**NEW ISSUE** **BOOK-ENTRY-ONLY**

# $847,785,000
# METROPOLITAN TRANSPORTATION AUTHORITY
## Transportation Revenue Refunding Green Bonds, Series 2025A
## (Climate Bond Certified)

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

The Metropolitan Transportation Authority's (MTA) Transportation Revenue Refunding Green Bonds, Series 2025A (Climate Bond Certified) (the Series 2025A Bonds), are being issued to (i) refund certain of the MTA's outstanding Transportation Revenue Bonds (the Refunded Bonds), including bonds issued as Build America Bonds, as more fully described herein, and (ii) pay certain financing, legal and miscellaneous expenses. See "APPLICATION OF PROCEEDS" herein.

The Series 2025A Bonds—

- are MTA's special, not general, obligations, payable solely from the revenues of the transit and commuter systems and other sources pledged to Owners as described in this official statement, 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 has no taxing power.

In the opinion of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA, under existing law and relying on certain representations by MTA and assuming the compliance by MTA with certain covenants, interest on the Series 2025A Bonds is:

- *excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986, and*
- *not a specific preference item for an Owner in calculating the federal individual alternative minimum tax.*

Also in Co-Bond Counsel's opinion, under existing law, interest on the Series 2025A Bonds is exempt from personal income taxes imposed by the State or 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 2025A Bonds will bear interest at the rates shown on the inside cover page hereof.

The Series 2025A Bonds are subject to redemption prior to maturity as described herein.

The Series 2025A 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 March 27, 2025.

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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 2025A 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.

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**J.P. Morgan**

**BofA Securities** **Goldman Sachs & Co. LLC** **Jefferies**

**Ramirez & Co., Inc.** **Siebert Williams Shank**
**Drexel Hamilton, LLC** **Rice Financial Products Company** **Stern Brothers & Co.**

Barclays Blaylock Van, LLC Mischler Financial Group, Inc
Morgan Stanley Oppenheimer & Co.

March 19, 2025

**$847,785,000**
**Metropolitan Transportation Authority**
**Transportation Revenue Refunding Green Bonds,**
**Series 2025A**
**(Climate Bond Certified)**

***consisting of***

**$746,890,000 Serial Bonds**

| Maturity (November 15) | Principal Amount | Interest Rate | Yield | CUSIP Number (59261A)* |
|---|---|---|---|---|
| 2027 | $3,000,000 | 5.00% | 2.95% | 4K0 |
| 2029 | 5,295,000 | 5.00 | 3.06 | 4L8 |
| 2030 | 4,580,000 | 5.00 | 3.18 | 4M6 |
| 2031 | 49,410,000 | 5.00 | 3.29 | 4N4 |
| 2032 | 52,110,000 | 5.00 | 3.44 | 4P9 |
| 2033 | 37,285,000 | 5.00 | 3.52 | 4Q7 |
| 2034 | 58,840,000 | 5.00 | 3.66 | 4R5 |
| 2035 | 42,745,000 | 5.00 | 3.74† | 4S3 |
| 2036 | 26,690,000 | 5.00 | 3.83† | 4T1 |
| 2037 | 63,180,000 | 5.00 | 3.94† | 4U8 |
| 2038 | 33,440,000 | 5.00 | 3.99† | 4V6 |
| 2039 | 35,050,000 | 5.00 | 4.06† | 4W4 |
| 2040 | 48,030,000 | 5.00 | 4.17† | 4X2 |
| 2041 | 87,270,000 | 5.00 | 4.28† | 4Y0 |
| 2042 | 41,760,000 | 5.00 | 4.37† | 4Z7 |
| 2043 | 43,850,000 | 5.25 | 4.42† | 5A1 |
| 2044 | 46,155,000 | 5.00 | 4.51† | 5B9 |
| 2045 | 48,455,000 | 5.25 | 4.53† | 5C7 |
| 2046 | 9,635,000 | 5.00 | 4.67† | 5D5 |
| 2047 | 10,110,000 | 5.00 | 4.70† | 5E3 |

**$100,895,000 Term Bonds**

$33,350,000 4.625% Term Bond due November 15, 2050, Yield: 4.80% CUSIP Number* 59261A 5F0

$67,545,000 5.250% Term Bond due November 15, 2055, Yield: 4.71%† CUSIP Number* 59261A 5G8

The following summarizes the optional redemption provisions of the Series 2025A Bonds: the Series 2025A Bonds are subject to redemption prior to maturity on any date on or after May 15, 2035, at the option of MTA, 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, as described herein under the caption "DESCRIPTION OF THE SERIES 2025A BONDS – Redemption Prior to Maturity" in Part I.

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* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Series 2025A Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2025A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2025A 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 2025A Bonds.

† Priced at the stated yield to the May 15, 2035 optional redemption date.

**Metropolitan Transportation Authority**
**2 Broadway**
**New York, New York 10004**
**(212) 878-7000**
**Website: www.new.mta.info**

| | |
|---|---|
| John N. Lieber | Chair and Chief Executive Officer |
| Andrew B. Albert | Non-Voting Member |
| Gerard Bringmann | Non-Voting Member |
| Norman E. Brown | Non-Voting Member |
| Samuel Chu | Member |
| Michael Fleischer | Member |
| Daniel Garodnick | Member |
| Randolph Glucksman | Non-Voting Member |
| Marc Herbst | Member |
| David R. Jones | Member |
| Meera Joshi | Member |
| Blanca P. López | Member |
| David S. Mack | Member |
| Haeda B. Mihaltses | Member |
| John-Ross Rizzo | Member |
| John Samuelsen | Non-Voting Member |
| Lisa Sorin | Member |
| Vincent Tessitore, Jr. | Non-Voting Member |
| Midori Valdivia | Member |
| Neal Zuckerman | Member |

_____

| | |
|---|---|
| Kevin Willens | Chief Financial Officer |
| Paige Graves | General Counsel |
| Olga Chernat | Deputy Chief, Financial Services |

_____

NIXON PEABODY LLP
New York, New York

D. SEATON AND ASSOCIATES, P.A., P.C.
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

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

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**SUMMARY OF TERMS**

MTA has prepared this Summary of Terms to describe the specific terms of the Series 2025A 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 and to the Transportation Revenue Bonds. Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the Series 2025A Bonds being offered.

| | |
|---|---|
| Issuer | Metropolitan Transportation Authority, a public benefit corporation of the State of New York. |
| Bonds Being Offered | Transportation Revenue Refunding Green Bonds, Series 2025A (Climate Bond Certified) (the Series 2025A Bonds). |
| Purpose of Issue | The Series 2025A Bonds are being issued to (i) refund certain of the MTA's outstanding Transportation Revenue Bonds (the Refunded Bonds), including bonds issued as Build America Bonds, as more fully described herein, and (ii) pay certain financing, legal and miscellaneous expenses. See "APPLICATION OF PROCEEDS" in **Part I**. |
| Maturities and Rates | The Series 2025A Bonds mature on the dates and bear interest at the rates shown on the inside cover page of this official statement. |
| Denominations | Denominations of $5,000 or any integral multiple thereof. |
| Interest Payment Dates | Interest on the Series 2025A Bonds shall be paid semiannually on May 15 and November 15, commencing May 15, 2025. |
| Redemption | See "DESCRIPTION OF SERIES 2025A BONDS –Redemption Provisions" in **Part I**. |
| Sources of Payment and Security | MTA's pledged transportation revenues from Transit and Commuter System operations, MTA Bus operations, MTA Bridges and Tunnels operating surplus, subsidies from State and local governmental entities and certain other sources, all as described in **Part II**. |
| Registration of the Series 2025A Bonds | DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC. |
| Trustee and Paying Agent | The Bank of New York Mellon, New York, New York. |
| Co-Bond Counsel | Nixon Peabody LLP, New York, New York and D. Seaton and Associates, P.A., P.C., New York, New York. |
| Special Disclosure Counsel | Hawkins Delafield & Wood LLP, New York, New York. |
| Tax Status | See "TAX MATTERS" in **Part III**. |

Ratings

| *Rating Agency* | *Rating* | *Outlook* |
|---|---|---|
| Fitch: | AA | Stable |
| KBRA: | AA | Stable |
| Moody's: | A3 | Positive |
| S&P: | A- | Positive |

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 Underwriters | Katten Muchin Rosenman LLP, New York, New York. |
| Verification Agent | Robert Thomas CPA, LLC. |

- ***No Unauthorized Offer.*** **This official statement is not an offer to sell, or the solicitation of an offer to buy, the Series 2025A Bonds in any jurisdiction where that would be unlawful. MTA 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 2025A 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, the Series 2025A 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's 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's beliefs, as well as assumptions made by, and information currently available to, the management and staff of MTA 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's 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, and assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's 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 and its affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content. These forward-looking statements speak only as of the date of this official statement.**

- ***Projections.*** **The 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's 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. 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's 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 assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's 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 and its other 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's 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's consolidated financial statements for the years ended December 31, 2023 and 2022, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has not been asked to consent to the inclusion, or incorporation by reference, of its audit report in this official statement. Deloitte & Touche LLP has performed a review of the consolidated interim financial information of MTA for the nine-month period ended September 30, 2024. As indicated in the review report which accompanies MTA's consolidated interim financial information, because Deloitte & Touche LLP did not perform an audit, Deloitte & Touche LLP expresses no opinion on that information. The consolidated interim financial information of MTA for the nine-month period ended September 30, 2024 (except for the auditor's review report accompanying the consolidated interim financial information) 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, including without**

