

MTA 2024 Final Proposed Budget

November Financial Plan 2024-2027



Volume 1
November 2023



Metropolitan Transportation Authority

OVERVIEW

MTA 2024 Final Proposed Budget November Financial Plan 2024-2027 Volume 1

The MTA's November Plan is divided into two volumes:

Volume 1 consists of financial schedules supporting the complete MTA Consolidated Financial Plan, including an Executive Summary, the baseline forecast (as detailed in Volume 2 and described below) and certain adjustments captured below the baseline. These "below-the-line" adjustments include: Fare and Toll Increases, MTA Initiatives, Management and Policy Actions, and Other items. Volume 1 also includes descriptions of the "below-the-line" actions as well as the required Certification by the Chair/CEO, and a description of the MTA Budget Process.

Volume 2 includes MTA-Consolidated detailed financial and position schedules as well as the narratives that support the baseline projections included in the 2024 Final Proposed Budget and the Financial Plan for 2024 through 2027. Also included are the Agency sections which incorporate descriptions of Agency Programs with supporting baseline tables and required information related to the MTA Capital Program.

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I. Introduction

Executive Summary

The **2023 MTA November Financial Plan** (the “November Plan” or “Plan”), which includes the 2023 November Forecast, the 2024 Final Proposed Budget and a Financial Plan for the years 2024 to 2027, updates the 2023 July Financial Plan (the “July Plan”). This Plan, as with all plans beginning with the 2020 July Plan, reflects the ongoing financial and operational impacts stemming from the Covid-19 pandemic, and the recovery of the MTA Region.

The November Plan reflects the significant commitment from both New York State and New York City to stabilize MTA’s fiscal condition, which was reflected in the July Plan, as well as resources for service, safety, and security improvements. The Plan includes biennial fare and toll rate increases that generate a 4% net increase in farebox and toll revenue in 2025 and 2027, and also reflects savings from operating efficiencies initiatives.

The July Plan

The July Plan presented a balanced budget annually through 2027. This is due to the collective impacts of additional and recurring dedicated revenues provided to MTA in the NYS Enacted Budget, proposed modest toll and fare increases, savings expected to be achieved by MTA implementing operating efficiencies without reducing service and other actions taken by MTA to reduce the burden of debt and other liabilities on the MTA operating budget.

In the FY 2024 Enacted Budget, the State took substantial action to provide the MTA with additional operating revenues dedicated to help solve the MTA’s fiscal crisis due to the effects of the pandemic. This includes an increase in the Metropolitan Commuter Transportation Mobility Tax (MCTMT) in New York City, a one-time State subsidy of \$300 million, an increase in New York City’s contribution to the MTA for the costs of paratransit services and directing a portion of future casino revenues to the MTA. A fare-free bus pilot program on five bus routes, lasting six to twelve months, was also authorized. The MTA also agreed to invest approximately \$35 million annually to improve subway service, and another \$35 million in annual investments towards safety and fare enforcement actions. Overall, the additional State funding, along with the service-related costs, provide a net improvement to the MTA of \$724 million in 2023, \$1.1 billion in 2024 and \$1.2 billion in 2025, followed by \$1.7 billion in both 2026 and 2027.

The July Plan also included additional farebox and toll revenue from a 4% fare rate increase and a 5.5% toll rate increase, both implemented in August 2023. The fare and toll increases were expected to generate \$61 million of additional farebox revenue and \$57 million of additional toll revenue in 2023, followed by approximately \$205 million annually of farebox revenue and \$133 million of toll revenue, on average, through the remainder of the Plan. The Plan also includes regular biennial fare and toll increases yielding a four percent increase in farebox and toll revenues, which are proposed to be instituted in January 2025 and March 2027. These proposed increases are expected to generate \$1.15 billion through the Plan period.

The July Plan also increased, by \$100 million starting in 2025, the targeted savings from Operating Efficiencies, an ambitious effort by MTA operating agencies to identify and implement innovative ways of conducting business more efficiently, reduce expenses, and improve service to customers. Agencies identified numerous actions in the July Plan, meeting the \$100 million savings target for 2023 and just over half of the \$400 million savings target for 2024. Over the

Plan period, savings in the July Plan from operating efficiencies initiatives totaled \$921 million, leaving \$1.13 billion still to be identified.

The July Plan also recognized the negotiated settlement with TWU Local 100; the net economic value of that agreement also informed the July Plan's assumptions for growth in labor costs for all represented MTA bargaining units. At the time the July Plan was completed, the settlement was awaiting ratification of the bargaining unit's membership and the MTA Board, and the estimated fiscal impact throughout the MTA was included as a below-the-line adjustment to the Plan. Previous financial plans had assumed two percent annual wage increases, while the terms of the TWU Local 100 agreement call for increases of three percent annually for the first two years and 3.5 percent for the third year. Over the Plan period, the additional net labor expenses were estimated to increase by \$1.15 billion.

The July Plan included several actions to reduce current and future expenses and aid in eliminating annual deficits through 2027 and in years beyond the Plan period, including: pre-paying 2023 and 2024 MTA-sponsored pension plan expenses (\$1.06 billion); pre-paying debt and debt service expenses (\$1.37 billion); and funding the OPEB (Other Post-Employment Benefits) Trust to cover retiree health benefits (\$1.32 billion). The July Plan also anticipated two additional actions to be taken: a 2024 pre-payment of \$500 million towards 2025 pension expenses for MTA-sponsored plans; and the use of \$258 million over the Plan period from the OPEB Trust for retiree health benefits.

Other local subsidy resources freed up from the receipt of Federal COVID funding were applied to close remaining annual deficits: \$1.24 billion of resources to be used to close the 2023 deficit, followed by \$17 million in 2024, \$38 million in 2025, \$218 million in 2026 and \$548 million in 2027.

The November Plan

Through October 2023, consolidated MTA farebox revenue aligned with the midpoint of the "high case" and "low case" scenarios that were prepared by McKinsey & Company on behalf of MTA in May 2022, with farebox revenue hovered closer to the "high case" scenario for most of the year. That said, in recent months underlying ridership data have tracked below the midpoint and closer to the "low case" scenario, with shortfalls predominately in paid ridership on buses.

Fare evasion on buses has increased over the past few months. MTA is responding to fare evasion with a multipronged approach across all services, and not just on the bus system, consistent with the recommendations from the Blue Ribbon Commission on Fare Evasion released earlier this year. While it is expected these efforts will reign in fare evasion, this Plan includes, below-the-line, a Farebox Revenue Loss Provision of \$100 million for 2024. The need to maintain this provision, or scale back or expand it, will be further evaluated, and necessary revisions will be reflected in the 2024 July Plan.

The November Plan continues to include the resumption of regular biennial fare and toll increases yielding a four percent increase in farebox and toll revenues, proposed for implementation in January 2025 and March 2027. These proposed increases are expected to generate \$1.15 billion through the Plan period.

