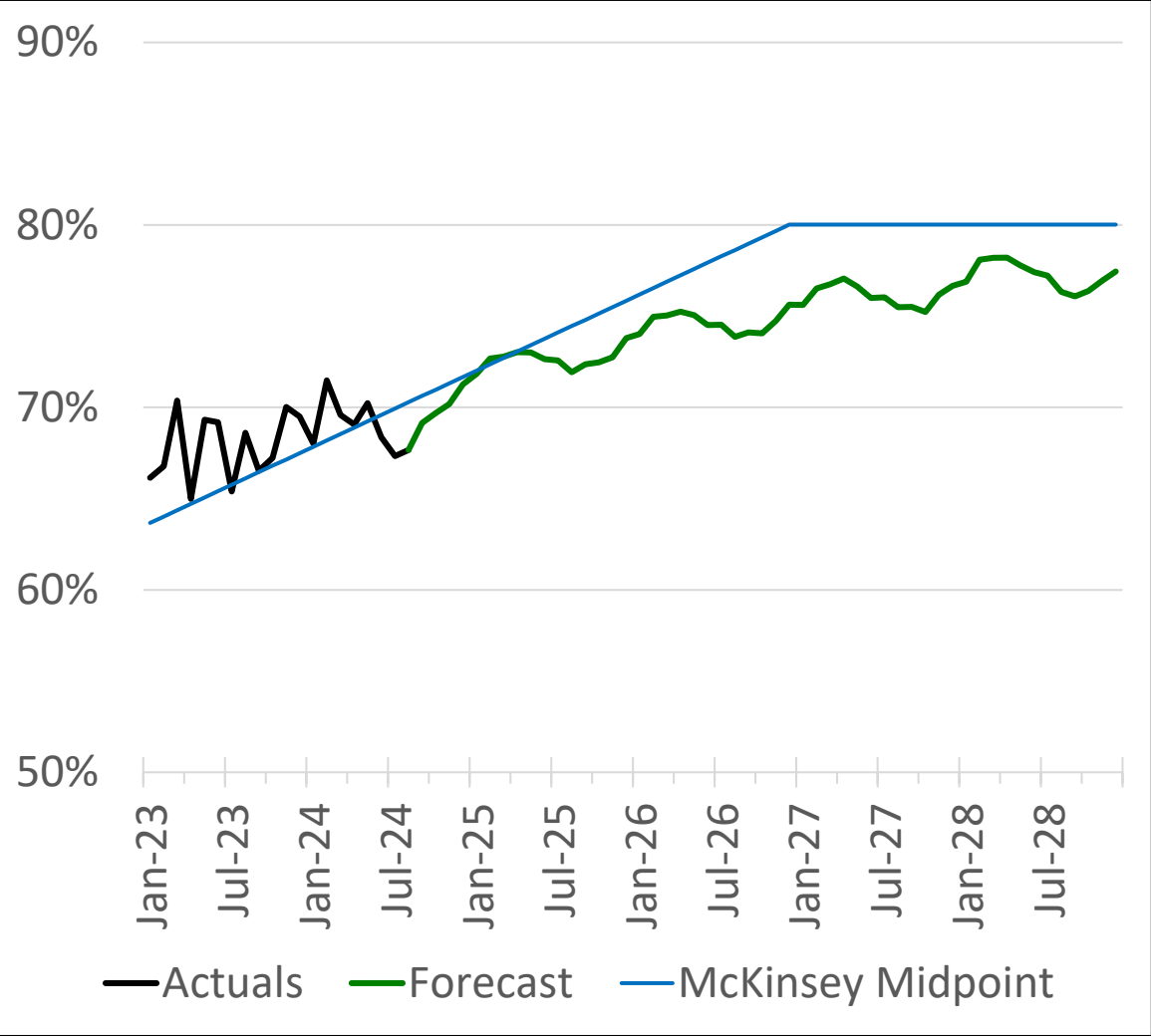
Changes since the July Plan

- Farebox revenue re-forecast incorporating subway and bus fare evasion loss provision
- Higher commuter rail recovery
- B&T traffic continues to grow
- Subsidies remain steady to forecast
 - Payroll mobility tax tracking to budget
 - Real estate revenues continue to be on budget after July Plan downward adjustment

