Metropolitan Transportation Authority Deferred Compensation Program

(A Fiduciary Component Unit of the Metropolitan Transportation Authority)

Financial Statements as of and for the Year Ended December 31, 2020, and Independent Auditors' Report

METROPOLITAN TRANSPORTATION AUTHORITY
DEFERRED COMPENSATION PROGRAM

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INDEPENDENT AUDITORS' REPORT

To the Committee of the
Metropolitan Transportation Authority Deferred Compensation Program

Report on the Financial Statements

We have audited each of the accompanying statements of fiduciary net position of the Metropolitan Transportation Authority Deferred Compensation Program, comprised of the Deferred Compensation Plan for Employees of the Metropolitan Transportation Authority, its Subsidiaries and Affiliates (the "457 Plan") and the Thrift Plan for Employees of the Metropolitan Transportation Authority, its Subsidiaries and Affiliates (the "401(k) Plan"), (collectively the "Plans") as of December 31, 2020, and each of the related statements of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, which collectively comprise the Plans' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plans' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plans' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, each of the Plans' financial statements referred to above present fairly, in all material respects, each of the Plans' fiduciary net position as of December 31, 2020, and the respective changes in each of the Plans' fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Deloitte & Touche LLP

February 8, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2020

The Deferred Compensation Program is comprised of the Deferred Compensation Plan for Employees of the Metropolitan Transportation Authority, its Subsidiaries and Affiliates (the "457 Plan") and the Thrift Plan for Employees of the Metropolitan Transportation Authority, its Subsidiaries and Affiliates (the "401(k) Plan"), collectively known as the "Plans" and the "Metropolitan Transportation Authority Deferred Compensation Plans". This management's discussion and analysis of the Plans' financial performance provides an overview of the Plans' financial activities for the year ended December 31, 2020. It is meant to assist the reader in understanding the Plans' financial statements by providing an overall review of the financial activities during the year and the effects of significant changes. This discussion and analysis may contain opinions, assumptions, or conclusions by the MTA's management that should not be considered a replacement for, and is intended to be read in conjunction with the Plans' financial statements which begin on page 17.

OVERVIEW OF BASIC FINANCIAL STATEMENTS

The following discussion and analysis is intended to serve as an introduction to the financial statements. The basic financial statements are:

- **The Statements of Fiduciary Net Position —** presents the financial position of the Plans at fiscal year-end. It provides information about the nature and amounts of resources with present service capacity that the Plan presently controls (assets), consumption of net assets by the Plan that is applicable to a future reporting period (deferred outflow of resources), present obligations to sacrifice resources that the Plan has little or no discretion to avoid (liabilities), and acquisition of net assets by the Plan that is applicable to a future reporting period (deferred inflow of resources) with the difference between assets/deferred outflow of resources and liabilities/deferred inflow of resources being reported as net position. Investments are shown at contract and net asset values ("NAV"). All other assets and liabilities are determined on an accrual basis.

- **The Statements of Changes in Fiduciary Net Position** present the results of activities during the year. All changes affecting the assets and liabilities of the Plans are reflected on an accrual basis when the activity occurred regardless of the timing of the related cash flows. In that regard, changes in the contract and NAV of investments are included in the year's activity as net appreciation in contract and NAV values of investments.

- **The Notes to Financial Statements** provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes present information about the Plans' accounting policies, significant account balances and activities, material risks, obligations, contingencies, and subsequent events, if any.

The financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") Pronouncements.

Financial Highlights

As a result of various Deferred Compensation Program changes, expanding participant eligibility through collective bargaining, a strong educational program and greater participant satisfaction, the Deferred Compensation Program has continued to grow. The assets of the 457 Plan exceeded its liabilities by $3.547 billion and the assets of the 401(k) Plan exceeded its liabilities by $4.934 billion as of December 31,

2020. This net position restricted for benefits is held in trust for distribution to the Plans participants and/or beneficiaries.

Deductions from the Plans' net position consist primarily of distributions to participant and transfers to other plans, and plan expenses in the amounts of $285.645 million for the 457 Plan and $434.148 million for the 401(k) Plan for the year ended December 31, 2020.

Plans Fiduciary Net Position

As of December 31,

($ In Thousands)

457 Plan	2020	2019	Amount of Change (2020 - 2019)	Percentage Change (2020 - 2019)
ASSETS:				
Investments	$ 3,469,102	$ 3,134,275	$ 334,827	10.7 %
Participant loans receivable	78,273	85,407	(7,134)	(8.4)
Total assets	3,547,375	3,219,682	327,693	10.2
LIABILITIES:				
Administrative expense reimbursement	298	420	(122)	(29.1)
Total liabilities	298	420	(122)	(29.1)
TOTAL NET POSITION RESTRICTED FOR BENEFITS	$ 3,547,077	$ 3,219,262	$ 327,815	10.2 %

401(k) Plan	2020	2019	Amount of Change (2020 - 2019)	Percentage Change (2020 - 2019)
ASSETS:				
Investments	$ 4,772,163	$ 4,322,497	$ 449,666	10.4 %
Participant loans receivable	162,496	168,314	(5,818)	(3.5)
Total assets	4,934,659	4,490,811	443,848	9.9
LIABILITIES:				
Administrative expense reimbursement	877	837	40	4.8
Total liabilities	877	837	40	4.8
TOTAL NET POSITION RESTRICTED FOR BENEFITS	$ 4,933,782	$ 4,489,974	$ 443,808	9.9 %

Changes in Plans Fiduciary Net Position
For the Years Ended December 31,
($ In Thousands)

457 Plan

	2020	2019	Amount of Change (2020 - 2019)	Percentage Change (2020 - 2019)
ADDITIONS:				
Investment income/(loss)	$ 389,523	$ 430,855	$ (41,332)	(22.5)%
Contributions and additional deposits	219,322	227,295	(7,973)	(3.5)
Loan repayments - interest	4,615	4,507	108	2.4
Total additions	613,460	662,657	(49,197)	(7.3)
DEDUCTIONS:				
Distribution to participants	207,389	82,974	124,415	149.9
Transfers to other plans	73,609	68,849	4,760	6.9
Net participant loan activity	3,862	3,293	569	17.3
Other	785	1,354	(569)	(2.4)
Total deductions	285,645	156,470	129,175	82.9
Increase/(decrease) in net position	327,815	506,187	(178,372)	(35.2)
TOTAL NET POSITION RESTRICTED FOR BENEFITS				
Beginning of year	3,219,262	2,713,075	506,187	18.7
End of year	$ 3,547,077	$ 3,219,262	$ 327,815	10.2 %

401(k) Plan

	2020	2019	Amount of Change (2020 - 2019)	Percentage Change (2020 - 2019)
ADDITIONS:				
Investment Income/(loss)	$ 555,751	$ 609,308	$ (53,557)	(8.6)%
Contributions and additional deposits	312,923	326,528	(13,605)	(4.2)
Loan repayments - interest	9,382	8,979	403	4.5
Total additions	878,056	944,815	(66,759)	(7.0)
DEDUCTIONS:				
Distribution to participants	312,540	107,396	205,144	191.0
Transfers to other plans	114,052	98,450	15,602	15.9
Net participant loan activity	4,557	5,057	(500)	9.9
Other	3,099	2,569	530	56.6
Total deductions	434,248	213,472	220,776	103.9
Increase/(decrease) in net position	443,808	731,343	(287,535)	(39.3)
TOTAL NET POSITION RESTRICTED FOR BENEFITS				
Beginning of year	4,489,974	3,758,631	731,343	19.5
End of year	$ 4,933,782	$ 4,489,974	$ 443,808	9.9 %

Investment Options

The MTA Plans offer eleven (11) Target-Year Lifecycle Funds, which provide a diversified mix of certain of the Plans' investment options and allow a participant to choose the fund closest to their anticipated withdrawal date. The Target-Year Lifecycle Funds are designed to provide an asset allocation strategy appropriate for an individual's risk and return preferences in a single fund through a diversified portfolio of the Plans' domestic stock funds, international stock funds and fixed income funds. Some components are not offered to participants outside of the Target-Year Lifecycle Funds. Allocations are automatically rebalanced to their targets on a quarterly basis.

