NEW ISSUE **BOOK-ENTRY-ONLY**

$300,000,000
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY
(MTA BRIDGES AND TUNNELS)
General Revenue Bonds, Series 2017A

$902,975,000
TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY
(MTA BRIDGES AND TUNNELS)
General Revenue Refunding Bonds, Series 2017B

DATED: Date of Delivery **DUE: November 15, as shown on the inside cover pages**

The Triborough Bridge and Tunnel Authority's (MTA Bridges and Tunnels) General Revenue Bonds, Series 2017A (the Series 2017A Bonds) are being issued to finance bridge and tunnel projects.

MTA Bridges and Tunnels' General Revenue Refunding Bonds, Series 2017B (the Series 2017B Bonds, and collectively with the Series 2017A Bonds, the Series 2017 Bonds) are being issued to refinance certain outstanding indebtedness issued by MTA Bridges and Tunnels to finance bridge and tunnel projects.

The Series 2017 Bonds —

- are general obligations of MTA Bridges and Tunnels, payable generally from the net revenues collected on the bridges and tunnels operated by MTA Bridges and Tunnels as described herein, and
- are not a debt of the State of New York (the State) or The City of New York (the City) or any other local government unit.

MTA Bridges and Tunnels has no taxing power.

In the opinions of Orrick, Herrington & Sutcliffe LLP and Bryant Rabbino LLP, Co-Bond Counsel to MTA Bridges and Tunnels, under existing law and relying on certain representations by MTA Bridges and Tunnels and assuming the compliance by MTA Bridges and Tunnels with certain covenants, interest on the Series 2017 Bonds is:

- *excluded from a bondholder's federal gross income under Section 103 of the Internal Revenue Code of 1986*, and
- *not a specific preference item for a bondholder in calculating the federal alternative minimum tax*, but
- *included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.*

Also in Co-Bond Counsel's opinion, under existing law, interest on the Series 2017 Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See "TAX MATTERS" herein for a discussion of certain federal and State income tax matters.

The Series 2017 Bonds will bear interest at the rates shown on the inside cover pages hereof.

The Series 2017 Bonds are subject to redemption prior to maturity as described herein.

The Series 2017 Bonds are offered when, as, and if issued, subject to certain conditions, and are expected to be delivered through the facilities of The Depository Trust Company, on or about January 19, 2017.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the Series 2017 Bonds. Investors are advised to read the entire official statement, including all portions hereof included by specific cross-reference, to obtain information essential to making an informed decision.

Goldman, Sachs & Co.

Academy Securities **Alamo Capital** **Blaylock Beal Van, LLC**

BofA Merrill Lynch
Citigroup
J.P. Morgan
Ramirez & Co., Inc.
Siebert Cisneros Shank & Co., L.L.C.

Jefferies
Loop Capital Markets
Morgan Stanley
RBC Capital Markets
PNC Capital Markets LLC
The Williams Capital Group, L.P.

Barclays
BNY Mellon Capital Markets
Cabrera Capital Markets, LLC
Drexel Hamilton, LLC
Fidelity Capital Markets
FTN Financial Capital Markets
KeyBanc Capital Markets Inc.
Raymond James
Rice Financial Products Company
Stern Brothers & Co.
Stifel
TD Securities

January 13, 2017

$300,000,000
Triborough Bridge and Tunnel Authority
(MTA Bridges and Tunnels)
General Revenue Bonds, Series 2017A

$163,195,000 Serial Bonds

Maturity (November 15)	Principal Amount	Interest Rate	Price or Yield	CUSIP Number* (89602N)
2022	$13,415,000	4.000%	1.78%	6R0
2024	46,755,000	5.000	2.09	6S8
2025	8,165,000	5.000	2.25	6T6
2026	8,655,000	5.000	2.37	6U3
2027	19,240,000	5.000	2.47†	6V1
2030	4,565,000	3.000	100	6W9
2033	9,445,000	5.000	2.91†	6X7
2034	9,915,000	5.000	2.96†	6Y5
2035	10,410,000	5.000	3.00†	6Z2
2036	9,560,000	3.375	3.45	7A6
2037	11,255,000	5.000	3.07†	7B4
2038	11,815,000	5.000	3.08†	7E8

$136,805,000 Term Bonds

$53,475,000 5.00% Series 2017A Term Bond due November 15, 2042, Priced to Yield 3.11%†
CUSIP Number* 89602N 7C2

$83,330,000 5.00% Series 2017A Term Bond due November 15, 2047, Priced to Yield 3.16% †
CUSIP Number* 89602N 7D0

The Series 2017A Bonds are subject to optional and mandatory redemption, as described under the caption "DESCRIPTION OF SERIES 2017 BONDS – Redemption Prior to Maturity" in **Part I**. The following summarizes the optional redemption provisions: the Series 2017A Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after May 15, 2027, at the option of MTA Bridges and Tunnels, in whole or in part at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

* CUSIP numbers have been assigned by an organization not affiliated with MTA Bridges and Tunnels and are included solely for the convenience of the holders of the Series 2017A Bonds. MTA Bridges and Tunnels is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2017A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2017A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2017A Bonds.

† Priced at the stated yield to the May 15, 2027 optional redemption date at a redemption price of 100%.

$902,975,000
Triborough Bridge and Tunnel Authority
(MTA Bridges and Tunnels)
General Revenue Refunding Bonds, Series 2017B

Maturity (November 15)	Principal Amount	Interest Rate	Yield	CUSIP Number* (89602N)
2024	$10,940,000	5.000%	2.09%	7T5
2025	14,305,000	5.000	2.25	7U2
2026	15,135,000	5.000	2.37	7V0
2027	30,725,000	5.000	2.47†	7F5
2028	63,480,000	5.000	2.66	7G3
2029	82,820,000	5.000	2.68†	7H1
2030	88,325,000	5.000	2.73†	7J7
2031	92,465,000	5.000	2.79†	7K4
2032	56,905,000	5.000	2.85†	7L2
2033	74,450,000	5.000	2.91†	7M0
2034	49,100,000	5.000	2.96†	7N8
2035	61,360,000	5.000	3.00†	7P3
2036	88,595,000	5.000	3.04†	7Q1
2037	88,635,000	5.000	3.07†	7R9
2038	85,735,000	5.000	3.08†	7S7

The Series 2017B Bonds are subject to optional and mandatory redemption, as described under the caption "DESCRIPTION OF SERIES 2017 BONDS – Redemption Prior to Maturity" in **Part I**. The following summarizes the optional redemption provisions: the Series 2017B Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after May 15, 2027, except for the Series 2017B Bond maturing on November 15, 2028, which is not subject to redemption prior to maturity, at the option of MTA Bridges and Tunnels, in whole or in part at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

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* CUSIP numbers have been assigned by an organization not affiliated with MTA Bridges and Tunnels and are included solely for the convenience of the holders of the Series 2017B Bonds. MTA Bridges and Tunnels is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2017B Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2017B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2017B Bonds.

† Priced at the stated yield to the May 15, 2027 optional redemption date at a redemption price of 100%.

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Triborough Bridge and Tunnel Authority
(MTA Bridges and Tunnels)
Triborough Station, Box 35
New York, New York 10035
(212) 360-3000
Website: www.mta.info

Thomas F. Prendergast	Chairman and Chief Executive Officer*
Fernando Ferrer	Vice-Chairman
Andrew B. Albert	Non-Voting Member
Norman E. Brown	Non-Voting Member
Ira R. Greenberg	Non-Voting Member
David Jones	Member
Susan G. Metzger	Member
Charles G. Moerdler	Member
John J. Molloy	Member
Mitchell H. Pally	Member
John Samuelson	Non-Voting Member
Andrew Saul	Member
Lawrence Schwartz	Member
Vincent Tessitore, Jr.	Non-Voting Member
Polly Trottenberg	Member
Veronica Vanterpool	Member
James Vitiello	Member
Peter Ward	Member
Carl V. Wortendyke	Member
Neal Zuckerman	Member

Donald Spero	President
James Fortunato	Executive Vice President
Joseph Keane	Vice President and Chief Engineer
M. Margaret Terry, Esq.	Senior Vice President and General Counsel
Mildred Chua	Vice President and Chief Financial Officer

ORRICK, HERRINGTON & SUTCLIFFE LLP
New York, New York

BRYANT RABBINO LLP
New York, New York

Co-Bond Counsel

PUBLIC RESOURCES ADVISORY GROUP, INC.
New York, New York

BACKSTROM MCCARLEY BERRY & CO., LLC
San Francisco, California

Co-Financial Advisors

STANTEC CONSULTING SERVICES INC.
New York, New York
Independent Engineers

HAWKINS DELAFIELD & WOOD LLP
New York, New York
Special Disclosure Counsel

* Thomas F. Prendergast has announced his intent to resign as Chairman and Chief Executive Officer in early 2017. Succession plans have yet to be determined. His successor will be appointed by the Governor, subject to confirmation by the State Senate.

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SUMMARY OF TERMS

MTA Bridges and Tunnels has prepared this Summary of Terms to describe the specific terms of the Series 2017 Bonds. The information in this official statement, including the materials filed with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board and included by specific cross-reference as described herein, provides a more detailed description of matters relating to MTA Bridges and Tunnels and to MTA Bridges and Tunnels General Revenue Bonds. Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the bonds being issued.

Issuer	Triborough Bridge and Tunnel Authority, a public benefit corporation of the State of New York, hereinafter referred to as MTA Bridges and Tunnels.
Bonds Being Offered	General Revenue Bonds, Series 2017A (the Series 2017A Bonds) and General Revenue Refunding Bonds, Series 2017B (the Series 2017B Bonds, and collectively with the Series 2017A Bonds, the Series 2017 Bonds).
Purpose of Issue	The Series 2017A Bonds are being issued to finance bridge and tunnel projects. The Series 2017B Bonds are being issued to refinance certain outstanding indebtedness issued by MTA Bridges and Tunnels to finance bridge and tunnel projects. See "APPLICATION OF PROCEEDS" in **Part I**.
Maturities and Rates	The Series 2017 Bonds mature on the dates and bear interest at the rates shown on the inside cover pages.
Denominations	$5,000 and integral multiples of $5,000 in excess thereof.
Interest Payment Dates	May 15 and November 15, commencing May 15, 2017.
Redemption	See "DESCRIPTION OF SERIES 2017 BONDS – Redemption Prior to Maturity" in **Part I**.
Sources of Payment and Security	Net revenues collected on the bridges and tunnels operated by MTA Bridges and Tunnels, as described herein.
Registration of the Bonds	DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC.
Trustee	U.S. Bank Trust National Association, New York, New York.
Co-Bond Counsel	Orrick, Herrington & Sutcliffe LLP, New York, New York, and Bryant Rabbino LLP, New York, New York.
Special Disclosure Counsel	Hawkins Delafield & Wood LLP, New York, New York.
Tax Status	See "TAX MATTERS" in **Part III**.
Ratings	<u>*Rating Agency*</u> / <u>*Rating*</u> Fitch: AA- KBRA: AA Moody's: Aa3 S&P: AA- See "RATINGS" in **Part III**.
Co-Financial Advisors	Public Resources Advisory Group, Inc., New York, New York, and Backstrom McCarley Berry & Co., LLC, San Francisco, California.
Underwriters	See cover page.
Underwriters' Discount	See "UNDERWRITING" in **Part III**.
Counsel to the Underwriters	Squire Patton Boggs (US) LLP, New York, New York.
Independent Engineers	Stantec Consulting Services Inc., New York, New York.
Verification Agent	The Arbitrage Group, Inc.

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- ***No Unauthorized Offer*. This official statement is not an offer to sell, or the solicitation of an offer to buy, the Series 2017 Bonds in any jurisdiction where that would be unlawful. MTA Bridges and Tunnels has not authorized any dealer, salesperson or any other person to give any information or make any representation in connection with the offering of the Series 2017 Bonds, except as set forth in this official statement. No other information or representations should be relied upon.**

- ***No Contract or Investment Advice*. This official statement is not a contract and does not provide investment advice. Investors should consult their financial advisors and legal counsel with questions about this official statement and the Series 2017 Bonds being offered, and anything else related to this bond issue.**

- ***Information Subject to Change*. Information and expressions of opinion are subject to change without notice, and it should not be inferred that there have been no changes since the date of this document. Neither the delivery of, nor any sale made under, this official statement shall under any circumstances create any implication that there has been no change in MTA Bridges and Tunnels' affairs or in any other matters described herein since the date of this official statement.**

- ***Forward-Looking Statements*. Many statements contained in this official statement, including the appendices and documents included by specific cross-reference, that are not historical facts are forward-looking statements, which are based on MTA Bridges and Tunnels' and the Independent Engineers' beliefs, as well as assumptions made by, and information currently available to, the management and staff of MTA Bridges and Tunnels and the Independent Engineers as of the date of this official statement. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. The words "anticipate," "assume," "estimate," "expect," "objective," "projection," "plan," "forecast," "goal," "budget" or similar words are intended to identify forward-looking statements. The words or phrases "to date," "now," "currently," and the like are intended to mean as of the date of this official statement. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the forward-looking statements contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the forward-looking statements set forth in this official statement, which is solely the product of MTA Bridges and Tunnels, and the independent auditors assume no responsibility for its content.**

- ***Projections*. The MTA Bridges and Tunnels projections set forth in this official statement were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of MTA Bridges and Tunnels' management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of MTA Bridges and Tunnels. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this official statement are cautioned not to place undue reliance on the prospective financial information. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and the independent auditors disclaim any association with the prospective financial information. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the prospective financial information set forth in this official statement, which is solely the product of MTA Bridges and Tunnels and its affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content.**

- ***Independent Auditor*. Deloitte & Touche LLP, MTA Bridges and Tunnels' independent auditor, has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to MTA Bridges and Tunnels' financial statements for the years ended December 31, 2015 and 2014, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has performed a review of the consolidated interim financial information of Metropolitan Transportation Authority (MTA) for the**

six-month period ended June 30, 2016. As indicated in such review report which accompanies MTA's consolidated interim financial information, because Deloitte & Touche LLP did not perform an audit, Deloitte & Touche LLP expressed no opinion on that information. The consolidated interim financial information of MTA for the six-month period ended June 30, 2016 (except for the auditor's review report accompanying the interim financial information as described above), which has been included on MTA's website is included in this official statement by specific cross-reference. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA Bridges and Tunnels, including without limitation any of the information contained in this official statement, since the date of such review report and has not been asked to consent to the inclusion, or incorporation by reference, of either its audit or review report in this official statement.

- ***No Guarantee of Information by Underwriters.*** **The Underwriters have provided the following sentence for inclusion in this official statement: The Underwriters have reviewed the information in this official statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The Underwriters do not make any representation or warranty, express or implied, as to**
    - **the accuracy or completeness of information they have neither supplied nor verified,**
    - **the validity of the Series 2017 Bonds, or**
    - **the tax-exempt status of the interest on the Series 2017 Bonds.**
- ***Overallotment and Stabilization.*** **The Underwriters may overallot or effect transactions that stabilize or maintain the market price of the Series 2017 Bonds at a level above that which might otherwise prevail in the open market. The Underwriters are not obligated to do this and are free to discontinue it at any time.**
- ***Website Addresses*****. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this official statement for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission.**

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Information Included by Specific Cross-reference. The following portions of MTA's 2016 Combined Continuing Disclosure Filings, dated April 29, 2016, as supplemented on May 10, 2016, updated by a first quarter Annual Disclosure Statement Update, dated August 17, 2016, supplemented on October 11, 2016, and updated by a second quarter Annual Disclosure Statement Update, dated December 21, 2016, each filed with the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board (MSRB), are included by specific cross-reference in this official statement, along with material that updates this official statement and that is filed with EMMA or, in the case of official statements or remarketing circulars, filed with the MSRB prior to the delivery date of the Series 2017 Bonds, together with any supplements or amendments thereto:

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**, and formerly Appendix A – The Related Entities)
- **Appendix D** – Audited Financial Statements of Triborough Bridge and Tunnel Authority for the Years Ended December 31, 2015 and 2014

The following documents have also been filed with EMMA and are included by specific cross-reference in this official statement:

- MTA's Unaudited Consolidated Interim Financial Statements as of and for the six-month period ended June 30, 2016 (except that the auditor's review report accompanying the interim financial information does not express an opinion on the interim financial information because no audit was performed in connection therewith and, consequently, the auditor's review report is not considered a part of this official statement)*
- Summary of Certain Provisions of the MTA Bridges and Tunnels Senior Lien Resolution (i.e., as used in this official statement, the MTA Bridges and Tunnels Senior Resolution)
- Definitions and Summary of Certain Provisions of the Standard Resolution Provisions
- **Appendix E** – History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority, dated April 29, 2016, prepared by Stantec Consulting Services Inc.

The financial statements of MTA Bridges and Tunnels for the years ended December 31, 2015 and 2014, incorporated by specific cross-reference in this official statement, have been audited by Deloitte & Touche LLP, independent certified public accountants, as stated in their audit report appearing therein. Deloitte & Touche LLP, MTA Bridges and Tunnels' independent auditor, has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to MTA Bridges and Tunnels' financial statements for the years ended December 31, 2015 and 2014, which is a matter of public record, is included in such financial statements. The consolidated interim financial information of MTA for the six-month period ended June 30, 2016 (except for the auditor's review report accompanying the interim financial information as described above), has also been incorporated by specific cross-reference in this official statement. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA Bridges and Tunnels, including without limitation any of the information contained in, or incorporated by specific cross-reference in, this official statement, since the date of such review report and has not been asked to consent to the inclusion, or incorporation by reference, of its report on the audited financial statements or its review report, as the case may be, in this official statement.

For convenience, copies of most of these documents can be found on the MTA website (www.mta.info) under the caption "MTA Info–Financial Information–Budget and Financial Statements" in the

* MTA's Unaudited Consolidated Interim Financial Statements as of and for the nine-month period ended September 30, 2016 are expected to be considered by the Audit Committee of the MTA Board at its January 23, 2017 meeting and will be posted on the MTA website on or about such date. Neither such nine-month interim financial report, nor the auditor's review report accompanying such information, are considered part of this official statement, but will be filed with EMMA after approval by the MTA Board.

case of the Audited Consolidated Financial Statements of Triborough Bridge and Tunnel Authority for the Years Ended December 31, 2015 and 2014, and MTA's Unaudited Consolidated Interim Financial Statements for the six-month period ended June 30, 2016, and "MTA Info–Financial Information–Investor Information" in the case of (i) the summary of certain provisions of the MTA Bridges and Tunnels Senior Resolution; (ii) the definitions and summary of certain provisions of the Standard Resolution Provisions; and (iii) **Appendix E** – History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority, dated April 29, 2016, prepared by Stantec Consulting Services Inc." No statement on MTA's website is included by specific cross-reference herein. See "FURTHER INFORMATION" in **Part III**. See **Attachment 4** for a copy of the Bringdown Letter of Stantec Consulting Services Inc., dated January 13, 2017. Definitions of certain terms used in the summaries may differ from terms used in this official statement, such as using the popular name "MTA Bridges and Tunnels" in place of Triborough Bridge and Tunnel Authority or its abbreviation, TBTA.