During 2023, MTA operating agencies identified and have been implementing numerous operating efficiencies initiatives will result in \$1.95 billion in savings over the Plan period, with \$1.88 billion impacting MTA and an additional \$71 million impacting the CDOT subsidy for Metro-

North's Connecticut service. This expands on the July Plan initiatives, which identified savings of \$921 million to the MTA and also lowered the CDOT subsidy by \$46 million. The November Plan recognizes an additional \$958 million in savings over the Plan period, along with a further reduction in the CDOT subsidy by \$25 million. Among the actions identified in the July and November Plans:

- New York City Transit (NYCT) is working toward improving employee availability across all divisions, with efforts targeting critical job titles in the Division of Subways and Division of Buses to reduce positions and overtime related to backfilling shifts (\$341M). In addition, overtime assignments will be strategically managed, ensuring compliance with timekeeping rules and reducing overtime hours in targeted functions (\$68M). Additionally,
 - The Division of Subways at NYCT, working with their Operations, Maintenance and Procurement stakeholders, is addressing critical station and infrastructure cleaning previously handled via more costly third-party contracts (\$204M); has adjusted the car equipment maintenance approach (\$203M); is obtaining efficiencies in rail material acquisition (\$61M); is implementing energy efficient initiatives throughout stations, yards and on subway cars (\$60M); is reorganizing terminal station car cleaning assignments (\$25M); and is lengthening crew tours for more efficient train operations staffing (\$8M).
 - The Division of Buses at NYCT has identified changes to bus maintenance schedules utilizing predictive maintenance tools (\$35M); and improved analysis of vehicle condition and performance to allow for better maintenance planning (\$25M). Aligned with these operational efficiencies are the bus lane violation revenues and unscheduled bus operation overtime savings related to the Automated Bus Lane Enforcement (ABLE) measures through camera installation on additional buses and expanded enforcement, as permitted through the State 2023-24 Enacted Budget (\$80M). Paratransit trip-booking improvements utilizing self-service functionality will create savings and provide a better Paratransit customer experience (\$16M).
- Long Island Rail Road and Metro-North Railroad have been working together over the past year to identify and incorporate industry best practices in their equipment shops as well as scheduling work along the rail right-of-way. Shop-specific practices are being adjusted for more efficient workflow to reduce the impacts of unplanned events (\$87M). Improved rail equipment scheduling for required maintenance and inspections along with ensuring proper staffing at shop locations will result in reductions to overtime (\$77M). Equipment and crew are being more efficiently scheduled to match with demand (\$50M). Both railroads are working to ensure appropriate inventory is available for required maintenance (\$151M). Management oversight of operating contracts is better aligning third-party services at work locations along the right-of-way (\$46M).
- Bridges and Tunnels reviewed its staffing requirements needed to oversee Open Road Tolling Operations and reduced positions supporting daily revenue enforcement functions (\$103M).

The impact from identified operating efficiencies initiatives have been incorporated in Agency financial plans. Savings targets have been fully met through 2024, with unidentified savings totaling \$218 million from 2025 through 2027 remaining below-the-line in the November Plan.

The November Plan includes several financial plan re-estimates since the July Plan:

- Include a \$100 million Farebox Revenue Loss Provision in 2024 to account for short-term fare evasion impacts on farebox revenue.
- Incorporates into Agency financial plans revised wage assumptions and safety and security initiatives that were included below-the-line in the July Plan.
- One-time State aid of \$300 million in 2023, included in the NYS 2023-24 Enacted Budget to address the extraordinary impact of the COVID pandemic on MTA operating revenues, will be made in two equal \$150 million disbursements to MTA, at the end of 2023 and at the end of the first quarter of 2024.
- Subsidies are lower by \$138 million over the Plan period. The 2023 Payroll Mobility Tax forecast is reduced by \$44 million to reflect year-to-date shortfalls in receipts. It is still too early to determine whether the lower PMT collections through November are timing related arising from the implementation of the new tax rates or are lower than budgeted due to underlying payroll levels. Receipts from the For-Hire Vehicle Surcharge have been reduced by \$109 million over the Plan period, reflecting slower growth than had been previously projected. Collectively, receipts from the Mortgage Recording Tax, the Urban Taxes and MTA Aid are \$15 million favorable in 2023, reflecting receipts through October.
- Initial inclusion of operating revenue and expenses related to Metro-North's Penn Station Access train service, which is scheduled to commence in 2027.
- Reflects an accounting provision to increase the reserve for B&T uncollected toll revenue by \$55 million. B&T continues to ramp up its toll collection efforts.
- Dramatic increases in interest rates have propelled MTA-wide investment income to be a substantial source revenue to subsidize operations. Based on current investment returns, investment income increases have been conservatively forecast to exceed the July Plan forecast by \$148 million over the Plan period.
- Adjustment to reflect the delayed receipt of COVID expense reimbursement from FEMA.
- Adjustments in the timing of Committed to Capital operating funds.
- Use of \$17 million over the Plan period from the OPEB Trust. The July Plan anticipated use of \$258 million over the Plan period.
- Reduce the 2024 projection of the Central Business District Tolling Program's net revenue from \$600 million to \$400 million, reflecting a more conservative first year estimate given timing risks.

Other local subsidy resources which were freed up from the receipt of Federal reimbursement for COVID losses will be applied to close remaining annual deficits. The Plan assumes \$1.37 billion of resources will be used to close the 2023 deficit and followed by \$220 million in 2024; resources are not expected to be needed for 2025 and 2026, with the remaining \$469 million used to balance 2027. The timing change is primarily due to the delay in the receipt of FEMA reimbursement of COVID-related expenses.

The “Bottom Line”

The November Plan continues to present a balanced budget annually through 2027. This is due to the collective impacts of additional and recurring dedicated revenue provided to MTA in the NYS Enacted Budget, proposed modest toll and fare increases, savings expected to be achieved by MTA implementing operating efficiencies without reducing service and other actions taken by MTA to reduce the burden of debt and other liabilities on the MTA operating budget.

Risks to MTA’s Financial Future

Additional risks to the Plan include:

Continued paid ridership recovery. The Plan assumes a 10 percent point increase in paid ridership recovery by 2026. Progress in reducing fare evasion will be a critical component to achieving this target. The potential cost for 5 percent lower recovery is estimated at \$325 million per year.

MTA operating efficiencies. Agencies have identified and implemented initiatives that are \$14 million in excess of the 2023 savings target and have identified and begun implementing initiatives that exceed the 2024 target by \$28 million. For 2025 through 2027, about 85 percent of the annual target of \$500 million in savings has been identified and is being implemented. The Plan could fall short of balance if all savings are not achieved.

Dedicated tax receipts. An economic slowdown or recession could have a significant impact on the level of dedicated tax receipts received by MTA.