Fund Name	**Asset Class**	**Portfolio Allocations**
MTA Target-Year Lifecycle 2020 Fund	Large Cap 15.80%	MTA Large Cap Equity Index Fund 10.40%
	Small - Mid Cap 3.90%	MTA Large Cap Equity Fund 5.40%
	Intl Equity 16.10%	MTA Small-Mid Cap Equity Fund 3.90%
	Fixed Income 18.40%	MTA International Equity Fund 16.10%
	Real Asset 10.00%	MTA Bond Fund 18.40%
	Stable Value 35.80%	MTA Real Asset Fund 10.00%
		MTA Stable Value Fund 35.80%
MTA Target-Year Lifecycle 2025 Fund	Large Cap 20.80%	MTA Large Cap Equity Index Fund 13.30%
	Small - Mid Cap 4.80%	MTA Large Cap Equity Fund 7.50%
	Intl Equity 20.90%	MTA Small-Mid Cap Equity Fund 4.80%
	Fixed Income 18.00%	MTA International Equity Fund 20.90%
	Real Asset 10.00%	MTA Bond Fund 18.00%
	Stable Value 25.50%	MTA Real Asset Fund 10.00%
		MTA Stable Value Fund 25.50%
MTA Target-Year Lifecycle 2030 Fund	Large Cap 26.10%	MTA Large Cap Equity Index Fund 16.10%
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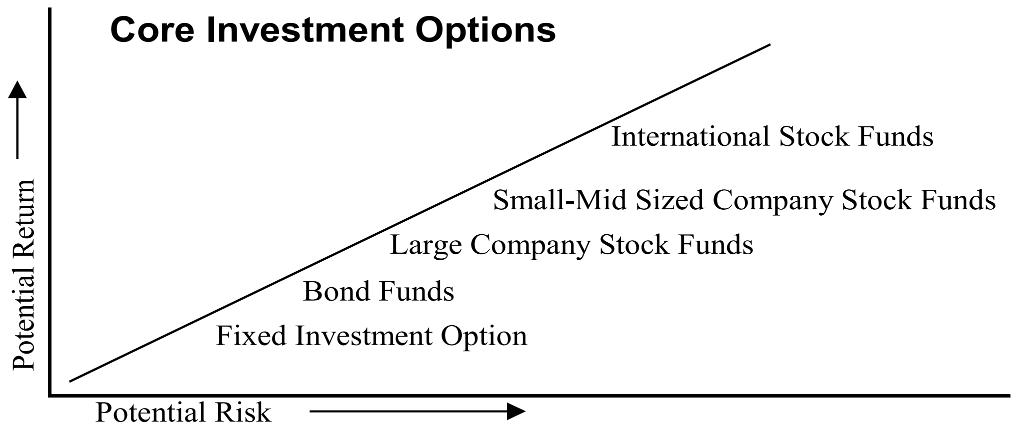
	Intl Equity 27.00%	MTA Small-Mid Cap Equity Fund 7.00%
	Fixed Income 16.90%	MTA International Equity Fund 27.00%
	Real Asset 10.00%	MTA Bond Fund 16.90%
	Stable Value 13.00%	MTA Real Asset Fund 10.00%
		MTA Stable Value Fund 13.00%
MTA Target-Year Lifecycle 2035 Fund	Large Cap 29.50%	MTA Large Cap Equity Index Fund 17.70%
	Small - Mid Cap 10.20%	MTA Large Cap Equity Fund 11.80%
	Intl Equity 32.40%	MTA Small-Mid Cap Equity Fund 10.20%
	Fixed Income 12.60%	MTA International Equity Fund 32.40%
	Real Asset 10.00%	MTA Bond Fund 12.60%
	Stable Value 5.30%	MTA Real Asset Fund 10.00%
		MTA Stable Value Fund 5.30%

Fund Name	Asset Class	Portfolio Allocations
MTA Target-Year Lifecycle 2040 Fund	Large Cap 30.40% Small - Mid Cap 12.80% Intl Equity 35.30% Fixed Income 11.50% Real Asset 10.00%	MTA Large Cap Equity Index Fund 15.80% MTA Large Cap Equity Fund 14.60% MTA Small-Mid Cap Equity Fund 12.80% MTA International Equity Fund 35.30% MTA Bond Fund 11.50% MTA Real Asset Fund 10.00%
MTA Target-Year Lifecycle 2045 Fund	Large Cap 31.70% Small - Mid Cap 13.60% Intl Equity 37.00% Fixed Income 7.70% Real Asset 10.00%	MTA Large Cap Equity Index Fund 13.70% MTA Large Cap Equity Fund 18.00% MTA Small-Mid Cap Equity Fund 13.60% MTA International Equity Fund 37.00% MTA Bond Fund 7.70% MTA Real Asset Fund 10.00%
MTA Target-Year Lifecycle 2050 Fund	Large Cap 32.70% Small - Mid Cap 14.00% Intl Equity 38.30% Fixed Income 5.00% Real Asset 10.00%	MTA Large Cap Equity Index Fund 12.70% MTA Large Cap Equity Fund 20.00% MTA Small-Mid Cap Equity Fund 14.00% MTA International Equity Fund 38.30% MTA Bond Fund 5.00% MTA Real Asset Fund 10.00%
MTA Target-Year Lifecycle 2055 Fund	Large Cap 32.70% Small - Mid Cap 14.00% Intl Equity 38.30% Fixed Income 5.00% Real Asset 10.00%	MTA Large Cap Equity Index Fund 10.90% MTA Large Cap Equity Fund 21.80% MTA Small-Mid Cap Equity Fund 14.00% MTA International Equity Fund 38.30% MTA Bond Fund 5.00% MTA Real Asset Fund 10.00%
MTA Target-Year Lifecycle 2060 Fund	Large Cap 32.70% Small - Mid Cap 14.00% Intl Equity 38.30% Fixed Income 5.00% Real Asset 10.00%	MTA Large Cap Equity Index Fund 10.90% MTA Large Cap Equity Fund 21.80% MTA Small-Mid Cap Equity Fund 14.00% MTA International Equity Fund 38.30% MTA Bond Fund 5.00% MTA Real Asset Fund 10.00%
MTA Target-Year Lifecycle 2065 Fund	Large Cap 32.70% Small - Mid Cap 14.00% Intl Equity 38.30% Fixed Income 5.00% Real Asset 10.00%	MTA Large Cap Equity Index Fund 10.90% MTA Large Cap Equity Fund 21.80% MTA Small-Mid Cap Equity Fund 14.00% MTA International Equity Fund 38.30% MTA Bond Fund 5.00% MTA Real Asset Fund 10.00%
MTA Income Fund	Large Cap 10.70% Small - Mid Cap 2.40% Intl Equity 10.70% Fixed Income 13.20% Real Asset 12.00% Stable Value 51.00%	MTA Large Cap Equity Index Fund 7.20% MTA Large Cap Equity Fund 3.50% MTA Small-Mid Cap Equity Fund 2.40% MTA International Equity Fund 10.70% MTA Bond Fund 13.20% MTA Real Asset Fund 12.00% MTA Stable Value Fund 51.00%

In addition to the eleven Target-Year lifecycle funds, the Plans offer a spectrum of investment options that include two international funds, four small-mid company stock funds, two large company stock funds, three bond funds, and the Stable Value Income Fund ("Fixed Investment Option").



The investment objective for each of the funds is described below. Additional information on each investment option, including a Fund Fact Sheet is available on the Plans' website at www.Prudential.com/MTA.

International Equity Funds

MTA International Equity Index Fund (Non-US Equity) - The fund invests wholly in State Street Global Advisors ("SSgA") Global All Cap Equity ex U.S. Index Fund – Class K (the Collective Investment Trust C.I.T.). The C.I.T. Fund seeks to match as closely as possible, before expenses, the performance of the MSCI ACWI ex-USA IMI Index over the long term.

MTA International Equity Fund (International Stock-Blend) - The Portfolio is managed by two complementary, but independent managers. The balances in the investments are rebalanced regularly to maintain the 50%/50% split. By employing two managers, this portfolio offers improved diversification compared to having a single investment manager. The underlying investments are:

1. **William Blair International Growth Fund** (International Stock-Growth) - The fund seeks to provide long-term growth of capital. The fund invests in a diversified portfolio of equity securities, including common stocks and other forms of equity investments (e.g., securities convertible into common stocks), issued by companies of all sizes domiciled outside the U.S. that William Blair believes have above-average growth, profitability and quality characteristics. William Blair will vary sector and geographic diversification for the fund based upon its ongoing evaluation of economic, market and political trends throughout the world. The fund seeks to provide long-term growth of capital.
2. **Mondrian All Countries World Ex-U.S. Equity** (International Stock-Value) – The Collective Investment Trust Fund is advised by Mondrian Investment Partners. Mondrian employs an active, value-oriented approach to managing international equities, and invests in securities where rigorous dividend discount analysis identifies value in terms of the long-term flow of income. The philosophy is built upon the assumption that dividend yield and future real growth are critical in determining a company's total expected return and that the dividend component will be a meaningful portion of the expected return over time.

Small-Mid Cap Equity Fund

MTA Small-Mid Cap Equity Index Fund (Mid Cap Stock-Blend) - The Fund invests wholly in the underlying collective investment trust SSgA Russell Small/Mid Cap Non-Lending Series- Class K (the "C.I.T."). The underlying collective investment trust seeks an investment return that approximates as closely as practicable, before expenses, the performance of the Russell Small Cap Completeness Index over the long term.

MTA Small-Mid Cap Equity Fund (Mid Cap Stock-Blend) - The Fund is managed by four complementary, but independent managers. By employing four managers, this fund offers improved diversification compared to having a single investment manager. The underlying investments are:

1. **The William Blair Small-Mid Cap Growth Fund** (Small Growth) - is sub-advised by William Blair Investment Management, LLC. The strategy seeks capital appreciation to outperform its benchmark, the Russell 2500 Growth Index, and its peers over a full market cycle. The strategy is a diversified portfolio of 65-80 holdings, investing in common stocks of small and mid-cap quality companies that are expected to have solid growth in earnings.
2. **The DFA US Targeted Value I** (Small Value) – the fund is advised by Dimensional Fund Advisors LP. The investment seeks long-term capital appreciation. The fund, using a market capitalization weighted approach, purchases a broad and diverse group of the readily marketable securities of U.S. small and midcap companies that the Advisor determines to be value stocks. It may purchase or sell futures contracts and options on futures contracts for U.S. equity securities and indices, to adjust market exposure based on actual or expected cash inflows to or outflows from the fund. The fund does not intend to sell futures contracts to establish short positions in individual securities or to use derivatives for purposes of speculation or leveraging investment returns.
3. **AllianceBernstein US SMID Cap Value Equity Fund** (Small Value) – the fund is managed by AllianceBernstein. It seeks a deep-value service that invests in a portfolio of small and mid-capitalization stocks located primarily in the United States. Macroeconomic, industry or company-specific concerns often cause investors to react emotionally and overlook underlying company fundamentals, causing securities to become mispriced. The investment strategy seeks to capitalize these short-term market inefficiencies created by enduring patterns of human behavior. The investment team employs a highly disciplined stock selection process that marries in-depth fundamental research with quantitative analysis to identify companies that are undervalued relative to their long-term earnings power and offer compelling return potential.
4. **Jackson Square Partners SMID Cap Growth Focus** (Small Value)- the fund is advised by Jackson Square Partners. They are growth investors. They seek superior returns through holding a concentrated portfolio of companies that they believe have advantaged business models and opportunities to generate consistent, long-term growth of intrinsic business value.