**limitation any of the information contained in this official statement, since the date of such review report which is not included by reference herein.**

- ***Climate Bonds Initiative*. The Climate Bonds Initiative has provided the following paragraphs for inclusion in this official statement: The certification of the Series 2025A Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bonds Standard 3.0 and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Series 2025A Bonds or any projects financed by the Series 2025A Bonds, including but not limited to this official statement, or MTA.**

  **The certification of the Series 2025A Bonds as Climate Bonds by the Climate Bonds Initiative is not a recommendation to any person to purchase, hold or sell the Series 2025A Bonds and such certification does not address the market price or suitability of the Series 2025A Bonds for a particular investor. The certification also does not address the merits of the decision by MTA or any third party to participate in this transaction and does not express, and should not be deemed to be an expression of, an opinion as to MTA or any aspect of any projects financed by the Series 2025A Bonds (including but not limited to the financial viability of any projects financed by the Series 2025A Bonds) other than with respect to compliance with the Climate Bonds Standard.**

  **In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any projects financed by the Series 2025A Bonds or of MTA. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of any projects financed by the Series 2025A Bonds. The certification may only be used in connection with the Series 2025A Bonds, including as provided in this official statement, and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.**

  **The certification does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due on the Series 2025A Bonds. In the event MTA does not comply with the Climate Bonds Initiative's required procedures for Climate Bonds, the Climate Bonds Initiative, in its sole and absolute discretion, may withdraw its Climate Bond certification of the Series 2025A Bonds at any time, and there can be no assurance that such certification may not be withdrawn.**

- ***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 2025A Bonds, or**
  - **the tax status of the interest on the Series 2025A Bonds.**

- ***Overallotment and Stabilization*. The Underwriters may overallot or effect transactions that stabilize or maintain the market prices of the Series 2025A Bonds at levels above those 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 websites 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, as amended, and in effect on the date hereof.**

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**Information Included by Specific Cross-reference.** The following portions of MTA's 2024 Combined Continuing Disclosure Filings, dated April 29, 2024, as updated on July 3, 2024, July 10, 2024, August 7, 2024, December 3, 2024 and March 5, 2025, 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 prior to the delivery date of the Series 2025A Bonds, together with any supplements or amendments thereto:

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**)
- **Appendix B** – Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2023 and 2022 (including the auditor's report accompanying the annual financial information)

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

- the Transportation Resolution
- Annex A - Standard Resolution Provisions
- Form of the Interagency Agreement
- MTA's Unaudited Consolidated Interim Financial Statements as of and for the nine-month period ended September 30, 2024 (excluding the auditor's review report accompanying the interim financial information)

For convenience, copies of most of these documents can be found on the MTA website (https://new.mta.info) under the captions "Transparency – Financial and investor information–Investor information and disclosures" and "– Financial and budget statements". No statement on MTA's website is included by specific cross-reference herein. For the **ADS** and **Appendix B**, see https://new.mta.info/investor-info/disclosure-filings. For the Transportation Resolution and related annex, see https://new.mta.info/investor-info/bond-resolutions-interagency-agreements. See "FURTHER INFORMATION" in **Part III**. Definitions of certain terms used in the summaries may differ from terms used in this official statement, such as the use herein of the popular names of MTA affiliates and subsidiaries.

The Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2023 and 2022, incorporated by specific cross-reference in this official statement, have been audited by Deloitte & Touche LLP, certified public accountants, as stated in their audit report appearing therein. Deloitte & Touche LLP has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to the Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2023 and 2022, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has not been asked to consent to the inclusion, or incorporation by reference, of its audit report in this official statement. The consolidated interim financial information for the nine-month period ended September 30, 2024 (except for the auditor's review report accompanying the consolidated interim financial information), 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, 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, which is not included by reference herein.

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## INTRODUCTION

### MTA, MTA Bridges and Tunnels and Other Related Entities

The Metropolitan Transportation Authority (MTA) was created by special New York State (the State) legislation in 1965, as a public benefit corporation, which means that it is a corporate entity separate and apart from the State, without any power of taxation – frequently called a "public authority." MTA is governed by board members appointed by the Governor, with the advice and consent of the State Senate.

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 New York City (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; the MTA Construction and Development Company and the MTA Grand Central Madison Concourse Operating Company. MTA issues debt obligations to finance a substantial portion of the capital costs of these systems.

MTA Bridges and Tunnels is authorized to construct and operate toll bridges and tunnels and other public facilities in New York City (the City) and to issue debt obligations secured primarily by its bridge and tunnel tolls to finance the capital costs of its bridge and tunnel facilities and of the Transit and Commuter Systems operated by other affiliates and subsidiaries of MTA. Since 2008, MTA Bridges and Tunnels has not issued debt obligations secured by bridge and tunnel tolls to finance capital projects for the benefit of the Transit and Commuter Systems. MTA Bridges and Tunnels also issues debt obligations secured by non-toll revenues to finance the capital costs of the Transit and Commuter Systems operated by other affiliates and subsidiaries of MTA, such as the Payroll Mobility Tax Obligations, Sales Tax Revenue Bonds and Real Estate Transfer Tax Revenue Bonds. MTA Bridges and Tunnels' surplus amounts are also used to fund transit and commuter operations and finance capital projects.

The board members of MTA serve as the board members of MTA's affiliates and subsidiaries, which, together with MTA, are referred to herein as the Related Entities. MTA and the other Related Entities are described in detail in **Part I** – MTA Annual Disclosure Statement to MTA's 2024 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 Construction and Development Company | MTA Construction and Development |
| MTA Grand Central Madison Concourse Operating Company | MTA GCMC |
| 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 Transportation 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, MTA Bridges and Tunnels and the other Related Entities.
- ***Part I*** provides specific information about the Series 2025A Bonds.
- ***Part II*** describes the sources of payment and security for all Transportation Revenue Bonds, including the Series 2025A Bonds.
- ***Part III*** provides miscellaneous information relating to the Series 2025A Bonds.
- ***Attachment 1*** sets forth certain provisions applicable to the book-entry-only system of registration to be used for the Series 2025A Bonds.
- ***Attachment 2*** is the form of continuing disclosure agreement relating to the Series 2025A Bonds.
- ***Attachment 3*** is the form of approving opinions of Co-Bond Counsel in connection with the issuance of the Series 2025A Bonds.
- ***Attachment 4*** sets forth a list of the Refunded Bonds.
- ***Attachment 5*** sets forth a copy of the MTA Annual Disclosure Statement Update Relating to the February Financial Plan, dated March 5, 2025.

***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 2025A Bonds.** Information included by specific cross-reference in this official statement may be obtained, as described below, from the MSRB and from MTA.

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

***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 "FURTHER INFORMATION" in **Part III**.

**Additional Debt Issuance.**

In addition to the Series 2025A Bonds, MTA may issue Transportation Revenue Refunding Bonds in the Fall of 2025, depending on market conditions.

## PART I. SERIES 2025A BONDS

**Part I** of this official statement, together with the Summary of Terms, provides specific information about the Series 2025A Bonds.

## APPLICATION OF PROCEEDS

MTA anticipates that the proceeds of the Series 2025A Bonds (the principal amount thereof, plus net original issue premium of $60,649,241.85, in the aggregate amount of $908,434,241.85), together with certain other funds of MTA in the amount of $25,131,660.48, will be used as follows: (i) $928,811,214.07 to refund certain of the MTA's outstanding Transportation Revenue Bonds, including bonds issued as Build America Bonds, as set forth in **Attachment 4** (collectively, the Refunded Bonds), and to pay accrued interest thereon, and (ii) $4,754,688.26 to pay certain financing, legal and miscellaneous expenses associated with the Series 2025A Bonds.

Proceeds of the Series 2025A Bonds, together with certain other funds of MTA, will be deposited into separate escrow accounts. Portions will be held as cash and portions will be used to acquire direct obligations of, or obligations guaranteed by, the United States of America, to pay the redemption price of the Refunded Bonds, and the interest to become due on the Refunded Bonds, on their respective redemption dates. Upon making such deposits with the escrow agent and the issuance of certain irrevocable instructions to such escrow agent pursuant to the Transportation Resolution, the Refunded Bonds, other than the Refunded Bonds which constitute Refunded BABs (as defined herein), will be deemed to have been paid in full and will no longer be outstanding under the Transportation Resolution. The Refunded BABs will continue to remain outstanding until their redemption date.

The Refunded Bonds include bonds that were issued as Build America Bonds, a form of "Direct Pay Bonds" under the provisions of the American Recovery and Reinvestment Act of 2009 (the Refunded BABs). MTA intends to call the Refunded BABs in accordance with the extraordinary redemption provisions of the Transportation Resolution and certificates of determination governing these Build America Bonds.