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INTRODUCTION

MTA Bridges and Tunnels and Other Related Entities

Triborough Bridge and Tunnel Authority, or MTA Bridges and Tunnels, is a public benefit corporation, which means that it is a corporate entity separate and apart from New York State (the State), without any power of taxation – frequently called a "public authority." MTA Bridges and Tunnels is empowered to construct and operate toll bridges and tunnels and other public facilities in New York City (the City). MTA Bridges and Tunnels issues debt obligations to finance the capital costs of its facilities and the transit and commuter systems operated by other affiliates and subsidiaries of the Metropolitan Transportation Authority, or MTA. MTA Bridges and Tunnels is an affiliate of MTA. MTA Bridges and Tunnels' surplus amounts are used to fund transit and commuter operations and finance capital projects.

MTA has responsibility for developing and implementing a single, integrated mass transportation policy for MTA's service region (the MTA Commuter Transportation District or MCTD), which consists of the City and the seven New York metropolitan-area counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester. It carries out some of those responsibilities by operating the transit and commuter systems through its subsidiary and affiliate entities: the New York City Transit Authority and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority; the Staten Island Rapid Transit Operating Authority; The Long Island Rail Road Company; the Metro-North Commuter Railroad Company; the MTA Bus Company; and the MTA Capital Construction Company. MTA issues debt obligations to finance a substantial portion of the capital costs of these systems.

The board members of MTA serve as the board members of MTA's affiliates and subsidiaries, which, together with MTA, are referred to collectively herein as the Related Entities. MTA Bridges and Tunnels is an affiliate, not a subsidiary, of MTA. MTA, MTA Bridges and Tunnels and the other Related Entities are described in detail in **Part I** – MTA Annual Disclosure Statement of MTA's 2016 Combined Continuing Disclosure Filings (the **MTA Annual Disclosure Statement** or **ADS**), which is included by specific cross-reference in this official statement.

The following table sets forth the legal and popular names of the Related Entities. Throughout this official statement, reference to each agency will be made using the popular names.

Legal Name	Popular Name
Metropolitan Transportation Authority	MTA
New York City Transit Authority	MTA New York City Transit
Manhattan and Bronx Surface Transit Operating Authority	MaBSTOA
Staten Island Rapid Transit Operating Authority	MTA Staten Island Railway
MTA Bus Company	MTA Bus
The Long Island Rail Road Company	MTA Long Island Rail Road
Metro-North Commuter Railroad Company	MTA Metro-North Railroad
MTA Capital Construction Company	MTA Capital Construction
Triborough Bridge and Tunnel Authority	MTA Bridges and Tunnels

Capitalized terms used herein and not otherwise defined have the meanings provided in the **ADS** or the MTA Bridges and Tunnels Senior Resolution.

Information Provided in the MTA Annual Disclosure Statement

From time to time, the Governor, the State Comptroller, the Mayor of the City, the City Comptroller, County Executives, State legislators, City Council members and other persons or groups may make public statements, issue reports, institute proceedings or take actions that contain predictions, projections or other information relating to the Related Entities or their financial condition, including potential operating results for the current fiscal year and projected baseline surpluses or gaps for future years, that may vary materially from, question or challenge the information provided in the **ADS**. Investors and other market participants should, however, refer to MTA's then current continuing disclosure filings, official statements, remarketing circulars and offering memorandums for information regarding the Related Entities and their financial condition.

Where to Find Information

Information in this Official Statement. This official statement is organized as follows:

- This **Introduction** provides a general description of MTA Bridges and Tunnels and the other Related Entities.
- ***Part I*** provides specific information about the Series 2017 Bonds.
- ***Part II*** describes the sources of payment and security for all General Revenue Bonds, including the Series 2017 Bonds.
- ***Part III*** provides miscellaneous information relating to the Series 2017 Bonds.
- ***Attachment 1*** sets forth certain provisions applicable to the book-entry-only system of registration to be used for the Series 2017 Bonds.
- ***Attachment 2*** sets forth a summary of certain provisions of a continuing disclosure agreement relating to the Series 2017 Bonds.
- ***Attachment 3*** is the form of approving opinions of Co-Bond Counsel in connection with the issuance of the Series 2017 Bonds.
- ***Attachment 4*** sets forth a copy of the Bringdown Letter of Stantec Consulting Services Inc., dated January 13, 2017.
- ***Attachment 5*** sets forth a list of the bonds of MTA Bridges and Tunnels to be refunded.
- ***Attachment 6*** is the second quarter Annual Disclosure Statement Update, dated December 21, 2016.
- ***Information Included by Specific Cross-reference*** in this official statement and identified under the caption "Information Included by Specific Cross-reference" following the Table of Contents may be obtained, as described below, from the MSRB and from MTA.

Information from the MSRB through EMMA. MTA and MTA Bridges and Tunnels file annual and other information with EMMA. Such information can be accessed at http://emma.msrb.org/.

Information Included by Specific Cross-reference. The information listed under the caption "Information Included by Specific Cross-reference" following the Table of Contents, as filed with the MSRB through EMMA to date, is "included by specific cross-reference" in this official statement. This means that important information is disclosed by referring to those documents and that the specified portions of those documents are considered to be part of this official statement. **This official statement, which includes the specified portions of those filings, should be read in its entirety in order to obtain essential information for making an informed decision in connection with the Series 2017 Bonds.**

Information Available at No Cost. Information filed with the MSRB through EMMA is also available, at no cost, on MTA's website or by contacting MTA, Attn.: Finance Department, at the address on page (i). For important information about MTA's website, see **Part III** – "FURTHER INFORMATION" below.

Bringdown Letter of Stantec Consulting Services Inc.

In connection with the issuance of the Series 2017 Bonds, Stantec Consulting Services Inc. prepared a bringdown letter of its report entitled "History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority", dated January 13, 2017, which is attached hereto as **Attachment 4.**

The revenue and expense estimates included in the 2016 MTA November Financial Plan adopted by the Board of MTA at its December 14, 2016 meeting (the November Plan) take into consideration the implementation of Open Road Tolling (ORT), and MTA Bridges and Tunnels expects to achieve these estimates in full. The bringdown letter prepared by Stantec Consulting Services Inc. does not address the impact of ORT. The anticipated April 2017 report "History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority" to be prepared by Stantec Consulting Services Inc. is expected to incorporate an analysis of the impact of implementation of ORT on system-wide toll collections.

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PART I. SERIES 2017 BONDS

Part I of this official statement, together with the Summary of Terms, provides specific information about the Series 2017 Bonds.

APPLICATION OF PROCEEDS

MTA Bridges and Tunnels anticipates that the net proceeds of the Series 2017A Bonds (the principal amount thereof, plus net original issue premium of $51,035,449.25 and less certain financing, legal and miscellaneous expenses of $4,165,988.85) in the amount of $346,869,460.40 will be used to finance bridge and tunnel projects.

MTA Bridges and Tunnels anticipates that the net proceeds of the Series 2017B Bonds (the principal amount thereof, plus original issue premium of $173,372,181.30 and less certain financing, legal and miscellaneous expenses of $5,315,678.22) in the amount of $1,071,031,503.08 together with certain other funds of MTA Bridges and Tunnels in the amount of $10,699,492.43, will be used to refund certain outstanding obligations of MTA Bridges and Tunnels (the Refunded Bonds) in the aggregate principal amount of $1,011,440,000.00, as further described in **Attachment 5** to this official statement.

MTA Bridges and Tunnels anticipates that a portion of the net proceeds of the Series 2017B Bonds, together with other funds, in the amount of $1,081,730,953.00 will be used to acquire direct obligations of, or obligations guaranteed by, the United States of America (the Government Obligations), the principal of and interest on which, when due, will provide, together with any moneys that may be deposited by MTA Bridges and Tunnels with an escrow agent, moneys sufficient to pay the redemption price of such Refunded Bonds, and the interest to become due on such Refunded Bonds, on and prior to their redemption date. The Government Obligations and such other moneys, if any, will be deposited with an escrow agent upon the issuance and delivery of the Series 2017B Bonds and will be held in trust for the payment of the redemption price of and interest on such Refunded Bonds. Upon making such deposit with an escrow agent and the issuance of certain irrevocable instructions to such escrow agent pursuant to the MTA Bridges and Tunnels Senior Resolution and MTA Bridges and Tunnels Subordinate Resolution, as applicable, the Refunded Bonds will be deemed to have been paid and will no longer be outstanding under the MTA Bridges and Tunnels Senior Resolution and MTA Bridges and Tunnels Subordinate Resolution, as applicable.

DESCRIPTION OF SERIES 2017 BONDS

General

Record Date. The Record Date for the payment of principal of, interest on and Sinking Fund Installments with respect to the Series 2017 Bonds shall be the May 1 or November 1 immediately preceding such payment date.

Book-Entry-Only System. The Series 2017 Bonds will be registered in the name of The Depository Trust Company or its nominee (together, DTC), New York, New York, which will act as securities depository for the Series 2017 Bonds. Individual purchases will be made in book-entry-only form, in the principal amount of $5,000 or any integral multiple thereof (Authorized Denominations). So long as DTC is the registered owner of the Series 2017 Bonds, all payments on the Series 2017 Bonds will be made directly to DTC. DTC is responsible for disbursement of those payments to its participants, and DTC participants and indirect participants are responsible for making those payments to beneficial owners. See **Attachment 1** – "Book-Entry-Only System."

Interest Payments. The Series 2017 Bonds will bear interest at the rates and mature in the amounts and on the dates shown on the inside cover pages of this official statement. Interest on the Series 2017 Bonds will be paid on each May 15 and November 15, commencing on May 15, 2017. So long as DTC is the sole registered owner of all of the Series 2017 Bonds, all interest payments will be paid to DTC by wire transfer of immediately available funds, and payment of interest to beneficial owners will occur through the DTC Book-Entry-Only System.

Transfers and Exchanges. So long as DTC is the securities depository for the Series 2017 Bonds, it will be the sole registered owner of the Series 2017 Bonds, and transfers of ownership interests in the Series 2017 Bonds will occur through the DTC Book-Entry-Only System.

Trustee. U.S. Bank Trust National Association is Trustee and Paying Agent with respect to the Series 2017 Bonds.

Redemption Prior to Maturity

Mandatory Sinking Fund Redemption. The term bonds shown below are subject to mandatory sinking fund redemption, in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper) on any November 15 on and after the first sinking fund installment date shown below at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments that are required to be made in amounts sufficient to redeem on November 15 of each year the principal amount of such Series 2017 Bonds shown below:

Series 2017A 2042 5.00% Term Bond

	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2039	$12,405,000
	2040	13,025,000
	2041	13,680,000
final maturity	2042	14,365,000

average life – 24.383 years

Series 2017A 2047 5.00% Term Bond

	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment	2043	$15,080,000
	2044	15,835,000
	2045	16,625,000
	2046	17,460,000
final maturity	2047	18,330,000

average life – 28.920 years

Credit Toward Mandatory Sinking Fund Redemption. MTA Bridges and Tunnels may take credit toward mandatory Sinking Fund Installment requirements as follows, and, if taken, thereafter reduce the amount of term Series 2017 Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If MTA Bridges and Tunnels directs the Trustee to purchase or redeem term Series 2017 Bonds with money in the Debt Service Fund (at a price not greater than par plus accrued interest to the date of purchase or redemption), then a credit of 100% of the principal amount of those bonds will be made against the next Sinking Fund Installment due.

- If MTA Bridges and Tunnels purchases or redeems term Series 2017 Bonds with other available moneys, then the principal amount of those bonds will be credited against future Sinking Fund Installments in any order, and in any annual amount, that MTA Bridges and Tunnels may direct.

Optional Redemption. The Series 2017A Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after May 15, 2027, at the option of MTA Bridges and Tunnels, in whole or in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper) at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

The Series 2017B Bonds maturing on and after November 15, 2027, are subject to redemption prior to maturity on any date on and after May 15, 2027, except for the Series 2017B Bond maturing on November 15, 2028, which is not subject to redemption prior to maturity, at the option of MTA Bridges and Tunnels, in whole or in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper) at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

State and City Redemption. Pursuant to the Triborough Bridge and Tunnel Authority Act, the State or the City, upon providing sufficient funds, may require MTA Bridges and Tunnels to redeem the Series 2017 Bonds as a whole at the time and at the price and in accordance with the terms upon which the Series 2017 Bonds are otherwise redeemable.

Redemption Notices. So long as DTC is the securities depository for the Series 2017 Bonds, the Trustee must mail redemption notices to DTC at least 30 days before the redemption date. If the Series 2017 Bonds are not held in book-entry-only form, then the Trustee must mail redemption notices directly to bondholders within the same time frame. A redemption of the Series 2017 Bonds is valid and effective even if DTC's procedures for notice should fail. Beneficial owners should consider arranging to receive redemption notices or other communications to DTC affecting them, including notice of interest payments through DTC participants. Any notice of optional redemption may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before the payment of the Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. **Please note that all redemptions are final - even if beneficial owners did not receive their notice, and even if that notice had a defect.**

Redemption Process. If the Trustee gives an unconditional notice of redemption, then on the redemption date the Series 2017 Bonds called for redemption will become due and payable. If the Trustee gives a conditional notice of redemption and holds money to pay the redemption price of the affected Series 2017 Bonds, and any other conditions included in such notice have been satisfied, then on the redemption date the Series 2017 Bonds called for redemption will become due and payable. In either case, after the redemption date, no interest will accrue on those Series 2017 Bonds, and a bondholder's only right will be to receive payment of the redemption price upon surrender of those Series 2017 Bonds.

Debt Service on the Bonds

Table 1 on the next page sets forth, on a cash basis, the debt service on the Outstanding Bonds, the debt service on the Series 2017 Bonds, and the aggregate senior lien debt service on all Bonds to be Outstanding after the issuance of the Series 2017 Bonds. **Table 1** does not include debt service on the subordinate bonds.

Table 1

Aggregate Senior Lien Debt Service[(1)]
($ in thousands)

Year Ending December 31,	Debt Service on Outstanding Bonds[(2)(3)(4)(5)]	Debt Service on Series 2017 Bonds			Aggregate Debt Service
		Principal	Interest	Total	
2017	$ 433,525	-	$ 49,143	$ 49,143	$ 482,667
2018	487,627	-	59,768	59,768	547,395
2019	483,421	-	59,768	59,768	543,189
2020	493,085	-	59,768	59,768	552,852
2021	482,956	-	59,768	59,768	542,724
2022	464,859	$ 13,415	59,768	73,183	538,042
2023	495,404	-	59,231	59,231	554,635
2024	432,016	57,695	59,231	116,926	548,942
2025	472,932	22,470	56,347	78,817	551,749
2026	472,848	23,790	55,223	79,013	551,861
2027	444,139	49,965	54,034	103,999	548,138
2028	423,888	63,480	51,535	115,015	538,904
2029	419,177	82,820	48,361	131,181	550,358
2030	406,497	92,890	44,220	137,110	543,608
2031	418,706	92,465	39,667	132,132	550,838
2032	527,699	56,905	35,044	91,949	619,648
2033	180,221	83,895	32,199	116,094	296,315
2034	201,519	59,015	28,004	87,019	288,538
2035	228,533	71,770	25,053	96,823	325,356
2036	196,758	98,155	21,465	119,620	316,378
2037	200,643	99,890	16,712	116,602	317,245
2038	205,954	97,550	11,718	109,268	315,222
2039	140,103	12,405	6,840	19,245	159,349
2040	93,017	13,025	6,220	19,245	112,262
2041	69,770	13,680	5,569	19,249	89,019
2042	69,771	14,365	4,885	19,250	89,021
2043	56,051	15,080	4,167	19,247	75,298
2044	52,703	15,835	3,413	19,248	71,951
2045	37,285	16,625	2,621	19,246	56,531
2046	33,021	17,460	1,790	19,250	52,270
2047	13,729	18,330	917	19,247	32,976
2048	13,729	-	-	-	13,729
2049	13,726	-	-	-	13,726
2050	13,729	-	-	-	13,729
Total	$9,179,045	$1,202,975	$1,022,446	$2,225,421	$11,404,466

(1) Totals may not add due to rounding.
(2) Includes the following assumptions for debt service: variable rate bonds at an assumed rate of 4.0%; variable rate bonds swapped to fixed at the applicable fixed rate on the swap; floating rate notes at an assumed rate of 4.0% plus the current fixed spread; floating rate notes swapped to fixed at the applicable fixed rate on the swap plus the current fixed spread. Series 2001C and a portion of Series 2005A at an assumed rate of 4.0%.
(3) Debt service has not been reduced to reflect expected receipt of Build America Bond interest subsidies relating to certain Outstanding Bonds; such subsidies do not constitute pledged revenues under the MTA Bridges and Tunnels Senior Resolution.
(4) Excludes debt service on the Refunded Bonds.
(5) Figures reflect amounts outstanding as of the date of delivery of the Series 2017 Bonds.

PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

Part II of this official statement describes the sources of payment and security for all General Revenue Bonds, including the Series 2017 Bonds.

SOURCES OF PAYMENT

MTA Bridges and Tunnels receives its revenues from all tolls, rates, fees, charges, rents, proceeds of use and occupancy insurance on any portion of its tunnels, bridges and other facilities, including the net revenues of the Battery Parking Garage, and MTA Bridges and Tunnels' receipts from those sources, after payment of MTA Bridges and Tunnels' operating expenses, are pledged to the holders of the Bonds for payment, as described below.

The following seven bridges and two tunnels constitute MTA Bridges and Tunnels Facilities for purposes of the MTA Bridges and Tunnels Senior Resolution:

- Robert F. Kennedy Bridge (formerly the Triborough Bridge),
- Verrazano-Narrows Bridge,
- Bronx-Whitestone Bridge,
- Throgs Neck Bridge,
- Henry Hudson Bridge,
- Marine Parkway-Gil Hodges Memorial Bridge,
- Cross Bay Veterans Memorial Bridge,
- Hugh L. Carey Tunnel (formerly the Brooklyn-Battery Tunnel), and
- Queens Midtown Tunnel.

MTA Bridges and Tunnels is required to fix and collect tolls for the MTA Bridges and Tunnels Facilities, and MTA Bridges and Tunnels' power to establish toll rates is not subject to the approval of any governmental entity. For more information relating to MTA Bridges and Tunnels' power to establish tolls, see the **ADS** – "RIDERSHIP AND FACILITIES USE – Toll Rates."

For more detailed information about MTA Bridges and Tunnels' tolls, see the report of the Independent Engineers included by specific cross-reference herein entitled "History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority", dated April 29, 2016, and the Bringdown Letter of Stantec Consulting Services Inc., dated January 13, 2017, and included herein as **Attachment 4** (collectively, the Independent Engineers' Report). Readers should understand that the projections set forth in the Independent Engineers' Report have been developed based upon methodologies and using assumptions that may be different than the methodologies and assumptions used by MTA Bridges and Tunnels in connection with preparing the 2016 MTA November Financial Plan adopted by the Board of MTA at its December 14, 2016 meeting (the November Plan). Consequently, the projections set forth in the Independent Engineers' Report and in the November Plan may differ. Investors should read the Independent Engineers' Report in its entirety.