Large-Cap Equity Funds

MTA Large Cap Equity Index Fund (Large Cap Stock-Blend) - The Fund invests wholly in the Vanguard Institutional Index Fund, Institutional Plus shares. The investment seeks to track the performance of a benchmark index that measures the investment return of large capitalization stocks. The fund employs an indexing investment approach designed to track the performance of the Standard & Poor's 500 Index, a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. It attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the index, holding each stock in approximately the same proportion as its weighting in the index.

MTA Large Cap Equity Fund (Large Cap Stock-Blend) - The Portfolio is managed by two complementary, but independent managers. The balances in the investments are rebalanced regularly to maintain the 50%/50% split. By employing two managers, this portfolio offers improved diversification compared to having a single investment manager. The underlying investments are:

1. **T. Rowe Price US Large Cap Value Equity Fund** (Large Cap Stock-Value) - The Fund is advised by T. Rowe Price Associates, Inc. and seeks to provide long-term capital appreciation by investing in common stocks believed to be undervalued. Income is a secondary objective.
2. **Jennison Large Cap Growth Fund** (Large Cap Stock-Growth) - The Fund is sub-advised by Jennison Associates LLC, following its Large Cap Growth Equity investment strategy. It seeks to outperform, over the long term, both the Russell 1000 Growth and S&P 500 Indexes and to be the best performing manager among its peers, with a consistent risk profile.

Bond Funds

MTA Bond Index Fund (Fixed Income-Domestic) - The Fund invests wholly in the SSgA US Bond Index Non-Lending – Class C (the Collective Investment Trust or C.I.T.). The Fund seeks an investment return that approximates, as closely as practicable, before expenses, the performance of the Blomberg Barclays U.S. Aggregate Bond Index over the long term.

MTA Bond Fund (Fixed Income-Domestic) - The Portfolio is managed by three complementary, but independent managers. The balances in the investments are rebalanced regularly to maintain the 34%/33%/33% split. By employing three managers, this fund offers improved diversification compared to having a single investment manager. The underlying investments are:

1. **TCW Core Plus Fund** (Fixed Income-Domestic) - This separate account is sub-advised by Metropolitan West Asset Management, LLC. The Fund seeks to outperform the broad bond market by applying specialized management expertise to and allocating capital among US government, corporate, high yield and mortgage-backed sectors. In addition, exposure to international and emerging markets fixed income assets are opportunistically incorporated into portfolio positioning. The strategy seeks to outperform the Bloomberg Barclays Aggregate Bond Index.

2. **Loomis Sayles Core Plus Fixed Income Trust** (Fixed Income) - The Trust seeks high total investment return through a combination of current income and capital appreciation and to outperform its benchmark, the Bloomberg Barclays US Aggregate Bond Index denominated in US dollars. This index is used for comparative purposes only and is not intended to parallel the risk or investment style of the fund.

3. **WTC CIF II World Bond Portfolio** (Fixed Income) - The Collective Investment Trust Fund is sub-advised by Wellington Management Company, LLP. The portfolio seeks to generate consistent total returns over a full market cycle. The investment process is designed to allocate capital to high quality sovereign countries while simultaneously identifying opportunistic investment ideas across a wide range of diversified fixed income strategies, and to transparently manage portfolio risk.

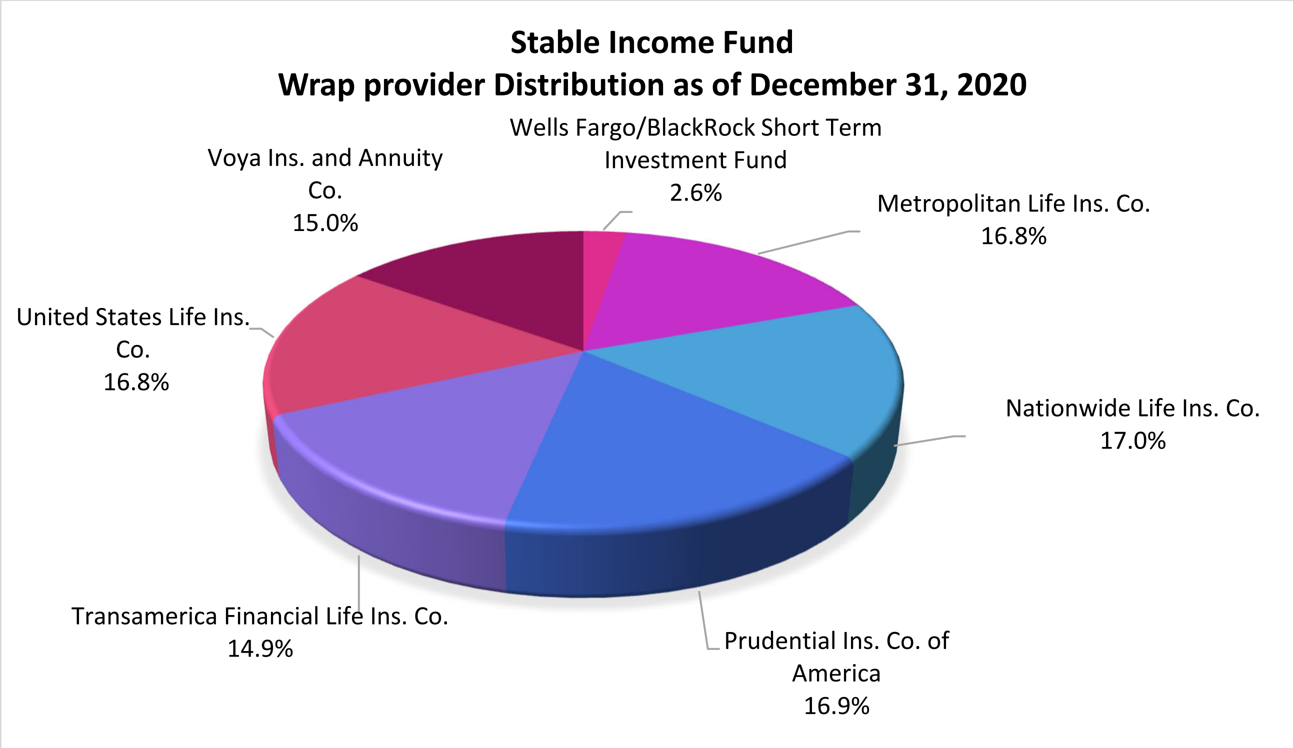
Stable Value Option

MTA Stable Value Fund (Stable Value) - The fund seeks to provide safety of principal and a stable credited rate of interest, while generating competitive returns over time compared to other comparable investments. The fund is managed by Galliard Capital Management and is primarily comprised of investment contracts issued by financial institutions and other eligible stable value investments. All contract issuers and securities utilized in the portfolio are rated investment grade by one of the Nationally Recognized Statistical Rating Organizations at time of purchase. The types of investment contracts in which the Fund may invest include Separate Account Guaranteed Investment Contracts ("GICs") and Security Backed Investment Contracts. These types of investment contracts seek to provide participants with safety of principal and accrued interest as well as a stable crediting rate.

Separate Account GICs are GICs issued by and insurance company and are maintained within a separate account. Separate Account GICs are typically backed by segregated portfolios of fixed income securities.

Security Backed Investment Contracts are comprised of two components: 1) investment contracts issued by a financial institution and 2) underlying portfolios of fixed income securities (i.e. bonds) whose market prices fluctuate. The investment contract is designed to allow participants to transact at book value (principal plus accrued interest) without reference to the price fluctuations of the underlying fixed income securities.

The following chart shows the underlying investments of the MTA Stable Value Fund as of December 31, 2020.



*The Wells Fargo Stable Return Fund W and Wells Fargo/BlackRock STIF are not a part of the wrapped portfolio.

The MTA Plans' investment options performance is outlined in the following tables. The Plans, with the assistance of its independent investment consultant, continuously monitors the investment options in conformance with the investment policy for the Plans. Below each Fund listed below is the benchmark used to compare the investment results.

Performance Summary
Year ended December 31, 2020

Stable Value

	3 Months	1 Year	3 Years	5 Years	7 Years
MTA Stable Value	0.6%	2.3%	2.4%	2.3%	2.1%
Galliard 3YrCMT+50bps	0.2%	0.9%	2.2%	2.0%	2.0%

Fixed Income

	3 Months	1 Year	3 Years	5 Years	7 Years
SSgA U.S. Bond Index Fund	0.7%	7.6%	5.4%	4.4%	4.1%
Barclays U.S. Aggregate	0.7%	7.5%	5.3%	4.4%	4.1%
Loomis Sayles Core Plus Bond Fund	2.2%	11.3%	6.7%	6.5%	NA
Barclays U.S. Aggregate	0.7%	7.5%	5.3%	4.4%	4.1%
TCW MetWest Core Plus Fixed Income	1.4%	9.9%	6.3%	5.0%	NA
Barclays U.S. Aggregate	0.7%	7.5%	5.3%	4.4%	4.1%
Wellington World Bond Fund	0.5%	1.5%	3.4%	3.0%	NA
FTSE World Government Bond Index	0.3%	6.1%	5.4%	4.4%	4.5%

Domestic Equity

	3 Months	1 Year	3 Years	5 Years	7 Years
Vanguard Institutional 500 Index Trust	12.2%	18.4%	14.2%	15.2%	12.9%
S&P 500	12.1%	18.4%	14.2%	15.2%	12.9%
T. Rowe Price Large Cap Value Fund (Prudential Separate Account)	20.8%	3.7%	6.2%	10.2%	8.6%
Russell 1000 Value Index	16.3%	2.8%	6.1%	9.7%	8.2%
Jennison Large Cap Growth (Prudential Separate Account)	14.0%	58.4%	27.8%	23.3%	19.5%
Russell 1000 Growth Index	11.4%	38.5%	23.0%	21.0%	17.5%
SSgA Small/Mid Cap Index Fund	27.3%	32.7%	15.5%	16.3%	12.0%
Russell Small Cap Completeness Index	27.3%	32.9%	15.6%	16.3%	12.0%
AB US SMID Cap Value Equity (Separate Account)	29.1%	4.0%	2.2%	NA	NA
Russell 2500 Value Index	28.5%	4.9%	4.3%	9.4%	6.8%
DFA US Targeted Value Fund (MTA)	32.8%	3.8%	2.0%	NA	NA
Russell 2500 Value Index	28.5%	4.9%	4.3%	9.4%	6.8%
William Blair SMID Growth (Separate Account)	21.3%	33.6%	20.0%	NA	NA
Russell 2500 Growth Index	25.9%	40.5%	19.9%	18.7%	14.1%
Jackson Square SMID Cap Growth Focus (Separate Account)	33.1%	65.4%	30.3%	NA	NA
Russell 2500 Growth Index	25.9%	40.5%	19.9%	18.7%	14.1%