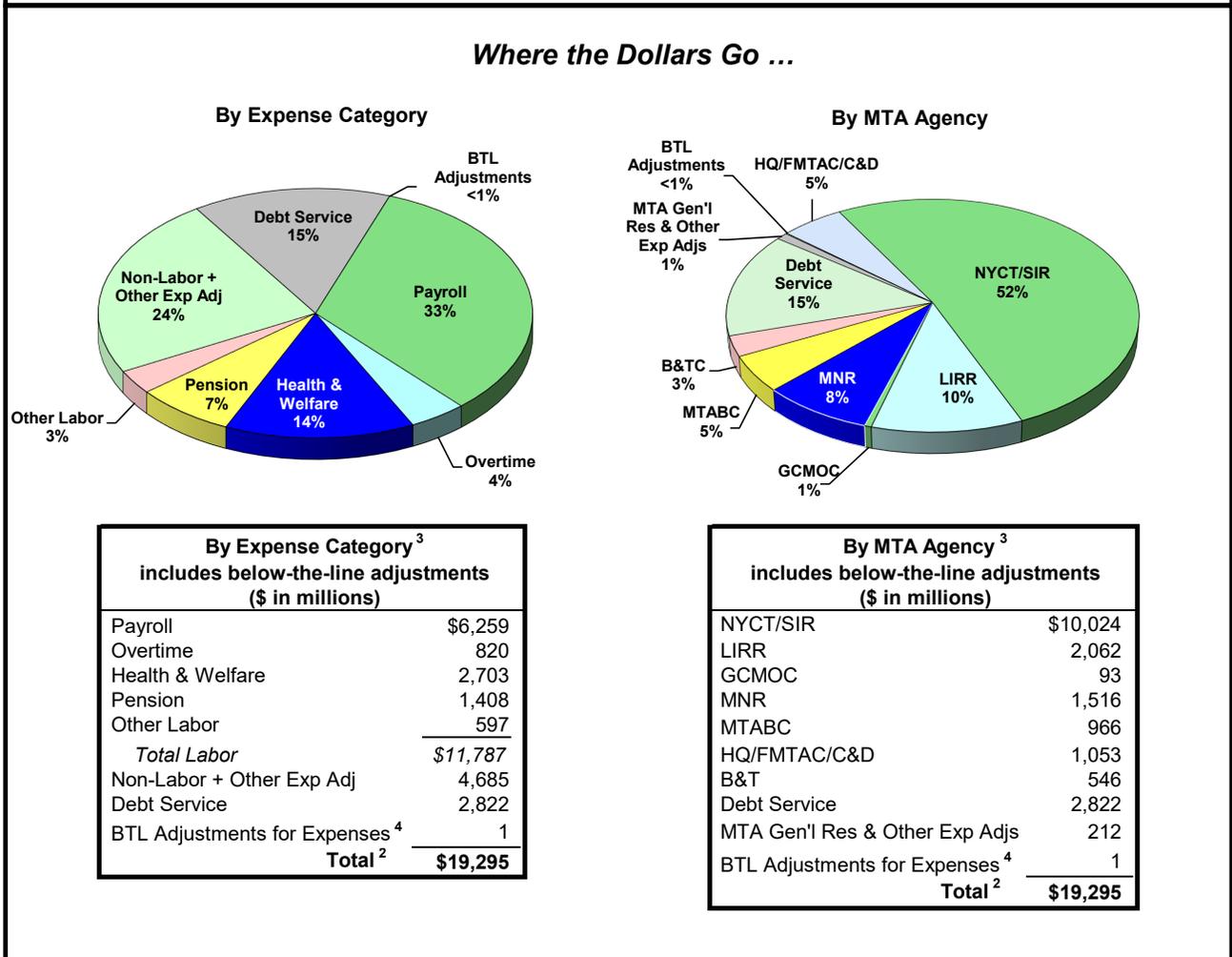
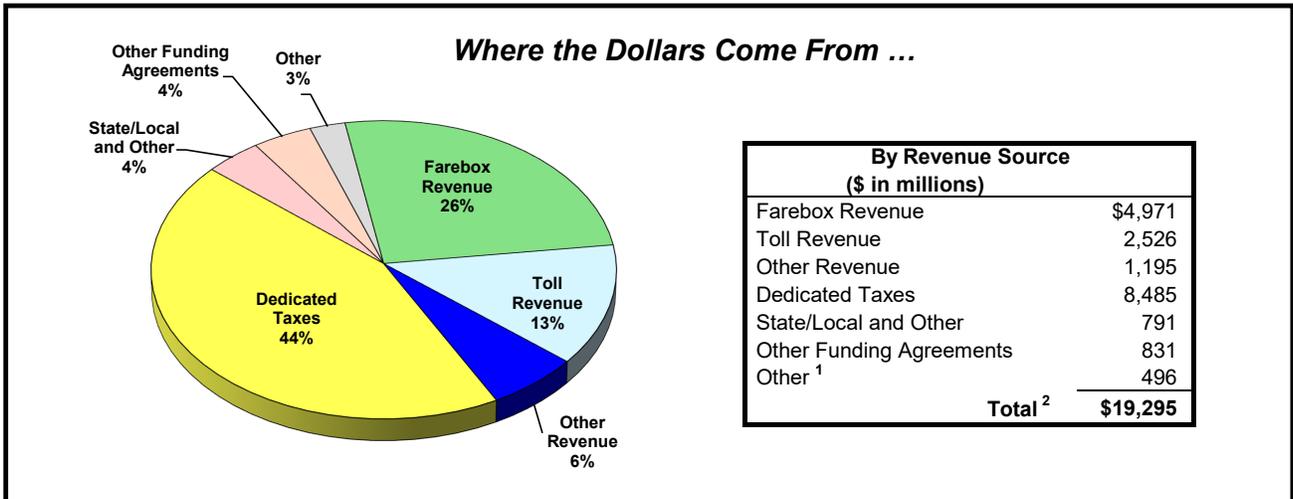
Casino revenue. The approval, and awarding, of downstate casino licenses is uncertain in both outcome and timing, which risks the \$500 million assumed to be received by MTA in 2026 and 2027.

Central Business District Tolling Program (“Congestion Pricing”). Congestion Pricing is scheduled for implementation in mid-2024. There is a risk that recent litigation could impact this start date and timing of receipt of congestion pricing revenues for the capital program. To manage this timing risk, the November Financial Plan incorporates earlier issuance of MTA debt for the 2020-2024 Capital Program than previously forecast to offset the potential delay of Congestion Pricing. This increases debt service costs during the financial plan period and if more MTA debt issuance has to be accelerated due to a delay in Congestion Pricing, debt service costs could increase more than the revised forecast.

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II. MTA Consolidated Financial Plan

MTA 2024 Final Proposed Budget
Baseline Revenues and Expenses After Below-the-Line (BTL) Adjustments
Non-Reimbursable



¹ Includes cash adjustments and prior-year carryover.

² Totals may not add due to rounding.

³ Expenses exclude Depreciation, GASB 68 Pension Adjustment, GASB 75 OPEB Adjustment, GASB 87 Lease Adjustment and Environmental Remediation.

⁴ The "BTL Adjustments for Expenses" cannot be segmented by expense category or by Agency.

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

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2024 - 2027
MTA Consolidated Accrued Statement of Operations By Category
(\$ in millions)

	Actual 2022	November Forecast 2023	Final Proposed Budget 2024	2025	2026	2027
Non-Reimbursable						
Operating Revenues						
Farebox Revenue	\$4,024	\$4,633	\$5,071	\$5,217	\$5,367	\$5,539
Toll Revenue	2,332	2,400	2,526	2,529	2,531	2,534
Other Revenue	7,657	886	945	958	986	1,005
Capital and Other Reimbursements	0	0	0	0	0	0
Total Revenues	\$14,014	\$7,919	\$8,542	\$8,704	\$8,885	\$9,078
Operating Expenses						
Labor:						
Payroll	\$5,414	\$5,933	\$6,259	\$6,409	\$6,604	\$6,772
Overtime	1,127	1,144	820	831	855	873
Health and Welfare	1,423	1,626	1,832	1,963	2,104	2,251
OPEB Current Payments	752	825	871	947	1,030	1,119
Pension	1,339	1,373	1,408	1,567	1,631	1,694
Other Fringe Benefits	1,009	1,108	1,076	1,126	1,183	1,248
Reimbursable Overhead	(400)	(428)	(479)	(483)	(497)	(482)
Total Labor Expenses	\$10,666	\$11,580	\$11,787	\$12,360	\$12,910	\$13,476
Non-Labor:						
Electric Power	\$556	\$543	\$641	\$676	\$680	\$695
Fuel	283	235	243	231	223	224
Insurance	9	21	27	38	51	73
Claims	376	418	416	428	441	455
Paratransit Service Contracts	412	523	529	553	584	613
Maintenance and Other Operating Contracts	806	1,001	982	970	959	980
Professional Services Contracts	555	745	690	662	663	663
Materials and Supplies	561	657	686	760	775	865
Other Business Expenses	246	275	270	287	293	299
Total Non-Labor Expenses	\$3,804	\$4,418	\$4,483	\$4,605	\$4,670	\$4,867
Other Expense Adjustments:						
Other	\$100	\$14	\$12	\$13	\$13	\$14
General Reserve	0	185	190	200	205	220
Total Other Expense Adjustments	\$100	\$199	\$202	\$213	\$218	\$234
Total Expenses Before Non-Cash Liability Adjs.	\$14,570	\$16,197	\$16,472	\$17,178	\$17,799	\$18,577
Depreciation	\$3,286	\$3,475	\$3,560	\$3,614	\$3,669	\$3,731
GASB 75 OPEB Expense Adjustment	1,084	1,258	1,275	1,292	1,312	1,329
GASB 68 Pension Expense Adjustment	(393)	(124)	(191)	(148)	(207)	(158)
GASB 87 Lease Adjustment	21	6	5	5	5	5
Environmental Remediation	26	6	6	6	6	6
Total Expenses After Non-Cash Liability Adjs.	\$18,594	\$20,817	\$21,128	\$21,947	\$22,584	\$23,491
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$4,024)	(\$4,620)	(\$4,656)	(\$4,769)	(\$4,786)	(\$4,913)
Debt Service	3,121	2,655	2,822	2,929	2,998	3,409
Total Expenses with Debt Service	\$17,691	\$18,852	\$19,294	\$20,107	\$20,796	\$21,986
Dedicated Taxes & State and Local Subsidies	\$8,556	\$8,988	\$10,107	\$10,216	\$11,090	\$11,403
Net Surplus/(Deficit) After Subsidies and Debt Service	\$4,879	(\$1,945)	(\$645)	(\$1,186)	(\$822)	(\$1,506)
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	(6,045)	1,945	496	587	260	890
Cash Balance Before Prior-Year Carryover	(\$1,166)	\$0	(\$149)	(\$600)	(\$562)	(\$615)
Below the Line Adjustments	\$0	\$0	\$149	\$600	\$562	\$615
Prior Year Carryover Balance	1,166	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2024 - 2027
Plan Adjustments
(\$ in millions)