Copies of MTA Bridges and Tunnels' audited financial statements for the years ended December 31, 2015 and 2014, are included herein by specific cross-reference.

From time to time legislation has been introduced by various State legislators seeking, among other things, to restrict the level of tolls on certain of MTA Bridges and Tunnels Facilities, to require approval of future toll increases by the Governor, or to eliminate minimum tolls or to require discounts or free passage to be accorded to certain users of MTA Bridges and Tunnels Facilities. Under the Triborough Bridge and Tunnel Authority Act, however, the State has covenanted to holders of MTA Bridges and Tunnels' bonds that it will not limit or alter the rights vested in MTA Bridges and Tunnels to establish and collect such charges and tolls as may be convenient or necessary to produce sufficient revenue to fulfill the terms of any agreements made with the holders of MTA Bridges and Tunnels bonds or in any way to impair rights and remedies of those bondholders.

Table 2 sets forth, by MTA Bridges and Tunnels Facility, the amount of revenues for each of the last five years, as well as operating expenses.

Table 2

MTA Bridges and Tunnels
Historical Revenues, Operating Expenses and Senior Lien Debt Service
(in thousands)

	Years Ended December 31,				
Bridge and Tunnel Revenues:	2011	2012	2013	2014	2015
Robert F. Kennedy Bridge	$ 339,792	$ 336,781	$ 376,768	$ 393,622	$ 422,756
Verrazano-Narrows Bridge	330,886	326,797	352,370	345,466	372,347
Bronx Whitestone Bridge	230,669	240,236	264,174	260,756	294,022
Throgs Neck Bridge	266,307	260,468	291,433	302,110	324,702
Henry Hudson Bridge	59,246	57,828	62,444	64,879	71,388
Marine Parkway Gil Hodges Memorial Bridge	14,003	15,698	16,633	15,578	16,906
Cross Bay Veterans' Memorial Bridge	14,139	15,535	16,840	16,269	17,517
Queens Midtown Tunnel	158,668	153,825	168,982	178,630	182,382
Hugh L. Carey Tunnel (formerly Brooklyn-Battery)	87,879	83,814	95,549	99,135	106,881
Total Bridge and Tunnel Revenues:	$1,501,589	$1,490,982	$1,645,193	$1,676,445	$1,808,901
Investment Income and Other[1]	23,921	27,167	30,745	35,184	48,551
Total Revenues	**$1,525,510**	**$1,518,149**	**$1,675,938**	**$1,711,629**	**$1,857,452**
Operating Expenses[2]					
Personnel Costs	$ 208,342	$ 220,577	$ 220,692	$ 238,528	$226,408
Maintenance and Other Operating Expenses	150,502	157,463	188,804	205,225	217,658
Total Operating Expenses	**$ 358,844**	**$ 378,040**	**$ 409,496**	**$ 443,753**	**$ 444,066**
Net Revenues Available for Debt Service	**$1,166,666**	**$1,140,109**	**$1,266,442**	**$1,267,876**	**$1,413,386**
MTA Bridges and Tunnels Senior Lien Debt Service	**$ 466,338**	**$ 453,832**	**$ 460,402**	**$ 470,418**	**$ 484,852**
Senior Lien Coverage	**2.50x**	**2.51x**	**2.75x**	**2.70x**	**2.92x**

(1) Includes the net revenues from the Battery Parking Garage, as well as E-ZPass administrative fees and miscellaneous other revenues. Investment earnings include interest earned on bond funds, including debt service funds that were applied to the payment of debt service as follows for the years 2011 through 2015, respectively (in thousands): $157, $240, $127, $121 and $185. The amounts set forth in this footnote, as well as all of Table 2, are derived from MTA Bridges and Tunnels' audited financial statements for the years 2011 through 2015.

(2) Excludes depreciation, other post-employment benefits other than pensions and asset impairment due to Superstorm Sandy.

The following should be noted in **Table 2**:

- Bridge and Tunnel Revenues – In 2013, crossing charges were increased effective March 3, 2013. In addition, a toll increase was implemented on March 22, 2015. The traffic was higher on a year-to-year basis during each month of 2015.
- Operating Expenses – Personnel Costs – The 2012 and 2013 increases in personnel costs were primarily due to increases in pension costs. The 2014 increase in personnel costs was largely the result of additional wage and associated fringe benefit costs primarily stemming from payments for actual union contract settlements retroactive to 2009 and an actuarial adjustment for workers' compensation. The 2015 decrease was largely due to lower salaries and related benefits because of fewer retroactive adjustments and headcounts compared to the previous year, including the transfer of technology personnel to MTA as part of the agency-wide IT consolidation effort.
- Operating Expenses – Maintenance and Other Operating Expenses – In 2012, the increase in non-labor expenses was primarily due to Superstorm Sandy related expenses. In 2013, the increase in non-labor expenses was primarily due to increases in major maintenance and bridge painting, E-ZPass Customer Service Center costs, E-ZPass tag purchases, and bond service fees. In 2014, the increase in non-labor expenses was primarily due to additional major maintenance and bridge painting costs and increases in property and general liability insurance. In 2015, the increase in non-labor expenses was primarily due to additional major maintenance and bridge painting costs and higher credit card fees associated with the toll increase.

Table 3 sets forth certain revenues and expenses, including debt service, relating to MTA Bridges and Tunnels' 2016 November Forecast and 2017 Final Proposed Budget. The Final Proposed Budget was adopted at the December 14, 2016 meeting of the MTA Board. The projection of estimated revenues and expenses set forth in the report by MTA Bridges and Tunnels' Independent Engineers (which is included by specific cross-reference to this official statement), is different from that set forth in the 2016 November Forecast and 2017 Final Proposed Budget, as the projection is based upon conclusions formed independently based upon their own methodology and assumptions. Prospective investors should read the Independent Engineers' Report in its entirety.

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Table 3

MTA Bridges and Tunnels
2016 November Forecast and 2017 Final Proposed Budget
(in thousands)

	Year ended December 31, 2016 (November Forecast)	**Year ended December 31, 2017 (Final Proposed Budget)**
Total Bridge and Tunnel Revenues[(1)]:	$1,869,308	$1,924,808
Investment Income and Other[(2)]	27,953	27,207
Total Revenues	**$1,897,261**	**$1,952,015**
Operating Expenses[(3)]		
Personnel Costs (net of reimbursements)[(4)]	$248,084	$273,483
Maintenance and Other Operating Expenses	253,059	279,363
Total Operating Expenses	**$501,144**	**$552,846**
Net Revenues Available for Debt Service	**$1,396,118**	**$1,399,169**
MTA Bridges and Tunnels Senior Lien Debt Service[(5)]	**$498,889**	**$530,763**
Senior Lien Coverage	**2.80x**	**2.64x**

(1) 2017 Total Bridge and Tunnel Revenues include toll increases which are reflected below-the-line in Volume 1 of the November Plan.
(2) Includes the net revenues from the Battery Parking Garage, as well as E-ZPass administrative fees.
(3) Excludes depreciation and other post-employment benefits other than pensions.
(4) Includes regular and overtime salaries and fringe annual benefits, less capitalized personnel reimbursements.
(5) Debt service is net of the expected receipt of annual Build America Bonds interest credit payments of approximately $8.4 million in 2016 and 2017 each. Such interest credit payments do not constitute revenues under the MTA Bridges and Tunnels Senior Resolution.

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SECURITY

General Revenue Bonds are general obligations of MTA Bridges and Tunnels payable solely from the trust estate (described below) pledged for the payment of the Bonds and Parity Debt pursuant to the terms of the MTA Bridges and Tunnels Senior Resolution, after the payment of Operating Expenses. Summaries of certain provisions of the MTA Bridges and Tunnels Senior Resolution, including the Standard Resolution Provisions, are included by specific cross-reference herein.

General Revenue Bonds are not a debt of the State or the City or any local governmental unit. MTA Bridges and Tunnels has no taxing power.

Pledge Effected by the MTA Bridges and Tunnels Senior Resolution

The Bonds and Parity Debt issued in accordance with the MTA Bridges and Tunnels Senior Resolution are secured by a net pledge of Revenues after the payment of Operating Expenses.

Pursuant to, and in accordance with, the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels has pledged to the holders of the Bonds a "trust estate," which consists of:

- Revenues,
- the proceeds from the sale of the Bonds, and
- all funds, accounts and subaccounts established by the MTA Bridges and Tunnels Senior Resolution (except those established pursuant to a related supplemental resolution, and excluded by such supplemental resolution from the Trust Estate as security for all MTA Bridges and Tunnels Senior Revenue Bonds in connection with variable interest rate obligations, put obligations, parity debt, subordinated contract obligations or subordinated debt).

Revenues and Additional MTA Bridges and Tunnels Projects

Revenues from MTA Bridges and Tunnels Facilities. For purposes of the pledge under the MTA Bridges and Tunnels Senior Resolution, Revenues of MTA Bridges and Tunnels generally include all tolls, revenues, rates, fees, charges, rents, proceeds of use and occupancy insurance on any portion of the MTA Bridges and Tunnels Facilities (including net revenues derived from the Battery Parking Garage) and of any other insurance which insures against loss of revenues therefrom payable to or for the account of MTA Bridges and Tunnels, and other income and receipts, as received by MTA Bridges and Tunnels directly or indirectly from any of MTA Bridges and Tunnels' operations, including the ownership or operation of any MTA Bridges and Tunnels Facilities, subject to certain exceptions.

MTA Bridges and Tunnels does not currently derive any significant recurring Revenues from any sources other than the MTA Bridges and Tunnels Facilities and investment income. Income from capital projects for the Transit and Commuter Systems and MTA Staten Island Railway financed by MTA Bridges and Tunnels is not derived by or for the account of MTA Bridges and Tunnels; consequently, no revenues from any portion of the capital projects for the Transit and Commuter Systems and MTA Staten Island Railway financed by MTA Bridges and Tunnels are pledged to the payment of debt service on the Bonds.

For a discussion of other projects that MTA Bridges and Tunnels is authorized to undertake, see the **ADS** – "TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY – *Authorized Projects of MTA Bridges and Tunnels*."

Additional MTA Bridges and Tunnels Projects that can become MTA Bridges and Tunnels Facilities. If MTA Bridges and Tunnels is authorized to undertake another project, whether a bridge or tunnel, that project can become an MTA Bridges and Tunnels Facility for purposes of the MTA Bridges and Tunnels

Senior Resolution if it is designated as such by MTA Bridges and Tunnels and it satisfies certain conditions more fully described under "SUMMARY OF CERTAIN PROVISIONS OF THE TBTA (MTA BRIDGES AND TUNNELS) SENIOR LIEN RESOLUTION – Additional TBTA Facilities" included by specific cross-reference herein.

Flow of Revenues

The MTA Bridges and Tunnels Senior Resolution establishes the following funds and accounts, each held by MTA Bridges and Tunnels:

- Revenue Fund,
- Proceeds Fund,
- Debt Service Fund, and
- General Fund.

Under the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels is required to pay into the Revenue Fund all Revenues as and when received and available for deposit.

MTA Bridges and Tunnels is required to pay out from the Revenue Fund, on or before the 25th day of each calendar month, the following amounts in the following order of priority:

- payment of reasonable and necessary Operating Expenses or accumulation in the Revenue Fund as a reserve (i) for working capital, (ii) for such Operating Expenses the payment of which is not immediately required, including amounts determined by MTA Bridges and Tunnels to be required as an operating reserve, or (iii) deemed necessary or desirable by MTA Bridges and Tunnels to comply with orders or rulings of an agency or regulatory body having lawful jurisdiction;
- transfer to the Debt Service Fund, the amount, if any, required so that the balance in the fund is equal to Accrued Debt Service to the last day of the current calendar month; provided, however, that in no event shall the amount to be so transferred be less than the amount required for all payment dates occurring prior to the 25th day of the next succeeding calendar month;
- transfer to another person for payment of, or accrual for payment of, principal of and interest on any Subordinated Indebtedness or for payment of amounts due under any Subordinated Contract Obligations; and
- transfer to the General Fund any remaining amount.

All amounts paid out by MTA Bridges and Tunnels for an authorized purpose (excluding transfers to any other pledged Fund or Account), or withdrawn from the General Fund in accordance with the MTA Bridges and Tunnels Senior Resolution, are free and clear of the lien and pledge created by the MTA Bridges and Tunnels Senior Resolution.

Under the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels is required to use amounts in the General Fund to make up deficiencies in the Debt Service Fund and the Revenue Fund, in that order. Subject to the preceding sentence and any lien or pledge securing Subordinated Indebtedness, the MTA Bridges and Tunnels Senior Resolution authorizes MTA Bridges and Tunnels to release amounts in the General Fund to be paid to MTA Bridges and Tunnels free and clear of the lien and pledge created by the MTA Bridges and Tunnels Senior Resolution.

MTA Bridges and Tunnels is required by law to transfer amounts released from the General Fund to MTA, and a statutory formula determines how MTA allocates that money between the transit and commuter systems.

Rate Covenant

Under the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels is required at all times to establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the MTA Bridges and Tunnels Facilities as shall always be sufficient, together with other money available therefor (including the anticipated receipt of proceeds of the sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of MTA Bridges and Tunnels that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of MTA Bridges and Tunnels Facilities), to equal or exceed in each calendar year the greater of:

- an amount equal to the sum of amounts necessary in such calendar year
  - to pay all Operating Expenses of MTA Bridges and Tunnels, plus
  - to pay Calculated Debt Service, as well as the debt service on all Subordinated Indebtedness and all Subordinated Contract Obligations, plus
  - to maintain any reserve established by MTA Bridges and Tunnels pursuant to the MTA Bridges and Tunnels Senior Resolution, in such amount as may be determined from time to time by MTA Bridges and Tunnels in its judgment, or
- an amount such that Revenues less Operating Expenses shall equal at least 1.25 times Calculated Debt Service for such calendar year.

For a more complete description of the rate covenant and a description of the minimum tolls that can be charged at the MTA Bridges and Tunnels Facilities, see "SUMMARY OF CERTAIN PROVISIONS OF THE TBTA (MTA BRIDGES AND TUNNELS) SENIOR LIEN RESOLUTION – Rates and Fees" included by specific cross-reference herein.

Additional Bonds

Under the provisions of the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels may issue one or more series of Additional Bonds on a parity with the Series 2017 Bonds and other Outstanding Bonds to provide for Capital Costs.

Certain Additional Bonds for MTA Bridges and Tunnels Facilities. MTA Bridges and Tunnels may issue Additional Bonds without satisfying any earnings or coverage test for the purpose of providing for Capital Costs relating to MTA Bridges and Tunnels Facilities for the purpose of keeping such MTA Bridges and Tunnels Facilities in good operating condition or preventing a loss of Revenues or Revenues after payment of Operating Expenses derived from such MTA Bridges and Tunnels Facilities.

Additional Bonds for Other Purposes. MTA Bridges and Tunnels may issue Additional Bonds to pay or provide for the payment of all or part of Capital Costs (including payment when due on any obligation of MTA Bridges and Tunnels or any other Related Entity), relating to any of the following purposes:

- capital projects of the Transit and Commuter Systems and MTA Staten Island Railway,
- any Additional MTA Bridges and Tunnels Project (that does not become a MTA Bridges and Tunnels Facility), or
- any MTA Bridges and Tunnels Facilities other than for the purposes set forth in the preceding paragraph.

In the case of Additional Bonds issued other than for the improvement, reconstruction or rehabilitation of MTA Bridges and Tunnels Facilities as described under the preceding heading, in addition to meeting certain other conditions, all as more fully described in "SUMMARY OF CERTAIN PROVISIONS OF THE TBTA (MTA BRIDGES AND TUNNELS) SENIOR LIEN RESOLUTION – Special Provisions for Capital Cost Obligations" included by specific cross-reference herein, an Authorized Officer must certify that the historical Twelve Month Period Net Revenues are at least equal to 1.40 times the Maximum Annual Calculated Debt Service on all senior lien Bonds, including debt service on the Bonds to be issued.

Refunding Bonds

Bonds may be issued for the purpose of refunding Bonds if (a) the Maximum Annual Calculated Debt Service (including the refunding Bonds then proposed to be issued but not including the Bonds to be refunded) is equal to or less than the Maximum Annual Calculated Debt Service on the Bonds as calculated immediately prior to the refunding (including the refunded Bonds but not including the refunding Bonds) or (b) the conditions referred to above under Additional Bonds for the category of Bonds being refunded are satisfied.

For a more complete description of the conditions that must be satisfied before issuing refunding Bonds, see "SUMMARY OF CERTAIN PROVISIONS OF THE TBTA (MTA BRIDGES AND TUNNELS) SENIOR LIEN RESOLUTION – Refunding Obligations" included by specific cross-reference herein.

Parity Debt

MTA Bridges and Tunnels may incur Parity Debt pursuant to the terms of the MTA Bridges and Tunnels Senior Resolution that, subject to certain exceptions, would be secured by a pledge of, and a lien on, the Trust Estate on a parity with the lien created by the MTA Bridges and Tunnels Senior Resolution with respect to the Bonds. Parity Debt may be incurred in the form of a Parity Reimbursement Obligation, a Parity Swap Obligation or any other contract, agreement or other obligation of MTA Bridges and Tunnels designated as constituting "Parity Debt" in a certificate of an Authorized Officer delivered to the Trustee.

Subordinate Obligations

The MTA Bridges and Tunnels Senior Resolution authorizes the issuance or incurrence of subordinate obligations.

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PART III. OTHER INFORMATION ABOUT THE SERIES 2017 BONDS

Part III of this official statement provides miscellaneous additional information relating to the Series 2017 Bonds.

TAX MATTERS

General

Orrick, Herrington & Sutcliffe LLP and Bryant Rabbino LLP are Co-Bond Counsel for the Series 2017 Bonds. Each Co-Bond Counsel is of the opinion that, under existing law, relying on certain statements by MTA Bridges and Tunnels and assuming compliance by MTA Bridges and Tunnels with certain covenants, interest on the Series 2017 Bonds is:

- excluded from a bondholder's federal gross income under Section 103 of the Internal Revenue Code of 1986, and
- not a specific preference item for a bondholder in calculating the federal alternative minimum tax, but
- included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.

Each Co-Bond Counsel is also of the opinion that under existing law interest on the Series 2017 Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See **Attachment 3** to this official statement for the form of the opinions that Co-Bond Counsel expect to deliver when the Series 2017 Bonds are delivered.

The Series 2017 Bonds

The Internal Revenue Code of 1986 imposes requirements on the Series 2017 Bonds that MTA Bridges and Tunnels must continue to meet after the Series 2017 Bonds are issued. These requirements generally involve the way that Series 2017 Bond proceeds must be invested and ultimately used and the way that assets financed and refinanced with proceeds of the Series 2017 Bonds must be used. If MTA Bridges and Tunnels does not meet these requirements, it is possible that a bondholder may have to include interest on the Series 2017 Bonds in its federal gross income on a retroactive basis to the date of issue. MTA Bridges and Tunnels has covenanted to do everything necessary to meet the requirements of the Internal Revenue Code of 1986.