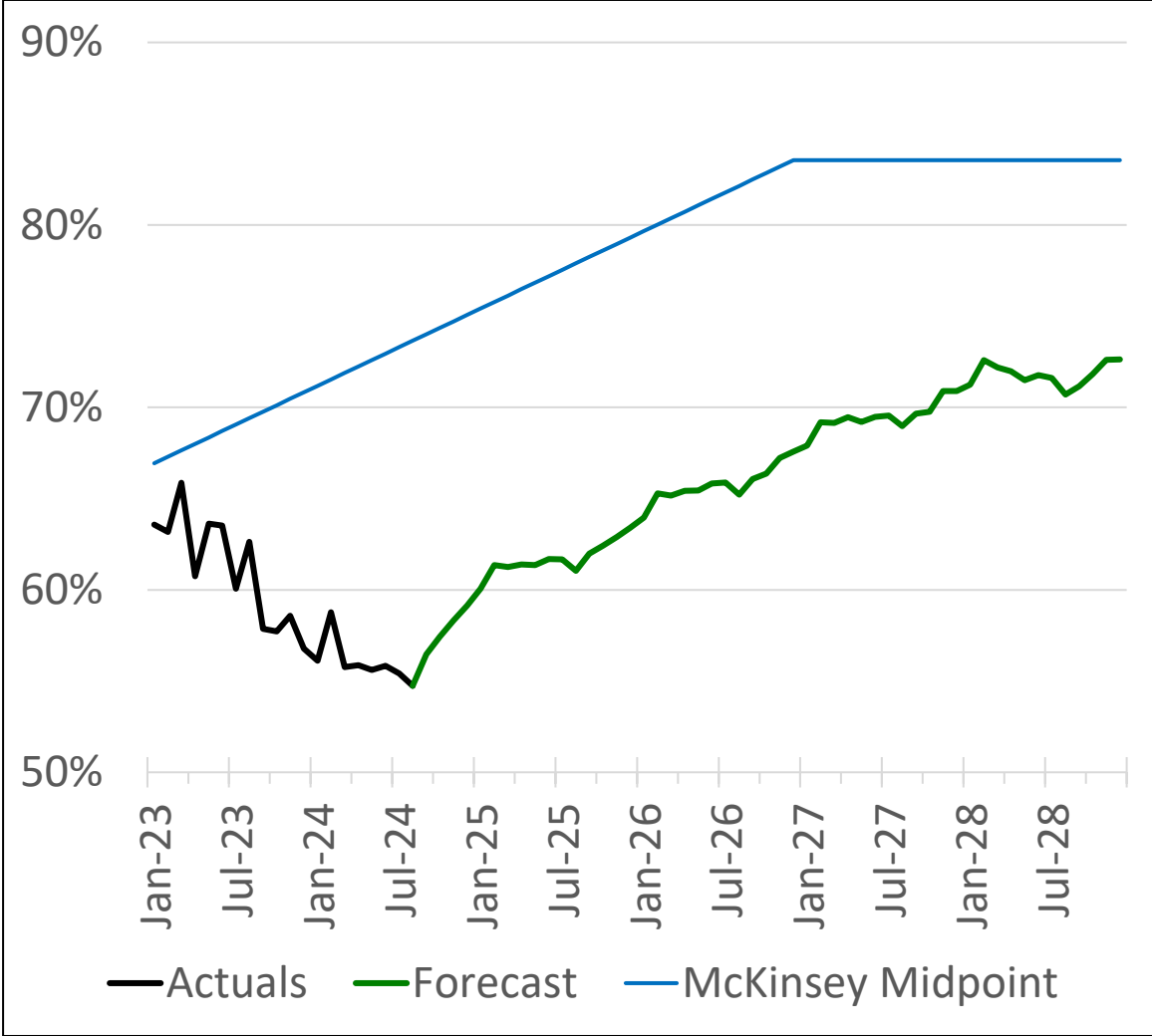
Reforecasting subway and bus paid ridership to actual trends