	Actual 2022	November Forecast 2023	Final Proposed Budget 2024	2025	2026	2027
Cash Balance Before Prior-Year Carryover	\$(1,166)	\$0	(\$149)	(\$600)	(\$562)	(\$615)
Fare and Toll Increases:						
<i>Fare/Toll Increase - January 2025 (4% Yield)</i>		<i>0</i>	<i>0</i>	<i>299</i>	<i>305</i>	<i>312</i>
<i>Subsidy Impacts - Fare/Toll Increase, January 2025</i>		<i>0</i>	<i>0</i>	<i>(14)</i>	<i>(8)</i>	<i>(8)</i>
<i>Fare/Toll Increase - March 2027 (4% Yield)</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>277</i>
<i>Subsidy Impacts - Fare/Toll Increase, March 2027</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(13)</i>
Subtotal:		\$0	\$0	\$285	\$297	\$568
MTA Initiatives:						
<i>MTA Operating Efficiencies</i>		<i>0</i>	<i>0</i>	<i>72</i>	<i>70</i>	<i>75</i>
Subtotal:		\$0	\$0	\$72	\$70	\$75
Management and Policy Actions:						
<i>Penn Station Access</i>		<i>\$0</i>	<i>(\$1)</i>	<i>(\$8)</i>	<i>(\$22)</i>	<i>(\$45)</i>
<i>Farebox Revenue Loss Provision</i>		<i>0</i>	<i>(100)</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Reimbursement from OPEB Trust</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>17</i>
Subtotal:		\$0	(\$101)	(\$8)	(\$22)	(\$28)
Other:						
<i>FEMA COVID Reimbursement</i>		<i>0</i>	<i>250</i>	<i>250</i>	<i>217</i>	<i>0</i>
Subtotal:		\$0	\$250	\$250	\$217	\$0
TOTAL ADJUSTMENTS		\$0	\$149	\$600	\$562	\$615
<i>Prior Year Carryover Balance</i>	<i>1,166</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Net Cash Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2024 - 2027
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2022	November Forecast 2023	Final Proposed Budget 2024	2025	2026	2027
<u>Cash Receipts and Expenditures</u>						
Receipts						
Farebox Revenue	\$3,996	\$4,623	\$5,062	\$5,208	\$5,357	\$5,529
Other Revenue	1,365	2,165	1,157	1,217	1,098	1,058
Capital and Other Reimbursements	1,879	2,352	2,249	2,284	2,338	2,302
Total Receipts	\$7,240	\$9,140	\$8,468	\$8,709	\$8,793	\$8,889
Expenditures						
<u>Labor:</u>						
Payroll	\$5,837	\$6,554	\$6,936	\$7,180	\$7,245	\$7,383
Overtime	1,304	1,375	1,017	1,020	1,052	1,066
Health and Welfare	1,495	1,684	1,894	2,024	2,167	2,314
OPEB Current Payments	740	817	861	937	1,018	1,107
Pension	1,426	2,048	1,414	1,140	1,731	1,795
Other Fringe Benefits	1,159	1,105	1,097	1,130	1,166	1,203
Contribution to GASB Fund	0	0	0	0	0	0
Reimbursable Overhead	0	0	0	0	0	0
Total Labor Expenditures	\$11,961	\$13,582	\$13,218	\$13,432	\$14,379	\$14,868
<u>Non-Labor:</u>						
Electric Power	\$566	\$553	\$650	\$684	\$687	\$700
Fuel	280	232	240	229	220	221
Insurance	(11)	43	20	34	41	60
Claims	231	358	338	336	337	341
Paratransit Service Contracts	411	521	527	551	582	611
Maintenance and Other Operating Contracts	710	1,004	893	877	858	866
Professional Services Contracts	620	887	735	704	714	700
Materials and Supplies	662	768	829	881	888	967
Other Business Expenses	227	257	246	265	291	298
Total Non-Labor Expenditures	\$3,696	\$4,623	\$4,476	\$4,560	\$4,618	\$4,765
<u>Other Expenditure Adjustments:</u>						
Other	\$126	\$162	\$114	\$128	\$152	\$128
General Reserve	0	185	190	200	205	220
Total Other Expenditure Adjustments	\$126	\$347	\$304	\$328	\$357	\$348
Total Expenditures	\$15,783	\$18,553	\$17,999	\$18,319	\$19,354	\$19,981
Net Cash Balance before Subsidies and Debt Service	(\$8,542)	(\$9,413)	(\$9,531)	(\$9,611)	(\$10,561)	(\$11,092)
Dedicated Taxes & State and Local Subsidies	\$9,796	\$11,363	\$11,477	\$11,097	\$12,128	\$12,955
Debt Service	(2,420)	(1,951)	(2,096)	(2,086)	(2,129)	(2,479)
Cash Balance Before Prior-Year Carryover	(\$1,166)	\$0	(\$149)	(\$600)	(\$562)	(\$615)
Adjustments	\$0	\$0	\$149	\$600	\$562	\$615
Prior-Year Carryover Balance	1,166	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	\$0	\$0

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November Financial Plan 2024-2027
MTA Consolidated November Financial Plan Compared with July Financial Plan
Cash Reconciliation after Below-the-Line Adjustments (Page 1 of 2)
(\$ in millions)