A bondholder who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2017 Bonds. This is possible if a bondholder is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit, or
- a borrower of money to purchase or carry the Series 2017 Bonds.

If a bondholder is in any of these categories, it should consult its tax advisor.

Co-Bond Counsel are not responsible for updating their respective opinions in the future. It is possible that future events could change the tax treatment of the interest on the Series 2017 Bonds or affect the market price of the Series 2017 Bonds. See also "Miscellaneous" below under this heading.

Co-Bond Counsel express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Series 2017 Bonds, or under State, local or foreign tax law.

Original Issue Discount

Each maturity of the Series 2017 Bonds will have "original issue discount" if the price first paid by the bondholders for a substantial amount of such Series 2017 Bonds is less than the principal amount of these Series 2017 Bonds. Original issue discount on these Series 2017 Bonds as it accrues is excluded from a bondholder's federal gross income under the Internal Revenue Code of 1986 to the same extent and subject to the same considerations discussed above as interest paid on the Series 2017 Bonds. In addition, original issue discount on these Series 2017 Bonds as it accrues is exempt from personal income taxes of the State and its political subdivisions, including the City. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues a bondholder's tax basis in these Series 2017 Bonds will be increased. If a bondholder owns one of these Series 2017 Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

Bond Premium

If a bondholder purchases a Series 2017 Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Series 2017 Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized a bondholder's tax basis in that Series 2017 Bond will be reduced. The holder of a Series 2017 Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Series 2017 Bond. A bondholder in certain circumstances may realize a taxable gain upon the sale of a Series 2017 Bond with bond premium, even though the Series 2017 Bond is sold for an amount less than or equal to the bondholder's original cost. If a bondholder owns any Series 2017 Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, such as the Series 2017 Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Internal Revenue Code of 1986. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If a bondholder purchasing a Series 2017 Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2017 Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the bondholder's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Legislative or administrative actions and court decisions, at either the federal or State level, may cause interest on the Series 2017 Bonds to be subject, directly or indirectly, in whole or in part, to federal, State or local income taxation, and thus have an adverse impact on the value or marketability of the Series 2017 Bonds. This could result from changes to federal or State income tax rates, changes in the structure of federal or State income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2017 Bonds from gross income for federal or State income tax purposes, or otherwise. For example, presidential budget proposals in recent years have proposed legislation that would limit the extent of the exclusion from gross income of interest on obligations of states and political subdivisions under Section 103 of the Internal Revenue Code of 1986 (including the Series 2017 Bonds) for taxpayers whose income exceeds certain thresholds. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or State income tax treatment of holders of the Series 2017 Bonds may occur. Prospective purchasers of the Series 2017 Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2017 Bonds.

Prospective bondholders should consult their own tax advisors regarding the foregoing matters.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations was independently verified by The Arbitrage Group, Inc. (the Verification Agent). These computations indicate (i) the sufficiency of the receipts from the Government Obligations together with an initial cash deposit, to pay at early redemption or at the maturity date, the principal of and interest on the Refunded Bonds, and (ii) the yields to be considered in determining that the Series 2017B Bonds are not "arbitrage bonds" under Section 148 of the Internal Revenue Code. The Verification Agent relied upon assumptions and information supplied by the financial advisor on behalf of MTA Bridges and Tunnels and has not made any study or examination of them, except as noted in its report. The Verification Agent has not expressed an opinion on the reasonableness of the assumptions or the likelihood that the debt service requirements of the Refunded Bonds will be satisfied as described in its report.

BOARD POLICY REGARDING SENIOR LIEN COVERAGE

In addition to the requirements of the rate covenant and the requirements for the issuance of additional bonds for certain purposes set forth under "SECURITY – Rate Covenant" and "–Additional Bonds", respectively, in **Part II**, the Board of MTA Bridges and Tunnels has established a policy that it will "endeavor to maintain a ratio" of Net Revenues to senior lien Debt Service of at least 1.75x. MTA Bridges and Tunnels has been in compliance with this policy since its adoption in March 2002.

The policy does not constitute a covenant or agreement by MTA Bridges and Tunnels enforceable under the MTA Bridges and Tunnels Senior Resolution. While this policy has been in effect without change since 2002, the Board of MTA Bridges and Tunnels retains the right to amend, modify or repeal such policy and may do so at any time in its sole discretion without the consent or approval of the Trustee or any Bondholder under the MTA Bridges and Tunnels Senior Resolution.

LEGALITY FOR INVESTMENT

The Triborough Bridge and Tunnel Authority Act provides that the Series 2017 Bonds are securities in which the following investors may properly and legally invest funds, including capital in their control or belonging to them:

- all public officers and bodies of the State and all municipalities and political subdivisions in the State,

- all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business,
- all administrators, guardians, executors, trustees and other fiduciaries, and
- all other persons whatsoever who are now or who may hereafter be authorized to invest in the obligations of the State.

Certain of those investors, however, may be subject to separate restrictions that limit or prevent their investment in the Series 2017 Bonds.

LITIGATION

There is no pending litigation concerning the bonds being issued.

MTA Bridges and Tunnels is a defendant in numerous claims and actions, the status of which is set forth in the **ADS** – "LITIGATION – MTA Bridges and Tunnels," as that filing may be amended or supplemented to date.

FINANCIAL ADVISOR

Public Resources Advisory Group, Inc. and Backstrom McCarley Berry & Co., LLC are MTA Bridges and Tunnels' co-financial advisors for the Series 2017 Bonds. The co-financial advisors have provided MTA Bridges and Tunnels advice on the plan of financing and reviewed the pricing of the Series 2017 Bonds. The co-financial advisors have not independently verified the information contained in this official statement and do not assume responsibility for the accuracy, completeness or fairness of such information.

UNDERWRITING

The Underwriters for the Series 2017 Bonds, acting through Goldman, Sachs & Co., as Representative, have jointly and severally agreed, subject to certain conditions, to purchase from MTA Bridges and Tunnels the Series 2017 Bonds described on the inside cover pages of this official statement at an aggregate purchase price of $1,421,404,630.62, reflecting a net original issue premium of $224,407,630.55 and an Underwriters' discount of $5,977,999.93 and to reoffer such Series 2017 Bonds at the public offering prices or yields set forth on the inside cover pages.

The Series 2017 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2017 Bonds into investment trusts) at prices lower or yields higher than such public offering prices or yields and prices or yields may be changed, from time to time, by the Underwriters.

The Underwriters' obligations to purchase the Series 2017 Bonds are subject to certain conditions precedent, and they will be obligated to purchase all the Series 2017 Bonds if any Series 2017 Bonds are purchased.

Two Underwriters, PNC Capital Markets LLC and The Williams Capital Group, L.P., have entered into a joint-venture arrangement. Such joint-venture arrangement provides for sharing of underwriters' discount in connection with orders for the Series 2017 Bonds.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by MTA Bridges and Tunnels as Underwriters) for the distribution of the Series 2017 Bonds at the original issue prices. Such agreements generally provide that the relevant

Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various advisory and investment banking services for MTA Bridges and Tunnels, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of MTA Bridges and Tunnels. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATINGS

The Summary of Terms identifies the ratings of the credit rating agencies assigned to the Series 2017 Bonds. Those ratings reflect only the views of the organizations assigning them. An explanation of the significance of the ratings or any outlooks or other statements given with respect thereto from each identified agency may be obtained as follows:

Fitch Ratings
33 Whitehall Street
New York, New York 10004
(212) 908-0500

Kroll Bond Ratings Agency
845 Third Avenue
New York, New York 10022
(212) 702-0707

Moody's Investors Service, Inc.
7 World Trade Center
New York, New York 10007
(212) 553-0300

S&P Global Ratings
55 Water Street
New York, New York 10041
(212) 438-2000

MTA Bridges and Tunnels has furnished information to each rating agency rating the Series 2017 Bonds, including information not included in this official statement, about MTA Bridges and Tunnels and the bonds. Generally, rating agencies base their ratings on that information and on independent investigations, studies and assumptions made by each rating agency. A securities rating is not a recommendation to buy, sell or hold securities. There can be no assurance that ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by a rating agency if, in the judgment of that rating agency, circumstances warrant the revision or withdrawal. Those circumstances may include, among other things, changes in or unavailability of information relating to MTA Bridges and Tunnels or the bonds. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the bonds.

LEGAL MATTERS

All legal proceedings in connection with the issuance of the bonds being offered are subject to the approval of Orrick, Herrington & Sutcliffe LLP and Bryant Rabbino LLP, Co-Bond Counsel to MTA Bridges and Tunnels. The form of the opinions of Co-Bond Counsel is **Attachment 3** to this official statement.

The Underwriters have appointed Square Patton Boggs (US) LLP as counsel to the Underwriters in connection with the underwriting of the Series 2017 Bonds, which firm will pass upon certain legal matters.

Certain legal matters will be passed upon by Hawkins Delafield & Wood LLP, special disclosure counsel to MTA Bridges and Tunnels.

Certain legal matters regarding MTA Bridges and Tunnels will be passed upon by its General Counsel.

CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

As more fully stated in **Attachment 2**, MTA Bridges and Tunnels has agreed to provide certain financial information and operating data by no later than 120 days following the end of each fiscal year. That information is to include, among other things, information concerning MTA Bridges and Tunnels annual audited financial statements prepared in accordance with generally accepted accounting principles, or if unavailable, unaudited financial statements will be delivered until audited statements become available. MTA Bridges and Tunnels has undertaken to file such information (the Annual Information) with EMMA.

MTA Bridges and Tunnels has further agreed to deliver notice to EMMA of any failure to provide the Annual Information. MTA Bridges and Tunnels is also obligated to deliver, in a timely manner not in excess of ten business days after the occurrence of each event, notices of the following events to EMMA:

- principal and interest payment delinquencies;
- non-payment related defaults, if material;
- unscheduled draws on debt service reserves reflecting financial difficulties;
- unscheduled draws on credit enhancements reflecting financial difficulties;
- substitution of credit or liquidity providers, or their failure to perform;
- adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- modifications to the rights of security holders, if material;
- bond calls, if material, and tender offers;
- defeasances;
- release, substitution, or sale of property securing repayment of the Bonds, if material;
- rating changes;
- bankruptcy, insolvency, receivership of MTA Bridges and Tunnels or similar event;
- consummation of a merger, consolidation or acquisition involving an obligated person or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and
- appointment of a successor or additional trustee or the change in name of a trustee, if material.

MTA Bridges and Tunnels has not failed to comply, in any material respect, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

MTA Bridges and Tunnels is not responsible for any failure by EMMA or any nationally recognized municipal securities information repository to timely post disclosure submitted to it by MTA Bridges and Tunnels or any failure to associate such submitted disclosure to all related CUSIPs.

FURTHER INFORMATION

MTA Bridges and Tunnels may place a copy of this official statement on MTA's website at http://web.mta.info/mta/investor/. No statement on MTA's website or any other website is included by specific cross-reference herein.

Although MTA Bridges and Tunnels and MTA have prepared the information on MTA's website for the convenience of those seeking that information, no decision in reliance upon that information should be made. Typographical or other errors may have occurred in converting the original source documents to their digital format, and MTA Bridges and Tunnels and MTA assume no liability or responsibility for errors or omissions contained on any website. Further, MTA Bridges and Tunnels and MTA disclaim any duty or obligation to update or maintain the availability of the information contained on any website or any responsibility or liability for any damages caused by viruses contained within the electronic files on any website. MTA Bridges and Tunnels and MTA also assume no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

By: /s/ Patrick J. McCoy
Director, Finance
Metropolitan Transportation Authority and
Authorized Officer
Triborough Bridge and Tunnel Authority
(MTA Bridges and Tunnels)

ATTACHMENT 1

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company (DTC), New York, NY, will act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2017 Bond will be issued for each maturity of the Series 2017 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity of the Series 2017 Bonds exceeds $500 million, one Bond of such maturity will be issued with respect to each $500 million of principal amount, and an additional Bond will be issued with respect to any remaining principal amount of such maturity.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (Direct Participants) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants). DTC has a Standard & Poor's rating: AA+. The DTC Rules applicable to Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Series 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017 Bond (Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2017 Bonds, except in the event that use of the book-entry-only system for the Series 2017 Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2017 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017 Bond documents. For example, Beneficial Owners of the Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2017 Bonds of any maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2017 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to MTA Bridges and Tunnels as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds and principal and interest payments on the Series 2017 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from MTA Bridges and Tunnels or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or MTA Bridges and Tunnels, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of MTA Bridges and Tunnels or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to MTA Bridges and Tunnels or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2017 Bonds are required to be printed and delivered.

10. MTA Bridges and Tunnels may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depository). In that event, certificates for the Series 2017 Bonds will be printed and delivered.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT MTA BRIDGES AND TUNNELS BELIEVES TO BE RELIABLE, BUT MTA BRIDGES AND TUNNELS TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

ATTACHMENT 2

CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), MTA Bridges and Tunnels and the Trustee have entered into a written agreement (the "Disclosure Agreement") for the benefit of holders of the Series 2017 Bonds to provide continuing disclosure. MTA Bridges and Tunnels will undertake to provide certain financial information and operating data by no later than 120 days after the end of each MTA Bridges and Tunnels fiscal year, commencing with the fiscal year ending December 31, 2016 (the "Annual Information"), and to provide notices of the occurrence of certain enumerated events. The Annual Information will be filed by or on behalf of MTA Bridges and Tunnels with the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board (MSRB). Notices of enumerated events will be filed by or on behalf of MTA Bridges and Tunnels with EMMA. The nature of the information to be provided in the Annual Information and the notices of events is set forth below.

Pursuant to Rule 15c2-12, MTA Bridges and Tunnels will undertake for the benefit of holders of Series 2017 Bonds to provide or cause to be provided either directly or through the Trustee, audited financial statements by no later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2016, when and if such audited financial statements become available and, if such audited financial statements are not available on the date which is 120 days after the end of a fiscal year, the unaudited financial statements for such fiscal year. MTA Bridges and Tunnels annual financial statements will be filed with EMMA.

The required Annual Information will include at least the following:

1. information of the type included in the **MTA Annual Disclosure Statement** (the **ADS**, formerly Appendix A) under the following captions:

   a. "TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY — MTA Bridges and Tunnels Facilities,"
   b. "TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY — Authorized Projects of MTA Bridges and Tunnels,"
   c. "RIDERSHIP AND FACILITIES USE — MTA Bridges and Tunnels — Total Revenue Vehicles,"
   d. "RIDERSHIP AND FACILITIES USE — Toll Rates,"
   e. "RIDERSHIP AND FACILITIES USE — Competing Facilities and Other Matters," and
   f. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST EMPLOYMENT OBLIGATIONS — MTA Bridges and Tunnels."

2. information regarding the capital programs of MTA Bridges and Tunnels, as well as of related public authorities whose operating needs, financing activities and capital programs may have a material impact on the operations and financing activities of MTA Bridges and Tunnels,

3. a presentation of changes to indebtedness issued by MTA Bridges and Tunnels under both the MTA Bridges and Tunnels Senior Resolution and Subordinate Resolution, as well as information concerning changes to MTA Bridges and Tunnels' debt service requirements on such indebtedness payable from Revenues,

4. historical information concerning traffic, revenues, operating expenses, MTA Bridges and Tunnels Senior Resolution debt service and debt service coverage of the type included in this official statement in **Table 2** and included by specific cross-reference in the ADS under the heading "REVENUES OF THE RELATED ENTITIES – MTA Bridges and Tunnels Surplus",

5. material litigation related to any of the foregoing, and

6. such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data concerning, and in judging the financial condition of, MTA Bridges and Tunnels.

All or any portion of the Annual Information as well as required audited financial statements may be incorporated therein by specific reference to any other documents which have been filed with (a) EMMA or (b) the Securities and Exchange Commission (the "SEC"). Annual Information for any fiscal year containing any amended operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such amendment and the impact of the change on the type of operating data or financial information in the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such information shall present a comparison between the financial statements or information prepared on the basis of the amended accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information. To the extent feasible, such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent to EMMA.

MTA Bridges and Tunnels will undertake, for the benefit of holders of the Series 2017 Bonds, to provide or cause to be provided:

1. to EMMA, in a timely manner, not in excess of 10 business days after the occurrence of the event, notice of any of the events listed under the heading "CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12" in this official statement with respect to the Series 2017 Bonds, and

2. to EMMA, in a timely manner, notice of a failure to provide any Annual Information required by such undertaking or any required audited financial statements.

The Disclosure Agreement provides that if any party to the Disclosure Agreement fails to comply with any provisions of its undertaking described herein, then any holder of the Series 2017 Bonds (which will include beneficial owners during any period that DTC acts as securities depository for, and DTC or its nominee is the registered owner of, the Series 2017 Bonds) may enforce, for the equal benefit and protection of all holders similarly situated, by mandamus or other suit or proceeding at law or in equity, the undertaking against such party and any of its officers, agents and employees, and may compel such party or any of its officers, agents or employees to perform and carry out their duties thereunder; provided that the sole and exclusive remedy for breach under the undertaking is an action to compel specific performance, and no person or entity, including any holder of Series 2017 Bonds, may recover monetary damages thereunder under any circumstances, and provided further that any challenge to the adequacy of any information under the undertaking may be brought only by the Trustee or the holders of 25 percent in aggregate principal amount of the Series 2017 Bonds at the time Outstanding which are affected thereby. Each of MTA Bridges and Tunnels and the Trustee reserves the right, but shall not be obligated to, enforce the obligations of the others. Failure to comply with any provisions of the undertaking shall not constitute a default under the MTA Bridges and Tunnels Senior Resolution nor give right to the Trustee or any Bondholder to exercise any remedies under the MTA Bridges and Tunnels Senior Resolution. In addition, if all or any part of Rule 15c2-12 ceases to be in effect for any reason, then the information required to be provided under the undertaking insofar as the provision of Rule 15c2-12 no longer in effect required the provision of such information, shall no longer be required to be provided.

The foregoing is intended to set forth a general description of the type of financial information and operating data that will be provided; the descriptions are not intended to state more than general categories of financial information and operating data; and where MTA Bridges and Tunnels' undertaking calls for information that no longer can be generated or is no longer relevant because the operations to which it related have been materially changed or discontinued, a statement to that effect will be provided. MTA Bridges and Tunnels does not anticipate that it often will be necessary to amend the undertaking. The undertaking, however, may be amended or modified under certain circumstances set forth therein and the undertaking will continue until the earlier of the date the Series 2017 Bonds have been paid in full or legally defeased pursuant to the MTA Bridges and Tunnels Senior Resolution or the date the undertaking is no longer required by law. Copies of the undertaking when executed by the parties will be on file at the office of MTA Bridges and Tunnels.