### Climate Bond Certified

The information set forth under this caption "Climate Bond Certified" concerning (1) the Climate Bonds Initiative (CBI) and the process for obtaining Climate Bond Certification (the Climate Bond Certification), and (2) First Environment, Inc. (First Environment) in its role as a verifier with respect to the Climate Bond Certification, all as more fully described below, has been extracted from materials provided by CBI and First Environment, respectively, for such purposes, and none of such information is guaranteed as to accuracy or completeness or is to be construed as a representation by MTA or the Underwriters. Additional information relating to CBI, the Climate Bonds Standard, the Certification Process and the process for obtaining Climate Bond Certification can be found at www.climatebonds.net. This website is included for reference only and the information contained therein is not incorporated by reference in this official statement.

The terms "Climate Bond Certified" and "green bonds" are neither defined in nor related to the Transportation Resolution, and their use herein is for identification purposes only and is not intended to provide or imply that a holder of the Series 2025A Bonds is entitled to any additional security other than as provided in the Transportation Resolution. MTA has no continuing legal obligation to maintain the Climate Bond Certification of the Series 2025A Bonds.

***Introduction***. In early 2016, MTA requested, and the Climate Bonds Standard Board approved, the designation of MTA's Transportation Revenue Bonds, Series 2016A as "Climate Bond Certified" pursuant to the Low Carbon Transport criteria (the Climate Criteria) under the Climate Bonds Standard 2.0. As part of the certification requirement, MTA engaged Sustainalytics as an independent verifier to review MTA's 2010-2014 Capital Program to identify projects with expenditures that met the Climate Criteria. Sustainalytics reviewed $12.6 billion of spending and concluded that projects totaling $11.3 billion, or 89.7%, qualified under the Climate Criteria, making them eligible projects for CBI certification. CBI and MTA agreed that while MTA's pooled funding of its capital projects makes tracking proceeds to specific bond transactions prior to issuance

impractical, the inherent benefit of MTA's Transit and Commuter Systems and the ongoing support and maintenance of them are compatible with an emissions trajectory consistent with the principles underlying the Climate Criteria. After an analysis of MTA's Capital Program elements, CBI agreed to certify up to a maximum of $11.3 billion of bonds issued by MTA for credits that fund the Transit and Commuter Systems portion of its Capital Programs pursuant to an Application and Agreement for Climate Bond Certification dated October 21, 2019.

Subsequently, MTA engaged First Environment as an independent verifier to review MTA's 2015-2019 Capital Program. First Environment's review of MTA's 2015-2019 Capital Program concluded that 93.2% of the program's projects, totaling $28.7 billion, qualify as eligible projects for CBI certification. In 2022, CBI approved the ongoing programmatic certification of future MTA bond issuances supporting certain Capital Programs under the Climate Bonds Standard 3.0 and the sector eligibility requirements of Land Transport Criteria Version 2. Pursuant to an Addendum, by and between CBI, MTA, MTA Bridges and Tunnels, and the State, to the Application for Climate Bond Certification executed in 2022, CBI agreed to certify bonds issued by MTA, MTA Bridges and Tunnels, and the State up to an additional $28.7 billion of bonds for transit and commuter projects, resulting in an aggregate CBI approval of $40.0 billion of bonds.

MTA follows a programmatic approach in connection with CBI-certified bond issuances that complies with CBI standards and has been approved by CBI. Any certified MTA CBI bond or bond issuance is not tracked on a project specific basis nor is it tied to specific projects or to a specific capital program but rather to the CBI Programmatic Approach Certification. MTA has engaged an independent verifier to identify the total amount of Climate Criteria eligible transit and commuter projects under its Capital Programs and to annually provide post-issuance reports and to verify that issuances conform to the CBI standards and the CBI Programmatic Approach Certification. MTA has issued in aggregate a total par amount of bonds with the CBI certification that is less than the aggregate amount of eligible projects verified.

Under the programmatic approach, it is possible that MTA CBI-certified bonds may fund or refund projects not verified by the independent verifier as meeting Climate Criteria in a reviewed capital program but all projects funded are contained in an approved transit or commuter capital program. Additionally, some of these projects may have been funded by other resources available for MTA's Capital Programs.

***The Climate Bonds Initiative and Climate Bond Certification***. MTA has applied to CBI under the Climate Bonds Standard & Certification Scheme (the Certification Process), for designation of the Series 2025A Bonds as "Climate Bond Certified." The Certification Process is a voluntary verification initiative which allows MTA to demonstrate to the investor market, the users of MTA's transit and commuter systems and other stakeholders that the Series 2025A Bonds meet international standards for climate integrity, management of proceeds and transparency.

The Certification Process provides a scientific framework for determining which projects and assets are consistent with a low carbon and climate resilient economy and, therefore, eligible for inclusion in a Certified Climate Bond. The requirements of the Certification Process relating to the Series 2025A Bonds are separated into pre-issuance and post-issuance requirements. The pre-issuance requirements are designed to ensure that MTA has established appropriate internal processes and controls prior to issuance of the Series 2025A Bonds, and that these internal processes and controls are sufficient to enable conformance with the Certification Process after the Series 2025A Bonds have been issued and bond proceeds are being expended. The post-issuance requirements require annual certification of compliance.

Commencing in 2017, and consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA has agreed to file with EMMA with respect to Climate Bond Certified bonds: (i) annually, until the maturity or prior redemption of the Climate Bond Certified bonds, a post-issuance compliance certificate as required by the certification process; (ii) any event of material non-conformance with the certification process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and (iii) any revocation of the Climate Bond Certification by the Climate Bonds Standard Board.

## DESCRIPTION OF SERIES 2025A BONDS

### General

***Record Date***. The Record Date for the payment of principal of, and interest on, the Series 2025A Bonds will be the May 1 or November 1 immediately preceding such payment date.

***Book Entry Only System.*** The Series 2025A Bonds will be issued as registered bonds, registered in the name of The Depository Trust Company or its nominee (together, DTC), which will act as securities depository for the Series 2025A Bonds. Individual purchases will be made in book entry only form, in the principal amount of $5,000 or integral multiples thereof (Authorized Denominations). So long as DTC is the registered owner of the Series 2025A Bonds, all payments on the Series 2025A 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."

***Maturity.*** The Series 2025A Bonds will mature on the dates and be payable as to principal, as set forth on the inside cover page of this official statement.

***Interest Payments.*** The Series 2025A Bonds will bear interest from the dated date at the per annum rates shown on the inside cover page of this official statement. Interest will be paid semiannually on each May 15 and November 15, beginning May 15, 2025, calculated based on a 360-day year comprised of twelve 30-day months and will be payable to the Holders thereof on each Interest Payment Date.

***Transfers and Exchanges.*** So long as DTC is the securities depository for the Series 2025A Bonds, it will be the sole registered owner of the Series 2025A Bonds, and transfers of ownership interests in the Series 2025A Bonds will occur through the DTC Book Entry Only System.

***Trustee and Paying Agent.*** The Bank of New York Mellon, New York, New York is Trustee and Paying Agent with respect to the Series 2025A Bonds.

### Redemption Prior to Maturity

***Optional Redemption.*** The Series 2025A Bonds are subject to redemption prior to maturity on any date on or after May 15, 2035, at the option of MTA, 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.

***Mandatory Sinking Fund Redemption***. The term Series 2025A 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 2025A Bonds shown below:

Series 2025A 2050 4.625% Term Bond

| | Sinking Fund Redemption Date (November 15) | Sinking Fund Installment |
|---|---|---|
| first payment | 2048 | $10,620,000 |
| | 2049 | 11,110,000 |
| final maturity | 2050 | 11,620,000 |

average life – 24.663 years

| Series 2025A 2055 5.250% Term Bond | | |
|---|---|---|
| | Sinking Fund Redemption Date (November 15) | Sinking Fund Installment |
| first payment | 2051 | $12,165,000 |
| | 2052 | 12,800,000 |
| | 2053 | 13,475,000 |
| | 2054 | 14,180,000 |
| final maturity | 2055 | 14,925,000 |
| average life – 28.735 years | | |

***Credit Toward Mandatory Sinking Fund Redemption.*** MTA may take credit toward mandatory Sinking Fund Installment requirements as follows, and, if taken, thereafter reduce the amount of term Series 2025A Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If MTA directs the Trustee to purchase or redeem term Series 2025A 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 purchases or redeems term Series 2025A Bonds with other available moneys, then the principal amount of those bonds will be credited against future Sinking Fund Installment requirements in any order, and in any annual amount, that MTA may direct.

***State and City Redemption.*** Pursuant to the MTA Act, the State, upon providing sufficient funds, may require MTA to redeem the Series 2025A Bonds, prior to maturity, as a whole, on any interest payment date not less than twenty years after the date of issue of the Series 2025A Bonds, at 105% of their face value and accrued interest or at such lower redemption price provided for the Series 2025A Bonds in the case of redemption as a whole on the redemption date. The MTA Act further provides that the City, upon furnishing sufficient funds, may require MTA to redeem the Series 2025A Bonds, as a whole, but only in accordance with the terms upon which the Series 2025A Bonds are otherwise redeemable.

***Redemption Notices.*** So long as DTC is the securities depository for the Series 2025A Bonds, the Trustee must mail redemption notices to DTC at least 20 days before the redemption date. If the Series 2025A 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 2025A 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 2025A 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 2025A Bonds, then on the redemption date the Series 2025A Bonds called for redemption will become due and payable. In either case, if on the redemption date the Trustee holds money to pay the Series 2025A Bonds called for redemption, thereafter, no interest will accrue on those Series 2025A Bonds, and a bondholder's only right will be to receive payment of the redemption price upon surrender of those Series 2025A Bonds.