Performance Summary

Year ended December 31, 2020 (continued)

International Equity

	3 Months	1 Year	3 Years	5 Years	7 Years
SSgA MSCI ACWI ex-U.S. IMI Index Fund	16.9%	11.3%	5.0%	9.3%	5.2%
MSCI AC Wld ex US IMI (Net)	17.2%	11.1%	4.8%	9.0%	5.0%
William Blair Institutional International Growth All Cap (Separate Account)	16.1%	30.3%	12.3%	12.5%	8.3%
MSCI AC Wld Index ex USA.IMI Growth (Net)	14.2%	22.4%	9.7%	11.8%	7.8%
Mondrian ACWI ex US CIT	20.0%	0.3%	1.4%	NA	NA
MSCI AC Wld ex USA Value (Net)	17.0%	10.7%	4.9%	8.9%	4.8%

Diversified Inflation

	3 Months	1 Year	3 Years	5 Years	7 Years
SSgA Real Asset Fund	11.2%	3.2%	2.9%	6.2%	2.0%
SSgA Custom Real Asset Index	11.3%	2.6%	2.7%	6.1%	2.0%

Lifecycle

	3 Months	1 Year	3 Years	5 Years	7 Years
MTA Income	6.0%	8.2%	5.4%	5.7%	4.6%
MTA Income Composite Index	5.3%	5.8%	4.6%	5.4%	4.3%
MTA 2020	7.9%	10.5%	6.6%	7.3%	5.8%
MTA 2020 Composite Index	7.1%	7.6%	5.7%	6.9%	5.5%
MTA 2025	9.7%	12.1%	7.5%	8.4%	6.7%
MTA 2025 Composite Index	8.7%	8.9%	6.4%	8.1%	6.4%
MTA 2030	12.1%	14.0%	8.4%	9.4%	7.3%
MTA 2030 Composite Index	11.0%	10.5%	7.1%	9.0%	7.0%
MTA 2035	14.5%	15.6%	9.1%	10.1%	7.9%
MTA 2035 Composite Index	13.3%	12.0%	7.8%	9.8%	7.5%
MTA 2040	16.0%	16.7%	9.5%	10.8%	8.4%
MTA 2040 Composite Index	14.6%	12.9%	8.1%	10.5%	8.0%
MTA 2045	16.8%	17.0%	9.6%	11.2%	8.6%
MTA 2045 Composite Index	15.3%	12.9%	8.1%	10.9%	8.1%
MTA 2050	17.4%	17.3%	9.7%	11.3%	8.6%
MTA 2050 Composite Index	15.8%	13.1%	8.2%	10.9%	8.1%
MTA 2055	17.5%	17.4%	9.7%	11.3%	NA
MTA 2055 Composite Index	15.8%	13.2%	8.2%	10.9%	8.1%
MTA 2060	17.5%	17.4%	9.7%	NA	NA
MTA 2060 Composite Index	15.8%	13.2%	8.2%	NA	NA
MTA 2065	17.4%	17.4%	9.7%	NA	NA
MTA 2065 Composite Index	15.8%	13.2%	8.2%	NA	NA

At December 31, 2020, the investment option holding the largest portion of participants' funds in both the 457 and 401(k) Plans was the Stable Income Funds with 33.28% and 30.15% of invested funds, respectively. This was followed by the Large-Cap Equity Funds with 26.55% and 27.94% of invested 457 and 401(k) funds, respectively.

The table below summarizes the Plans' investments by category at December 31, 2020:

2020
FUND INVESTMENT SUMMARY

Investment at Fair, Contract and NAV Values	457 Allocation		401(k) Allocation	
Target-Year Lifecycle Funds	$495,853,778	14.29%	$729,920,213	15.30%
International Equity Funds	230,711,818	6.65%	340,820,635	7.14%
Small-Mid Cap Equity Funds	438,091,248	12.63%	596,153,357	12.49%
Large-Cap Equity Funds	921,110,871	26.55%	1,333,503,985	27.94%
Bond Funds	224,975,331	6.49%	327,428,353	6.86%
Stable Income Fund	1,154,679,423	33.28%	1,438,733,811	30.15%
Self-Directed Investment Option	3,679,236	0.11%	5,603,103	0.12%
Total Investments	$3,469,101,706	100.00%	$4,772,163,457	100.00%

Economic Factors

Market Overview and Outlook – 2020

The year 2020 was extraordinary for the global economy. The COVID-19 pandemic disrupted the economy, governments and society. Fundamentally, the global health crisis prompted extreme deterioration in fundamentals, including the biggest quarterly drop in global Gross Domestic Product ("GDP") and the greatest increase in unemployment since the Great Depression. Capital markets realized an unprecedented spike in volatility and collapse in most risk assets, while global populations engaged in more pronounced calls for racial justice and climate change initiatives. The geopolitical landscape was further colored by a contentious United States ("U.S.") election, a resolution to BREXIT, and a more assertive China. By year-end, global central bank's monetary and fiscal stimulus and the approval of multiple Covid-19 vaccines prompted some recovery in economic activity and a significant rally in riskier assets.

Global Central banks remained extremely dovish throughout 2020, with most majors enacting emergency lending and liquidity facilities to support market functioning. Quantitative easing measures pushed government yields in many countries into negative territory. Inflation expectations recovered both in response to the significant monetary stimulus and both the real and anticipated supply chain disruptions as the economy slowly reopened. Fiscal policy was similarly stimulative, as additional spending and forgone revenue rose across both developed and emerging economies.

Global GDP contracted 3.8% in 2020, which was not as bad as initially expected given the subsequent rebound in economic growth later in the year. Global equities realized significant volatility and saw sharp price swings over a historically short period of time, while global yield curves finished the year generally lower than the start of 2020. Commodities largely rallied amid a constrained supply backdrop except for oil, which was deeply impacted by weakness in the transportation sector.

Macro Themes

- Trajectory of the virus and the potential spread of new COVID-19 variants
- Unwind of easy monetary policy
- Potential for a continued rise in inflation
- U.S.-China strategic competition

United States

The U.S. economy recovered from its spring lows by year-end. The unemployment rate dropped to 6.7% from a 14.8% high in April, and real GDP over 2020 stood at -3.5% despite a 33.4% during the second quarter.

U.S. equities were strongly positive, with the S&P 500 and Russell 1000 indices posting returns of (+18.4%) and (+21.0%), respectively. Across market caps, Large Cap, as measured by the S&P 500 (+18.4%), Mid Cap, as measured by the S&P 400 (+13.1%), and Small Cap, as measured by the Russell 2000 (20.0%) all posted double digit returns. Across styles, Growth, as measured by the Russell 1000 (+38.5%) outperformed Value, as measured by the Russell 1000 Value (+2.8%).

U.S. Treasury yields declined sharply in 2020 and the yield curve steepened. The Federal Reserve cut the Federal Funds rate to 0.25% and launched multiple emergency measures support market functioning. Diversified fixed income returned +7.5% (Bloomberg Barclays U.S. Aggregate), with gains dominated by U.S. Credit at 9.4% (Bloomberg Barclays Credit) and Treasury Inflation Protected Securities at 11% (Bloomberg Barclays TIPS).

International Developed Equity Markets

International developed equity markets posted very strong results in 2020 and lagged behind U.S. equity markets, returning (+7.8%) as measured by the MSCI EAFE. Both Europe and Japanese equities had positive performance in 2020 with MSCI Europe returning (+5.4%) and MSCI Japan returning (+14.5%). Lower returns in Europe were affected by the global pandemic market conditions during 2020 unlike 2019 when Europe returned (+23.7%). The Small Cap portion of international developed markets posted positive but weaker returns in 2020, (+12.3%) compared with 2019, (+24.9%).

Emerging Markets

Emerging markets posted very strong returns in 2020, with performance equaling the U.S. and outperforming international developed markets across equity but lower than both on the debt front. The broad MSCI Emerging Market Index returned (+18.3%) for the year. Emerging markets gained sharply in the last quarter of 2020, buoyed by resolution of the U.S. election and breakthrough vaccine news.

The bond markets of emerging markets performed reasonably well in 2020 compared to their outperformance in 2019. Both hard currency and local currency bonds posted positive returns. Hard currency bonds predominately issued in U.S. Dollars, as represented by the JPMorgan EMBI Global Diversified Index, returned (+5.3%) in 2020. Local currency bonds represented by the JPMorgan GBI-EM Global Diversified Index returned (+2.7%) for the year.

Commodities

The S&P Goldman Sachs Commodity Index (GSCI) fell 23.7%, largely influenced by a 20.9% drop in oil prices, represented by the New York Mercantile Exchange West Texas Index Crude Spot Index. Excluding energy, GSCI was up over 16% supported by price gains in precious metals. Reactions to the COVID-19 pandemic including mobility restrictions, limitations on nonessential travel, and increased working from home greatly reduced U.S. travel and energy demands in 2020 compared with 2019.