	Favorable/(Unfavorable)				
	2023	2024	2025	2026	2027
JULY FINANCIAL PLAN 2024-2027					
SURPLUS/(DEFICIT)					
	(\$0)	\$0	\$0	(\$0)	(\$0)
Agency Baseline Re-estimates	\$109	(\$769)	\$388	(\$233)	(\$135)
Farebox and Toll Revenue	31	(0)	(0)	(0)	0
Toll Revenue	(49)	4	4	2	2
Revised Wage Assumptions	(183)	(199)	(189)	(245)	(233)
Health & Welfare (including retirees)	117	94	94	99	119
Pensions	6	7	(9)	(18)	(4)
2025 Pension Prepayment	-	(454)	476	-	-
Electric Power and Fuel	8	(23)	(20)	(10)	16
LIRR RCM Changes	31	38	13	5	-
Timing	30	(30)	-	-	-
Other Baseline Re-estimates ¹	119	(205)	20	(67)	(35)
New Needs/Investments	(\$30)	(\$52)	(\$43)	(\$42)	(\$40)
Maintenance	(9)	(12)	(16)	(15)	(13)
Safety & Security	-	(9)	(4)	(4)	(4)
Service/Service Support	-	(6)	(6)	(6)	(6)
Technology Enhancements	(18)	(15)	(12)	(12)	(12)
All Other New Needs	(4)	(12)	(5)	(5)	(5)
Savings Programs	\$20	\$228	\$237	\$237	\$282
New Operating Efficiencies	20	228	237	237	282
B&T Adjustments	(\$64)	(\$9)	(\$19)	(\$20)	(\$22)
B&T Net Baseline Impacts ²	(64)	(9)	(19)	(20)	(22)
MTA Adjustments	\$0	\$0	\$0	\$0	(\$10)
General Reserve	-	-	-	-	(10)
Debt Service (Cash)	(\$0)	(\$6)	(\$9)	(\$21)	(\$104)
Subsidies (Cash)	\$10	\$409	(\$119)	(\$99)	\$80
Metropolitan Mass Transportation Operating Assist (MMTOA)	-	-	-	-	-
Petroleum Business Tax (PBT) Receipts	-	-	-	-	-
Real Estate Taxes	12	(6)	(6)	(6)	(6)
Payroll Mobility Tax (PMT)	(44)	-	-	-	-
For-Hire Vehicle (FHV) Surcharge	(15)	(23)	(30)	(20)	(20)
Automated Bus Lane Enforcement (ABLE) Violations	-	-	-	-	-
Peer-to-Peer Car Sharing Trip Tax	-	-	-	-	-
Station Maintenance	1	1	(0)	(0)	(1)
State General Fund Subsidy	(150)	150	-	-	-
Casino License Revenues	-	-	-	-	-
Investment Income	76	54	30	10	8
Other Subsidy Adjustments:	-	-	-	-	-
<i>Forward Energy Contracts Program</i>	11	9	1	-	-
<i>Committed to Capital Program Contributions</i>	0	(0)	(128)	34	94
<i>Other Local Subsidy Resources</i>	133	203	(38)	(218)	(79)
City Subsidy for MTA Bus	(0)	(7)	(8)	36	24
City Subsidy for Staten Island Railway	-	(21)	5	6	6
CDOT Subsidy for Metro-North Railroad	4	9	14	20	15
B&T Surplus Transfer	(15)	39	42	40	39

Continued on Page 2

November Financial Plan 2024-2027
MTA Consolidated November Financial Plan Compared with July Financial Plan
Cash Reconciliation after Below-the-Line Adjustments (Page 2 of 2)
(\$ in millions)

Continued from Page 1	Favorable/(Unfavorable)				
	2023	2024	2025	2026	2027
Below-the-Line (BTL) Adjustments	(\$44)	\$200	(\$435)	\$178	(\$51)
<i>Base Fare/Toll Increases:</i>					
Fare/Toll Increase - March 2025 (4% Yield)	-	-	0	0	0
Subsidy Impacts - Fare/Toll Increase, January 2025	-	-	(0)	0	0
Fare/Toll Increase - March 2027 (4% Yield)	-	-	-	-	0
Subsidy Impacts - Fare/Toll Increase, March 2027	-	-	-	-	(0)
<i>MTA Efficiencies:</i>					
MTA Operating Efficiencies ³	-	(193)	(229)	(228)	(273)
<i>Management and Policy Actions:</i>					
Penn Station Access	-	(1)	(8)	(22)	(45)
Reimbursement from OPEB Trust	(39)	(56)	(57)	(70)	(18)
Reserve for Additional Costs (GCMOC)	-	-	-	-	-
Farebox Revenue Loss Provision	-	(100)	-	-	-
Add'l Labor Exp-TWU Settlement and Pattern ³	235	140	230	270	275
Safety & Security Actions to be Allocated ³	11	11	11	11	11
2025 Pension Prepayment ³	-	500	(515)	-	-
<i>Other:</i>					
FEMA COVID Reimbursement	(250)	(100)	133	217	-
Prior Year Carryover	\$0	\$0	(\$0)	(\$0)	\$0
NOVEMBER FINANCIAL PLAN 2024-2027	\$0	\$0	\$0	\$0	\$0
NET CASH SURPLUS/(DEFICIT)	\$0	\$0	\$0	\$0	\$0

Footnotes for Cash Reconciliation (after Below-the-Line Adjustments)

- ¹ Includes OTPS and reimbursable adjustments, Local Subsidy, worker's compensation, salary and wages, operating capital and cash adjustments.
- ² While B&T Operating Surplus Transfer is captured as a subsidy, B&T's baseline impacts are captured in individual reconciliation categories in the Agency Baseline Adjustments above. To avoid duplication, B&T's baseline impacts are eliminated within this line. Included within this B&T Net Baseline Impacts are reversals for higher toll revenue in 2022 and unfavorable OTPS adjustments which are captured above.
- ³ These items were proposed in the July Plan and have been incorporated into the Agency baselines.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2024 - 2027

Consolidated Subsidies

Cash Basis

(\$ in Millions)