Paid Ridership, % of 2019

Subways

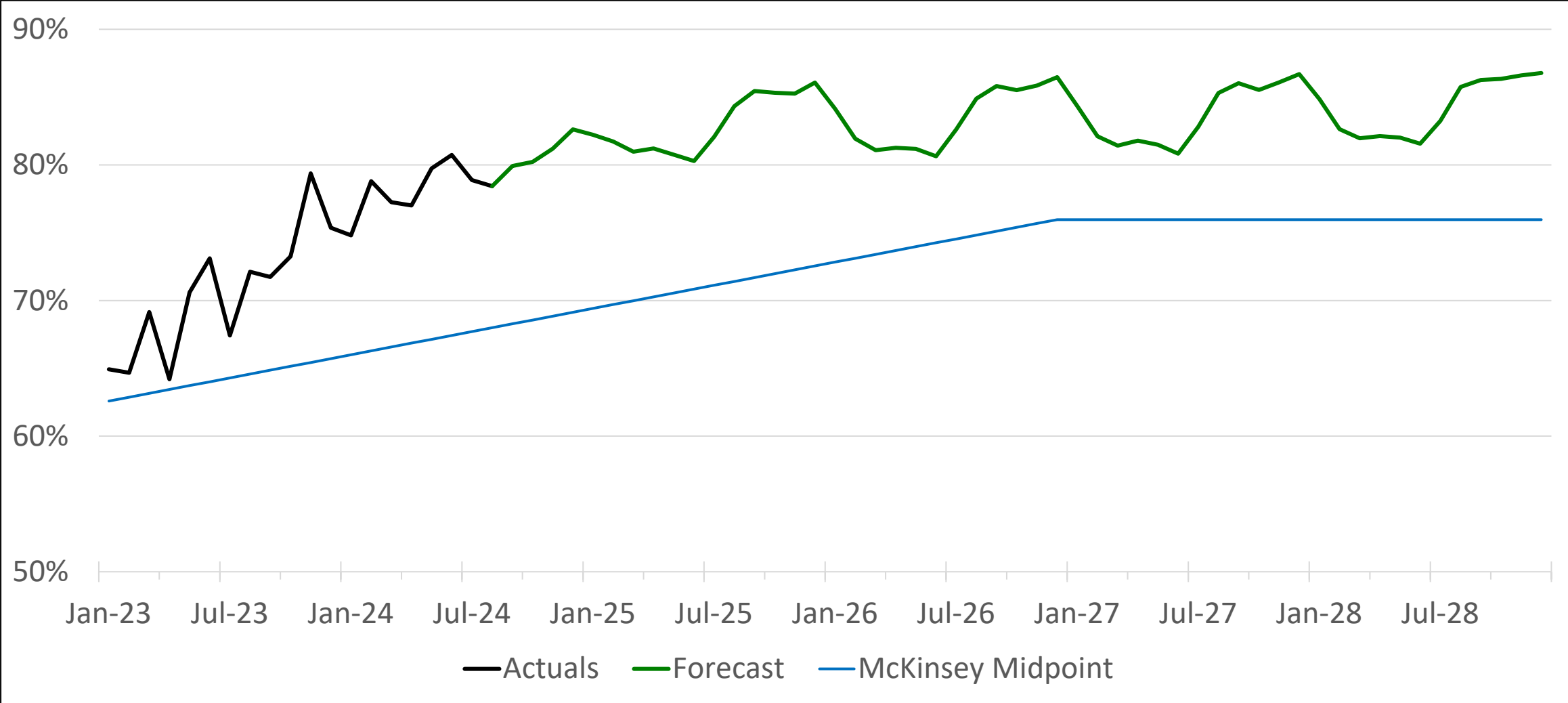


NYCT Bus



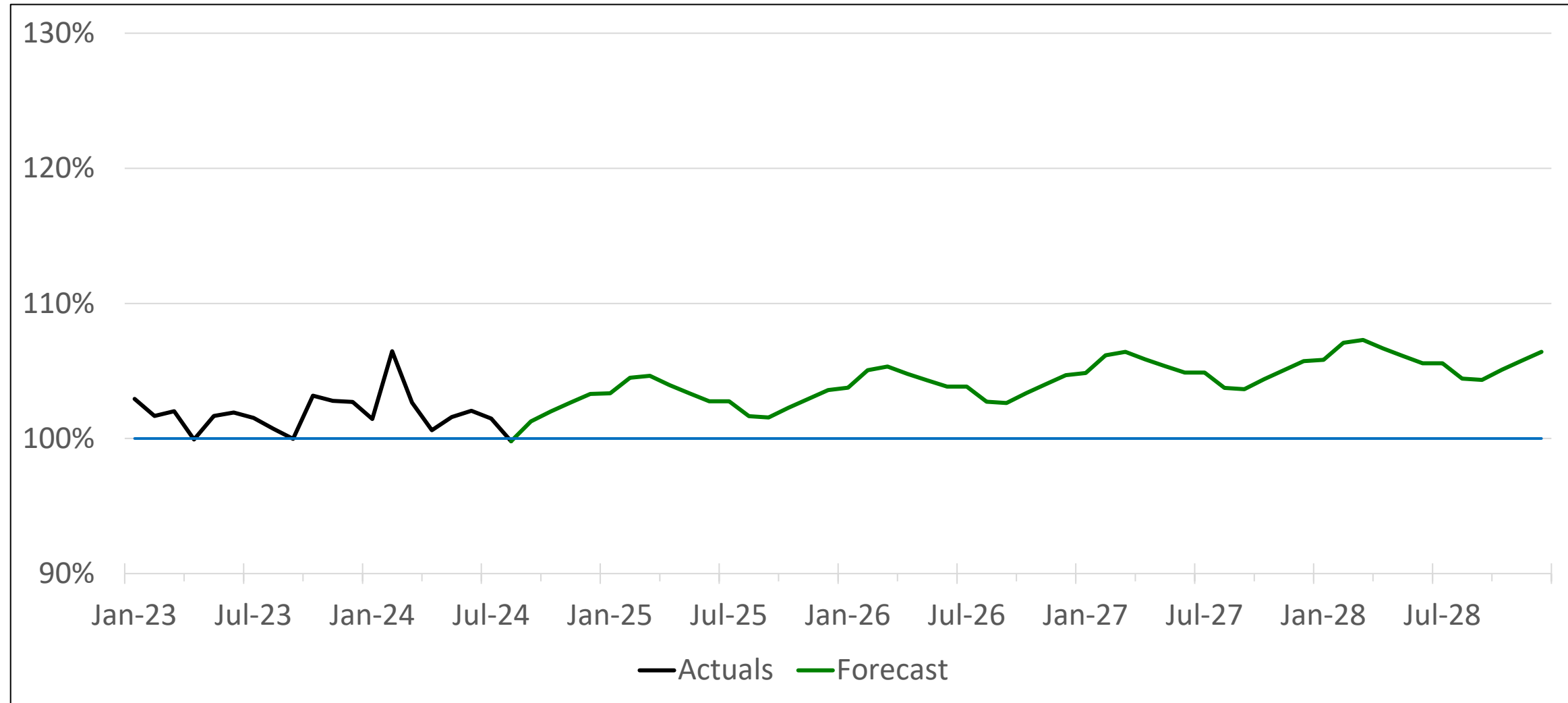
Railroads paid ridership is forecasted to be higher