Market Outlook

As the global health crisis is brought under control, economic activity is likely to continue to return to pre-pandemic levels. Consensus forecasts for economic growth, earnings and risk assets are mostly favorable, and supported by continued accommodative policies, low interest rates, and asset price appreciation. Growth going forward is likely to be uneven and differentiated between regions and affected by persistent supply disruptions and other challenges in re-opening the economy. Countries with effective pandemic mitigation strategies are expected to fare better overall. The pace of the recovery is dependent on known risks such as the trajectory of the virus and the potential spread of new COVID-19 variants as well as policy errors either in the form of maintaining too much stimulus or too little. The Federal Reserve, European Central Bank, Bank of Japan and Bank of England have all committed to a more flexible approach to rising inflation in the future, suggesting stimulus will remain in place but not necessarily at crisis levels. Some of the heavy lifting will likely continue to be carried by continued global fiscal measures either targeted to specific areas of the economy such as infrastructure or more-broad based in nature via income injections. Unknown risks to the outlook are predominantly geopolitical in nature and possibly related to tensions in the Middle East or between the U.S. and China.

Contact Information
This financial report is designed to provide a general overview of the Metropolitan Transportation Authority Deferred Compensation Program's finances. Questions concerning any data provided in this report or requests for additional information should be directed to the Deferred Compensation Department, Metropolitan Transportation Authority, 2 Broadway 10th Floor, New York, NY 10004.

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METROPOLITAN TRANSPORTATION AUTHORITY
DEFERRED COMPENSATION PROGRAM

STATEMENTS OF FIDUCIARY NET POSITION
AS OF DECEMBER 31, 2020
($ In THOUSANDS)

	2020	
	457	**401(k)**
ASSETS:		
Investments measured at fair value level	$ 108,952	$ 158,379
Investments at contract value	1,255,590	1,583,321
Investments at fair value- net asset value	2,104,560	3,030,463
Total investments	3,469,102	4,772,163
Other plan assets:		
Participant loans receivable	78,273	162,496
Total other plan assets	78,273	162,496
Total assets	3,547,375	4,934,659
LIABILITIES:		
Administrative expense reimbursement	298	877
Total liabilities	298	877
TOTAL NET POSITION RESTRICTED FOR BENEFITS	$ 3,547,077	$ 4,933,782

See notes to financial statements.

METROPOLITAN TRANSPORTATION AUTHORITY
DEFERRED COMPENSATION PROGRAM

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020
($ In THOUSANDS)

	2020	
	457	**401(k)**
ADDITIONS:		
Investment Income:		
Net appreciation in fair valve of investments	$ 389,523	$ 555,751
Total investment income	389,523	555,751
Contributions:		
Employee contributions, net	211,510	292,328
Participant rollovers	7,812	16,492
Employer contributions	-	4,103
Total contributions	219,322	312,923
Other additions:		
Loan repayments - interest	4,615	9,382
Total additions	613,460	878,056
DEDUCTIONS:		
Distribution to participants	207,389	312,540
Transfers to other plans	73,609	114,052
Net loan initiations/repayments	(122)	(182)
Loan defaults/offsets	3,824	4,344
Loan fees transfers to other plans	161	395
Other deductions	486	2,222
Administrative expense	298	877
Total deductions	285,645	434,248
Net increase in net position	327,815	443,808
TOTAL NET POSITION RESTRICTED FOR BENEFITS		
Beginning of year	3,219,262	4,489,974
End of year	$ 3,547,077	$ 4,933,782

See notes to financial statements.

1. PLANS BACKGROUND AND DESCRIPTION

Description – The Deferred Compensation Program consists of two defined contribution plans that provide benefits based solely on the amounts contributed to each participant's account(s), plus or minus any income, expenses and gains/losses. The Deferred Compensation Program is comprised of the Deferred Compensation Plan For Employees of the Metropolitan Transportation Authority ("MTA"), its Subsidiaries and Affiliates ("457 Plan") and the Thrift Plan For Employees of the Metropolitan Transportation Authority, its Subsidiaries and Affiliates ("401(k) Plan"). Certain MTA Related Groups employees are eligible to participate in both deferred compensation plans. Both Plans are designed to have participant charges, including investment and other fees, cover the costs of administering the Deferred Compensation Program.

In 1984, the MTA established the 457 Plan to provide benefits competitive with private industry. Only managerial employees were permitted to participate in the Plan and investment options were limited to five funds: a Guaranteed Interest Fund, a Common Stock Fund, a Money Market Fund, a Managed Fund, and a Stock Index Fund. Pursuant to Internal Revenue Code ("Code") Section 457, the MTA has established a trust or custodial account to hold plan assets for the exclusive benefit of the participants and their beneficiaries. Participation in the 457 Plan is now available to non-represented employees and, after collective bargaining, most represented employees. All amounts of compensation deferred under the 457 Plan, and all income attributable to such compensation, less expenses and fees, are held in trust for the exclusive benefit of the participants and their beneficiaries. Accordingly, the 457 Plan is not reflected on the MTA's consolidated statements of net position.

In 1985, the MTA Board adopted the 401(k) Plan, a tax-qualified plan under section 401(k) of the Code. The 401(k) Plan remained dormant until 1988 when an IRS ruling "grandfathered" the plan under the Tax Reform Act of 1986. Participation in the 401(k) Plan is now available to non-represented employees and, after collective bargaining, most represented employees. All amounts of compensation deferred under the 401(k) Plan, and all income attributable to such compensation, less expenses and fees, are held in trust for the exclusive benefit of the participants and their beneficiaries. Accordingly, the 401(k) Plan is not reflected in the MTA consolidated statements of net position. The 401(k) Plan received a favorable determination letter from the Internal Revenue Service dated October 27, 2016.

As the Deferred Compensation Program's asset base and contribution flow increased, participants' investment options were expanded by the Deferred Compensation Committee with the advice of its Financial Advisor to provide greater diversification and flexibility. In 1988, after receiving an IRS determination letter for the 401(k) Plan, the MTA offered its managers the choice of either participating in the 457 Plan or the 401(k) Plan. By 1993, the MTA offered eight investment funds: a Guaranteed Interest Account Fund, a Money Market Fund, a Common Stock Fund, a Managed Fund, a Stock Index Fund, a Government Income Fund, an International Fund and a Growth Fund.

In 1998, the Deferred Compensation Committee approved the unbundling of the Plans. In 2008, the Plans' investment choices were re-structured to set up a four-tier strategy:

- Tier 1 – The MTA Asset Allocation Programs offer two options for those participants who would like to make retirement investing easy – the MTA Target Year Funds and Goalmaker. Investments will be automatically diversified among a range of investment options.

- Tier 2 - The MTA Index Funds offer a tier of index funds, which invest in the securities of companies that are included in a selected index, such as the Standard & Poor's 500 (large cap) Index or Barclays Capital U.S. Aggregate (bond) index. The typical objective of an index fund is to achieve approximately the same return as that specific market index. Index funds provide investors with lower-cost investments because they are less expensive to administer than actively managed funds.

- Tier 3 – The MTA Actively Managed Portfolios, which are comprised of actively managed portfolios that are directed by one or a team of professional managers who buy and sell a variety of holdings in an effort to outperform selected indices. The funds provide a diversified array of distinct asset classes, with a single option in each class. They combine the value and growth disciplines to create a 'core' portfolio for the mid-cap and international categories.

- Tier 4 – Self-Directed Mutual Fund Option is designed for the more experienced investors. Offers access to an expanded universe of mutual funds from hundreds of well-known mutual fund families. Participants may invest only a portion of their account balances in this Tier.

The two Plans offer the same array of investment options. Eligible participants in the Deferred Compensation Program include employees (and in the case of Metropolitan Suburban Bus Authority, former employees) of:

- MTA
- The Long Island Rail Road Company ("MTA Long Island Rail Road")
- Triborough Bridge and Tunnel Authority ("MTA Bridges and Tunnels")
- Metropolitan Suburban Bus Authority ("MTA Long Island Bus")
- Metro-North Commuter Railroad Company ("MTA Metro-North Railroad")
- New York City Transit Authority ("MTA New York City Transit")
- Staten Island Rapid Transit Operating Authority ("MTA Staten Island Rapid Transit")
- MTA Capital Construction Company ("MTA Capital Construction")
- MTA Bus Company ("MTA Bus")

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The Deferred Compensation Program's ("Program") financial statements are prepared on the accrual basis of accounting under which deductions are recorded when the liability is incurred and revenues are recognized in the accounting period in which they are earned. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans. Contributions from members are recorded when the employer makes payroll deductions from plans' members. Additions to the Plans consist of contributions (member and employer) and net investment income. Investment purchases and sales are recorded as of trade date.

For financial reporting purposes, The MTA adheres to accounting principles generally accepted in the United States of America. The MTA Deferred Compensation Program applies all applicable pronouncements of the Governmental Accounting Standards Board ("GASB").

New Accounting Standards

GASB Statement No.97, Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, seeks to improve consistency and comparability related to fiduciary component unit reporting in circumstances where the potential component unit does not have a governing board and the primary government performs such duties. GASB Statement No. 97 also seeks to mitigate reporting costs for certain defined contributions, OPEB and other employee benefit plans as fiduciary component units and to enhance the relevance, consistency and comparability of Internal Revenue Code (IRC) Section 457 deferred compensation plans. Paragraph 4 "Absence of a Governing Board in Determining Accountability" and paragraph 5 "Applicability of the Financial Burden Criterion in Paragraph 7 of Statement 84" of GASB Statement No. 97 related to Component Unit Criteria are effective immediately. The requirements of GASB Statement No. 97 that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. The adoption of this Statement had no impact on the Program's financial statements.

The Program updated the required year of adoption for GASB Statement No. 92. Refer to Recent Accounting Pronouncements - Not yet adopted but currently being reviewed below for further details.

Recent Accounting Pronouncements — Not yet adopted but currently being reviewed

GASB Statement No.	GASB Accounting Standard	MTA DC Program Required Year of Adoption
92	*Omnibus 2020*	2022

Use of Estimates - The preparation of the Program's financial statements in conformity with accounting principles generally accepted in the United States of America as prescribed by Government Accounting Standards Board ("GASB"). These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates which include fair market value of investments.

