

April 29, 2020

The information set forth below is incorporated in the 2020 Annual Disclosure Statement (Part I of the 2020 Combined Continuing Disclosure Filings) that MTA posted to EMMA on April 29, 2020, as well as supplementing the Transportation Revenue Green Bonds, Series 2020C Preliminary Official Statement. MTA intends to provide regular updates on EMMA and MTA's website of the continued impacts of the COVID-19 pandemic on MTA, particularly on its finances and operations.

Supplement to Preliminary Official Statement Dated April 24, 2020
Relating to
\$672,005,000*
METROPOLITAN TRANSPORTATION AUTHORITY
Transportation Revenue Green Bonds,
Series 2020C
(Climate Bond Certified)

The Preliminary Official Statement dated April 24, 2020 (the Official Statement) for the above-referenced Bonds is hereby supplemented by the addition of the following new subheading to be inserted in "PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS-SOURCES OF PAYMENT- Factors Affecting Revenues" after the subheading entitled "Operating Results and Projections":

MTA Liquidity Resources. As of April 28, 2020, MTA had liquidity resources in the approximate amount of \$3.158 billion, consisting of a current running cash balance of \$479 million, internal available flexible funds totaling \$1.157 billion, OPEB resources of \$318 million and commercial bank lines of credit totaling \$1.204 billion (\$1.003 billion of which has been drawn). *These funds provide a temporary funding "bridge" to a permanent solution to lost revenues and higher expenses. They must be repaid or replaced. Use of these monies will leave MTA with a significant gap in funding for both the operating budget and capital plan over the longer term and will likely result in additional debt issuance and unfunded operating needs.*

The Official Statement is hereby further supplemented by replacing the text of the last item in "PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS-SOURCES OF PAYMENT- Factors Affecting Revenues – Government Assistance" in its entirety with the following:

- In addition, the State released its Fiscal Year 2021 Enacted Budget Financial Plan (the "State Fiscal Year 2021 Financial Plan") on April 25, 2020 in connection with the State Fiscal Year 2020-2021 Enacted Budget. The State Fiscal Year 2021 Financial Plan cautioned that the wide-ranging economic, health, and social disruptions caused by the COVID-19 pandemic are having an adverse impact not only on the State's finances but also on aid directed to State authorities and localities, including MTA and the City. The State's aid-to-localities ("ATL") disbursements reductions that will need to be taken in the State Fiscal Year 2021 Financial Plan may materially and adversely affect the financial position of MTA, the City of New York, and other localities. The State Fiscal Year 2021 Financial Plan included \$8.2 billion in recurring reductions in ATL disbursements, resulting in total ATL disbursements of \$61.7 billion in fiscal year 2021, as part of a plan to address the financial impacts of the COVID-19 pandemic. The State's Division of Budget expects to submit a detailed plan itemizing the appropriations and

disbursements that will be reduced or withheld in May 2020. Depending on the programs included in the reduction, the level of targeted reductions achievable, and the availability of unrestricted federal aid received by the State, average programmatic reductions could range from 20 to 50 percent. Prior to this exercise, MTA expected to receive approximately \$3.2 billion in ATL disbursements during the State's 2021 fiscal year which ends on March 31, 2021.

The Official Statement is hereby further supplemented to incorporate by specific cross-reference the following portions of MTA's 2020 Combined Continuing Disclosure Filings, dated April 29, 2020, filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB):

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**)
- **Appendix B** – Unaudited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2019 and 2018 (excluding the auditor's report accompanying the annual financial information)

Please affix this Supplement to the Official Statement that you have in your possession and forward this Supplement to any party to whom you delivered a copy of the Official Statement.

* Preliminary, subject to change.