Paid Ridership, % of 2019 Commuter Railroads



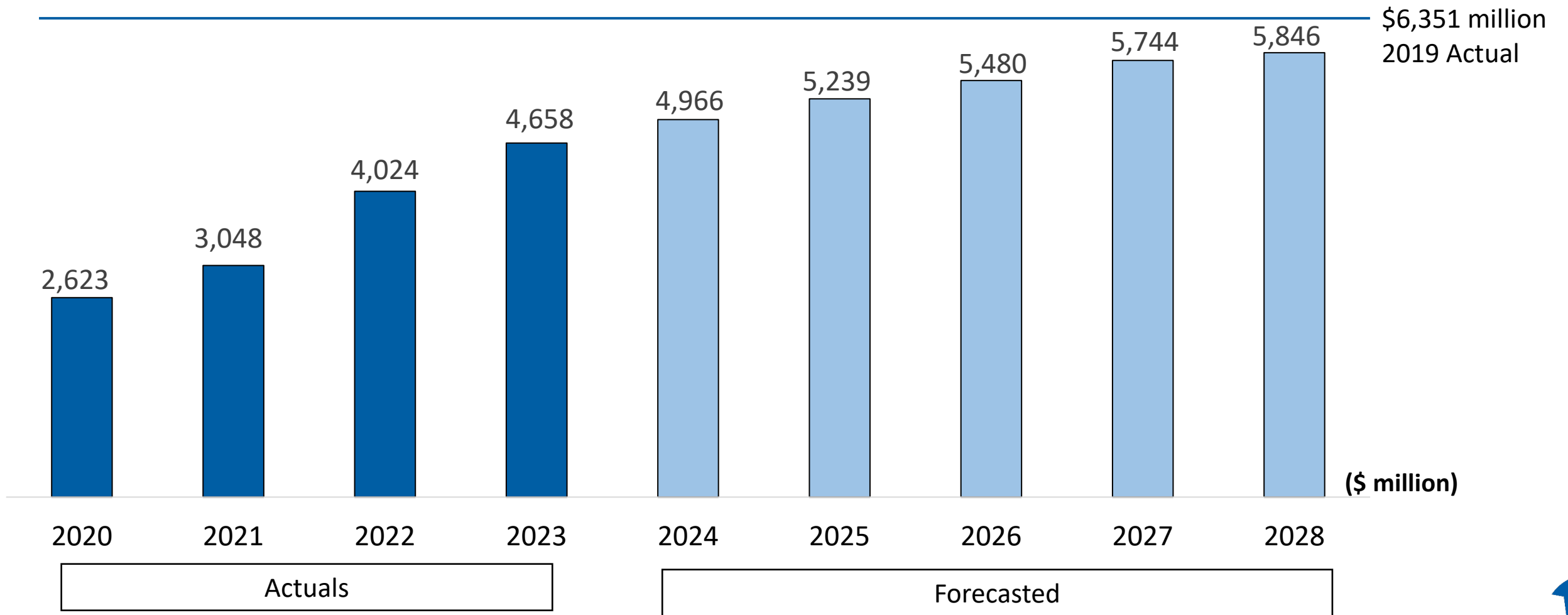
Bridges and Tunnels paid traffic is forecasted to continue to grow