Investment Valuation and Income Recognition - Investments are stated at fair, contract and NAV values as reported by Prudential (the "Trustee"). Net asset value is determined to be a practical expedient for measuring fair value. All investments are registered, with securities held by the Plans' Trustee, in the name of the Plans. The values of the Plans' investments are adjusted to fair, contract and NAV values as of the last business day of the Plans' year. Gains and losses on investments that were sold during the year are included in net appreciation/(depreciation) in fair, contract and NAV values of investments.

3. INVESTMENTS

Investment Objective - The primary investment objective of the Program is to offer a set of investment options such that:

- Sufficient options are offered to allow participants to build portfolios consistent with their investment risk/return preferences.

- Each option is adequately diversified.
- Each option has a risk profile consistent with its position in the overall structure.
- Each option is managed so as to implement the desired risk profile of the asset class it represents.

Investment Guidelines - The Deferred Compensation Committee selects and executes agreements with qualified investment managers and/or funds which fulfill the criteria of the identified investment option. The Program is participant-directed and participants select from among the available investment options.

The investment options used to fund the various asset classes may be separately managed portfolios, commingled funds, or mutual funds. The Committee may from time to time modify the number and characteristics of the investment vehicles to be made available to participants within each investment option.

The specific investment vehicles chosen by the Committee must have appropriate investment characteristics and be managed by organizations which, by their record and experience, have demonstrated their investment expertise.

Such investment vehicles also should:

- Have sufficient assets under management so that the MTA account is not more than 10% of total strategy assets; strategy is defined as assets in all vehicles (separate accounts, collective trusts and mutual funds),

- Be well diversified,

- Have a minimum of three years of verifiable investment performance information,

- Have acceptable volatility in line with investment philosophy and process,

- Have the liquidity and/or marketability to pay benefit amounts to participants due under the terms of the Program, and

- Have a reasonable expense ratio.

Concentration of Credit Risk - Individual investments held by the Plans that represent 5.0% or more of the fiduciary net position available for benefits at December 31, 2020 is as follows:

Investment at NAV – December 31, 2020	**457 Value**	**401(k) Value**
Vanguard Institutional Index Fund	$495,767,023	$708,483,582
Jennison Large Cap Growth Fund	269,884,291	397,498,911
T. Rowe Price Large Cap Value Fund	269,884,291	397,498,911
William Blair Intuitional International Growth Fund	-	246,571,332
Mondrian All Countries World Ex-U.S. Equity Fund	-	246,571,332

The following table shows the fair, contract and NAV values of investment in the various investment options at December 31, 2020.

Investments at Contract, Fair Value and NAV at December 31, 2020

Target-Year Lifecycle Funds		**457 Value**		**401(k) Value**
MTA Target-Year Lifecycle 2020 Fund	$	42,965,942	$	59,958,883
MTA Target-Year Lifecycle 2025 Fund		121,972,805		180,010,079
MTA Target-Year Lifecycle 2030 Fund		51,839,134		74,117,673
MTA Target-Year Lifecycle 2035 Fund		89,513,835		146,793,322
MTA Target-Year Lifecycle 2040 Fund		30,818,647		47,594,836
MTA Target-Year Lifecycle 2045 Fund		42,479,435		67,047,954
MTA Target-Year Lifecycle 2050 Fund		27,507,907		31,838,941
MTA Target-Year Lifecycle 2055 Fund		2,499,936		3,178,996
MTA Target-Year Lifecycle 2060 Fund		831,603		771,119
MTA Target-Year Lifecycle 2065 Fund		1,224,554		1,345,109
MTA Income Fund		84,199,982		117,263,301
International Equity Funds				
MTA International Portfolio		201,826,888		309,916,092
MTA International Index Fund		28,884,930		30,904,543
Small- Mid Cap Equity Funds				
MTA Small-Mid Cap Portfolio		293,637,727		425,572,504
MTA Small-Mid Cap Index		144,453,521		170,580,853
Large-Cap Equity Funds				
MTA Large Cap Portfolio		490,966,285		722,882,067
MTA Large Cap Core Index Fund		430,144,587		610,621,918
Bond Funds				
MTA Bond Core Plus Portfolio		175,739,845		264,523,969
MTA Bond Aggregate Index Fund		49,235,486		62,904,384
Fixed Investment Option				
MTA Stable Value Fund		1,154,679,423		1,438,733,811
Self-Directed Investment Account		3,679,236		5,603,103
Total	**$**	**3,469,101,706**	**$**	**4,772,163,457**

The following tables show the interest and/or dividends earned on investments and net appreciation/(depreciation) for the year ended December 31, 2020.

457 Investments at December 31, 2020

Target-Year Lifecycle Funds	Cash Earnings	Appreciation/(Depreciation) In Fair Value - Net
MTA Target-Year Lifecycle 2015 Fund	$ -	$ 2,968,166
MTA Target-Year Lifecycle 2020 Fund	-	3,804,218
MTA Target-Year Lifecycle 2025 Fund	-	12,884,484
MTA Target-Year Lifecycle 2030 Fund	-	6,096,181
MTA Target-Year Lifecycle 2035 Fund	-	11,946,436
MTA Target-Year Lifecycle 2040 Fund	17	4,353,849
MTA Target-Year Lifecycle 2045 Fund	-	6,217,699
MTA Target-Year Lifecycle 2050 Fund	-	3,986,305
MTA Target-Year Lifecycle 2055 Fund	-	416,245
MTA Target-Year Lifecycle 2060 Fund	-	146,241
MTA Target-Year Lifecycle 2065 Fund	-	190,907
MTA Income Fund	20	3,155,347
International Equity Funds		
MTA International Portfolio	30	26,256,650
MTA International Index Fund	-	2,726,578
Small-Mid-Cap Equity Funds		
MTA Small-Mid Cap Portfolio	(1,986)	50,170,641
MTA Small-Mid Cap Index Fund	(1,918)	34,862,438
Large-Cap Equity Funds		
MTA Large Cap Portfolio	(2,013)	112,424,088
MTA Large Cap Index Fund	(1,996)	66,619,470
Bond Funds		
MTA Bond Portfolio	8	11,434,812
MTA Bond Index Fund	-	2,745,525
Stable Value Option		
MTA Stable Value Fund	7	25,514,002
Self-Directed Investment Account	-	602,530
Total	**($7,831)**	**$389,522,812**

401 (k) Investments at December 31, 2020

Target-Year Lifecycle Funds		Cash Earnings		Appreciation In Fair Value - Net
MTA Target-Year Lifecycle 2015 Fund	$	-	$	4,010,206
MTA Target-Year Lifecycle 2020 Fund		-		5,380,592
MTA Target-Year Lifecycle 2025 Fund		-		18,621,285
MTA Target-Year Lifecycle 2030 Fund		-		8,823,343
MTA Target-Year Lifecycle 2035 Fund		-		19,105,895
MTA Target-Year Lifecycle 2040 Fund		-		6,811,404
MTA Target-Year Lifecycle 2045 Fund		4,580		9,341,899
MTA Target-Year Lifecycle 2050 Fund		23		4,525,819
MTA Target-Year Lifecycle 2055 Fund		-		493,173
MTA Target-Year Lifecycle 2060 Fund		-		102,490
MTA Target-Year Lifecycle 2065 Fund		-		326,943
MTA Income Fund		-		4,485,849
International Equity Funds				
MTA International Portfolio		300		40,993,302
MTA International Index Fund		-		2,772,818
Small-Mid-Cap Equity Funds				
MTA Small-Mid Cap Portfolio		204		73,923,218
MTA Small-Mid Cap Index Fund		-		40,873,352
Large-Cap Equity Funds				
MTA Large Cap Portfolio		227		166,206,780
MTA Large Cap Index Fund		127		94,969,148
Bond Funds				
MTA Bond Portfolio		336		17,672,041
MTA Bond Index Fund		-		3,359,382
Stable Value Option				
MTA Stable Value Fund		936		32,119,074
Self-Directed Investment Account		-		833,263
Total	**$**	**6,733**	**$**	**555,751,276**

Credit Risk – The investment alternatives offered under the Program are not guaranteed by any governmental body, including the MTA, and are not risk-free. The credit risk of the investment strategy in the various investment accounts is based upon the performance of the securities in the underlying portfolios. Investments in these investment strategies can be expected to increase or decrease in value depending upon market conditions. The Deferred Compensation Committee (the "Committee"), with the assistance of its independent investment consultant continuously monitors the program investment strategies pursuant to the investment policy and objectives. When the investment strategies are determined to not meet the criteria, the strategy is terminated as outlined by the investment policy statement.

At December 31, 2020, the following credit quality rating has been assigned by a nationally recognized statistical rating organization ("NRSRO") to the portion of Fixed Income Portfolio of the Plans which are held in SMAs:

Quality Rating	457	457 Percentage of Fixed Income Portfolio	401(k)	401(k) Percentage of Fixed Income Portfolio
AAA	$ 282,956,023	17.28%	$ 364,396,693	16.87%
AA	58,355,447	3.56%	75,072,190	3.48%
A	168,479,460	10.29%	216,104,003	10.01%
BBB	196,593,036	12.01%	254,156,210	11.77%
BB	11,659,694	0.71%	15,749,958	0.73%
Below BB	1,416,042	0.09%	2,082,007	0.10%
Credit Risk Debt Securities	719,459,702	43.94%	927,561,061	42.95%
U.S. Government Bonds	649,698,691	39.68%	838,684,160	38.83%
Total fixed income securities in SMAs	**1,369,158,393**	**83.62%**	**1,766,245,221**	**81.78%**
Other Fixed Income Investments	268,237,543	16.38%	393,383,398	18.22%
Total Fixed Income Investments	1,637,395,936	100.00%	2,159,628,619	100.00%
Other securities not rated - equity, international funds and corporate bonds	1,831,705,770		2,612,534,838	
Total investments	$ 3,469,101,706		$ 4,772,163,457	

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the contract and NAV values of the investment. Duration is a measure of sensitivity to interest rate risk. The greater the duration of a portfolio, the greater its principle value will fluctuate in response to a change in interest rate risk and vice versa. Modified duration is an indicator of bond price's sensitivity and is the percentage change in a bond principle value given a 100-basis point parallel change in interest rates.