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ATTACHMENT 3

FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

Upon delivery of the Series 2017 Bonds in definitive form, each of Orrick, Herrington & Sutcliffe LLP, New York, New York, and Bryant Rabbino LLP, New York, New York, Co-Bond Counsel to MTA Bridges and Tunnels, proposes to render its final approving opinion in substantially the following form:

[Date of Closing]

Triborough Bridge and Tunnel Authority
2 Broadway
New York, New York

Ladies and Gentlemen:

We have examined a certified copy of the record of proceedings of the Triborough Bridge and Tunnel Authority ("TBTA") and other proofs submitted to us relative to the issuance of $300,000,000 aggregate principal amount of Triborough Bridge and Tunnel Authority General Revenue Bonds, Series 2017A (the "Series 2017A Bonds") and $902,975,000 aggregate principal amount of Triborough Bridge and Tunnel Authority General Revenue Refunding Bonds, Series 2017B (the "Series 2017B Bonds" and, collectively with the Series 2017A Bonds, the "Series 2017 Bonds").

All terms defined in the Resolution (hereinafter defined) and used herein shall have the respective meanings assigned in the Resolution, except where the context hereof otherwise requires.

The Series 2017 Bonds are issued under and pursuant to the Constitution and statutes of the State of New York (the "State"), including the Triborough Bridge and Tunnel Authority Act, being Title 3 of Article 3 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended to the date of this opinion letter (herein called the "Issuer Act"), and under and pursuant to proceedings of TBTA duly taken, including a resolution adopted by the members of TBTA on March 26, 2002 entitled "General Resolution Authorizing General Revenue Obligations", as supplemented by resolutions of said members adopted on December 14, 2016 (collectively, the "Resolution").

The Series 2017 Bonds are dated, mature, are payable, bear interest and are subject to redemption, all as provided in the Resolution.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2017 Bonds in order that interest on the Series 2017 Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. We have examined the Arbitrage and Use of Proceeds Certificate of TBTA, dated the date hereof (the "Arbitrage and Use of Proceeds Certificate"), in which TBTA has made representations, statements of intention and reasonable expectation, certifications of fact and covenants relating to the federal tax status of interest on the Series 2017 Bonds, including, but not limited to, certain representations with respect to the use of the proceeds of the Series 2017 Bonds and the investment of certain funds. The Arbitrage and Use of Proceeds Certificate obligates TBTA to take certain actions necessary to cause interest on the Series 2017 Bonds to be excluded from gross income pursuant to Section 103 of the Code. Noncompliance with the requirements of the Code could cause interest on the Series 2017 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance, irrespective of the date on which such noncompliance occurs or is ascertained. TBTA has covenanted in the Resolution to maintain the exclusion of the interest on the Series 2017 Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In rendering the opinion in paragraph 5 hereof, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectation and certifications of fact contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the exclusion of interest on the Series 2017 Bonds from gross income for federal income tax purposes under Section 103 of the Code and (ii) compliance by TBTA with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

A portion of the proceeds of the Series 2017B Bonds is being used to refund certain of the Outstanding Obligations of TBTA (the "Senior Refunded Bonds") issued pursuant to the Resolution and certain of the Outstanding Obligations of TBTA (the "Subordinate Refunded Bonds" and together with the Senior Refunded Bonds, the "Refunded Bonds") issued pursuant to a resolution adopted by the members of TBTA on March 26, 2002 entitled "2001 Subordinate Revenue Resolution Authorizing Subordinate Revenue Obligations," as supplemented (the "Subordinate Resolution"). The Refunded Bonds are as described in the hereinafter defined Escrow Agreement as being refunded with proceeds of the Series 2017B Bonds. Portions of the proceeds of the Series 2017B Bonds, together with any other amounts made available by TBTA (the "Defeasance Deposit"), have been used to purchase direct obligations of, or obligations guaranteed by, the United States of America in an aggregate amount sufficient, together with any amounts held uninvested, to pay when due the principal or applicable redemption price of and interest due and to become due on the Refunded Bonds, respectively (the "Defeasance Requirement"). The Defeasance Deposit is being held in trust under an escrow agreement(s), dated January __, 2017 (the "Escrow Agreement"), by and between TBTA and the escrow agent thereunder. TBTA has given the applicable trustee, in form satisfactory to it, irrevocable instructions to give notice in accordance with the Resolution or the Subordinate Resolution, as applicable, of the redemption of the Refunded Bonds and the deposit of the Defeasance Deposit. The Arbitrage Group, Inc., has prepared a report stating that it has reviewed the accuracy of the mathematical computations of the adequacy of the Defeasance Deposit, as invested, to pay in full the respective Defeasance Requirement when due. We have undertaken no independent verification of the adequacy of the Defeasance Deposit.

We have also examined one of said Series 2017A Bonds and one of said Series 2017B Bonds as executed and, in our opinion, the form of each said Series 2017 Bond and its execution are regular and proper.

We are of the opinion that:

1. TBTA is duly created and validly existing under the laws of the State, including the Constitution of the State and the Issuer Act.

2. TBTA has the right and power under the Issuer Act to adopt the Resolution. The Resolution has been duly and lawfully adopted by TBTA, is in full force and effect, is valid and binding upon TBTA, and is enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Trust Estate, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The Series 2017 Bonds have been duly and validly authorized and issued in accordance with the laws of the State, including the Constitution of the State and the Issuer Act, and in accordance with the Resolution, and are valid and binding direct and general obligations of TBTA, enforceable in accordance with their terms and the terms of the Resolution, payable solely from the Trust Estate as provided in the Resolution, and are entitled to the benefits of the Issuer Act and the Resolution. TBTA has no taxing power and the Series 2017 Bonds are not debts of the State or of any other political subdivision thereof. TBTA reserves the right to issue additional Obligations and to incur Parity Debt on the terms and conditions, and for the purposes, provided in the Resolution, on a parity as to security and payment with the Series 2017 Bonds.

4. The Series 2017 Bonds are securities in which all public officers and bodies of the State and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons who are or may be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them to the extent that the legality of such investment is governed by the laws of the State; and which may be deposited with and shall be received by all public officers and bodies of the State and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the State is or may be authorized.

5. Under existing statutes and court decisions (i) interest on the Series 2017 Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (ii) interest on the Series 2017 Bonds is not treated as a specific preference item in calculating the federal alternative minimum tax imposed on individuals and corporations under the Code; however, we note that interest is included in the adjusted current earnings of certain corporations for purposes of calculating the federal corporate alternative minimum tax.

6. Under the Issuer Act, interest on the Series 2017 Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

7. The Escrow Agreement has been duly authorized, executed and delivered by TBTA and, assuming the due authorization, execution and delivery by the other party thereto, is a valid and binding obligation of TBTA, enforceable in accordance with its terms. The Senior Refunded Bonds have been paid within the meaning and with the effect expressed in the Resolution, and the covenants, agreements and other obligations of TBTA to the holders of the Senior Refunded Bonds have been discharged and satisfied. The Subordinate Refunded Bonds have been paid within the meaning and with the effect expressed in the Subordinate Resolution, and the covenants, agreements and other obligations of TBTA to the holders of the Subordinate Refunded Bonds have been discharged and satisfied.

The opinions expressed in paragraphs 2, 3 and 7 above are subject to applicable bankruptcy, insolvency, receivership, reorganization, arrangements, fraudulent conveyances, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforcement is considered in a proceeding in equity or at law.

Except as stated in paragraphs 5 and 6, we express no opinion regarding any other federal, state, local or foreign tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2017 Bonds. We express no opinion regarding the federal, state, local or foreign tax consequences of any action hereafter taken or not taken in reliance upon an opinion of other counsel with respect to the Series 2017 Bonds.

We express no opinion as to the accuracy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series 2017 Bonds. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2017 Bonds and express no opinion with respect thereto.

This opinion letter is rendered solely with regard to the matters expressly opined on above and does not consider or extend to any documents, agreements, representations or other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any future actions, facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any reason whatsoever.

Very truly yours,

ATTACHMENT 4

COPY OF BRINGDOWN LETTER OF STANTEC CONSULTING SERVICES INC.

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Stantec Consulting Services Inc.
50 West 23rd Street, 8th Floor
New York NY 10010-5272
Tel: (212) 366-5600
Fax: (212) 366-5629

BRINGDOWN LETTER OF STANTEC CONSULTING SERVICES INC.

January 13, 2017
Triborough Bridge and Tunnel Authority
Triborough Station, Box 35
New York, New York 10035

Ladies and Gentlemen:

Our report entitled "History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority," dated April 29, 2016 (the "Report") was reviewed in connection with, and included by specific reference in the Official Statement dated January 13, 2017 of the Triborough Bridge and Tunnel Authority (MTA Bridges and Tunnels) General Revenue Bonds, Series 2017A and General Revenue Refunding Bonds, Series 2017B. Data available through October 2016 indicate that the traffic and revenue forecasts for 2016 presented in the Report continue to be valid.

In the Report, Stantec estimated total 2016 traffic on the MTA Bridges and Tunnels at 309,927,000 vehicles, an increase of 4.0 percent when compared to 2015. The estimated increase in traffic is primarily due to more favorable weather conditions, continued economic improvement, significant construction activity, and sustained lower gasoline prices. Preliminary data through October 2016 are now available and indicate that traffic volumes for the first ten months of 2016 are 3.7 percent greater than the comparable period in 2015.

With regard to toll revenues, the estimates in the April 2016 Report anticipated toll revenues of $1,880.9 million for 2016, an increase of 4.0 percent compared to 2015. Preliminary data through October 2016 indicate that toll revenues are 4.2 percent greater than the same period for 2015.

At the present time, Stantec has not revised its forecast of traffic volumes and toll revenues for 2016 and following years since the forecast of traffic volumes and revenues for 2016 continues to be valid in light of actual performance through October.

Traffic Volumes

Stantec's development of traffic and toll revenue estimates for 2016 took into account the revised toll rates implemented March 22, 2015, the economic condition of the region, fuel prices, unusual weather events, and construction projects, among other factors. Estimated toll traffic for 2016 in the Report are based on actual performance through March and anticipated traffic volumes for the April – December period.

Elasticity factors used in estimating the impacts of the revised toll schedules were based on factors developed by Stantec in analyzing the elasticity exhibited by historical toll increases, including the December 2010 toll increase. A shift of traffic from cash tolls to E-ZPass tolls was also included in the forecasts since the differential between the E-ZPass and cash rates and between the Tolls by Mail and E-ZPass rates at the Henry Hudson Bridge increased, making E-ZPass more attractive. Since elasticities following the 2013 and 2015 toll increases couldn't be quantified with sufficient precision, using these historical elasticity factors to estimate the impacts of future toll increases was determined to be the most effective approach available. Further, given recent traffic trends following the 2015 toll increase, this approach was determined to yield a conservative traffic and toll revenue forecast.

Actual traffic for January through March (the period available at the time of the Report) and for April through October (the period for which actual data are now available) are compared to actual results for 2015 in the following table. At the time of the Report, actual traffic was 8.4 percent greater than the same period in 2015; this was attributed to more severe weather conditions (snow storms and extreme cold weather) in February 2015, moderate economic growth, and sustained lower gasoline prices. February 2016 also contained an additional weekday due to the leap year. It was estimated that the base traffic levels for the last nine months of 2016 would increase at an average rate of 2.8 percent. For the full year, traffic was projected to increase 4.0 percent. As shown in the table, traffic through October 2016 is 3.7 percent greater than the same period in 2015. Traffic for the April through October period is 2.1 percent greater than the same period in 2015; this is 0.7 percent below the average of 2.8 percent that Stantec has projected for the remainder of the year. The forecast of traffic volumes for 2016 continues to be valid.

Systemwide TBTA Transactions
(Subject to Final Audit)

Time Period	2015	2016	Percent Change
January - March	64,803,613	70,264,312	8.4%
April - October	182,969,176	186,736,615	2.1%
Total 10 Months	247,772,789	257,000,927	3.7%

Actual 2015 v. Forecast 2016	297,946,000	309,927,000	4.0%

Toll Rates

The toll schedule implemented in March 2015 included an increase of approximately 4 percent for E-ZPass tolls and 7 percent for cash tolls at the major and minor crossings and the Verrazano-Narrows Bridge. (Note: E-ZPass charges apply to New York Customer Service Center [NYCSC] transponders only; customers of other CSCs within and outside New York State are charged the cash toll and any motorist, regardless of residence, can obtain a NYCSC transponder.) The E-ZPass toll at the Henry Hudson Bridge increased 4 percent and the Tolls by Mail rate is approximately 10 percent greater than the former rate. As a result of the March 2015 increase, the difference between electronic and cash rates increased from $2.17 to $2.46 at the major crossings and the Verrazano-Narrows Bridge and from $1.75 to $1.92 at the minor crossings. At the Henry Hudson Bridge, the difference between the E-ZPass and Tolls by Mail rates increased from $2.56 to $2.96. The passenger car toll rates before and after the March 2015 toll increase are shown in the following table.

Passenger Car Tolls before and after March 22, 2015 Toll Increase

Facility	Prior to March 22, 2015			March 22, 2015 and after			Percent Change	
	Cash	E-ZPass[1]	Difference	Cash	E-ZPass[1]	Difference	Cash	E-ZPass[1]
Verrazano-Narrows[2], RFK, Bronx-Whitestone, and Throgs Neck bridges; Queens-Midtown and Hugh L. Carey tunnels	$7.50	$5.33	$2.17	$8.00	$5.54	$2.46	6.7%	3.9%
Marine Parkway and Cross Bay bridges	$3.75	$2.00	$1.75	$4.00	$2.08	$1.92	6.7%	4.0%
	Tolls by Mail	E-ZPass[1]	Difference	Tolls by Mail	E-ZPass[1]	Difference	Tolls by Mail	E-ZPass[1]
Henry Hudson Bridge	$5.00	$2.44	$2.56	$5.50	$2.54	$2.96	10.0%	4.1%

Notes: [1] E-ZPass crossing charges apply to New York Customer Service Center transponders only; customers of other CSCs (within and outside New York State) are charged the cash toll.

[2] Under the Verrazano-Narrows one-way crossing charge collection program, all per crossing charges shown should be doubled; toll is collected in the westbound direction only.

Actual data indicate that the average toll for the first ten months of 2016 is $6.09. Stantec had estimated a rate of $6.07 for the year. Forecasted revenues appear to be above target.

Toll Revenue

Estimated toll revenues for 2016 in the Report are based on actual performance through March, anticipated traffic volumes for the April – December period, and current toll rates (implemented March 2015). Actual toll revenues for January through March (the period available at the time of the Report) and for April through October (the period for which actual data are now available) are compared to the results for 2015 in the following table. For the Report, it was estimated that toll revenue for the full year would increase 4.0 percent; as shown in the table, toll revenue has increased 4.2 percent through October 2016. The forecast of revenues for 2016 continues to be valid.

Systemwide TBTA Toll Revenue
(Subject to Final Audit)

Time Period	2015	2016	Percent Change
January - March	$ 382,741,977	$427,298,530	11.6%
April - October	$ 1,119,819,224	$ 1,137,915,288	1.6%
Total 10 Months	$ 1,502,561,201	$1,565,213,818	4.2%

Actual 2015 v. Forecast 2016	$ 1,808,901,000	$ 1,880,938,000	4.0%

* * * * *

On October 5, 2016, Governor Cuomo announced The New York Crossings Project. The Project would implement Open Road Tolling at all of the TBTA bridge and tunnel crossings, among other things. It is anticipated that the gantry-based system would continue to utilize current methods that are currently employed at the Henry Hudson Bridge to capture E-ZPass transponder-reads and license plate images, but will do so in an environment absent of toll booths, enabling customers to traverse TBTA bridge and tunnel crossings in free-flow fashion. Stantec is reviewing the different elements of the New York Crossings Project and will consider the information as it prepares an updated annual report in April 2017. This program was not incorporated into the most recent forecast contained within the Report.

At the present time, Stantec has not revised its forecast of toll revenues for 2016 and following years since the forecast for 2016 continues to be valid in light of actual performance through October. Please note that, within the context of the above discussion, our conclusions as to the physical conditions and expected useful lives of the MTA Bridges and Tunnels facilities set forth in our Report are valid and relevant for use in connection with the Triborough Bridge and Tunnel Authority (MTA Bridges and Tunnels) General Revenue Bonds, Series 2017A and General Revenue Refunding Bonds, Series 2017B.

Very truly yours,

STANTEC CONSULTING SERVICES INC.

Steve Abendschein, PE
Senior Principal

ATTACHMENT 5

REFUNDED BONDS

The following table provides information regarding the Refunded Bonds. The Outstanding Bonds shown below are being refunded. The refunding is contingent upon the delivery of the Series 2017B Bonds.

REFUNDED BONDS

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity (November 15)	Interest Rate	Redemption Date	Redemption Price	Original CUSIP Number[1] (89602N)	Pre-Refunded CUSIP Number[1] (89602R)	Unrefunded CUSIP Number[1] (89602R)
2007A	6/20/2007	$ 37,980,000	$ 0	2037	5.000%	11/15/2017	100	5X8	-	-
2008A	3/27/2008	35,080,000	0	2028	4.875	5/15/2018	100	MP6	-	-
2008A	3/27/2008	39,145,000	0	2029	4.750	5/15/2018	100	MQ4	-	-
2008A	3/27/2008	41,005,000	0	2030	4.750	5/15/2018	100	MR2	-	-
2008A	3/27/2008	137,385,000	0	2033	5.000	5/15/2018	100	MS0	-	-
2008A	3/27/2008	186,495,000	0	2037	5.000	5/15/2018	100	MT8	-	-
2008A	3/27/2008	90,000,000	0	2038	5.250	5/15/2018	100	MU5	-	-
2008C	7/30/2008	14,065,000	8,735,000	2027	5.000	11/15/2018	100	PQ1	AA3	AG0
2008C	7/30/2008	14,770,000	9,170,000	2028	5.000	11/15/2018	100	PR9	AB1	AH8
2008C	7/30/2008	15,505,000	9,630,000	2029	5.000	11/15/2018	100	PS7	AC9	AJ4
2008C	7/30/2008	16,280,000	10,110,000	2030	5.000	11/15/2018	100	PT5	AD7	AK1
2008C[2]	7/30/2008	53,890,000	33,465,000	2033	5.000	11/15/2018	100	PU2	AE5	AL9
2008C[2]	7/30/2008	109,355,000	67,900,000	2038	5.000	11/15/2018	100	PV0	AF2	AM7
2009A2	2/18/2009	2,665,000	4,455,000	2021	4.000	11/15/2018	100	TU8	AN5	AV7
2009A2	2/18/2009	4,485,000	7,505,000	2027	5.000	11/15/2018	100	UC6	AP0	AW5
2009A2	2/18/2009	15,855,000	26,505,000	2028	5.000	11/15/2018	100	UD4	AQ8	AX3
2009A2	2/18/2009	4,230,000	7,075,000	2029	5.125	11/15/2018	100	UE2	AR6	AY1
2009A2	2/18/2009	12,305,000	20,565,000	2029	5.000	11/15/2018	100	UF9	AS4	AZ8
2009A2[2]	2/18/2009	44,715,000	74,745,000	2034	5.250	11/15/2018	100	UG7	AT2	BA2
2009A2[2]	2/18/2009	10,295,000	17,220,000	2038	5.375	11/15/2018	100	UH5	AU9	BB0
2008D[3]	7/30/2008	12,340,000	7,660,000	2024	5.000	11/15/2018	100	QU1	BC8	BJ3
2008D[3]	7/30/2008	15,775,000	9,800,000	2025	5.000	11/15/2018	100	QW7	BD6	BK0
2008D[3]	7/30/2008	16,680,000	10,360,000	2026	5.000	11/15/2018	100	QX5	BE4	BL8
2008D[3]	7/30/2008	17,265,000	10,725,000	2027	5.000	11/15/2018	100	QY3	BF1	BM6
2008D[3]	7/30/2008	4,655,000	2,895,000	2028	5.000	11/15/2018	100	RA4	BG9	BN4
2008D[2][3]	7/30/2008	59,220,000	36,775,000	2031	5.000	11/15/2018	100	RB2	BH7	BP9

Refunded Bonds will be credited against the following mandatory redemption dates:

$53,890,000, Series 2008C Term Bonds Due November 15, 2033
CUSIP Number: 89602N PU2[1]

November 15	Refunded Amount
2031	$17,095,000
2032	17,950,000
2033	18,845,000

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(1) CUSIP numbers have been assigned by an organization not affiliated with MTA Bridges and Tunnels and are included solely for the convenience of the holders of the Refunded Bonds. MTA Bridges and Tunnels is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Refunded Bonds.