## DEBT SERVICE ON THE BONDS

**Table 1** on the next page sets forth, on a cash basis (i) the debt service on the outstanding Transportation Revenue Bonds, (ii) debt service on the Series 2025A Bonds, and (iii) the aggregate debt service on all Transportation Revenue Bonds to be outstanding after the issuance of the Series 2025A Bonds.

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**Table 1**
**Aggregate Debt Service**
**($ in thousands)[1]**

| Year Ending December 31 | Debt Service on Outstanding Bonds[2][3][4][5] | Series 2025A Bonds | | | Aggregate Debt Service[6] |
|---|---|---|---|---|---|
| | | Principal | Interest | Total | |
| 2025 | $ 1,255,209 | - | $ 27,020 | $ 27,020 | $ 1,282,229 |
| 2026 | 1,344,764 | - | 42,664 | 42,664 | 1,387,428 |
| 2027 | 1,242,716 | $ 3,000 | 42,664 | 45,664 | 1,288,380 |
| 2028 | 1,237,947 | - | 42,514 | 42,514 | 1,280,461 |
| 2029 | 1,281,907 | 5,295 | 42,514 | 47,809 | 1,329,716 |
| 2030 | 1,318,901 | 4,580 | 42,249 | 46,829 | 1,365,730 |
| 2031 | 1,403,293 | 49,410 | 42,020 | 91,430 | 1,494,723 |
| 2032 | 1,374,887 | 52,110 | 39,550 | 91,660 | 1,466,547 |
| 2033 | 1,151,576 | 37,285 | 36,944 | 74,229 | 1,225,805 |
| 2034 | 1,108,966 | 58,840 | 35,080 | 93,920 | 1,202,886 |
| 2035 | 1,053,976 | 42,745 | 32,138 | 74,883 | 1,128,858 |
| 2036 | 905,507 | 26,690 | 30,001 | 56,691 | 962,198 |
| 2037 | 860,027 | 63,180 | 28,666 | 91,846 | 951,873 |
| 2038 | 925,436 | 33,440 | 25,507 | 58,947 | 984,383 |
| 2039 | 847,592 | 35,050 | 23,835 | 58,885 | 906,477 |
| 2040 | 822,460 | 48,030 | 22,083 | 70,113 | 892,572 |
| 2041 | 749,808 | 87,270 | 19,681 | 106,951 | 856,759 |
| 2042 | 760,097 | 41,760 | 15,318 | 57,078 | 817,175 |
| 2043 | 798,533 | 43,850 | 13,230 | 57,080 | 855,613 |
| 2044 | 924,399 | 46,155 | 10,927 | 57,082 | 981,482 |
| 2045 | 824,570 | 48,455 | 8,620 | 57,075 | 881,645 |
| 2046 | 770,438 | 9,635 | 6,076 | 15,711 | 786,149 |
| 2047 | 780,901 | 10,110 | 5,594 | 15,704 | 796,605 |
| 2048 | 757,102 | 10,620 | 5,089 | 15,709 | 772,810 |
| 2049 | 797,705 | 11,110 | 4,597 | 15,707 | 813,413 |
| 2050 | 535,054 | 11,620 | 4,084 | 15,704 | 550,757 |
| 2051 | 266,856 | 12,165 | 3,546 | 15,711 | 282,567 |
| 2052 | 267,105 | 12,800 | 2,907 | 15,707 | 282,812 |
| 2053 | 217,735 | 13,475 | 2,235 | 15,710 | 233,445 |
| 2054 | 217,979 | 14,180 | 1,528 | 15,708 | 233,687 |
| 2055 | 155,517 | 14,925 | 784 | 15,709 | 171,225 |
| 2056 | 63,684 | - | - | - | 63,684 |
| 2057 | 10,483 | - | - | - | 10,483 |
| Total | $27,033,130 | $847,785 | $659,663 | $1,507,448 | $28,540,578 |

[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; Subseries 2002G-1 Bonds at an assumed rate of 4.0% plus the current fixed spread, except Subseries 2002G-1g Bonds at an assumed rate of 4.0%; fixed rate mandatory tender bonds at their respective fixed rates prior to the mandatory tender date; interest paid monthly, calculated on the basis of a 360-day year consisting of twelve 30-day months for variable rate bonds and floating rate notes.

[3] Excludes debt service on all outstanding Revenue Anticipation Notes.

[4] 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 Transportation Resolution.

[5] Figures exclude debt service on the Refunded Bonds.

[6] Figures reflect amounts outstanding as of the date of issuance of the Series 2025A 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 Transportation Revenue Bonds, including the Series 2025A Bonds.

## SOURCES OF PAYMENT

### Gross Lien on TRB Pledged Revenues

Under State law, the Transportation Revenue Bonds are MTA's special obligations, which means that they are payable solely from a gross lien on the money pledged for payment under the Transportation Resolution. They are not MTA's general obligations. The Transportation Resolution and the form of the Interagency Agreement have been filed with the MSRB through EMMA as described under "INTRODUCTION – Where to Find Information."

MTA receives fares, tolls, rentals, rates, charges and other fees directly and through certain subsidiaries (currently, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus) and affiliates (currently, MTA New York City Transit and MaBSTOA) from the use and operation of the Transit and Commuter Systems, and portions of its receipts from many of these sources are pledged for the payment of Transportation Revenue Bonds. Such pledged portions are referred to as "TRB Operating Receipts" (shown under the heading "Revenues from Systems Operations" in Table 2a and Table 3a). MTA and its subsidiaries and affiliates also receive operating surplus from MTA Bridges and Tunnels and operating subsidies from other governmental sources, portions of which are pledged for the payment of Transportation Revenue Bonds. Such pledged receipts are referred to as "TRB Operating Subsidies" (shown under the heading "Non-Operating Revenues" in Table 2a and Table 3a). The TRB Operating Receipts and the TRB Operating Subsidies are collectively referred to herein as the "TRB Pledged Revenues." As described in more detail below, MTA also receives certain additional funds shown under the heading "Non-Operating Revenues" in Table 2a and Table 3a, which are not pledged for the payment of Transportation Revenue Bonds, but have been allocated to the payment of Transportation Revenue Bonds or RANs. The Transportation Resolution permits MTA to issue revenue anticipation notes (RANs) that are secured by certain of such TRB Operating Subsidies prior to the payment of debt service on Transportation Revenue Bonds. See "SECURITY – Revenue Anticipation Notes Authorized by the Resolution" below. Subject to the prior lien on certain TRB Operating Subsidies for the benefit of the owners of the RANs, the Transportation Resolution provides that Owners are to be paid from TRB Pledged Revenues prior to the payment of operating or other expenses, as described in more detail below. MTA has covenanted to impose fares and other charges so that TRB Pledged Revenues, together with other available moneys, will be sufficient to cover all debt service and operating and capital costs of the Transit and Commuter Systems. See "Factors Affecting Revenues – Ability to Comply with Rate Covenant and Pay Operating and Maintenance Expenses" below.

TRB Operating Subsidies include: (i) MTA Bridges and Tunnels operating surplus, (ii) operating subsidies from the State and local governments under the State's Section 18-b program; (iii) Congestion Zone Surcharges (also referred to as the For-Hire Vehicle Surcharges) and Rapid Transit Lane Fines deposited into the General Transportation Account; (iv) special tax-supported operating subsidies, including the MTTF revenues and MMTOA taxes, after the payment of debt service and certain other obligations relating to MTA's Dedicated Tax Fund senior and subordinated bonds; certain mortgage recording and real property transfer taxes with respect to certain real property located within the City (the Urban Taxes); the PMT Revenues (defined herein) and the ATA Receipts, after the payment of debt service and certain other obligations relating to senior and subordinated obligations issued under the PMT Resolutions (defined herein); (v) Commuter System station maintenance payments; and (vi) City subsidy for MTA Bus, all as hereinafter described.

MTA receives additional funds from other entities that are not automatically pledged to the payment of RANs and/or Transportation Revenue Bonds (Non-Pledged Operating Subsidies), but that may be used for the payment of RANs and/or Transportation Revenue Bonds, provided MTA allocates them for such purposes. As more fully described below, MTA has allocated (as authorized by the MTA Board) certain mortgage recording taxes to the payment of Transportation Revenue Bonds and has also allocated ATA Receipts to the payment of RANs and Transportation Revenue Bonds; however, no assurances can be given that MTA will

continue to allocate any of the mortgage recording taxes or ATA Receipts to the payment of debt service on the RANs and/or Transportation Revenue Bonds in the future.

**Table 2a** sets forth by general category the amount of TRB Pledged Revenues, calculated in accordance with the Transportation Resolution, and the resulting debt service coverage for the five years ended December 31, 2023. A general description of the TRB Pledged Revenues in the general categories referenced in **Table 2a** follows the table, and a more detailed description is set forth in Part 2 of the **ADS** under the heading "REVENUES OF THE RELATED ENTITIES."