	Actual 2022	November Forecast 2023	Final Proposed Budget 2024	2025	2026	2027
MMTOA, PBT, Real Estate Taxes and Other						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$2,601.0	\$2,838.5	\$2,991.0	\$2,991.0	\$2,991.0	\$3,050.8
Petroleum Business Tax (PBT)	585.7	611.3	615.3	615.3	615.3	615.3
Mortgage Recording Tax (MRT)	647.9	367.9	455.4	498.6	540.9	569.6
<i>MRT Transfer to Suburban Counties</i>	<i>(20.9)</i>	<i>(18.0)</i>	<i>(11.6)</i>	<i>(13.0)</i>	<i>(14.5)</i>	<i>(15.8)</i>
<i>MTA Bus Debt Service</i>	<i>(12.2)</i>	<i>(12.3)</i>	<i>(12.3)</i>	<i>(12.6)</i>	<i>(14.5)</i>	<i>(13.6)</i>
<i>Interest on MRT Receipts</i>	<i>9.3</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Urban Tax	729.5	390.3	511.9	542.7	575.5	578.9
	\$4,540.4	\$4,177.7	\$4,549.6	\$4,622.0	\$4,693.6	\$4,785.1
PMT and MTA Aid						
Payroll Mobility Tax (PMT)	\$1,796.9	\$2,194.3	\$3,020.5	\$3,150.1	\$3,277.7	\$3,403.7
Payroll Mobility Tax Replacement Funds	244.3	244.3	244.3	244.3	244.3	244.3
MTA Aid	263.3	279.6	282.9	283.1	283.3	283.5
	\$2,304.5	\$2,718.2	\$3,547.7	\$3,677.5	\$3,805.3	\$3,931.5
For-Hire Vehicle (FHV) Surcharge						
Subway Action Plan Account	300.0	300.0	300.0	300.0	300.0	300.0
General Transportation Account	0.0	0.0	25.0	37.4	49.2	51.2
	\$300.0	\$300.0	\$325.0	\$337.4	\$349.2	\$351.2
Automated Bus Lane Enforcement (ABLE) Violations						
	\$4.4	\$9.9	\$45.3	\$40.8	\$38.2	\$38.2
Peer-to-Peer Car Sharing Trip Tax						
	\$0.0	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2
Capital Program Funding from Lockbox Revenues						
Central Business District Tolling Program (CBDTP)	\$0.0	\$0.0	\$400.0	\$1,000.0	\$1,000.0	\$1,000.0
Real Property Transfer Tax Surcharge (Mansion Tax)	524.4	337.2	320.6	332.8	335.7	335.8
Internet Marketplace Tax -NYS	152.6	154.2	155.7	157.3	158.8	160.4
Internet Marketplace Tax - NYC	173.0	174.7	176.5	178.2	180.0	181.8
Subtotal:	850.0	666.1	1,052.8	1,668.3	1,674.5	1,678.0
<i>Less: Debt Service on Lockbox Bonds</i>	<i>(13.4)</i>	<i>(88.5)</i>	<i>(207.0)</i>	<i>(450.2)</i>	<i>(847.6)</i>	<i>(1,159.5)</i>
<i>Less: Lockbox Allocated to PAYGO</i>	<i>(838.9)</i>	<i>(577.6)</i>	<i>(845.7)</i>	<i>(1,218.0)</i>	<i>(826.9)</i>	<i>(518.5)</i>
	(\$2.3)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State and Local Subsidies						
State Operating Assistance	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	189.3	187.9	187.9	187.9	187.9	187.9
Station Maintenance	190.7	198.6	203.3	206.5	210.8	215.5
State General Fund Subsidy	0.0	150.0	150.0	0.0	0.0	0.0
	\$567.9	\$724.4	\$729.1	\$582.4	\$586.7	\$591.4
Casino License Revenues						
	\$0.0	\$0.0	\$0.0	\$0.0	\$500.0	\$500.0
Investment Income						
	\$10.7	\$84.4	\$61.4	\$36.3	\$15.9	\$14.3
Other Subsidy Adjustments						
NYCT Charge Back of MTA Bus Debt Service	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)
Forward Energy Contracts Program - Gain/(Loss)	63.7	12.2	1.7	0.5	0.0	0.0
Committed to Capital Program Contributions	(120.2)	(114.1)	(108.8)	(231.8)	(64.6)	(0.8)
Other Local Subsidy Resources	598.8	1,369.7	219.5	0.0	0.0	469.0
Other Local Subsidy to Cover Labor Reserve	(278.8)	0.0	0.0	0.0	0.0	0.0
Other Local Subsidy to Cover General Reserve	(185.0)	0.0	0.0	0.0	0.0	0.0
	\$67.0	\$1,256.3	\$100.9	(\$242.8)	(\$76.1)	\$456.7
Subtotal: Taxes & State and Local Subsidies	\$7,792.5	\$9,271.2	\$9,359.3	\$9,053.8	\$9,913.0	\$10,668.5
Other Funding Agreements						
City Subsidy for MTA Bus Company	\$521.5	\$524.8	\$521.4	\$521.5	\$707.0	\$833.8
City Subsidy for Staten Island Railway	24.4	55.1	41.5	54.6	77.6	76.7
CDOT Subsidy for Metro-North Railroad	264.0	264.1	267.5	292.8	305.9	316.6
	\$810.0	\$844.0	\$830.4	\$868.9	\$1,090.5	\$1,227.1
Subtotal, including Other Funding Agreements	\$8,602.5	\$10,115.1	\$10,189.7	\$9,922.7	\$11,003.6	\$11,895.5
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	\$1,193.3	\$1,248.3	\$1,287.6	\$1,174.4	\$1,124.1	\$1,059.9
	\$1,193.3	\$1,248.3	\$1,287.6	\$1,174.4	\$1,124.1	\$1,059.9
TOTAL SUBSIDIES	\$9,795.7	\$11,363.5	\$11,477.3	\$11,097.0	\$12,127.7	\$12,955.4

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

	2023	2024	2025	2026	2027
MMTOA, PBT, Real Estate Taxes and Other					
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Petroleum Business Tax (PBT)	0.0	0.0	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	2.4	0.0	0.0	0.0	0.0
MRT Transfer to Suburban Counties	0.0	0.1	0.0	0.0	0.0
Interest on MRT Receipts	(6.2)	(6.2)	(6.2)	(6.2)	(6.2)
Urban Tax	<u>15.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$11.7	(\$6.1)	(\$6.2)	(\$6.2)	(\$6.2)
PMT and MTA Aid					
Payroll Mobility Tax (PMT)	(\$43.9)	\$0.0	\$0.0	\$0.0	\$0.0
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0	0.0
MTA Aid	<u>(3.1)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	(\$47.0)	\$0.0	\$0.0	\$0.0	\$0.0
For-Hire Vehicle (FHV) Surcharge					
Subway Action Plan Account	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
General Transportation Account	<u>(15.1)</u>	<u>(22.6)</u>	<u>(30.1)</u>	<u>(20.3)</u>	<u>(20.4)</u>
	(\$15.1)	(\$22.6)	(\$30.1)	(\$20.3)	(\$20.4)
Automated Bus Lane Enforcement (ABLE) Violations					
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Peer-to-Peer Car Sharing Trip Tax					
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Program Funding from Lockbox Revenues					
Central Business District Tolling Program (CBDTP)	\$0.0	(\$200.0)	\$0.0	\$0.0	\$0.0
Real Property Transfer Tax Surcharge (Mansion Tax)	25.5	0.0	0.0	0.0	0.0
Internet Marketplace Tax - NYS	0.0	0.0	0.0	0.0	0.0
Internet Marketplace Tax - NYC	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Subtotal:	25.5	(200.0)	0.0	0.0	0.0
Less: Debt Service on Lockbox Bonds	7.7	(51.4)	(50.7)	(114.5)	(139.4)
Less: Lockbox Allocated to PAYGO	<u>(33.2)</u>	<u>251.4</u>	<u>50.7</u>	<u>114.5</u>	<u>139.4</u>
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State and Local Subsidies					
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0	0.0
Station Maintenance	1.0	1.0	(0.3)	(0.5)	(0.6)
State General Fund Subsidy	<u>(150.0)</u>	<u>150.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	(\$149.0)	\$151.0	(\$0.3)	(\$0.5)	(\$0.6)
Casino License Revenues					
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Investment Income					
	\$76.4	\$54.4	\$30.3	\$9.9	\$8.3
Other Subsidy Adjustments					
NYCT Charge Back of MTA Bus Debt Service	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Forward Energy Contracts Program - Gain/(Loss)	11.0	8.7	0.5	0.0	0.0
Committed to Capital Program Contributions	0.0	0.0	(128.0)	34.4	93.6
Other Local Subsidy Resources	<u>132.6</u>	<u>202.7</u>	<u>(38.1)</u>	<u>(217.9)</u>	<u>(79.3)</u>
	\$143.5	\$211.3	(\$165.6)	(\$183.5)	\$14.3
Subtotal: Taxes & State and Local Subsidies	\$20.5	\$388.0	(\$171.9)	(\$200.6)	(\$4.7)
Other Funding Agreements					
City Subsidy for MTA Bus Company	\$0.0	(\$6.5)	(\$8.1)	\$35.6	\$24.0
City Subsidy for Staten Island Railway	0.0	(21.5)	5.2	5.7	5.8
CDOT Subsidy for Metro-North Railroad	<u>3.8</u>	<u>9.5</u>	<u>13.7</u>	<u>20.0</u>	<u>15.1</u>
	\$3.8	(\$18.5)	\$10.8	\$61.3	\$45.0
Subtotal, including Other Funding Agreements	\$24.3	\$369.5	(\$161.1)	(\$139.3)	\$40.3
Inter-agency Subsidy Transactions					
B&T Operating Surplus Transfer	<u>(\$14.8)</u>	<u>\$39.3</u>	<u>\$42.5</u>	<u>\$40.3</u>	<u>\$39.5</u>
	(\$14.8)	\$39.3	\$42.5	\$40.3	\$39.5
TOTAL SUBSIDIES	\$9.5	\$408.7	(\$118.6)	(\$99.0)	\$79.8