(2) Partially refunded term bonds, broken out below.

(3) Issued as Subordinate Revenue Bonds pursuant to the MTA Bridges and Tunnels Subordinate Resolution.

$109,355,000, Series 2008C Term Bonds Due November 15, 2038
CUSIP Number: 89602N PV0[(1)]

November 15	Refunded Amount
2034	$19,790,000
2035	20,780,000
2036	21,820,000
2037	22,910,000
2038	24,055,000

$44,715,000, Series 2009A-2 Term Bonds Due November 15, 2034
CUSIP Number: 89602N UG7[(1)]

November 15	Refunded Amount
2030	$18,705,000
2031	19,560,000
2032	2,055,000
2033	2,140,000
2034	2,255,000

$10,295,000, Series 2009A-2 Term Bonds Due November 15, 2038
CUSIP Number: 89602N UH5[(1)]

November 15	Refunded Amount
2035	$2,375,000
2036	2,500,000
2037	2,645,000
2038	2,775,000

$59,220,000, Series 2008D Term Bonds Due November 15, 2031
CUSIP Number: 89602N RB2[(1)]

November 15	Refunded Amount
2029	$18,815,000
2030	19,785,000
2031	20,620,000

[(1)] CUSIP numbers have been assigned by an organization not affiliated with MTA Bridges and Tunnels and are included solely for the convenience of the holders of the Refunded Bonds. MTA Bridges and Tunnels is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Refunded Bonds.

ATTACHMENT 6

SECOND QUARTER ANNUAL DISCLOSURE STATEMENT UPDATE
DATED DECEMBER 21, 2016

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MTA ANNUAL DISCLOSURE STATEMENT UPDATE
(2016 Second Quarterly Update)
December 21, 2016

This Metropolitan Transportation Authority ("MTA") Annual Disclosure Statement Update (including Attachment A hereto, "Second Quarterly Update") is dated December 21, 2016, is the second quarterly update to the Annual Disclosure Statement ("ADS") of the MTA, dated April 29, 2016, as supplemented May 10, 2016, and as further supplemented by the first quarterly update (the "First Quarterly Update") dated August 17, 2016 and the supplement to the ADS dated October 11, 2016 ("October Supplement"), and contains information only through December 21, 2016. MTA expects to file this Second Quarterly Update with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access system ("EMMA") and may incorporate the information herein by specific cross-reference. Such information, together with the complete November Plan hereinafter referred to, is also posted on the MTA website under "MTA Info – Financial Information" at www.mta.info for convenience. All of the information is accurate as of its respective date. MTA retains the right to update and supplement specific information contained herein as events warrant.

The factors affecting MTA's financial condition are complex. This Second Quarterly Update contains forecasts, projections, and estimates that are based on expectations and assumptions, which existed at the time they were prepared, and contains statements relating to future results and economic performance that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "budget," "project," "forecast", "anticipate" or other similar words. The forward looking statements contained herein are based on MTA's expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete, imprecise or not reflective of actual results. Forecasts, projections and estimates are not intended as representations of fact or guarantees of results. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as set forth in the preceding paragraph, MTA does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur. These forward-looking statements speak only as of the date of this Second Quarterly Update.

MTA ANNUAL DISCLOSURE STATEMENT UPDATE
(2016 Second Quarterly Update)
December 21, 2016

Introduction

This update, dated December 21, 2016 ("Second Quarterly Update"), is the second quarterly update to the Annual Disclosure Statement ("ADS") of the Metropolitan Transportation Authority ("MTA"), dated April 29, 2016, as supplemented May 10, 2016 and as further supplemented by the first quarterly update ("First Quarterly Update") dated August 17, 2016 and the supplement to the ADS dated October 11, 2016 ("October Supplement"). This Second Quarterly Update contains information only through December 21, 2016 and should be read in its entirety, together with the ADS as so previously updated and supplemented. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ADS.

In this Second Quarterly Update, readers will find:

1. A summary of recent events and changes to MTA's financial plan ("Financial Plan") made since the date of the ADS, as supplemented, to reflect provisions of the 2016 MTA November Financial Plan presented to the Board of MTA on November 16, 2016 (the "November Plan" or "Plan"). The complete November Plan is posted on the MTA's website at web.mta.info/mta/budget/ for convenience. The updated information includes revised Financial Plan projections for fiscal years 2016 through 2019, with additional projections for 2020. The MTA Board voted to affirmatively adopt the MTA 2017 Budget and 2017-2020 Financial Plan at its December 14, 2016 meeting.

2. **Attachment A** to this Second Quarterly Update, which presents the MTA Financial Plan in tabular form and includes Financial Plan tables that summarize the MTA's Financial Plan on a consolidated basis including actual results for fiscal year 2015 and projected receipts and disbursements for fiscal years 2016 through 2020, in each case prepared by MTA management.

The November Plan includes the 2016 November Forecast, the 2017 Final Proposed Budget and a Financial Plan for the years 2017-2020. The November Plan updates the 2016 July Financial Plan ("July Plan") which was presented to the Board of the MTA on July 27, 2016 and which was described in the First Quarterly Update. Since 2010, MTA Financial Plans have included MTA management initiatives to achieve recurring cost reductions to moderate the amount of revenues needed from biennial fare and toll increases and governmental subsidies and to provide funding for the Capital Program. The plans also have added or restored service when sustainable while also applying available funding to address long-term costs such as pensions, health care, paratransit, and debt service.

The July Plan

The July Plan projected breakeven cash balances through 2019 with a deficit of $371 million in 2020, which was based upon three key inter-related elements: (i) biennial fare and toll revenue yield increases of 4% in 2017 and 2019 (equivalent to 2% annual increases); (ii) increased annually recurring cost reduction targets (increasing from $1.6 billion in 2016 to almost $2.0 billion by 2020); and (iii) increased funding for the Capital Program from $566 million in debt service savings. The July Plan also funded important investments over the plan period including: $195 million to improve the customer experience; $145 million for enhanced maintenance and operations; $78 million for service and service support; and $46 million on safety and security.

Changes Since the July Plan

The November Plan continues to reflect those capital and operating investments proposed in July. The November Plan also makes the following re-estimates:

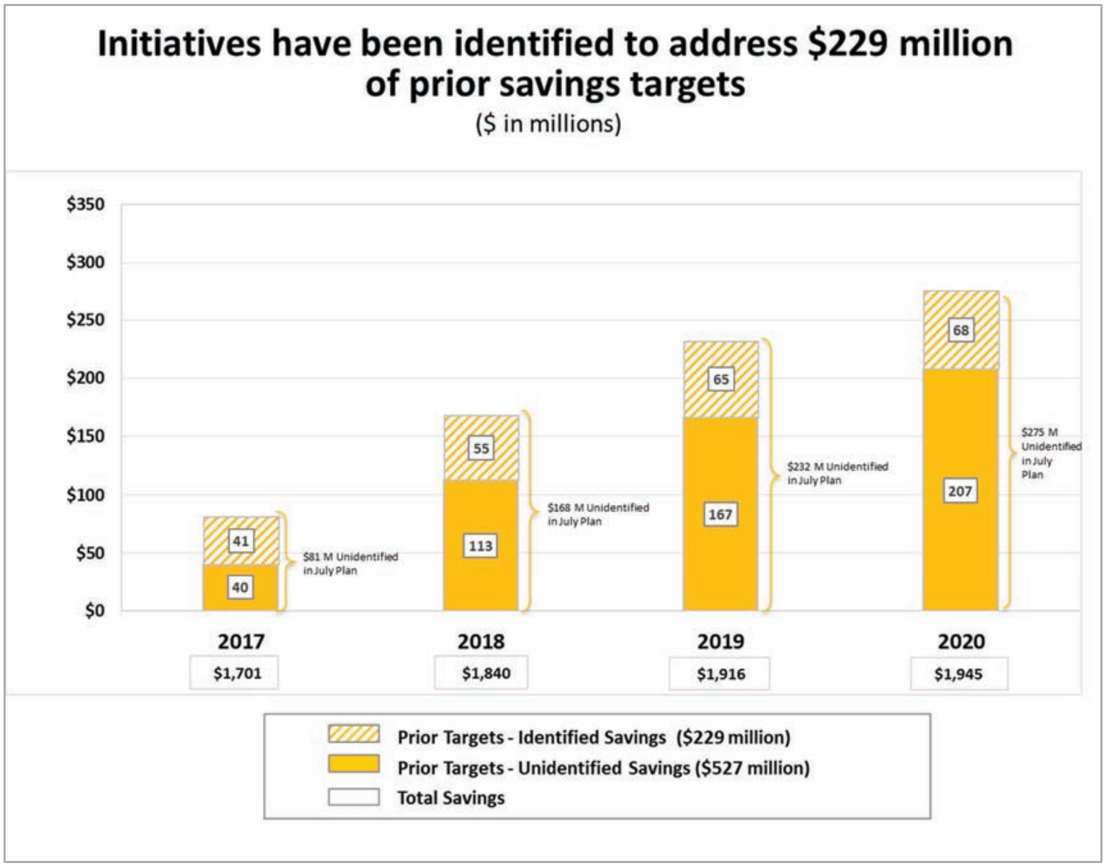
Changes and re-estimates improving financial results over the plan period:

- Lower debt service expenses ($294 million);
    - Timing of bond issuances/lower than projected rates ($128 million);
    - Refunding savings ($116 million);
    - Assumed favorable interest rates ($26 million);
    - Variable rate savings ($24 million);
- Lower electricity expense forecasts ($122 million);
- Higher passenger and toll revenue forecasts ($64 million);
- Higher Payroll Mobility Tax and MTA Aid ($61 million);
- Lower health & welfare forecasts ($46 million).

Changes and re-estimates worsening financial results over the plan period:

- Lower Real Estate Transaction tax receipt estimates ($83 million).

In total, net re-estimates and other changes through the November Plan period are projected to be $507 million favorable from the July Plan. A reconciliation of the changes from the July Plan to the November Plan is included in **Attachment A** to this Second Quarterly Update.



Highlights of the November Plan

The November Plan continues to incorporate the following management guidelines reflected in the July Plan and previous MTA Financial Plans:

Hold Projected Fare/Toll Increases to 4% in 2017 and 2019. The November Plan continues to project 4% biennial fare/toll increases (the equivalent of 2% per year) effective in March of each of 2017 and 2019. The 2017 increase, being planned for mid-March, is being changed from a 4% revenue yield to a 4% rate increase, saving customers approximately $26 million a year or $94 million over the 2017-2020 plan period. On November 16, 2016, MTA announced a schedule of eight public hearings in December across the MTA region outlining specific proposals for fare and toll increases consistent with the foregoing financial plan assumptions. The final public hearing was held on December 20, 2016. The MTA Board will review public input before a final proposal is selected and voted on by the MTA Board in January. The new fares and tolls are expected to take effect on March 19, 2017.

Increase Support for the Capital Program. The November Plan retains from the July Plan $566 million of debt service savings derived from the Hudson Yards lease securitization, achieved through the issuance on September 22, 2016 of $1,057,430,000 in MTA Hudson Rail Yards Trust Obligations, Series 2016A, and lower interest rates (both realized and projected) to support the Capital Program.

Identify Additional Savings. MTA's financial position is enhanced by continued cost reduction efforts. The MTA has now identified savings initiatives to meet most of the savings targets from pre-2016 Financial Plans. In the July Plan, the MTA identified initiatives to meet $495 million, or 73%, of the $535 million of cost reductions targeted in the 2016 February Plan. Initiatives in procurement efficiencies, paratransit, IT consolidation and retiree prescription costs have been or are being implemented. In the July Plan, savings targets were increased by an incremental $50 million per year starting in 2017, growing to $200 million in 2020.

As illustrated in the chart above, the November Plan identified and will implement initiatives that address $229 million of the $756 million savings targets previously included in the July Plan.

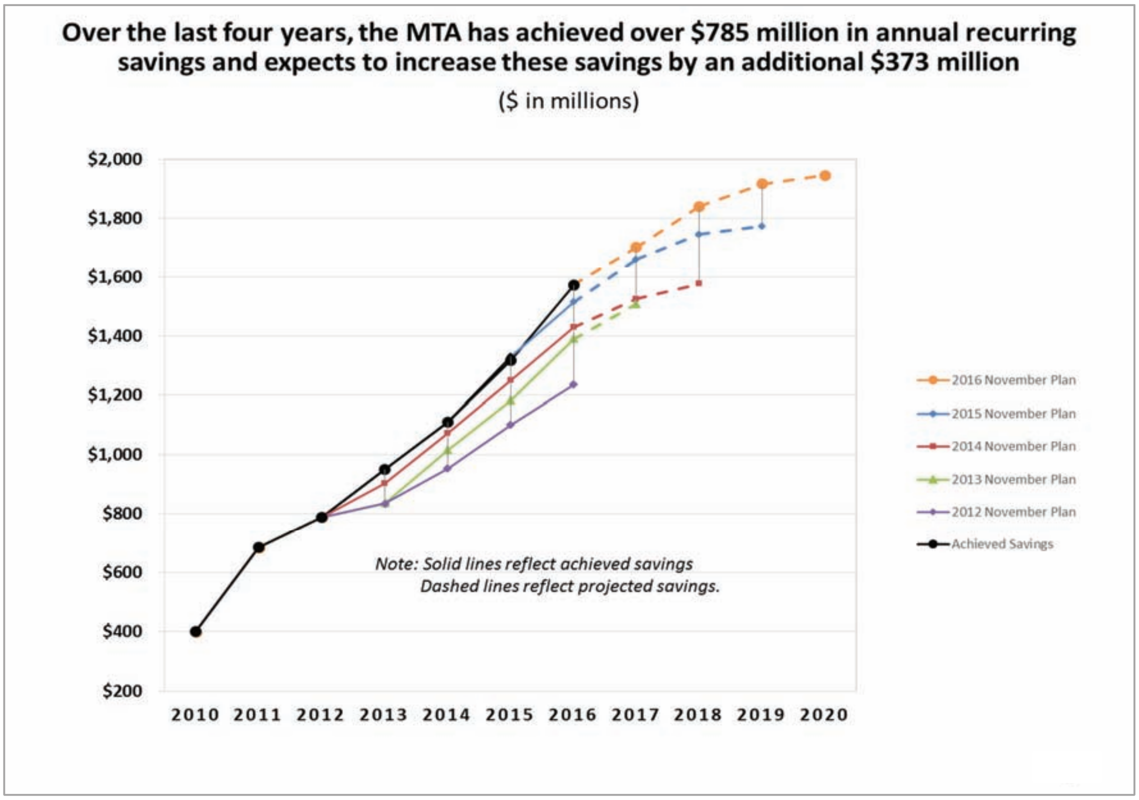
A rebid of MTA-wide medical benefit plans that includes higher discounts and lower pricing is expected to yield significant savings over the plan period. MTA-wide recurring annual savings will result from a six-month delay in the implementation of a 2% cost of living allowance increase for non-represented employees. Other savings have been identified in energy delivery, New Haven Line efficiencies at MTA Metro-North Railroad, and additional IT payroll savings.

Reducing Expenses Previously Considered Uncontrollable. The growth in non-discretionary costs remains a challenge. Certain expense categories are dependent on factors that are largely outside the control of the MTA. The MTA is committed to reducing this growth with strategies that include paying down our pension liability (when funding is available), reducing costs for debt service and health and welfare, the hedging of fuel purchases, and proactively managing paratransit.

In the November Plan, the MTA will invest the unused 2016 General Reserve of $145 million to reduce the unfunded liability of the MTA Long Island Rail Road Additional Pension Plan, saving $16 million per year starting in 2018. Over the plan period these savings are projected to total $48 million. The November Plan is also accelerating $80 million of PAYGO funding by four years, saving $20 million in debt service over the plan period. This is in addition to the $200 million acceleration proposed in the July Plan, which is expected to save $39 million over the plan period.

MTA New York City Transit will realize health and welfare efficiency savings from the previously described medical plan rebid and from savings, identified in the July Plan, from the Employer Group Waiver Plan – a discount prescription drug plan for Medicare-eligible retirees made available through the Affordable Care Act. The MTA will continue to hedge approximately half of the value of our fuel purchases to reduce future price uncertainty. The November Plan also retains realized fuel savings, lower insurance, and lower scheduling and certification costs in Paratransit service, resulting from improved adherence to eligibility requirements and more trips diverted to lower cost taxis and vouchers from higher cost "primary" providers.

As shown on the chart below, the MTA has raised the targeted level of savings in every year since 2010. MTA management expects to meet the 2016 target of nearly $1.6 billion, and total annual recurring savings of the programs initiated since 2010 are now expected to approach $2 billion by 2020.



The November Plan includes service and customer experience investments from operating investments included in prior plans:

- Operating costs for Expansion Projects over the 2017-2020 plan period:
    - Second Avenue Subway ($192 million);
    - #7 Extension ($98 million);
    - Fulton Street Transit Center ($49 million).

- Operating support for capital and other projects highlighted in the July Plan:
    - MTA New York City Transit station enhancement program (31 Stations);
    - Installation and maintenance of real-time information display signs and USB ports on buses;
    - Retrofit 600 subway cars with digital screens;
    - Maintenance of B Division Countdown Clocks (year-end 2018);
    - Automated Passenger Counters on buses;
    - Wi-Fi access in all MTA New York City Transit underground stations (year-end 2016) and MTA buses;
    - Upgrade of MTA Metro-North Railroad retail facilities;
    - Lease 10 electric buses (Zero Emission Initiative pilot);

- o Expand MTA Metro-North Railroad homeless outreach at outlying stations and MTA police at City terminals.

The November Plan provides for an additional $395 million in important Maintenance and Operations, Customer Experience and Service/Service Support investments over the plan period.

Investments in Maintenance and Operations. Additional investments of $163 million proposed in the November Plan include:

- Scheduled Maintenance and Bus Shop Programs ($45 million over the plan period): MTA New York City Transit will refurbish 288 subway cars scheduled for a 14-year overhaul and replace/rebuild diesel engines on buses reaching critical maintenance milestones.