**Table 2a** is a summary of historical revenues of MTA and its subsidiaries, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus, and affiliates, MTA New York City Transit and MaBSTOA, on a cash basis. The audited financial statements for MTA and MTA New York City Transit for 2022 and 2023 covered by **Table 2a** are included herein by specific cross-reference and should be read in connection with this information. The information in **Table 2a** may not be indicative of future results of operations and financial condition. The information contained in the table has been prepared by MTA management based upon the historical financial statements and the notes thereto.

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## Table 2a
## Summary of Pledged Revenues (Calculated in Accordance with the Transportation Resolution)
## Historical Cash Basis ($ in millions)[1]

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| **Revenues from Systems Operations** | | | | | |
| Fares from Transit System | $ 4,592 | $ 1,939 | $2,332 | $2,944 | $3,341 |
| Fares from Commuter System | 1,526 | 517 | 557 | 902 | 1,124 |
| Fares from MTA Bus | 245 | 100 | 144 | 185 | 183 |
| Other Income[2] | 278 | 207 | 197 | 215 | 270 |
| **Subtotal – Operating Revenues** | **$6,641** | **$2,763** | **$3,230** | **$4,245** | **$4,917** |
| **Non-Operating Revenues**[3] | | | | | |
| Revenues from MTA Bridges and Tunnels Surplus | $788 | $495 | $928 | $1,193 | $1,256 |
| State and Local General Operating Subsidies[4] | $340 | $365 | $408 | $370 | $381 |
| NYC Transportation Assistance Fund - General Transportation Account[5] | $0 | $2 | $2 | $4 | $10 |
| Special Tax-Supported Operating Subsidies | | | | | |
| DTF Excess[6] | 268 | 180 | 198 | 174 | 374 |
| MMTOA Receipts | 1,824 | 1,564 | 2,247 | 2,601 | 2,839 |
| Urban Tax | 668 | 377 | 429 | 729 | 382 |
| MRT-2 Distribution[7] | 12 | 12 | 12 | 12 | 12 |
| Payroll Mobility Tax and Aid Trust Account Receipts[8] | 1,871 | 1,810 | 1,931 | 1,859 | 2,125 |
| Payroll Mobility Revenue Offset Funds[9] | 244 | 195 | 293 | 244 | 244 |
| Subtotal Special Tax-Supported Operating Subsidies | $4,888 | $4,139 | $5,111 | $5,620 | $5,976 |
| Station Maintenance and Service Reimbursements | 647 | 637 | 795 | 797 | 930 |
| City Subsidy for MTA Bus | 669 | 355 | 456 | 522 | 525 |
| Income from Investments[10] | 50 | 22 | 4 | 17 | 22 |
| **Subtotal – Non-Operating Revenues** | **$7,382** | **$6,015** | **$7,704** | **$8,523** | **$9,099** |
| **Total Transportation Resolution Pledged Revenues** | **$14,023** | **$8,778** | **$10,934** | **$12,768** | **$14,016** |
| **Debt Service[11]** | **$1,751** | **$1,989** | **$1,852** | **$1,780** | **$1,553** |
| **Debt Service Coverage from Pledged Revenues** | **8.0x** | **4.4x** | **5.9x** | **7.2x** | **9.0x** |

(1) Totals may not add due to rounding

(2) Other income in the case of the Transit System includes advertising revenue, interest income on certain operating funds, station concessions, Transit Adjudication Bureau collections, rental income and miscellaneous. Other income in the case of the Commuter System includes advertising revenues, interest income on certain operating funds, concession revenues (excluding Grand Central Terminal and Penn Station concessions), rental income and miscellaneous. MTA Bus other incomes is also included.

(3) The Transportation Resolution permits MTA to issue RANs that are secured by TRB Operating Subsidies prior to the payment of debt service on the Transportation Revenue Bonds. See discussion under "*Revenue Anticipation Notes Authorized by the Resolution*" below.

(4) For State and Local General Operating Subsidies, the favorable year-over-year change in 2020 primarily reflected a catch-up of a 2019 shortfall in Local 18-b payments, partially offset by an unfavorable State 18-b payment in 2020, due to a timing delay as a result of the COVID-19 pandemic. The 2021 favorable year-over-year change primarily reflected the reversal of the unfavorable 2020 delayed State 18-b payment that was received in 2021.

(5) The 2018-2019 State Enacted Budget included a new revenue stream for MTA to provide a source of funding for the Subway Action Plan, outer borough transit improvements, and other MTA needs. Such new revenues consist of certain statutory surcharges and fines, including a surcharge beginning in 2019, on for-hire vehicle trips entirely within the State that start or terminate in, or traverse, Manhattan below 96th Street (the Congestion Zone Surcharge). Revenues from this surcharge are deposited into a New York City Transportation Assistance Fund and disbursed to three sub-accounts established in such fund in the following order: a Subway Action Plan Account, an Outer Borough Transportation Account, and the General Transportation Account. The surcharge on for-hire vehicles in excess of the amounts statutorily required to be deposited into the Subway Action Plan Account and the Outer Borough Transportation Account are deposited into the General Transportation Account. The General Transportation Account is also the repository for fines and penalties from the Automated Camera Enforcement (ACE), pursuant to Chapter 59 of the Laws of 2018, which has been receiving such funds since the City began enforcement in 2020. Funds in the General Transportation Account are TRB Operating Subsidies and pledged to the bondholders of Transportation Revenue Bonds.

(6) Calculated by subtracting the debt service payments on the Dedicated Tax Fund Bonds from the MTTF Receipts described under the caption "DEDICATED TAX FUND BONDS" in Part 3 of the ADS.

(7) MRT-2 funds are Non-Pledged Operating Subsidies; however, pursuant to MTA Board authorization in December 2007, a portion of such funds are allocated for the MTA Bus portion of debt service on the Transportation Revenue Bonds.

(8) Calculated by subtracting the debt service payments on obligations issued under the PMT Resolutions from the combined Payroll Mobility Tax Receipts and ATA Receipts, which are pledged revenues for obligations issued under the PMT Resolutions described under the caption "PAYROLL MOBILITY TAX OBLIGATIONS" in Part 3 of the ADS. ATA Receipts are not pledged under the Transportation Resolution, but a portion of such funds are allocated for the payment of debt service on the Transportation Revenue Bonds.

(9) In prior Annual Disclosure Statements, PMT Revenue Offset Receipts were included in the PMT Receipts (as defined herein). Beginning with the 2021 ADS, PMT Revenue Offset Receipts are presented separately because such revenues do not constitute pledged revenues under the PMT Resolutions.

(10) Consists of investment income on capital program funds held for the benefit of the Transit and Commuter Systems on an accrual basis, and also investment income earned on subsidy accounts.

(11) Debt service was reduced by approximately $54 million in each year in 2019 and 2020, $49 million in 2021, $48 million in 2022 and $46 million in 2023 to reflect Build America Bond interest subsidies relating to certain outstanding bonds. Such payments do not constitute Pledged Revenues under the Transportation Resolution. Debt service includes payments of interest on bond anticipation notes, including, $188.6 million in 2019, $344.5 million in 2020, $216.4 million in 2021, $133.8 million in 2022, and $8 million in 2023. Additionally, total debt service on Transportation Revenue Bonds has decreased since 2020 primarily due to payment of debt at maturity as well as cross-credit refundings reducing outstanding Transportation Revenue Bond debt.

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

- Pledged Revenues from Systems Operations (including Other Income): Revenues constituting TRB Pledged Revenues fell significantly between 2019 and 2020 due primarily to decreased ridership during the pandemic. Ridership and revenues have continued to recover from their low in 2020; as of 2023, pledged revenues from system operations had reached 74% of pre-pandemic 2019 levels. Pledged operating revenues, excluding other income, in 2023 were approximately $617 million, or 15.3%, higher compared to 2022.
- Total Transportation Resolution Pledged Revenues in 2023 are returning closer to the 2019 level, lower by only approximately $7 million and were $1.2 billion, or 9.8%, higher than 2022 Total Transportation Resolution Pledged Revenues.
- Federal COVID-19 relief receipts are not included in "Other Income" in **Table 2a**, but are included in Other Revenue under **Table 2b** for 2020 through 2022 because they do not constitute TRB Pledged Revenues under the Transportation Resolution. Additionally, while CBD Tolling Capital Lockbox Fund receipts were made available as a resource for operating expenses for two years during the COVID-19 pandemic, they do not constitute TRB Pledged Revenues under the Transportation Resolution and are not included in the table above.
- MTA Bridges and Tunnels Surplus: Revenues from the MTA Bridges and Tunnels Surplus have risen from $788 million in 2019 to approximately $1.3 billion in 2023; the increase is attributable to recovering traffic volumes as well as a toll rate increase in April 2021 and August 2023.
- Mortgage recording taxes consist of two separate taxes: the MRT-1 Tax, which is imposed on borrowers of recorded mortgages of real property; and the MRT-2 Tax, which is a tax imposed on the institutional lender. These taxes are collected by the City and the seven other counties within the MCTD. Mortgage recording taxes are used to provide funds for MTA's Transit and Commuter Systems after the payment of MTA Headquarters' expenses and MTA Bus debt service. The allocation of MRT-2 Tax receipts as TRB Pledged Revenues is made before the funds are used for MTA Headquarters expenses.
- Since 2019, City Subsidy for MTA Bus has increased or decreased primarily due to timing of payments. Since the COVID-19 pandemic, available federal relief funds specifically attributed to the loss of revenue and increase in expenses at MTA Bus have been used to cover a portion of costs otherwise payable by the City for MTA Bus service.