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2024-2027
Debt Affordability Statement after Below-the-Line Adjustments ⁽¹⁾
 \$ in millions

Forecasted Debt Service and Borrowing Schedule		Notes	2022 ACTL	2023	2024	2025	2026	2027
Combined MTA/TBTA Forecasted Debt Service Schedule		1, 2, 3	\$3,121.2	\$2,655.4	\$2,821.9	\$2,928.6	\$2,997.9	\$3,409.0
Forecasted New Long-Term Bonds Issued		4	-	-	2,739.0	544.1	603.1	3,021.4
Forecasted Debt Service by Credit ⁹		Notes	2022 ACTL	2023	2024	2025	2026	2027
Transportation Revenue Bonds								
Pledged Revenues		5	\$12,763.4	\$14,050.3	\$15,313.6	\$15,502.9	\$16,053.7	\$16,197.5
Debt Service		10	1,720.7	1,372.9	1,224.6	1,182.5	1,243.3	1,349.9
Debt Service as a % of Pledged Revenues			13%	10%	8%	8%	8%	8%
Dedicated Tax Fund Bonds								
Pledged Revenues		6	\$585.7	\$611.3	\$615.3	\$615.3	\$615.3	\$615.3
Debt Service		10	474.8	231.8	262.7	267.4	237.4	314.1
Debt Service as a % of Pledged Revenues			81%	38%	43%	43%	39%	51%
Payroll Mobility Tax Bonds								
Pledged Revenues		7	\$2,060.2	\$2,473.9	\$3,303.5	\$3,433.2	\$3,561.0	\$3,687.2
Debt Service		10	231.0	366.6	653.2	681.3	695.3	871.1
Debt Service as a % of Pledged Revenues			11%	15%	20%	20%	20%	24%
Triborough Bridge and Tunnel Authority General Revenue Bonds								
Pledged Revenues		8	\$1,870.9	\$1,861.2	\$1,976.9	\$1,954.3	\$1,939.3	\$1,925.1
Debt Service		10	587.2	606.6	652.8	769.4	818.9	871.7
Debt Service as a % of Total Pledged Revenues			31%	33%	33%	39%	42%	45%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds								
Pledged Revenues		9	\$1,283.7	\$1,254.6	\$1,324.1	\$1,184.9	\$1,120.4	\$1,053.4
Debt Service		10	102.7	75.2	18.3	16.0	-	-
Debt Service as a % of Total Pledged Revenues			8%	6%	1%	1%	0%	0%
Triborough Bridge and Tunnel Authority 2nd Subordinate Revenue Bonds								
Pledged Revenues		11	\$1,181.0	\$1,179.4	\$1,305.8	\$1,168.9	\$1,120.4	\$1,053.4
Debt Service		10	-	-	5.6	8.0	-	-
Debt Service as a % of Total Pledged Revenues			0%	0%	0%	1%	0%	0%
2 Broadway Certificates of Participation								
Lease Payments			\$4.7	\$2.2	\$4.7	\$3.9	\$3.0	\$2.1
Cumulative Debt Service (Excluding State Service Contract Bonds)		Notes	2022 ACTL	2023	2024	2025	2026	2027
Total Debt Service before Below-the-Line Adjustments:								
		1, 2, 3	\$3,121.2	\$2,655.4	\$2,821.9	\$2,928.6	\$2,997.9	\$3,409.0
Fare and Toll Revenues before Below-the-Line Adjustments			\$6,356.1	\$7,032.8	\$7,597.1	\$7,746.8	\$7,898.3	\$8,072.9
Total Debt Service as a % of Fare/Toll Revenue			49.1%	37.8%	37.1%	37.8%	38.0%	42.2%
Operating Revenues (including Fare/Toll Revenues) and Subsidies			\$22,569.5	\$16,906.5	\$18,648.6	\$18,920.8	\$19,974.7	\$20,480.7
Total Debt Service as a % of Operating Revenues and Subsidies			13.8%	15.7%	15.1%	15.5%	15.0%	16.6%
Non-Reimbursable Exp with Debt Service without Non-Cash Liabilities			\$17,690.7	\$18,851.9	\$19,293.7	\$20,106.9	\$20,796.4	\$21,986.3
Total Debt Service as % of Non-reimbursable Expenses			17.6%	14.1%	14.6%	14.6%	14.4%	15.5%
Total Debt Service <u>after</u> Below the Line Adjustments:								
		12	\$3,121.2	\$2,655.4	\$2,821.9	\$2,928.6	\$2,997.9	\$3,409.0
Fare and Toll Revenues after Below the Line Adjustments								
		12	\$6,356.1	\$7,032.8	\$7,747.1	\$8,295.9	\$8,420.6	\$8,662.5
Total Debt Service as a % of Fare and Toll Revenue after BTL Adjustments			49.1%	37.8%	36.4%	35.3%	35.6%	39.4%
Operating Revenues and Subsidies after Below the Line Adjustments								
		12	\$22,569.5	\$16,906.5	\$18,798.6	\$19,455.8	\$20,488.8	\$21,066.4
Total Debt Service as a % of Operating Rev/Subsidies after BTL Adjs.			13.8%	15.7%	15.0%	15.1%	14.6%	16.2%
Non-reimbursable Exp with DS after Below the Line Adjustments								
		12	\$17,690.7	\$18,851.9	\$19,294.6	\$20,042.4	\$20,748.4	\$21,956.6
Total Debt Service as a % of Non-Reimbursable Exp after BTL Adjs.			17.6%	14.1%	14.6%	14.6%	14.4%	15.5%

Notes on the following page are integral to this table.

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

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

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III. Plan Adjustments

Plan Adjustments

The discussion that follows reflects proposed Plan Adjustments to the Baseline.

Fare and Toll Increases

Fare/Toll Increase, January 2025 (4% Yield) – An increase in fares and tolls, yielding a 4 percent overall increase in farebox and toll revenues, is assumed for implementation in January 2025 and is projected to generate a \$299 million annualized increase in MTA consolidated farebox and toll revenues, with consolidated farebox and toll revenues expected to increase \$299 million in 2025, \$305 million in 2026 and \$312 million in 2027. Factoring in subsidy impacts for MTA Bus, SIR and B&T (10 percent of all B&T surplus toll revenues are delayed for distribution to NYCT and the Commuter Railroads, per MTA Board policy, until B&T results are audited), the net increase to the MTA is \$285 million in 2025, \$297 million in 2026 and \$304 million in 2027. Compared with the July Plan, net projections are unchanged.

Fare/Toll Increase, March 2027 (4% Yield) – An increase in fares and tolls, yielding a 4% overall increase in farebox and toll revenues, is assumed for implementation in March 2027 and is projected to generate a \$325 million annualized increase in MTA consolidated farebox and toll revenues, with consolidated farebox and toll revenues expected to increase by \$277 million in 2027. Factoring in the subsidy impacts for MTA Bus, SIR and B&T, the net increase to the MTA is \$265 million in 2027. Compared with the July Plan, the projection is unchanged.