Paid Traffic, % of 2019



Farebox revenue forecasted to increase within \$500 million of 2019 level

Farebox Revenue

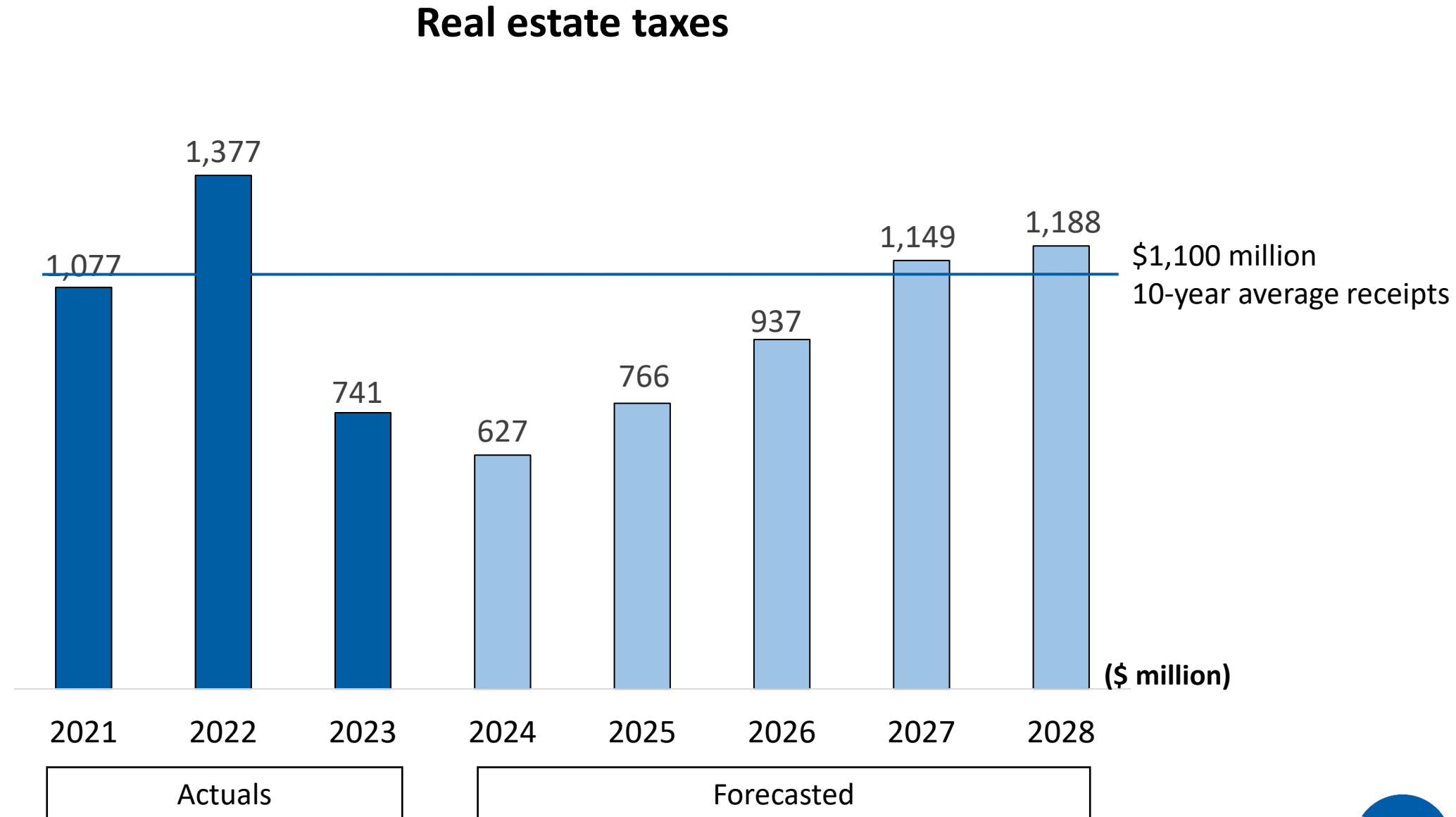


4% fare increase assumed in 2025 and 2027