- Lifecycle Asset Maintenance Plan ($30 million, beginning in 2020): The MTA Long Island Rail Road, following the results of a study that will assess M7 electric car fleet systems and maintenance plans, will begin to replace critical components required to safeguard the reliability of the rolling stock fleet.

- Right-of-Way Clean-Up ($10 million over the plan period): MTA Metro-North Railroad will implement a system-wide cyclical right-of-way clean up initiative, which includes the establishment of maintenance staff dedicated to handle the cleanup of various types of waste in a prioritized fashion.

- All Weather Tires ($27 million over the plan period): MTA New York City Transit and MTA Bus will replace the rear tires on all revenue service buses with all-weather tires, which will eliminate one round of tire rotation, decrease mileage on front and middle tires, and reduce reliance on chains that can damage the fleet when used during severe weather conditions.

Investments that Improve the Customer Experience

Additional investments of $160 million proposed in the November Plan include:

- Open Road Tolling or “ORT” ($149 million over the plan period): MTA Bridges and Tunnels will increase back-office support (e.g., bill processing, image reviews, violation enforcement, and legal activities) to manage and safeguard the collection of toll revenue when existing methods migrate to an entirely cashless system through ORT. Utilizing this latest technology will provide customers with the option to pay tolls either through E-ZPass or by the Tolls by Mail program, and ORT will be implemented at all MTA Bridges and Tunnels bridges and tunnels by the end of 2017. See the October Supplement to the ADS and “MTA Bridges and Tunnels New York Crossings Project Update” below for additional information relating to the ORT initiative, as well as other components of the New York Crossings Project announced by Governor Cuomo on October 5, 2016.

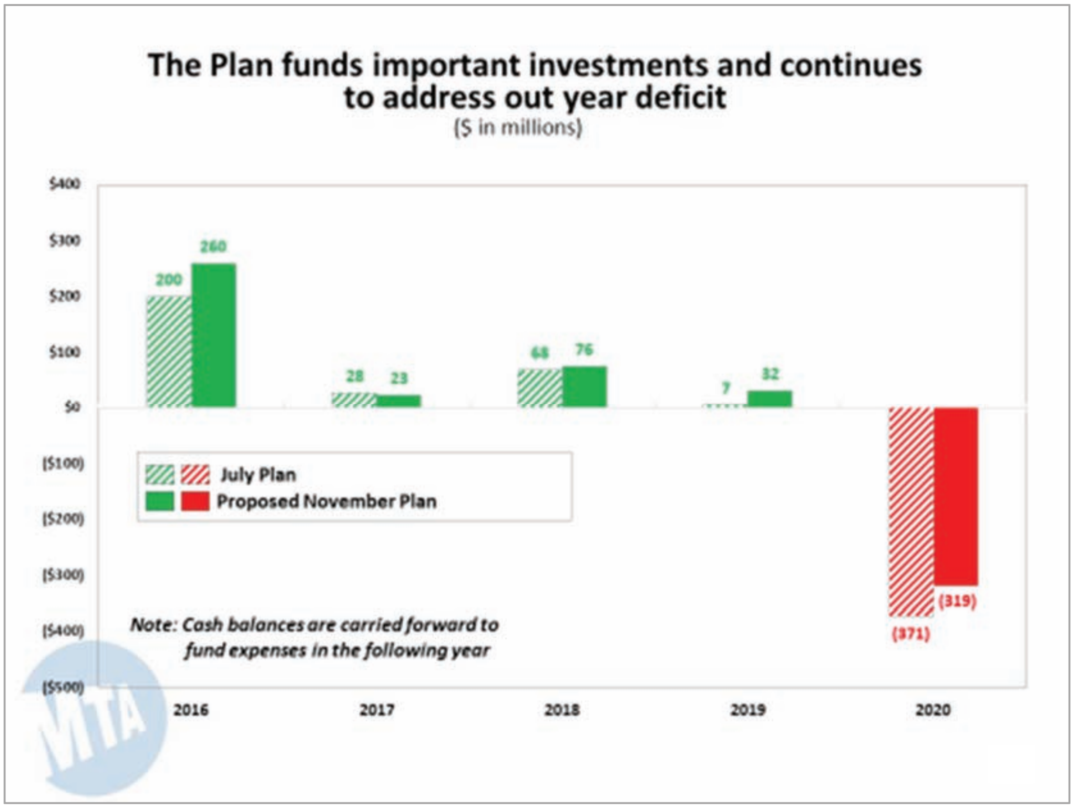
- Social Media ($9 million over the plan period): MTA New York City Transit and the commuter railroads will significantly enhance MTA operating agency presence on social media to ensure 24/7 coverage, improving ability to inform and interact with customers and potential business partners in a more timely and comprehensive fashion.

Service and Service Support Investments. Additional investments of $78 million proposed in the November Plan include:

- Platform Budget Service Adjustments ($71 million over the plan period): MTA New York City Transit and MTA Bus will improve the reliability and frequency of service in response to ridership trends, operating conditions and maintenance requirements. Included within those adjustments are schedule changes that will improve service on nine of MTA Bus's under-performing routes; and permanently reopen the new South Ferry station by mid-year 2017.

- Rockland County Bus Service ($1 million over the plan period): Enhance Saturday and commence Sunday Tappan Zee Express bus service between Rockland County and the Hudson and Harlem lines in Westchester County.

In summary, the foregoing changes, re-estimates, and recommendations reflected in the November Plan are projected to result in a net improvement to MTA's financial forecast over the plan period and a reduction in the 2020 projected deficit from $371 million to $319 million. The chart below reflects the changes from the 2016 July Plan for each year of the Financial Plan.



Challenges Going Forward

While MTA's financial position has improved, there are many challenges and risks ahead:

Biennial Fare and Toll Increases Approximating Inflation. While MTA management strives to control costs, combined fares and tolls only cover approximately half of the operating costs ("Farebox Operating Ratio") and a little more than a third of total costs, including capital costs ("Farebox Recovery Ratio"). Moreover, many expenses are dependent on pricing factors beyond MTA's direct control (e.g., energy, health and welfare, and pensions). If projected fare and toll increases are not implemented, MTA's financial situation will quickly deteriorate as revenue will not be able to keep pace with inflation and other cost growth.

Achieving Efficiencies/Consolidations. Efforts to reduce costs will continue, but such efforts will become increasingly challenging as many of the previously identified opportunities to achieve cost savings have been realized. MTA will continue to pursue efficiencies and consolidations to maximize annually recurring savings.

Expiring Labor Contracts. Labor contracts for the majority of the represented workforce will expire by mid-January of 2017. The November Plan continues to assume that settled contracts will result in annual net expense growth of 2% per year, which is consistent with inflation projections. Any contract settlements above this level will require reprioritization and reductions in other areas.

Addressing Cost Issues Effectively. The MTA will continue to monitor and work on solutions to address cost issues that put pressure on its finances. These include:

- Outstanding liabilities for workers compensation and FELA (the commuter rail equivalent) judgments and claims have risen significantly in recent years. Workers compensation liability has more than doubled to $2.4 billion over the last 6 years. Incident prevention measures, improved case management and fraud detection efforts are underway.

- Health care costs (including the "Cadillac Tax") continue to be a concern. Employee and retiree health care costs have grown at a rate well in excess of inflation for many years. In addition, the "Cadillac Tax" component of the Affordable Care Act adds additional pressure. This is a 40% excise tax assessed on the premium cost of coverage for health plans that exceed a certain annual limit, originally scheduled for implementation in 2018, but since delayed until 2020. Final guidance from the Internal Revenue Service is still pending, but preliminary analysis projects that the MTA could be subject to an excise tax levy of up to $70 million in 2020 with larger increases going forward as projected premium costs outpace the inflationary adjustments to the applicable limits.

Possibility of Interest Rates Higher than Forecast. Since 2008, MTA has benefitted from historically low interest rates. In December 2015, the Federal Open Markets Committee ("FOMC") increased the federal funds rate for the first time since late 2008, by a quarter point to a target range of 0.25% to 0.50%, and indicated support for future actions that would return inflation to a 2% level. Recently, the FOMC noted that the labor market has continued to strengthen, and economic growth has picked up from the modest pace seen during the first half of 2016. Most recently, on December 14, 2016, the FOMC increased the federal funds target range to 0.50% to 0.75%. While the November Plan includes interest rate assumptions in line with the FOMC's recent actions and policy statements on future actions, a sudden increase in economic activity may result in inflationary growth, which in turn could lead to further increases of the federal funds rate. Such increases could lead to a higher cost of capital over that projected in the November Plan, which would ultimately increase our debt service costs.

Short and Longer Term Economic Factors. The finances of the MTA are highly influenced by economic factors. Passenger and toll revenues, dedicated taxes and subsidies, debt service, pensions and energy costs are all impacted by the health of the economy. If the economic assumptions reflected in the November Plan are not realized, the November Plan projected results could be adversely affected. The new administration at the Federal level may also have different economic and budget plans that could further materially affect MTA finances during the plan period.

The use of non-recurring revenues, favorable budget variances, excess resources to fund PAYGO and/or reduce unfunded liabilities, such as OPEBs and pension liabilities are expected to continue to be strategies MTA management will employ to manage future expense obligations. Similarly, MTA management plans to continue to reinvest debt service savings into

PAYGO capital project costs, which has become an increasingly important source of funding for MTA's Capital Program.

RRIF Loan Update

On May 5, 2015, MTA entered into a Financing Agreement with the United States of America, represented by the Secretary of Transportation, acting through the Federal Railroad Administrator ("FRA") in connection with a Railroad Rehabilitation and Improvement Financing loan in an amount not to exceed $967,100,000 to finance the positive train control project for MTA Long Island Rail Road and MTA Metro-North Railroad (the "RRIF Loan"). As evidence of its obligation to repay the RRIF Loan, MTA delivered to FRA its Transportation Revenue Bond, Series 2015X (RRIF Loan – Positive Train Control Project) (the "RRIF Bond"). The RRIF Bond constitutes a parity obligation under the Transportation Resolution.

On September 20, 2016, MTA drew on the RRIF Loan in the amount of $146,472,064.76, which was the first draw by MTA under the RRIF Loan Agreement. As of the date hereof, the outstanding principal amount of the RRIF Bond is $146,472,064.76.

MTA Bridges and Tunnels New York Crossings Project Update

Under the New York Crossings Project ("NYCP"), MTA Bridges and Tunnels will be implementing automatic or "Open Road Tolling" ("ORT") at its facilities throughout 2017. ORT will significantly enhance traffic flow, reduce congestion and decrease commute times. Sensors and cameras will be suspended over the highway on structures called gantries and vehicles will not be required to stop. Vehicles with E-ZPass will be automatically charged and non-E-ZPass vehicles will have their license plate recorded and a bill will be mailed to the registered owner of the vehicle. By the end of 2017, ORT is expected to be fully operational at all MTA Bridges and Tunnels facilities. As noted above, implementation of ORT is expected to increase MTA Bridges and Tunnels investments by $160 million during the November Plan period.

Other initiatives included in the NYCP include the installation of new tunnel barriers to control major floods and seismic measures on bridges which will provide long-term protection from earthquakes and other natural forces. In addition, approach plazas will be redesigned to enhance the aesthetics of the facilities. The designs for public art initiatives are at a very early conceptual stage and will be refined and modified as the project moves forward. As set forth in the Governor's initial NYCP announcement, there are various initiatives being considered, such as adding decorative elements to the ORT gantries, enhancing the appearance of the plazas while providing sound dampening and screening of work and security zones and installation of LED bridge lighting to be adopted on all MTA Bridges and Tunnels facilities.

The NYCP also includes several collaborative initiatives with New York State agencies that will significantly enhance MTA Bridges and Tunnels' safety and security efforts. Anti-terrorism teams will be combined with traffic enforcement at crossings and will develop new operating protocols across agencies. Approximately 525 MTA Bridges and Tunnels officers will provide security and traffic management at the facilities and will collaborate with State Police on toll enforcement; State Police Troop NYC along with NY National Guard members will be assigned at crossings to handle security and anti-terrorism activities.

Additional estimates for costs to MTA Bridges and Tunnels of implementing the NYCP are preliminary and subject to further development and review by MTA Bridges and Tunnels management.

Climate Bond Certified Financings

In early 2016, MTA requested, and the Climate Bonds Standard Board approved, certain of MTA's projects as "Climate Bond Certified", based on a Climate Bonds Standard Verification Letter provided by Sustainalytics. Sustainalytics concluded that projects totaling $11.3 billion, the amount which has been expended as of the date of the verification on projects included in MTA's 2010-2014 Capital Program for the Transit and Commuter System, conform to the Climate Bonds - Low Carbon Transport Standard. MTA has issued the following green bonds to reimburse portions of the Climate Bond Certified 2010-2014 transit and commuter capital program projects:

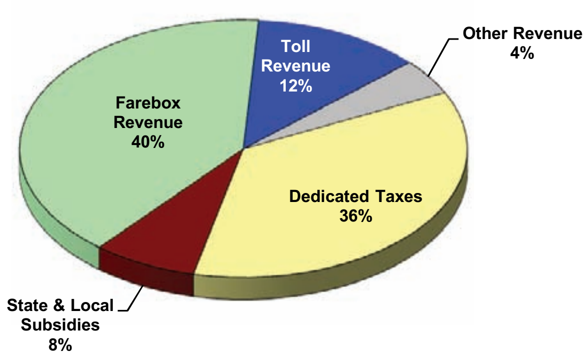
- $782,520,000 Transportation Revenue Green Bonds, Series 2016A (Climate Bond Certified)
- $588,305,000 Dedicated Tax Fund Green Bonds, Series 2016B (Climate Bond Certified)

Attachment A to MTA 2016 Annual Disclosure Statement
Second Quarterly Update
December 21, 2016

MTA Consolidated Financial Plan

MTA 2017 Final Proposed Budget
Baseline Expenses <u>After</u> Below-the-Line Adjustments
Non-Reimbursable

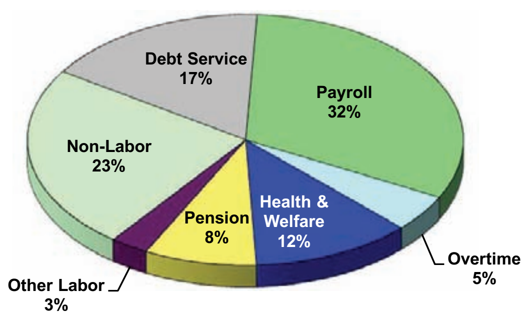
Where the Dollars Come From …



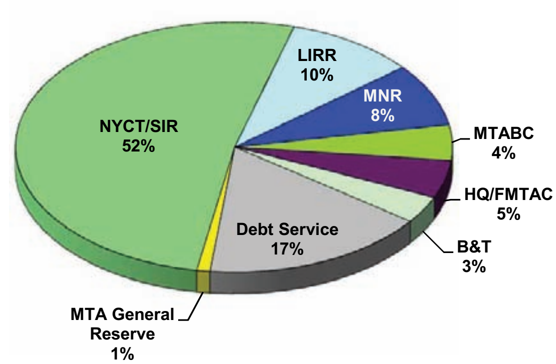
By Revenue Source ($ in millions)	
Farebox Revenue	$6,271
Toll Revenue	1,916
Other Revenue	707
Dedicated Taxes	5,609
State & Local Subsidies	1,181
Total [1]	**$15,684**

Where the Dollars Go …

By Expense Category



By MTA Agency



By Expense Category [2] includes below-the-line adjustments ($ in millions)	
Payroll	$5,027
Overtime	756
Health & Welfare	1,878
Pension	1,317
Other Labor	448
Non-Labor	3,766
Debt Service	2,641
MTA Below-the-Line Adjustments [3]	(60)
Total [1]	**$15,773**

By MTA Agency [2] includes below-the-line adjustments ($ in millions)	
NYCT/SIR	$8,169
LIRR	1,524
MNR	1,288
MTABC	726
HQ/FMTAC	777
B&T	553
Debt Service	2,641
MTA General Reserve	155
MTA Below-the-Line Adjustments [3]	(60)
Total [1]	**$15,773**

[1] *Totals may not add due to rounding.*

[2] *Expenses exclude Depreciation, OPEB Obligation and Environmental Remediation. MTA Capital Construction is not included, as its budget contains reimbursable expenses only.*

[3] *These below-the-line adjustments impact expense dollars and have not been allocated to specific Agencies as yet.*

Note: The revenues and expenses reflected in these charts are on an accrued basis and exclude cash adjustments and carryover balances. Any comparison of revenues versus expenses will not directly correspond to the cash balances reflected the Statement of Operations.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated Statement Of Operations By Category
($ in millions)

Non-Reimbursable	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
Operating Revenue						
Farebox Revenue	$5,961	$6,032	$6,087	$6,126	$6,149	$6,183
Toll Revenue	1,809	1,869	1,867	1,865	1,878	1,885
Other Revenue	689	688	707	733	762	790
Capital and Other Reimbursements	0	0	0	0	0	0
Total Operating Revenue	**$8,459**	**$8,589**	**$8,661**	**$8,725**	**$8,789**	**$8,858**
Operating Expense						
Labor Expenses:						
Payroll	$4,696	$4,840	$5,027	$5,160	$5,273	$5,418
Overtime	755	764	756	764	778	794
Health & Welfare	1,050	1,179	1,286	1,354	1,443	1,533
OPEB Current Payment	502	547	592	633	687	746
Pensions	1,249	1,355	1,317	1,330	1,332	1,322
Other-Fringe Benefits	861	867	874	910	934	966
Reimbursable Overhead	(380)	(419)	(426)	(406)	(405)	(400)
Sub-total Labor Expenses	**$8,732**	**$9,132**	**$9,426**	**$9,746**	**$10,042**	**$10,379**
Non-Labor Expenses:						
Electric Power	$474	$412	$511	$531	$552	$591
Fuel	162	128	158	164	173	188
Insurance	57	43	51	60	66	76
Claims	331	275	281	287	295	301
Paratransit Service Contracts	379	391	411	435	472	511
Maintenance and Other Operating Contracts	579	678	789	765	767	797
Professional Service Contracts	380	436	530	465	451	463
Materials & Supplies	543	592	650	641	632	698
Other Business Expenses	196	178	185	183	193	199
Sub-total Non-Labor Expenses	**$3,101**	**$3,133**	**$3,565**	**$3,531**	**$3,602**	**$3,824**
Other Expense Adjustments:						
Other	$37	$53	$46	$47	$49	$51
General Reserve	0	0	155	160	165	170
Sub-total Other Expense Adjustments	**$37**	**$53**	**$201**	**$207**	**$214**	**$221**
Total Operating Expense before Non-Cash Liability Adj.	**$11,871**	**$12,318**	**$13,192**	**$13,484**	**$13,857**	**$14,424**
Depreciation	$2,443	$2,496	$2,588	$2,660	$2,728	$2,794
OPEB Liability Adjustment	1,490	1,850	1,939	2,008	2,081	2,158
GASB 68 Pension Expense Adjustment	(410)	(188)	(94)	(104)	(101)	(130)
Environmental Remediation	21	6	6	6	6	6
Total Operating Expense after Non-Cash Liability Adj.	**$15,414**	**$16,481**	**$17,631**	**$18,053**	**$18,572**	**$19,253**
Conversion to Cash Basis: Non-Cash Liability Adjs.	($3,543)	($4,163)	($4,439)	($4,569)	($4,715)	($4,829)
Debt Service (excludes Service Contract Bonds)	2,373	2,458	2,641	2,781	2,934	3,085
Total Operating Expense with Debt Service	**$14,244**	**$14,776**	**$15,833**	**$16,265**	**$16,791**	**$17,509**
Dedicated Taxes and State/Local Subsidies	$6,596	$6,735	$6,789	$6,966	$7,127	$7,318
Net Surplus/(Deficit) After Subsidies and Debt Service	**$811**	**$548**	**($382)**	**($574)**	**($875)**	**($1,333)**
Conversion to Cash Basis: GASB Account	0	0	0	(8)	(18)	(29)
Conversion to Cash Basis: All Other	(661)	(272)	(96)	278	28	131
CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	**$150**	**$276**	**($478)**	**($303)**	**($865)**	**($1,231)**
ADJUSTMENTS	**0**	**(496)**	**241**	**357**	**821**	**879**
PRIOR-YEAR CARRYOVER	**330**	**480**	**260**	**23**	**76**	**32**
NET CASH BALANCE	**$480**	**$260**	**$23**	**$76**	**$32**	**($319)**