**Table 2b** is the MTA Consolidated Statement of Operations by Category. It sets forth, by major category, for the five years ended December 31, 2023, all of the system operating revenues, expenses, adjustments, prior-year carryover and net cash balance. The information in the table has been prepared by MTA management based on MTA financial plans. The amounts indicated in the "Actual" columns reflect actual information based on the historical audited financial statements of MTA and its subsidiaries. The information in **Table 2b** may not be indicative of future results of operations and financial condition.

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## Table 2b

## MTA Consolidated Statement of Operations by Category
## ($ in millions)

| Non-Reimbursable | Actual 2019 | Actual 2020 | Actual 2021 | Actual 2022 | Actual 2023 |
|---|---|---|---|---|---|
| ***Operating Revenue*** | | | | | |
| Farebox Revenue | $6,351 | $2,625 | $3,048 | $4,024 | $4,658 |
| Toll Revenue | 2,071 | 1,640 | 2,170 | 2,332 | 2,419 |
| Other Revenue | 706 | 4,571 | 4,706 | 7,657 | 881 |
| Capital and Other Reimbursements | 0 | 0 | 0 | 0 | 0 |
| **Total Operating Revenue** | **$9,128** | **$8,836** | **$9,924** | **$14,014** | **$7,958** |
| ***Operating Expense*** | | | | | |
| **Labor Expenses:** | | | | | |
| Payroll | $5,311 | $5,308 | $5,215 | $5,414 | $5,820 |
| Overtime | 974 | 910 | 965 | 1,127 | 1,152 |
| Health & Welfare | 1,339 | 1,298 | 1,405 | 1,423 | 1,581 |
| OPEB Current Payment | 666 | 633 | 722 | 752 | 827 |
| Pensions | 1,493 | 1,510 | 1,411 | 1,339 | 1,363 |
| Other-Fringe Benefits | 848 | 789 | 817 | 1,010 | 1,059 |
| Reimbursable Overhead | (470) | (380) | (372) | (400) | (474) |
| **Subtotal Labor Expenses** | **$10,161** | **$10,068** | **$10,163** | **$10,666** | **$11,328** |
| **Non-Labor Expenses:** | | | | | |
| Electric Power | $444 | $385 | $430 | $556 | $510 |
| Fuel | 174 | 103 | 163 | 283 | 226 |
| Insurance | 2 | (5) | 26 | 9 | 32 |
| Claims | 495 | 237 | 426 | 376 | 394 |
| Paratransit Service Contracts | 477 | 326 | 346 | 412 | 517 |
| Maintenance and Other Operating Contracts | 731 | 773 | 765 | 806 | 908 |
| Professional Service Contracts | 442 | 446 | 499 | 545 | 631 |
| Materials & Supplies | 647 | 543 | 486 | 561 | 641 |
| Other Business Expenses | 231 | 152 | 200 | 246 | 314 |
| **Subtotal Non-Labor Expenses** | **$3,642** | **$2,960** | **$3,341** | **$3,804** | **$4,174** |
| **Other Expense Adjustments:** | | | | | |
| Other | $149 | $80 | $21 | $100 | ($16) |
| General Reserve | 0 | 335 | (335) | 0 | 185 |
| **Subtotal Other Expense Adjustments** | **$149** | **$414** | **$317** | **$100** | **$169** |
| **Total Operating Expense before Non-Cash Liability Adj.** | **$13,952** | **$13,443** | **$13,187** | **$14,570** | **$15,671** |
| Depreciation | $2,870 | $3,010 | $3,159 | $3,286 | $3,549 |
| OPEB Liability Adjustment | 0 | 0 | 0 | 0 | 0 |
| GASB 68 Pension Expense Adjustment | 13 | (77) | (917) | (393) | 170 |
| GASB 75 OPEB Expense Adjustment | 895 | 978 | 1,075 | 1,084 | 591 |
| GASB 87 Lease Adjustment | 0 | 0 | 0 | 21 | 20 |
| GASB 96 SBITA Adjustment | 0 | 0 | 0 | 0 | (2) |
| Environmental Remediation | 42 | 123 | 37 | 26 | 51 |
| **Total Operating Expense after Non-Cash Liability Adj.** | **$17,771** | **$17,477** | **$18,594** | **$16,541** | **$20,049** |
| Conversion to Cash Basis: Non-Cash Liability Adjs. | ($3,801) | ($4,034) | ($3,354) | ($4,034) | ($4,378) |
| Debt Service | 2,630 | 2,703 | 2,787 | 2,703 | 2,631 |
| **Total Operating Expense with Debt Service** | **$16,582** | **$16,146** | **$15,974** | **$17,691** | **$18,302** |
| Dedicated Taxes and State/Local Subsidies | $7,376 | $6,678 | $7,679 | $8,556 | $8,869 |
| **Net Surplus/(Deficit) After Subsidies and Debt Service** | **($79)** | **($632)** | **$1,628** | **$4,879** | **($1,475)** |
| Conversion to Cash Basis: GASB Account | 0 | 0 | 0 | 0 | 0 |
| Conversion to Cash Basis: All Other | 192 | 646 | (961) | (6,045) | 1,475 |
| **CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER** | **$113** | **$13** | **$668** | **($1,166)** | **$0** |
| **ADJUSTMENTS** | **0** | **0** | **0** | **0** | **0** |
| **PRIOR-YEAR CARRYOVER** | **372** | **485** | **499** | **1,166** | **0** |
| **NET CASH BALANCE** | **$485** | **$499** | **$1,166** | **$0** | **$0** |

**Table 3a** sets forth TRB Pledged Revenues for the Final Estimate 2024 and Adopted Budget 2025 are based on the MTA 2025 Adopted Budget and the February Financial Plan 2025 – 2028 (the February Financial Plan). The information set forth in **Table 3a** is comparable to that set forth, with respect to the years 2019-2023 in **Table 2a**.

**Table 3a**
**Summary of Final Estimate 2024 and Adopted Budget 2025**
**(Calculated in Accordance with the Transportation Resolution)**
**($ in millions)**[1]

| | Final Estimate 2024 | Adopted Budget 2025 |
|---|---|---|
| **Revenues from Transit and Commuter Systems Operations:** | | |
| Fares from Transit System | $3,506 | $3,637 |
| Fares from Commuter System | 1,264 | 1,315 |
| Fares from MTA Bus | 181 | 191 |
| Other Income [2] | 424 | 285 |
| **Subtotal – Operating Revenues** | **$5,375** | **$5,428** |
| **Non-Operating Revenues:**[3] | | |
| Revenues from MTA Bridges and Tunnels Surplus | $1,510 | $1,339 |
| State and Local General Operating Subsidies | $376 | $376 |
| NYC Transportation Assistance Fund – General Transportation Account[4] | $23 | $112 |
| Special Tax-Supported Operating Subsidies | | |
| DTF Excess [5] | 390 | 300 |
| MMTOA Receipts | 3,000 | 3,150 |
| Urban Tax | 349 | 384 |
| MRT-2 Distribution[6] | 12 | 13 |
| Payroll Mobility Tax and Aid Trust Account Receipts Excess[7] | 2,627 | 2,907 |
| Payroll Mobility Revenue Offset Funds [8] | 244 | 244 |
| Subtotal Special Tax-Supported Operating Subsidies | $6,622 | $6,998 |
| Station Maintenance and Service Reimbursements | $1,065 | $1,073 |
| City Subsidy for MTA Bus | $524 | $520 |
| Income from Investments[9] | $94 | $41 |
| **Subtotal – Non-Operating Revenues** | **$10,214** | **$10,458** |
| **Total Transportation Resolution Pledged Revenues** | **$15,589** | **$15,886** |
| **Budgeted Debt Service** [10] | **$1,349** | **$968** |
| **Debt Service Coverage from Pledged Revenues** | **11.6x** | **16.4x** |

(1) Totals may not add due to rounding.

(2) Other income in the case of the Transit System includes advertising revenue, interest income on certain operating funds, station concessions, Transit Adjudication Bureau collections, rental income and miscellaneous. Other income in the case of the Commuter System includes advertising revenues, interest income on certain operating funds, concession revenues (excluding Grand Central Terminal and Penn Station concessions), rental income and miscellaneous. MTA Bus other incomes is also included.

(3) The Transportation Resolution permits MTA to issue RANs that are secured by TRB Operating Subsidies prior to the payment of debt service on the Transportation Revenue Bonds. See discussion under "*Revenue Anticipation Notes Authorized by the Resolution*" below.