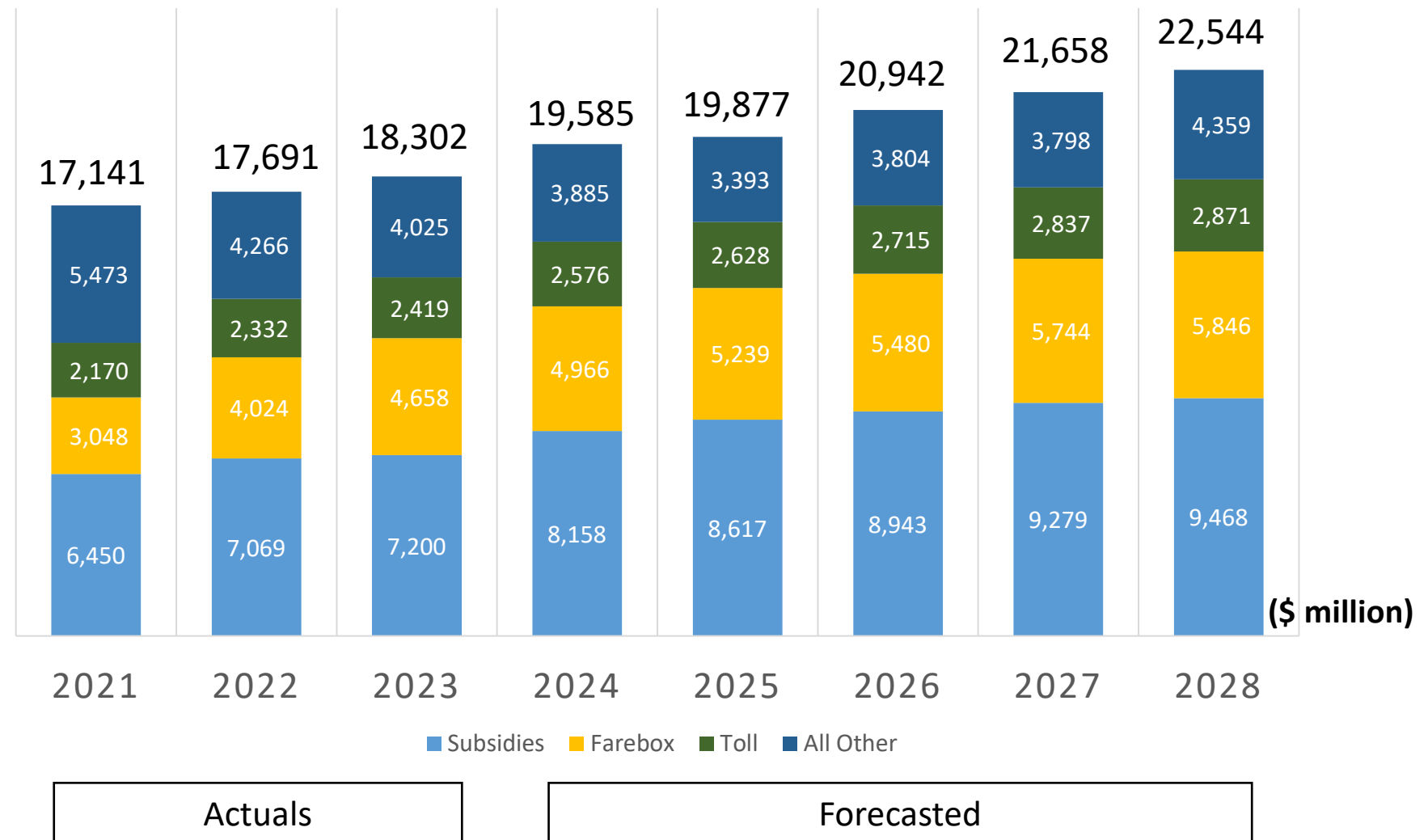
Real estate related taxes forecasted to increase to average

Real estate revenues continue to be on budget after July Plan downward adjustment