2020

Investment Type	457	401(k)	Total	Duration
Galliard Stable Value Fund	$ 1,255,589,607	$ 1,583,321,288	$ 2,838,910,895	2.87 *
TCW Core Plus Bond Fund	83,358,785	124,763,553	208,122,338	5.66
Total Fixed Income assets in SMAs	1,338,948,392	1,708,084,841	3,047,033,233	3.06
Total Other Fixed Income assets	262,318,976	380,429,745	642,748,721	4.13
Total Fixed Income Portfolio Modified Duration	1,601,267,368	2,088,514,585	3,689,781,954	3.25
Investment with no duration reported	1,867,834,337	2,683,648,872	4,551,483,209	
Total investments	$ 3,469,101,706	$ 4,772,163,457	$ 8,241,265,163	

* Portfolio Duration - the price sensitivity to yield and the rate of change of price with respect to yield due to the passage of time.

Other Risks and Uncertainties - In March 2020, the World Health Organization classified the COVID-19 outbreak as a pandemic. As a result, global financial markets have experienced, and may continue to experience, significant volatility resulting from the spread of COVID-19. The values of the Plan's individual investments have and will fluctuate in response to changing market conditions and therefore, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. The extent of the impact of COVID-19 on the Plan's net assets available for benefits and contributions will depend on future developments, including the duration and continued spread of the outbreak. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report.

Foreign Currency Risk - Foreign currency risk is the risk that changes in exchange rates will adversely affect the contract and NAV values of an investment or deposit. The Program has an exposure to foreign currency fluctuations for the Plans' investments are as follows:

2020 Currency	457 Holdings in U.S. Dollars	401(k) Holdings in U.S. Dollars	Total Holdings in U.S. Dollars
Australian Dollar	$ 2,566,249	$ 1,302,466	$ 3,868,715
Canada Dollar	2,944,710	1,494,550	4,439,260
Danish Krone	8,127,839	4,125,180	12,253,019
Euro	39,764,667	20,182,044	59,946,710
Hong Kong Dollar	2,574,332	1,306,569	3,880,902
Japanese Yen	20,738,817	10,525,719	31,264,537
Norwegian Krone	677,434	343,823	1,021,257
Swedish Krona	9,514,955	4,829,193	14,344,148
Swiss Franc	10,330,008	5,242,862	15,572,871
United Kingdom British Pound	16,378,940	8,312,920	24,691,860
Total	$ 113,617,951	$ 57,665,326	$ 171,283,277

In year 2015, the MTA Deferred Compensation Program adopted GASB Statement No. 72 ("GASB 72"), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements.

Investments measured at readily determined fair value (FV)
($ In thousands)

457 Plan	2020 December 31, 2020	Quoted Price in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Equity Securities:				
Small-Mid cap equity mutual fund	$ 108,952	108,952	-	-
Total equity investments	108,952	108,952	-	-

Investments measured at readily determined fair value (FV)
($ In thousands)

401K Plan	2020 December 31, 2020	Quoted Price in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Equity Securities:				
Small-Mid cap equity mutual fund	$ 158,379	158,379	-	-
Total equity investments	158,379	158,379	-	-

Investments measured at Fair, Contract and NAV values
($ In thousands)

457 Plan	2020 December 31, 2020	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Equity Securities:				
Commingled large-cap equity funds	$ 1,035,536	$ -	Daily	None
Commingled Small-Mid cap equity funds	144,454	-	Daily	None
Separate Manager Account: Small-Mid cap equity funds	221,207	-	Daily	None
Commingled international equity fund	191,446	-	Daily	None
Separate Manager Account: International equity mutual fund	162,561	-	Daily	None
Total equity securities	1,755,204	-		
Debt Securities				
Commingled debt funds	211,049	-	Daily	None
Separate Manager Account: debt funds	83,359	-	Daily	None
Total debt securities	294,408	-		
Real assets				
Commingled real asset equity fund	51,269	-	Daily	None
Total real assets	51,269	-		
Other:				
Self direct investment option	3,679	-	Daily	None
Total other	3,679	-		
Total investments measured at the NAV	2,104,560	-		
Investment measured at Fair Value	108,952			
Investments measured at Contract Value	1,255,590	-		
Total investments	$ 3,469,102	$ -		

Investments measured at Fair, Contract and NAV values
($ In thousands)

401(k) Plan	2020 December 31, 2020	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Equity Securities:				
Commingled large-cap equity funds	$ 1,503,481	$ -	Daily	None
Commingled Small-Mid cap equity funds	170,581	-	Daily	None
Separate Manager Account: Small-Mid cap equity funds	321,557	-	Daily	None
Commingled international equity fund	277,476	-	Daily	None
Separate Manager Account: International equity mutual fund	246,571	-	Daily	None
Total equity securities	2,519,666	-		
Debt Securities				
Commingled debt funds	305,093	-	Daily	None
Separate Manager Account: debt funds	124,764	-	Daily	None
Total debt securities	429,857	-		
Real assets				
Commingled real asset equity fund	75,337	-	Daily	None
Total real assets	75,337	-		
Other:				
Self direct investment option	5,603	-	Daily	None
Total other	5,603	-		
Total investments measured at the NAV	3,030,463	-		
Investment measured at Fair Value	158,379			
Investments measured at Contract Value	1,583,321	-		
Total investments	$ 4,772,163	$ -		

Investments Measured at Contract Value

Stable Value Funds - Stable value funds typically have three components. The first component is primarily comprised of Investment Contracts issued by banks and insurance companies. The Investment Contracts help to assure that participants can transact at book value (principal plus accrued interest) as well as maintain a relatively stable return profile for the portfolio. Generally, contract issuers are rated "investment grade" by at least one of the Nationally Recognized Statistical Rating Organizations at time of purchase that are able to do business in New York State. The second component consists of an underlying portfolio of fixed income securities which are subject to the Investment Contracts and are often referred to as "underlying securities". Finally, the portfolio may also hold cash or cash equivalents. The Stable Value fund return is expected to be higher than that of a 3-year Constant Maturity Treasury + 0.5% with similar volatility over the long-term.

Investments Measured at NAV

Commingled Funds - The fair values of the investments of this type have been determined using the NAV per share of the investments. The commingled equity funds are comprised of large cap, small and mid-cap funds and international funds that invest in core indices across all industries, growth and value respectively. The commingled debt funds are comprised of corporate, treasuries and international fixed income securities.

Separate Manager Account (SMAs) – This investment vehicle follows a single-style strategy, with funds comprised of large cap fixed, large cap value and large cap growth. These three separate SMAs allow the MTA to impose reasonable stock and bonds sector preferences and restrictions on the securities in the accounts. The two equity SMAs are co-invested with external managers through Prudential Securities. The fair values of the investments in this vehicle are determined using the NAV per share of the investments by the external manager. Prudential Securities whom the MTA holds a contractual agreement with and whom controls the investments, revalues the NAV per share after certain expense deductions and provides the MTA with its percentage allocation on an annual basis.

Small-Mid Cap Funds - This investment option has four institutional investments funds - two growth and two value investment strategies with the objective of matching the return and risk characteristics of the Russell Small Cap Completeness Index or a similar index which measures the broad U.S. small and mid-capitalization equity market. The option's investment profile is long term capital growth through a combination of capital appreciation and to a lesser extent reinvested dividend income. The investment option is expected to have high volatility over a market cycle. The fair values of the investments in these types have been determined using the NAV per share of the investments.

Real Assets – The fund represents an optimal solution for an inflation hedging strategy and incorporates a diversified multi asset class approach. The fund strategic weights which are rebalanced monthly are as follows: 25% Bloomberg Roll Select Commodity Index; 25% Standard and Poor's (r) Global Larger Mid Cap Commodity & Resources Index; 10% Standard and Poor's Global Infrastructure Equity Index; 15% Dow Jones US Select REIT Index and 25% Barclays US TIPS Index. The fair values of the investments of this type have been determined using the NAV per share of the investments.

Self-Direct Brokerage Accounts – The Deferred Compensation program allows participants the option to invest up to twenty (20) percent of their account in over 500 mutual fund families comprising of more than 15,000 individual mutual funds. All investments under this option are in mutual funds and are measured at the respective fund NAVs.

4. CONTRIBUTIONS

Employer Contributions - MTA Bus, on behalf of certain MTA Bus employees, MTA Metro-North Railroad on behalf of certain MNR employees who opted-out of participation in the MTA Defined Benefit Pension Plan and MTA on behalf of certain represented MTA Business Service Center employees, make contributions to the 401(k) Plan. The rate for the employer contribution varies.

MTA Bus – Effective in 2019, there are no employees receiving these Employer Contributions. Prior to 2019, certain members who were employed by Queens Surface Corporation on February 26, 2005, and who became employees of MTA Bus on February 27, 2005, receive a matching contribution equal to 50% of member's before-tax contributions provided that the maximum matching contribution shall not exceed 3% of the member's base pay. MTA Bus also made a basic contribution equal to 2% of the member's compensation. These contributions vest as follows:

Years of Service	Vested Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

MTA Metro-North Railroad – MNR employees represented by certain unions and who elected to opt-out of participation in the MTA Defined Benefit Pension Plan receive an annual employer contribution equal to 4% of the member's compensation. Effective on the first full pay period following the nineteenth anniversary date of an eligible MNR member's continuous employment, MTA Metro-North Railroad contributes an amount equal to 7% of the member's compensation. Eligible MNR members vest in these employer contributions as set forth below:

Years of Service	Vested Percentage
Less than 5	0%
5 or more	100%

MTA Headquarters - Police - For each plan year, the MTA shall make contributions to the Account of each eligible MTA Police Benevolent Association member in the amounts required by the collective bargaining agreement ("CBA") and subject to the contribution limits set forth in the CBA. These contributions shall be made monthly and shall be considered MTA Police contributions. Members are immediately 100% vested in these employer contributions.