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Plan Adjustments
($ in millions)

	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
Cash Balance Before Prior-Year Carry-over	**$150**	**$276**	**($478)**	**($303)**	**($865)**	**($1,231)**
Fare/Toll Increases:						
Fare/Toll Increase in March 2017 (4% Rate)		-	242	284	286	287
Fare/Toll Increase in March 2019 (4% Yield)		-	-	-	277	326
Subsidy Impacts of 2017/2019 Fare/Toll Increase		-	(9)	(8)	(18)	(18)
Sub-Total		**$0**	**$233**	**$276**	**$544**	**$595**
MTA Efficiencies: [1]						
MTA Efficiencies - Not Yet Implemented		-	-	13	17	8
Additional MTA Efficiencies - 2016 July Plan		-	41	100	150	200
Sub-Total		**$0**	**$41**	**$113**	**$167**	**$208**
Policy Actions:						
2016 July Plan:						
Acceleration of Committed to Capital Contribution		(200)	-	-	150	50
Debt Service Savings from Acceleration of Contribution		-	12	12	12	3
Committed to Capital - Additional Funding from DS Savings		(84)	(81)	(108)	(121)	(134)
Committed to Capital - DS Savings from Acceleration of Contribution		-	(12)	(12)	(12)	(3)
2016 November Plan:						
Acceleration of Committed to Capital Contribution		(80)	-	-	-	80
Debt Service Savings from Acceleration of Contribution		-	5	5	5	5
Invest 2016 General Reserve to Reduce Pension Liability		(145)	-	16	16	16
Sub-Total		**($509)**	**($76)**	**($87)**	**$50**	**$17**
MTA Re-estimates:						
Debt Service Savings from Lower Variable Rates & New Refundings		6	17	18	20	19
Other MTA Re-estimates		7	26	36	40	40
Sub-Total		**$14**	**$43**	**$54**	**$61**	**$59**
TOTAL ADJUSTMENTS		**($496)**	**$241**	**$357**	**$821**	**$879**
Prior-Year Carry-Over	*330*	*480*	*260*	*23*	*76*	*32*
Net Cash Surplus/(Deficit)	**$480**	**$260**	**$23**	**$76**	**$32**	**($319)**

[1] *The MTA strives to increase the level of annually recurring savings and does so by assigning savings targets that are captured below-the-line in Volume 1 of its financial plans. As savings initiatives are identified, they are incorporated into Agency baselines (Volume 2) with a corresponding reduction to the unidentified target. The July Plan identified a significant level of efficiencies reducing the level of remaining targeted savings to $31 million in 2017, $68 million in 2018, $82 million in 2019 and $76 million in 2020. As a result, the future targeted savings were increased in the July Plan by an incremental $50 million per year starting in 2017 with savings from these new targets growing to $200 million in 2020. The July Plan, therefore, assumed that $81 million in additional savings would still need to be identified in 2017. Since the release of the July Plan, the MTA has identified $40 million in savings towards the 2017 target (and further savings in the out years), reducing the remaining 2017 target to $41 million in this Plan.*

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2017-2020

MTA Consolidated Cash Receipts and Expenditures

($ in millions)

Line No.	Cash Receipts and Expenditures	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
10	**Receipts**						
11	Farebox Revenue	$6,001	$6,057	$6,111	$6,150	$6,173	$6,206
12	Other Operating Revenue	718	754	707	850	786	825
13	Capital and Other Reimbursements	1,863	1,866	2,116	1,907	1,859	1,820
14	**Total Receipts**	**$8,583**	**$8,677**	**$8,935**	**$8,907**	**$8,818**	**$8,851**
15							
16	**Expenditures**						
17	***Labor:***						
18	Payroll	$5,245	$5,315	$5,562	$5,657	$5,764	$5,900
19	Overtime	955	952	897	890	903	921
20	Health and Welfare	1,109	1,202	1,328	1,389	1,476	1,565
21	OPEB Current Payment	496	532	581	622	676	734
22	Pensions	1,285	1,385	1,372	1,379	1,378	1,368
23	Other Fringe Benefits	795	830	852	873	886	911
24	Contribution to GASB Fund	0	0	0	8	18	29
25	Reimbursable Overhead	0	0	(0)	0	0	0
26	**Total Labor Expenditures**	**$9,886**	**$10,216**	**$10,592**	**$10,818**	**$11,101**	**$11,427**
27							
28	***Non-Labor:***						
29	Electric Power	$485	$408	$505	$525	$546	$584
30	Fuel	165	126	156	162	169	184
31	Insurance	58	41	47	57	63	72
32	Claims	269	269	255	241	249	257
33	Paratransit Service Contracts	381	389	409	433	470	509
34	Maintenance and Other Operating Contracts	522	663	725	631	610	599
35	Professional Service Contracts	314	477	534	460	423	425
36	Materials & Supplies	727	706	772	764	729	801
37	Other Business Expenditures	213	192	197	184	196	194
38	**Total Non-Labor Expenditures**	**$3,133**	**$3,271**	**$3,601**	**$3,457**	**$3,455**	**$3,627**
39							
40	***Other Expenditure Adjustments:***						
41	Other	$33	$133	$140	$148	$138	$158
42	General Reserve	0	0	155	160	165	170
43	**Total Other Expenditure Adjustments**	**$33**	**$133**	**$295**	**$308**	**$303**	**$328**
44							
45	**Total Expenditures**	**$13,052**	**$13,620**	**$14,488**	**$14,583**	**$14,860**	**$15,382**
46							
47	**Net Cash Deficit Before Subsidies and Debt Service**	**($4,469)**	**($4,943)**	**($5,552)**	**($5,676)**	**($6,042)**	**(6,532)**
48							
49	Dedicated Taxes and State/Local Subsidies	$6,357	$7,019	$7,021	$7,447	$7,368	$7,612
50	Debt Service (excludes Service Contract Bonds)	($1,738)	($1,801)	($1,947)	($2,074)	($2,191)	(2,311)
51							
52	**CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER**	**$150**	**$276**	**($478)**	**($303)**	**($865)**	**($1,231)**
53	**ADJUSTMENTS**	**0**	**(496)**	**241**	**357**	**821**	**879**
54	**PRIOR-YEAR CARRY-OVER**	**330**	**480**	**260**	**23**	**76**	**32**
55	**NET CASH BALANCE**	**$480**	**$260**	**$23**	**$76**	**$32**	**($319)**

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
MTA Consolidated November Financial Plan Compared with JULY FINANCIAL PLAN
Cash Reconciliation after Below-the-Line Adjustments
($ in millions)

	Favorable/(Unfavorable)				
	2016	2017	2018	2019	2020
JULY FINANCIAL PLAN 2017-2020 NET CASH SURPLUS/(DEFICIT)	**$200**	**$28**	**$68**	**$7**	**($371)**
Agency Baseline Adjustments	***$17***	***$16***	***$84***	***$72***	***$76***
Farebox Revenue	*5*	*16*	*12*	*10*	*8*
Toll Revenue	*4*	*4*	*2*	*1*	*0*
Rates:					
Energy	*9*	*8*	*20*	*41*	*48*
Health & Welfare (includes retirees)	*(14)*	*(6)*	*14*	*20*	*32*
Pension (Cash)	*(3)*	*(7)*	*(7)*	*(9)*	*(11)*
Other Baseline Re-estimates (includes timing) [1,2]	*17*	*0*	*43*	*8*	*(1)*
New Needs/Investments	***$23***	***($81)***	***($114)***	***($102)***	***($156)***
Maintenance and Operations	*13*	*(31)*	*(35)*	*(28)*	*(82)*
Customer Experience Improvements	*11*	*(25)*	*(51)*	*(47)*	*(46)*
Service Adjustments/Service Support	*1*	*(16)*	*(19)*	*(19)*	*(19)*
All Other New Needs	*(1)*	*(9)*	*(10)*	*(9)*	*(9)*
Savings Programs	***$6***	***$36***	***$44***	***$47***	***$50***
2016 BRP (New Savings Programs)	*6*	*36*	*44*	*47*	*50*
Policy Actions	***$145***	***$0***	***$0***	***$0***	***$0***
Release of 2016 General Reserve	*145*	*-*	*-*	*-*	*-*
Changes in Subsidies	***$2***	***($18)***	***$10***	***$13***	***($14)***
Petroleum Business Tax	*10*	*-*	*-*	*-*	*-*
Real Estate Taxes	*(30)*	*(26)*	*(1)*	*0*	*(26)*
Payroll Mobility Tax	*16*	*1*	*5*	*6*	*6*
MTA Aid	*6*	*6*	*6*	*6*	*6*
Other Subsidy Adjustments	***$62***	***($6)***	***($20)***	***($31)***	***($31)***
Forward Energy Contracts	*22*	*3*	*1*	*-*	*-*
Other Funding Agreements	*9*	*(6)*	*21*	*13*	*12*
B&T Operating Surplus Transfer	*31*	*(2)*	*(41)*	*(44)*	*(43)*
Debt Service	***$27***	***$22***	***$31***	***$45***	***$52***
Refunding Savings (TRB 2016B and TRB 2016C)	*2*	*7*	*8*	*8*	*10*
Borrowing Rate Assumption Impact	*0*	*1*	*3*	*7*	*12*
Variable rate savings	*11*	*-*	*-*	*-*	*-*
Timing of Bond Issuances/Lower than projected actual bond rates	*14*	*15*	*20*	*30*	*30*
Below-the-Line Adjustments:	***($222)***	***($35)***	***($23)***	***($26)***	***$49***
Fare and Toll Adjustment for Rate vs. Yield	*-*	*(21)*	*(25)*	*(26)*	*(26)*
MTA Efficiencies Identified	*-*	*(41)*	*(55)*	*(65)*	*(68)*
Policy Actions:					
Acceleration of Committed to Capital Contribution	*(80)*	*-*	*-*	*-*	*80*
Debt Service Savings from Acceleration of Contribution	*-*	*5*	*5*	*5*	*5*
Invest 2016 General Reserve to Reduce Pension Liability	*(145)*	*-*	*16*	*16*	*16*
MTA Re-estimates	*3*	*22*	*37*	*44*	*42*
Prior Year Carryover	***($0)***	***$60***	***($5)***	***$8***	***$26***
NOVEMBER FINANCIAL PLAN 2017-2020 NET CASH SURPLUS/(DEFICIT)	**$260**	**$23**	**$76**	**$32**	**($319)**

* *Totals may not add due to rounding*

[1] *Other Baseline re-estimates includes changes from timing, inflation, operating capital and reimbursable and cash adjustments.*

[2] *B&T Operating Surplus Transfer is captured as a subsidy. While B&T's impacts are also captured in individual reconciliation categories within the Agency Baseline Adjustments above, the duplication is eliminated within the line "Other Baseline Re-estimates."*

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2017-2020
Consolidated Subsidies
Cash Basis

($ in millions)

	Actual 2015	November Forecast 2016	Final Proposed Budget 2017	2018	2019	2020
Subsidies						
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	$1,563.9	$1,668.0	$1,743.1	$1,821.5	$1,882.6	$1,961.1
Petroleum Business Tax (PBT) Receipts	616.5	619.1	598.9	593.1	590.3	587.9
Mortgage Recording Tax (MRT)	430.6	459.1	456.9	472.5	489.7	499.0
MRT Transfer to Suburban Counties	(1.7)	(3.0)	(3.0)	(3.0)	(3.3)	(3.6)
Reimburse Agency Security Costs	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(24.9)	(24.9)	(24.9)	(23.8)	(23.8)	(23.8)
Interest	4.9	5.1	5.3	5.3	5.3	5.3
Urban Tax	940.6	837.8	783.9	780.7	780.7	791.8
Investment Income	1.1	1.1	1.2	1.2	1.2	1.2
	$3,520.9	**$3,552.4**	**$3,551.4**	**$3,637.4**	**$3,712.7**	**$3,808.8**
PMT and MTA Aid						
Payroll Mobility Tax	$1,316.9	$1,379.2	$1,425.1	$1,495.4	$1,564.1	$1,632.8
Payroll Mobility Tax Replacement Funds	309.3	311.3	311.3	311.3	311.3	311.3
MTA Aid	284.8	297.4	297.4	297.4	297.4	297.4
	$1,910.9	**$1,987.8**	**$2,033.7**	**$2,104.1**	**$2,172.7**	**$2,241.5**
State and Local Subsidies						
State Operating Assistance (18-b)	$187.9	$187.9	$187.9	$187.9	$187.9	$187.9
Local Operating Assistance (18-b)	182.3	187.9	187.9	187.9	187.9	187.9
Station Maintenance	161.2	164.1	168.3	172.6	176.9	180.3
	$531.4	**$539.9**	**$544.1**	**$548.4**	**$552.8**	**$556.1**
Other Subsidy Adjustments						
Resource to Reduce Pension Liability	($140.0)	$70.0	$0.0	$6.5	$6.5	$6.5
Reserve for Retroactive Payments	109.3	0.0	0.0	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)
Forward Energy Contracts Program - Gain/(Loss)	(42.2)	(30.3)	0.6	0.8	0.0	0.0
MNR Repayment for 525 North Broadway	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Repayment of Loan to Capital Financing Fund	(100.0)	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	(38.1)	0.0	(73.0)	(78.9)	(49.7)	0.0
Committed to Capital 2015-2019 Capital Program	(721.9)	(390.0)	(350.1)	25.2	(189.2)	(147.8)
	($946.8)	**($364.2)**	**($436.4)**	**($60.4)**	**($246.4)**	**($155.3)**
Subtotal Dedicated Taxes & State and Local Subsidies	***$5,016.5***	***$5,716.0***	***$5,692.8***	***$6,229.5***	***$6,191.9***	***$6,451.2***
Other Funding Agreements						
City Subsidy for MTA Bus Company	$438.3	$413.4	$530.9	$478.0	$492.8	$500.0
City Subsidy for Staten Island Railway	33.4	36.1	56.4	58.4	39.3	42.2
CDOT Subsidy for Metro-North Railroad	129.0	120.4	108.6	120.9	124.8	132.8
	$600.6	**$569.9**	**$695.9**	**$657.3**	**$656.9**	**$675.0**
Total Dedicated Taxes & State and Local Subsidies	***$5,617.1***	***$6,285.8***	***$6,388.7***	***$6,886.8***	***$6,848.7***	***$7,126.1***
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	$740.1	$733.5	$632.7	$559.8	$519.0	$486.1
	$740.1	**$733.5**	**$632.7**	**$559.8**	**$519.0**	**$486.1**
GROSS SUBSIDIES	**$6,357.2**	**$7,019.3**	**$7,021.4**	**$7,446.6**	**$7,367.7**	**$7,612.3**

METROPOLITAN TRANSPORTATION AUTHORITY
Summary of Changes Between the November and July Financial Plans
Consolidated Subsidies
Cash Basis
($ in millions)

	2016	2017	2018	2019	2020
Subsidies					
Dedicated Taxes					
Metropolitan Mass Transportation Operating Assist (MMTOA)	$0.0	$0.0	$0.0	$0.0	$0.0
Petroleum Business Tax (PBT) Receipts	9.9	0.0	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	8.8	9.8	14.7	16.3	13.1
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
MTA Bus Debt Service	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0
Urban Tax	(39.3)	(35.4)	(16.1)	(16.1)	(39.4)
Investment Income	0.0	0.0	0.0	0.0	0.0
	($20.6)	**($25.6)**	**($1.4)**	**$0.2**	**($26.4)**
PMT and MTA Aid					
Payroll Mobility Tax	$16.2	$1.1	$5.4	$6.3	$5.8
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0	0.0
MTA Aid	6.3	6.3	6.3	6.3	6.3
	$22.4	**$7.3**	**$11.6**	**$12.6**	**$12.1**
State and Local Subsidies					
State Operating Assistance (18-b)	$0.0	$0.0	$0.0	$0.0	$0.0
Local Operating Assistance (18-b)	0.0	0.0	0.0	0.0	0.0
Station Maintenance	0.0	0.0	0.0	0.0	0.0
	$0.0	**$0.0**	**$0.0**	**$0.0**	**$0.0**
Other Subsidy Adjustments					
Resource to Reduce Pension Liability	$0.0	$0.0	$0.0	$0.0	$0.0
Reserve for Retroactive Payments	0.0	0.0	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	0.0	0.0	0.0	0.0	0.0
Forward Energy Contracts Program - Gain/(Loss)	21.9	2.7	0.6	0.0	0.0
MNR Repayment for 525 North Broadway	0.0	0.0	0.0	0.0	0.0
Repayment of Loan to Capital Financing Fund	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2015-2019 Capital Program	0.0	0.0	0.0	0.0	0.0
	$21.9	**$2.7**	**$0.6**	**$0.0**	**$0.0**
Subtotal Dedicated Taxes & State and Local Subsidies	***$23.8***	***($15.6)***	***$10.8***	***$12.8***	***($14.3)***
Other Funding Agreements					
City Subsidy for MTA Bus Company	($5.5)	($0.3)	$12.1	$12.3	$12.0
City Subsidy for Staten Island Railway	0.0	(2.6)	7.8	(0.9)	(1.5)
CDOT Subsidy for Metro-North Railroad	14.4	(3.5)	1.1	1.7	1.5
	$8.8	**($6.4)**	**$21.0**	**$13.1**	**$12.0**
Total Dedicated Taxes & State and Local Subsidies	***$32.6***	***($22.0)***	***$31.8***	***$25.8***	***($2.3)***
Inter-agency Subsidy Transactions					
B&T Operating Surplus Transfer	$30.9	($2.2)	($41.5)	($44.4)	($43.0)
	$30.9	**($2.2)**	**($41.5)**	**($44.4)**	**($43.0)**
GROSS SUBSIDIES	**$63.5**	**($24.2)**	**($9.7)**	**($18.6)**	**($45.3)**

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MTA Bridges and Tunnels

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

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