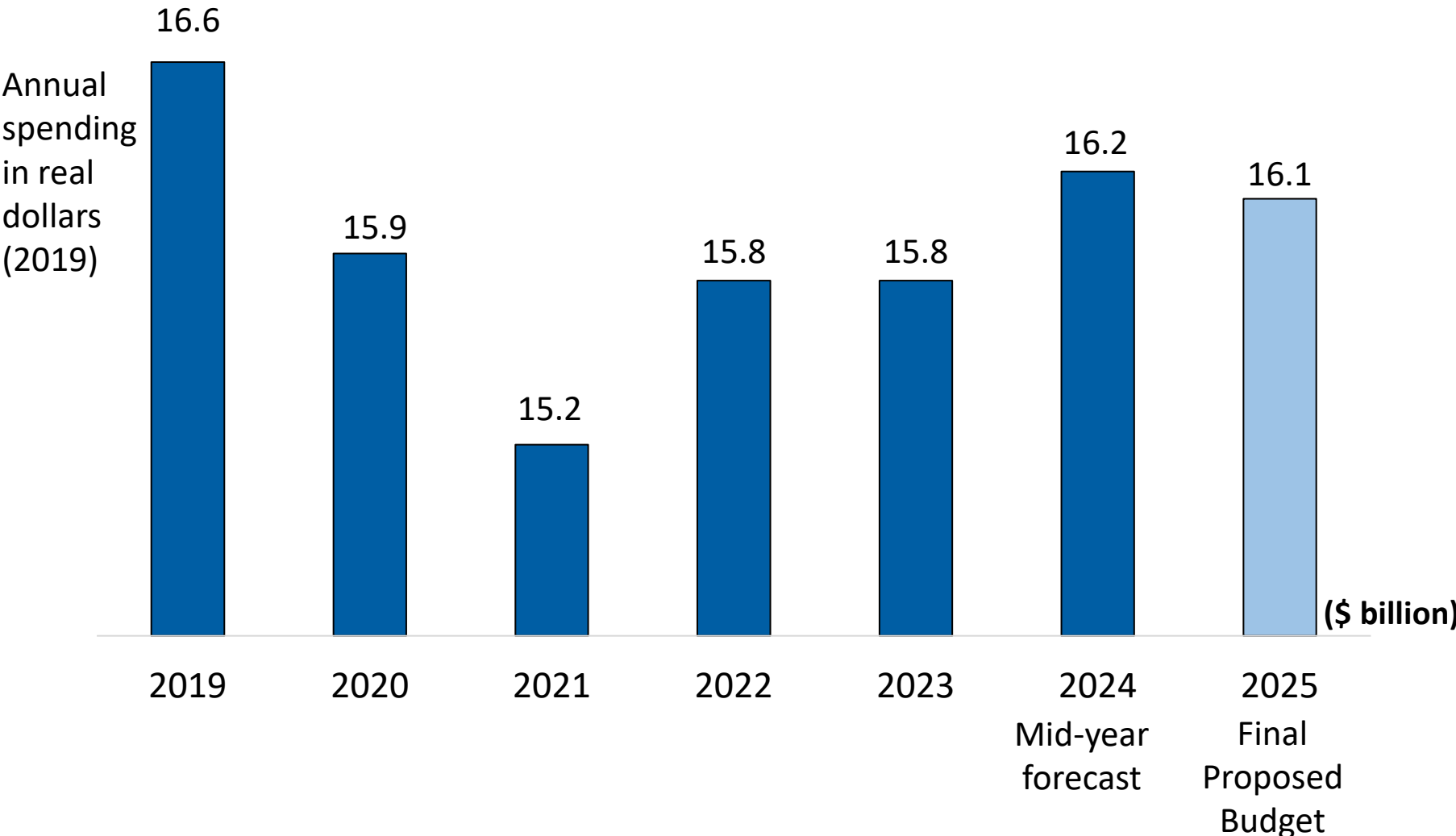
Overall revenue is forecasted to increase modestly

Steady growth in revenue projected to cover most of the expense growth



MTA continues to contain expense growth below the rate of inflation

3% reduction in inflation-adjusted spending since 2019



Expense growth contained to priority initiatives

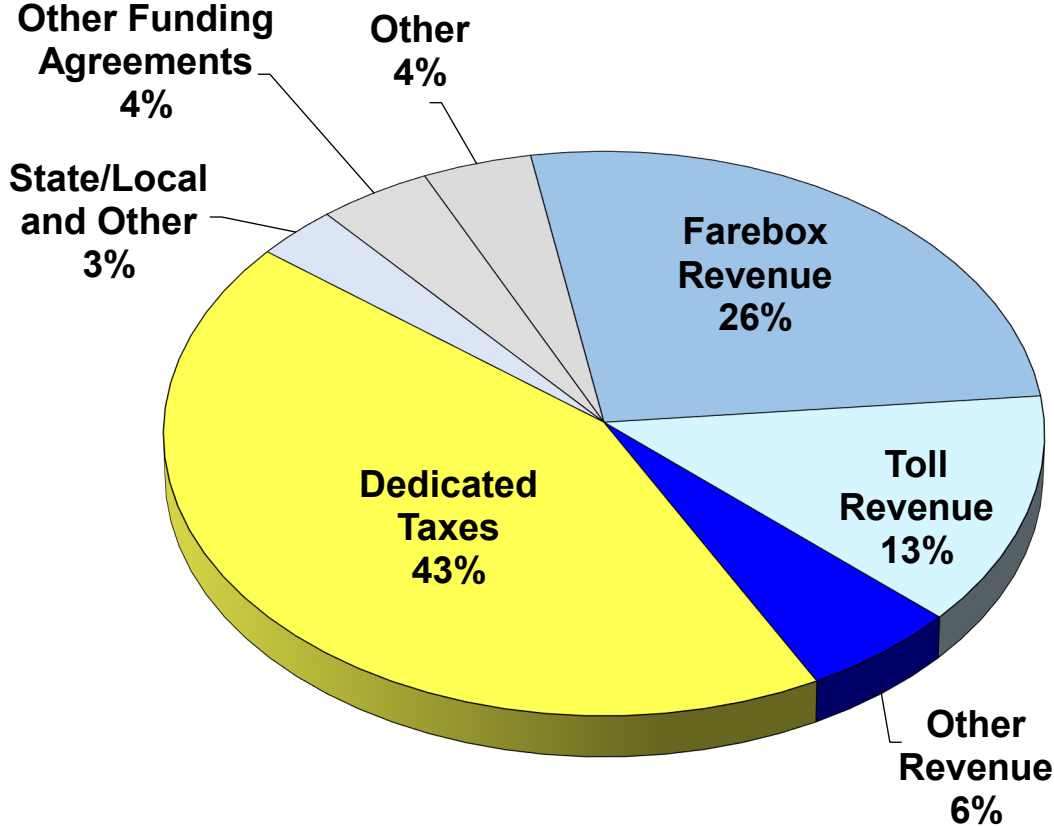
- *Queens network redesign*
- *Fare evasion mitigation efforts*
- *Penn Station Access*
- *Paratransit services*