(4) The 2018-2019 State Enacted Budget included a new revenue stream for MTA to provide a source of funding for the Subway Action Plan, outer borough transit improvements, and other MTA needs. Such new revenues consist of certain statutory surcharges and fines, including a surcharge beginning in 2019, on for-hire vehicle trips entirely within the State that start or terminate in, or traverse, Manhattan below 96th Street (the Congestion Zone Surcharge). Revenues from this surcharge are deposited into a New York City Transportation Assistance Fund and disbursed to three sub-accounts established in such fund in the following order: a Subway Action Plan Account, an Outer Borough Transportation Account, and the General Transportation Account. The surcharge on for-hire vehicles in excess of the amounts statutorily required to be deposited into the Subway Action Plan Account and the Outer Borough Transportation Account are deposited into the General Transportation Account. The General Transportation Account is also the repository for fines and penalties from the Automated Camera Enforcement (ACE), pursuant to Chapter 59 of the Laws of 2018, which has been receiving such funds since the City began enforcement in 2020. Funds in the General Transportation Account are TRB Operating Subsidies and pledged to the bondholders of Transportation Revenue Bonds.

(5) Calculated by subtracting the debt service payments on the Dedicated Tax Fund Bonds from the MTTF Receipts described under the caption "DEDICATED TAX FUND BONDS" in Part 3 of the ADS.

(6) MRT-2 Funds are Non-Pledged Operating Subsidies; however, pursuant to MTA Board authorization in December 2007, a portion of such funds are allocated for the MTA Bus portion of debt service on the Transportation Revenue Bonds.

(7) Calculated by subtracting the debt service payments on obligations issued under the PMT Resolutions from the combined Payroll Mobility Tax Receipts and ATA Receipts, which are pledged revenues for obligations issued under the PMT Resolutions described under the caption "PAYROLL MOBILITY TAX OBLIGATIONS" in Part 3 of the ADS.

(8) Payroll Mobility Revenue Offset Receipts do not constitute pledged revenues under the PMT Resolutions discussed in footnote (7), so are presented separately.

(9) Consists of investment income on capital program funds held for the benefit of the Transit and Commuter Systems on an accrual basis, and also investment income earned on subsidy accounts.

(10) Debt service is reduced to reflect Build America Bond interest subsidies relating to certain outstanding bonds by approximately $45.1 million in 2024 and $39.7 million in 2025. Such payments do not constitute TRB Pledged Revenues under the Transportation Resolution.

**Table 3b** sets forth, by major category, for the Final Estimate 2024 and Adopted Budget 2025, all of the system operating revenues, expenses, adjustments, prior-year carryover and net cash balance as published in the February Financial Plan. The information contained in **Table 3b** is comparable to that set forth, with respect to the years 2019-2023, in **Table 2b**.

**Table 3b**
**MTA Consolidated Statement of Operations by Category**
**($ in millions)**

| Non-Reimbursable | Final Estimate 2024 | Adopted Budget 2025 |
|---|---|---|
| **Operating Revenue** | | |
| Farebox Revenue | $4,966 | $5,157 |
| Toll Revenue | 2,576 | 2,583 |
| Other Revenue | 3,314 | 966 |
| Capital and Other Reimbursements | 0 | 0 |
| **Total Operating Revenue** | **$10,856** | **$8,706** |
| **Operating Expense** | | |
| **Labor Expenses:** | | |
| Payroll | $6,071 | $6,485 |
| Overtime | 1,105 | 866 |
| Health & Welfare | 1,791 | 2,000 |
| OPEB Current Payment | 880 | 945 |
| Pensions | 1,449 | 1,598 |
| Other-Fringe Benefits | 1,096 | 1,118 |
| Reimbursable Overhead | (520) | (528) |
| **Total Labor Expenses** | **$11,872** | **$12,483** |
| **Non-Labor Expenses:** | | |
| Electric Power | $544 | $583 |
| Fuel | 212 | 211 |
| Insurance | 11 | 19 |
| Claims | 404 | 421 |
| Paratransit Service Contracts | 614 | 615 |
| Maintenance and Other Operating Contracts | 1,099 | 1,025 |
| Professional Service Contracts | 756 | 784 |
| Materials & Supplies | 642 | 675 |
| Other Business Expenses | 324 | 325 |
| **Total Non-Labor Expenses** | **$4,608** | **$4,659** |
| **Other Expense Adjustments:** | | |
| Other | $19 | $13 |
| General Reserve | 195 | 200 |
| **Total Other Expense Adjustments** | **$214** | **$213** |
| **Total Operating Expense before Non-Cash Liability Adjustments** | **$16,694** | **$17,355** |
| Depreciation | $3,664 | $3,642 |
| GASB 49 Environmental Remediation | 6 | 6 |
| GASB 68 Pension Expense Adjustment | (260) | (220) |
| GASB 75 OPEB Expense Adjustment | 768 | 779 |
| GASB 87 Lease Adjustment | 14 | 12 |
| GASB 96 SBITA Adjustment | (3) | (3) |
| **Total Non-Cash Liability Adjustments** | **$4,190** | **$4,217** |
| **Total Operating Expense after Non-Cash Liability Adjustments** | **$20,884** | **$21,571** |
| Conversion to Cash Basis: Non-Cash Liability Adjustments | ($4,190) | ($4,217) |
| Debt Service | 2,891 | 2,522 |
| **Total Operating Expense with Debt Service** | **$19,585** | **$19,876** |
| Dedicated Taxes and State/Local Subsidies | $9,831 | $10,096 |
| **Net Surplus/(Deficit) After Subsidies and Debt Service** | **$1,103** | **($1,074)** |
| Conversion to Cash Basis: GASB Account | $0 | $0 |
| Conversion to Cash Basis: All Other | (1,353) | 814 |
| **CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER** | **($250)** | **($260)** |
| **ADJUSTMENTS** | **$250** | **$260** |
| **PRIOR-YEAR CARRYOVER** | **$0** | **$0** |
| **NET CASH BALANCE** | **$0** | **$0** |

**Description of Pledged Revenues**

Each of the following revenues is described in more detail in Part 2 of the **ADS** under the caption "REVENUES OF THE RELATED ENTITIES." See also **Tables 2a, 2b, 3a** and **3b** above for both historical and forecasted results for each category of TRB Pledged Revenues described below. Where certain TRB Pledged Revenues or other operating subsidies described below become available to pay debt service on RANs and/or Transportation Revenue Bonds after the payment of debt service and other financial commitments pursuant to other existing bond resolutions, information relating to those other existing bond resolutions and the amount of debt service and other financial commitments payable under such other existing bond resolutions is described in more detail in Part 3 of the **ADS** – "PUBLIC DEBT SECURITIES AND OTHER FINANCIAL INSTRUMENTS."

***Revenues from Systems Operations.***

- *Fares from the Transit and Commuter Systems.* At its July 19, 2023 meeting, the MTA Board approved transit and commuter fare increases that became effective on August 20, 2023.
- The base subway, local bus and paratransit fares increased from $2.75 to $2.90 per trip and the base express bus fare increased from $6.75 to $7.00 per trip. Single ride subway and bus tickets increased from $3.00 to $3.25. MTA New York City Transit increased the cost of 30-day and calendar monthly unlimited ride MetroCards from $127.00 to $132.00, the cost of a 7-day unlimited ride MetroCard from $33.00 to $34.00, and the 7-day Express Bus Plus unlimited ride MetroCard from $62.00 to $64.00.
- Customers using OMNY are subject to a fare capping program, pursuant to which they pay the full fare per trip of $2.75 until they have paid a total of $33.00 in fares during any one week period from Monday through Sunday, after which point they will automatically receive free, unlimited rides for the rest of the week. This program went into effect on February 28, 2022.
- At MTA Metro-North Railroad and MTA Long Island Rail Road, all weekly and monthly passes increased 4.5% or less, and monthly tickets no more than $20.50. One-way tickets had a range of increases due to the need for fares to round to $0.25 increments. One-way fares into New York City had a range of increases up to 10%. Other ticket types such as intermediates, half fares and other discounted tickets had larger increases up to 20%, again due to the need to round to $0.25 increments on a low ticket price. For these one-way fares, any increase greater than 6.0% was not more than $0.50 per ride. Increased fares also apply to UniTickets and MTA Metro-North Railroad-managed connecting services. CityTicket increased to $5 during off-peak hours and $7.00 during peak hours. On Metro-North Railroad Pascack Valley and Port Jervis lines, no fares were increased.
- The 20-trip ticket for trips to and from Zone One for LIRR and Manhattan for Metro-North Railroad, as well as the $5.00 One-Way Atlantic Ticket and $60.00 Weekly Atlantic Ticket have been discontinued.
- *Other Income.* MTA receives revenues from advertising, interest on certain funds, concessions to vendors, Transit Adjudication Bureau collections, and from other space it rents in subway and commuter rail cars, buses, stations and other facilities. Concession revenues from Grand Central Terminal (the main station for MTA Metro-North Railroad) and Penn Station (the main station for MTA Long Island Rail Road), however, are not included within these amounts pledged.

***Non-Operating Revenues.***

*Revenues from MTA Bridges and Tunnels Surplus*. MTA Bridges and Tunnels is required by law to transfer its annual operating surpluses (generally, tolls and other operating revenues from bridges and tunnels after payment of operating expenses and debt service costs related to the bridges and tunnels, but not including moneys deposited into the CBD Tolling Capital Lockbox Fund or operating expenses and debt service costs related to the CBD Tolling Program, as hereinafter described) to MTA, and a statutory formula determines how MTA allocates that money between the Transit and Commuter Systems.