MTA Consolidated Utilization

MTA Agency Fare and Toll Revenue Projections, in millions
Including the Impact of Fare & Toll Yield Increases

		November Forecast <u>2023</u>	Final Proposed Budget <u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Fare Revenue						
Long Island Rail Road	Baseline	\$565.530	\$631.829	\$653.286	\$674.327	\$688.979
	2025 Yield Increase	0.000	0.000	26.131	26.973	27.559
	2027 Yield Increase	0.000	0.000	0.000	0.000	24.502
		\$565.530	\$631.829	\$679.417	\$701.300	\$741.039
Metro-North Railroad ¹	Baseline	\$538.462	\$556.228	\$563.994	\$571.758	\$580.913
	2025 Yield Increase	0.000	0.000	12.012	12.210	12.445
	2027 Yield Increase	0.000	0.000	0.000	0.000	11.207
		\$538.462	\$556.228	\$576.006	\$583.967	\$604.565
MTA Bus Company ²	Baseline	\$176.305	\$190.001	\$196.240	\$202.932	\$208.128
	2025 Yield Increase	0.000	0.000	7.850	8.117	8.325
	2027 Yield Increase	0.000	0.000	0.000	0.000	7.380
		\$176.305	\$190.001	\$204.089	\$211.050	\$223.833
New York City Transit ³	Baseline	\$3,348.411	\$3,688.062	\$3,798.869	\$3,912.717	\$4,055.588
	2025 Yield Increase	0.000	0.000	151.724	156.509	162.224
	2027 Yield Increase	0.000	0.000	0.000	0.000	143.251
		\$3,348.411	\$3,688.062	\$3,950.593	\$4,069.226	\$4,361.063
Staten Island Railway ²	Baseline	\$3.936	\$4.802	\$4.968	\$5.116	\$5.296
	2025 Yield Increase	0.000	0.000	0.199	0.205	0.212
	2027 Yield Increase	0.000	0.000	0.000	0.000	0.187
		\$3.936	\$4.802	\$5.167	\$5.320	\$5.695
Total Farebox Revenue	Baseline	\$4,632.645	\$5,070.923	\$5,217.357	\$5,366.850	\$5,538.903
	2025 Yield Increase	0.000	0.000	197.916	204.014	210.765
	2027 Yield Increase	0.000	0.000	0.000	0.000	186.527
		\$4,632.645	\$5,070.923	\$5,415.273	\$5,570.864	\$5,936.195
Toll Revenue						
Bridges & Tunnels ⁴	Baseline	\$2,455.139	\$2,526.207	\$2,529.488	\$2,531.495	\$2,534.027
	2025 Yield Increase	0.000	0.000	101.180	101.260	101.361
	2027 Yield Increase	0.000	0.000	0.000	0.000	90.907
		\$2,455.139	\$2,526.207	\$2,630.668	\$2,632.755	\$2,726.295
TOTAL FARE & TOLL REVENUE						
	Baseline	\$7,087.784	\$7,597.130	\$7,746.845	\$7,898.345	\$8,072.930
	2025 Yield Increase	0.000	0.000	299.095	305.273	312.126
	2027 Yield Increase	0.000	0.000	0.000	0.000	277.435
		\$7,087.784	\$7,597.130	\$8,045.940	\$8,203.619	\$8,662.491

¹ Metro-North Railroad utilization figures include both East of Hudson and West of Hudson services.

² MTA Bus and Staten Island Railway revenues from fare increases are used to reduce NYC subsidies to MTA Bus and

³ New York City Transit utilization figures include Paratransit and Fare Media Liability.

⁴ Distribution of 10% of B&T surplus toll revenue is delayed to subsequent year per MTA Board resolution.

Other Below-the-Line Adjustments

MTA Initiatives

MTA Operating Efficiencies – MTA operating agencies have been working to achieve Operating Efficiencies, with a savings target of \$2.05 billion over the Plan period. To date, savings to the MTA from identified initiatives total \$1.88 billion through 2027, which have been incorporated in Agency baseline financial plans. The remainder of the savings target is \$218 million, averaging \$73 million annually beginning in 2025.

Management and Policy Actions

Penn Station Access – This project is an extension of Metro-North Railroad's New Haven Line to reach Penn Station with four new accessible stations in the Bronx. To allow for sufficient time to train new train crews, operations managers and maintenance staff, hiring is planned to start in 2025, with service scheduled to commence in November 2027.

Farebox Revenue Loss Provision – In recent months, underlying ridership data have tracked below the midpoint of the McKinsey recovery scenarios. This is predominately on bus service, which has experienced extremely elevated levels of fare evasion. MTA is responding to fare evasion with a multipronged approach across all services, and not just on the bus system. While it is expected efforts to reduce fare evasion will succeed, this Plan includes, below-the-line, a Farebox Revenue Loss Provision of \$100 million for 2024.

Reimbursement from OPEB Trust – In 2023, \$1.32 billion of Local Subsidy Available Due to Federal COVID Funding was deposited into the OPEB Trust to cover retiree health benefits. This Plan anticipates the use of \$17 million towards OPEB Current Payment expenses to partially cover retiree health benefits in 2027.

Other

FEMA COVID Reimbursement – MTA expects reimbursement of direct COVID-related expenses through the Federal Emergency Management Agency (FEMA) of \$250 million in both 2023 and 2024, and \$217 million in 2025. The \$717 million total expected in FEMA Reimbursement is unchanged from the July Plan, although receipt of these funds is later than projected in the July Plan.

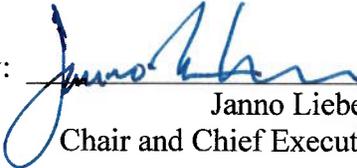
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IV. Appendix

**Certification of the Chair and Chief Executive Officer
of the Metropolitan Transportation Authority
in accordance with Section 202.3(l) of the
State Comptroller's Regulations**

I, Janno Lieber, Chair and Chief Executive Officer of the Metropolitan Transportation Authority ("MTA") hereby certify, to the best of my knowledge and belief after reasonable inquiry, including certifications from senior management at the MTA agencies, that the attached budget and financial plan is based on reasonable assumptions and methods of estimation and that the requirements of Section 202.3 and 202.4 of the Regulations referenced above have been satisfied.

Metropolitan Transportation Authority

By:  _____
Janno Lieber
Chair and Chief Executive Officer

Dated: 11.28.23

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V. Other

The MTA Budget Process

MTA budgeting is a rigorous and thorough on-going process and culminates with the passage of the Budget in December. In the course of a year, MTA prepares a February, July and November Financial Plan, and Adoption Materials in December. In addition to the existing year, each Plan requires Agencies to prepare four-year projections which include the upcoming and three following calendar years.

Both the July and November Financial Plans are divided into two distinct volumes:

- Volume I summarizes the complete financial plan, including the baseline as well as policy items and other “below-the-line” items;
- Volume II includes detailed Agency information supporting baseline revenue, expense, cash and headcount projections. Also included is detailed information supporting actions taken to increase savings as well as individual Agency deficit reduction programs.

July Plan

The July Financial Plan provides the opportunity for the MTA to present a revised forecast of the current year’s finances, a preliminary presentation of the following year’s proposed budget, and a three year re-forecast of out-year finances. This Plan may include a series of gap closing proposals necessary to maintain a balanced budget and actions requiring public hearings. The Mid-Year Forecast becomes the basis on which monthly results are compared for the remainder of the year.

November Plan

After stakeholders weigh in and the impact of new developments and risks are quantified, a November Plan is prepared, which is an update to the July Financial Plan. The November Plan includes a revised current year and finalization of the proposed budget for the upcoming year and projections for the three out-years.

December Adopted Budget

In December, the November Plan is updated to capture further developments, risks and actions that are necessary to ensure budget balance and is presented to the MTA Board for review and approval.

February Plan

Finally, certain below-the-line policy issues included in the December Adopted Budget are moved into the baseline and technical adjustments are made. This results in what is called the February Plan. The Adopted Budget is allocated over the 12 month period and becomes the basis on which monthly results are compared.

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