- *Refundings continue to provide debt service savings*



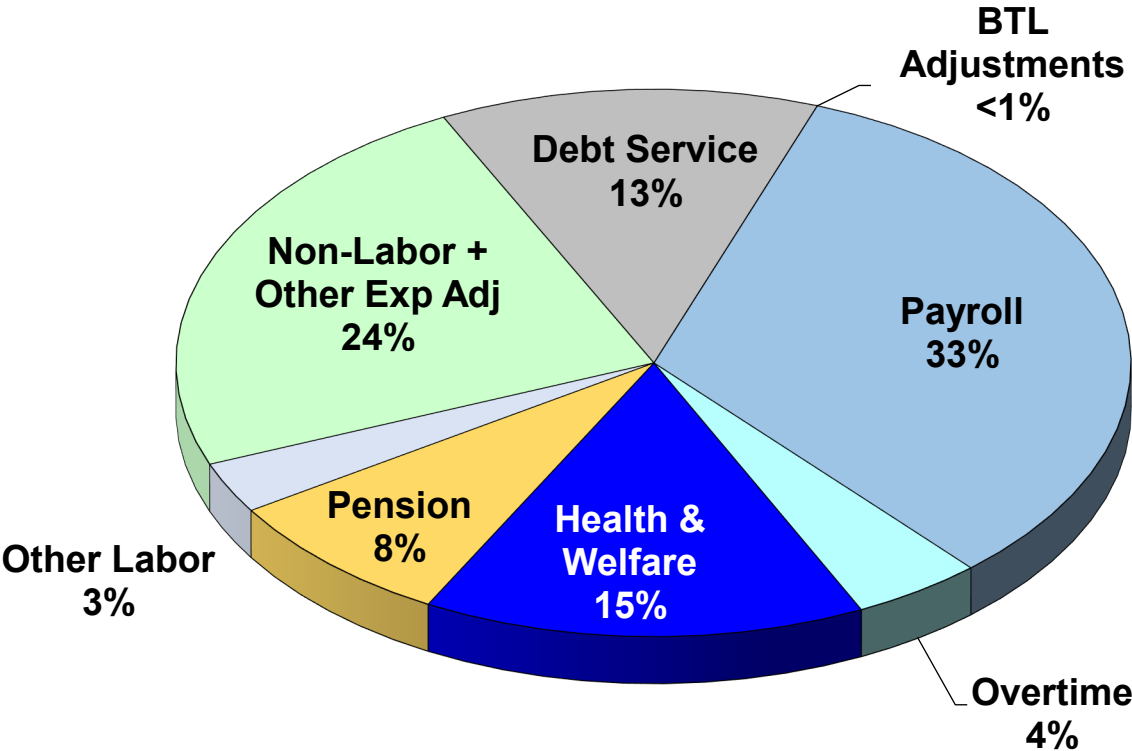
MTA's 2025 final proposed budget is \$19.9 billion

Where the dollars come from...



Where the dollars go...

By Expense Category



Note: After below-the-line adjustments. Shown on non-reimbursable and accrual basis. Farebox Revenue represented 38% of funding in 2019.



Other significant assumptions in the November Plan

- 4% fare and toll increase assumed in 2025 and 2027
- Paratransit reimbursement remains at 80% from NYC (requires legislation renewal)
- Casino revenue of \$500 million per year starting in 2026
- MTA continues operating efficiency savings of \$500 million in 2025 and beyond

Risks to the financial plan

Assumption	Risk	Potential Annual Cost
Continued paid ridership recovery	Slower progress in reducing fare evasion	(\$325 million) for 5% lower recovery
Paratransit reimbursement	80% share from NYC decreases to 50%	(\$200 to \$250 million)
Dedicated tax receipts	Slower economy / no real estate recovery	(\$300 to \$600 million)
Casino revenue	Timing slower than anticipated	(\$500 million) in 2026-28
2025-29 Capital Program	Higher operating expenses and debt service	Higher fares or reduced service