MTA Headquarters – Commanding Officers - For each plan year, the MTA shall make contributions to the Account of each eligible MTA Police Department Commanding Officers Association Benevolent Association member in the amounts required by the collective bargaining agreement ("CBA") and subject to the contribution limits set forth in the CBA. These contributions shall be made monthly and shall be considered MTA Police contributions. Members are immediately 100% vested in these employer contributions.

MTA Headquarters – Business Services Center - Effective January 1, 2011, all newly hired MTA Business Services Center employees represented by the Transportation Communications Union are eligible to receive a matching contribution, up to a maximum of 3% of the participant's compensation. A participant's right to the balance in his or her matching contributions shall upon the first of the following to occur:

1. Completing 5 years of service,
2. Attaining the Normal Retirement Age of 62 while in continuous employment, or
3. Death while in continuous employment.

Additional Deposits (Incoming Rollover or Transfers) - Participants in the Deferred Compensation Program are eligible to roll over both their before-tax and after-tax assets from other eligible retirement plans into the 401(k) and 457 Plans.

Status - As of December 31, 2020, 42.4% of the eligible employees were enrolled in the 457 Plan and 60.8% of the eligible employees were enrolled in the 401(k) Plan, respectively. There were 33,417 active participants in the 457 Plan and 47,466 active participants in the 401(k) Plan as of December 31, 2020. The average account balance in the 457 Plan was $76,714 and in the 401(k) Plan was $79,054 in 2020.

5. DISTRIBUTIONS

In-Service Withdrawals - A 457 Plan participant who experiences an unforeseeable emergency (as defined by the Code) may apply for a withdrawal. A 401(k) Plan participant who experiences an immediate and heavy financial need (as defined by the Code) may apply for a withdrawal by filing a hardship application. Distributions are subject to applicable taxes and penalties.

Direct Transfer for Purchasing Permissive Service Credit - Participants in the 457 or 401(k) Plans are eligible to use their Plan assets as a source of funding for the purchase of certain permissive service credits (as defined by the Code) in certain defined benefit plan or pension systems, via a direct transfer.

Distribution of Benefits - Upon a participant's severance from the MTA, the participant is entitled to receive an amount equal to the value of his or her vested account, to be paid in accordance with one of the methods described below. Participants can choose to remain in the Plans and are not required to withdraw, roll over or transfer their account upon severance.

Commencement date - Subject to required minimum distribution rules, a participant may elect any commencement date after severance. A participant has the option to cancel or change their distribution schedule at any time upon proper notice to the Plans Record-keeper. Upon reaching the later of April 1st of the calendar year following: (1) the calendar year he or she reaches age 70 ½, or (2) the calendar year in which he or she severs from the MTA, participants are required to receive a minimum distribution from their account.

Method of Distribution for Direct Payment - If a participant chooses; the following methods of distribution are available under the Plans:

- Full lump sum payment; or
- Substantially equivalent monthly, quarterly, semi-annual or annual installment payments; or
- Any other amount of payment, subject to the required minimum distribution rules.

Election of Length of Distribution - If a participant elects installment payments, he or she may specify either:

- the total number of installment payments, or
- the dollar amount of each payment.

In either case, distributions cannot be paid over a period of time which exceeds the life expectancy of the participant or, in certain circumstances, the joint life expectancy of the participant and a "designated beneficiary" (as defined by the Code). Installment payments will be recalculated annually and will be paid only until the account is exhausted.

Rollovers or Transfers Out of the Plans - If a participant chooses to transfer or roll over his or her Deferred Compensation account, or a portion thereof, it must be to an eligible retirement plan (401(a), 457, 401(k), 403(b) or rollover IRA). 457 Plan and 401(k) Plan participants are eligible to roll over or transfer their account balance(s) upon severance from service.

6. LOANS

The MTA Deferred Compensation Program offers participants the opportunity to borrow from either one or both Plans simultaneously. The MTA Plans permit one loan from the 457 Plan and up to two loans from the 401(k) Plan. However, participants are limited to a total of two loans. Thus, as a participant of both the 401(k) and the 457 Plans, a participant can have either two 401(k) loans or the combination of a 401(k) loan and a 457 loan. The MTA offers two types of loans: the first is a "General Purpose Loan", which is a five-year loan and can be for any purpose. The second is a "Residential Loan", which is a loan for a primary residence and is a 20-year loan. For the Residential Loan, a signed contract to purchase the residence is necessary. Loan re-payment is made through payroll deduction. If a participant with an outstanding loan leaves the employment of the MTA, the participant may request to make coupon payments.

The minimum loan amount is $1,000. The maximum amount of an approved loan may not exceed the lesser of: (i) 50 percent of the participant's 457 or 401(k) Plan account balance; or (ii) $50,000 less the combined balance of all outstanding loans that a participant may have under the Program. All loans are subject to interest at prime rate plus 1 percent. A loan origination fee of $75.00 is deducted from the approved loan amount. Active MTA employee participants may not borrow from amounts attributable to Metro-North contributions, MTA Police contributions, MTA Police Commanding Officers' Association contributions, MTA Business Service Center, Matching Contributions and Roth Elective Deferrals. The net loans outstanding at December 31, 2020 for the 457 plan is $78.27 million, and for the 401(k) Plan was $162.50 million.

7. ADDITIONAL PLAN INFORMATION

Participation - Eligible employees are allowed to participate in the 401(k) Plan and/or the 457 Plan upon employment with the MTA and its affiliates or subsidiaries. The record-keeper/trustee maintains a website, along with a telephone voice response system, or participants may use paper enrollment forms, for Program activities. Participants may make or suspend deferrals; may increase or decrease, in multiples of 1 percent, the percentage of wages to be deferred or any whole dollar amount; may change the investment option of future deferrals or initiate account transfers between investment options in multiples of 1 percent or any dollar amount. There is no restriction on the number of times a participant may change the amount of future deferrals. An employee participating in both the 457 Plan and 401(k) Plan who wishes to make any changes must do so independently for each Plan. An employee who has severed service from the MTA may rejoin the 457 Plan, the 401(k) Plan, or both and become an active participant after returning to service to the MTA by following the procedures set forth above.

Excessive Trading Policy - MTA has an Excessive Trading policy in place for the Plans. This policy monitors trading activity in investment options, utilizing criteria such as frequency of trades, dollar amount of the trades, and number of buys and sells performed by the participant. Activity exceeding established thresholds can be deemed excessive trading. The Excessive Trading policy defines excessive trading as one or more trades into and out of the same investment option within a rolling 30-day period when each trade is over $25,000. Automatic or system-driven transactions are not considered excessive trading. This includes contributions or loan repayments by payroll deductions, re-mapping transactions, hardship withdrawals, regularly scheduled or periodic distributions or periodic rebalancing through a systematic rebalancing program that is not initiated by the Program.

Maximum Deferrals - A participant in the 457 Plan or the 401(k) Plan could have deferred up to $19,500 plus an additional $6,500 for participants age 50 and over in calendar year 2020. Alternatively, for the 457 Plan, under certain circumstances, a participant may double the annual maximum contribution during each of the last three years prior to reaching his or her designated "Normal Retirement Age" ("Retirement Catch-Up Amount") if less than the maximum was deferred during earlier years. Participants may not make both the Retirement Catch-Up and the Age 50 Catch-Up to the 457 Plan in the same year.

Membership – As of December 31, 2020, the Plans' membership with balances consisted of:

	2020	
	457	**401(k)**
Active employees	33,471	47,466
Terminated/Inactive employees	11,731	12,857
Total active and inactive members	45,202	60,323
Vested employees	45,202	60,151

Maintenance of Accounts - For both the 457 Plan and the 401(k) Plan, the record-keeper establishes an account for each participant to which any amounts deferred, transferred or distributed under the Plans are credited or charged, including, as specified in the Participation Agreement or any amendment thereto, any increase or decrease in the value of the investment options. The Plans are not responsible for any decrease in the value of a participant's account.

Plans' Funding and Expense Payment - The MTA Deferred Compensation Program charges participants' quarterly administrative fees. These fees cover participant directed activities, communications, and administrative expenses. They also cover the cost of the Program's third-party administrator, the investment advisor, outside legal counsel, in-house legal counsel and staff salaries and benefits.

As part of the CARES Act, which was passed in March 2020, the government relaxed restrictions on accessing funds from the 401k and 457 Plans. Participants that met the criteria were allowed to take a Coronavirus Related Distribution (CRD) up to $100,000 without the usual 10% penalty and the required 20% federal withholding. Participants could also take loans up to $100,000 or 100% of their balance. This was above the normal maximum loan amount of $50,000 or 50% of the account balance. Participants could also defer making loan repayments in 2020. These Plan changes ended effective December 31, 2020.

8. TRUSTEE AND OTHER PROFESSIONAL SERVICES

The Trustee for the MTA is Prudential Bank & Trust, Federal Savings Bank. Record-keeper and/or Administrative Services are provided by Prudential Retirement Insurance & Annuity Company ("PRIAC"). Investment management services are provided by PRIAC and Galliard Capital Management: separate accounts are managed by Denver Investment Advisors, Conestoga Capital Advisors, and TCW-Metropolitan West Asset Management. The Financial Advisor is Mercer Investment Consulting Inc., which reviews the investment policies adopted by the Investment Committee, the Plans' portfolio and the Investment Managers' performance.

9. SUBSEQUENTS EVENTS

The Plan has evaluated subsequent events through February 8, 2022, the date the financial statements were available to be issued and concluded that no subsequent events require adjustment to or disclosure in the financial statements.

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