At its July 19, 2023 meeting, the MTA Bridges and Tunnels Board approved toll increases that were implemented on August 6, 2023, as follows:

- Tolls by Mail/Non-NYCSC E-ZPass for Passenger Vehicles. Toll rates for fare media other than New York Customer Service Center (NYCSC) E-ZPass (which includes Tolls by Mail and non-NYCSC E-ZPass) were increased by $1.02 at the Verrazzano-Narrows Bridge, Robert F. Kennedy, Bronx-Whitestone and Throgs Neck Bridges and Queens Midtown and Hugh L. Carey Tunnels (the major facilities) to $11.19; by $0.75 at the Henry Hudson Bridge to $8.25; and by $0.51 at the Marine Parkway-Gil Hodges and Cross Bay Veterans Memorial Bridges (the Rockaway Bridges) to $5.60. Commercial vehicle tolls also increased.
- E-ZPass Tolls. E-ZPass tolls for passenger vehicles using tags issued by the NYCSC increased by $0.39 (to $6.94) at major facilities, by $0.18 (to $3.18) at the Henry Hudson Bridge and by $0.15 (to $2.60) at the Rockaway Bridges.
- Mid-Tier Tolls. The mid-tier passenger car charge, which applies to NYCSC E-ZPass customers when their NYCSC E-ZPass tag is not properly mounted, for tolls posted to NYCSC E-ZPass accounts based on license plates, and for NYCSC third-party account providers was increased by $0.57 (to $9.11) at major facilities, by $0.42 (to $5.04) at the Henry Hudson Bridge, and by $0.34 (to $4.11) at the Rockaway Bridges.

*Revenues from State and Local Governmental Sources.*

Operating Subsidies from the State and Local Governments. Under the State's Section 18-b program, MTA receives:

- subsidies for the Transit System from the State and matching subsidies from the City, and
- subsidies for the Commuter System from the State and matching subsidies from the City and the seven counties within the MCTD.

Congestion Zone Surcharges and Rapid Transit Lane Fines. MTA receives portions of two surcharges, referred to collectively as the Congestion Zone Surcharges (also referred to as the For-Hire Vehicle Surcharges), that apply to certain trips which originate, terminate, or travel through the "Congestion Zone", which is legally distinct from the zone created for the CBD Tolling Program and is defined as the area south of and excluding 96th Street in the Borough of Manhattan. The Rapid Transit Lane Fines (sometimes referred to as the Automated Camera Enforcement fines or "ACE") are collected based on stationary and mobile (on-bus) bus lane photo devices on more than 50% of bus lane miles across the City to capture violations of certain bus rapid transit lane restrictions. Congestion Zone Surcharges in excess of the amounts statutorily required to be deposited into the Subway Action Account (the first $300 million) and the Outer Borough Transportation Account (the next $450 million) and all of the Rapid Transit Lane Fines are deposited into the General Transportation Account and are TRB Operating Subsidies and pledged to the bondholders of Transportation Revenue Bonds.

Under the Transportation Resolution, the Congestion Zone Surcharges deposited into the Subway Action Plan Account and the Outer Borough Transportation Account constitute Non-Pledged Operating Subsidies that are not pledged to the payment of principal of and interest on the Transportation Revenue Bonds, unless and until and to the extent MTA allocates such moneys to the payment of debt service on the Transportation Revenue Bonds.

Special Tax-Supported Operating Subsidies. MTA receives subsidies from a number of sources including:

- portions of the following dedicated taxes (referred to as the MTTF Receipts) pledged but not ultimately needed to pay debt service on MTA's Dedicated Tax Fund senior and subordinated obligations:
    - business privilege taxes imposed on petroleum businesses operating in the State, referred to as the PBT,

    - motor fuel taxes on gasoline and diesel fuel, and
    - certain motor vehicle fees administered by the State Department of Motor Vehicles, including both registration and non-registration fees; and
- portions of the following mass transportation operating assistance or MMTOA taxes, which State law requires first be used to pay debt service on MTA's Dedicated Tax Fund senior and subordinated obligations if the dedicated taxes described above are insufficient:
    - the regional PBT (in addition to the State-wide portion described above), which is referred to as the MMTOA PBT,
    - the sales and compensating use tax within the MCTD,
    - two franchise taxes imposed on certain transportation and transmission companies, and
    - a surcharge on a portion of the franchise tax imposed on certain corporations, banks, insurance, utility and transportation companies attributable to business activities within the MCTD; and
- a portion of the amounts collected by the City for the benefit of the Transit System from certain mortgage transfer and recording taxes (the Urban Taxes).
- portions of the Payroll Mobility Tax (PMT) and ATA Receipts (collectively, the PMT Receipts) pledged but not ultimately needed to pay debt service on senior and subordinate obligations issued under the MTA PMT Resolution or TBTA PMT Resolution (collectively, the PMT Resolutions):
    - the PMT is a tax imposed on certain employers and individuals engaging in business in the MCTD on payroll expenses and net earnings from self-employment, subject to certain limitations and exemptions. Revenue from the PMT is not subject to appropriation, and is payable monthly directly to MTA.
    - the ATA Receipts are composed of the following fees and taxes imposed to provide assistance to MTA, are not subject to appropriation and are payable directly to MTA on a quarterly basis:
        - a supplemental fee of one dollar for each six-month period of validity of a learner's permit or a driver's license issued to a person residing in the MCTD;
        - a supplemental fee of twenty-five dollars per year on the registration and renewals of registrants of motor vehicles who reside within the MCTD;
        - a tax on taxicab owners of fifty cents per ride on taxicab rides originating in the City and terminating within the MCTD; and
        - a supplemental tax of six percent of the cost of rentals of automobiles rented within the MCTD.
- the PMT Revenue Offset. In 2011, the PMT was modified to exempt certain taxpayers from paying the PMT and decrease rates paid by others; however, the legislature provided that any reductions in aid to MTA attributable to the 2011 statutory reductions in the PMT "shall be offset through alternative sources that will be included in the state budget" (the PMT Revenue Offset). The PMT Revenue Offset is subject to appropriation, but is not pledged to the payment of indebtedness issued under the PMT Resolutions.

Under the Transportation Resolution, the PMT and PMT Revenue Offset (the PMT Revenues) constitute TRB Operating Subsidies that are pledged to the payment of principal of and interest on the RANs and the Transportation Revenue Bonds to the extent not required to be applied to the payment of debt service on obligations issued by MTA or MTA Bridges and Tunnels (with PMT Revenues transferred by MTA) to fund capital projects of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary, or issued by MTA to fund working capital needs, and secured in whole or in part by the PMT Revenues. The ATA Receipts constitute Non-Pledged Operating Subsidies that are not pledged to the payment of principal of and interest on the Transportation Revenue Bonds, unless and until and to the extent MTA allocates such moneys to the payment of debt service on the RANs and/or the Transportation Revenue Bonds or Operating and

Maintenance Expenses. Although MTA has allocated such monies so as to constitute TRB Pledged Revenues with respect to the RANs and the Transportation Revenue Bonds in prior years, no assurances can be given that MTA will allocate any of the ATA Receipts to the payment of debt service on the RANs and/or Transportation Revenue Bonds in the future.

The PMT Resolutions and the DTF Resolution and related annexes may be found on the MTA investor website under the caption "Debt Portfolio Information – Bond Resolutions and Interagency Agreements". The provisions of the TBTA PMT Resolution are substantially the same as the provisions of the MTA PMT Resolution and the annexes for both resolutions are identical. No statement on MTA's website is included by specific cross-reference herein.

Anti-Diversion Legislation. Effective December 28, 2018, the Executive Law of the State was amended to, among other things, prohibit, subject to limited exceptions requiring the adoption of future State legislation, any diversion of revenues derived from taxes and fees payable to MTA (including, but not limited to taxes and fees paid to the MTA Dedicated Tax Fund, the PMT and certain other taxes and fees imposed) into the State's general fund or any other fund maintained for support of another governmental purpose.

*Station Maintenance and Service Reimbursements.* MTA is reimbursed by the City and the seven counties in the MCTD with respect to commuter stations located in each respective jurisdiction for the cost of staffing the stations, maintaining the stations and appurtenant land and buildings, and insurance. In addition, the City provides for the policing of the Transit System and contributes to support MTA New York City Transit's paratransit, senior citizen and school children programs. Also, MTA Metro-North Railroad receives certain payments from the Connecticut Department of Transportation (CDOT) for its share of the operating deficits of the New Haven rail line.

*City Subsidy for MTA Bus*. In December 2004, the MTA Board approved a letter agreement with the City (the MTA Bus Letter Agreement) with respect to MTA Bus' establishment and operation of certain bus routes (the MTA Bus System) in areas then served by seven private bus companies pursuant to franchises granted by the City. The City's payments under the MTA Bus Letter Agreement are pledged to holders of the Transportation Revenue Bonds and are reflected in **Tables 2a, 2b, 3a** and **3b** above. The MTA Bus Letter Agreement with the City provides for the following:

- A lease by the City to MTA Bus of the bus assets to operate the MTA Bus System.
- The City agrees to pay MTA Bus the difference between the actual cost of operation of the MTA Bus System (other than certain capital costs) and all revenues and subsidies received by MTA Bus and allocable to the operation of the MTA Bus System.
- If the City fails to timely pay any of the subsidy amounts due for a period of 30 days, MTA Bus has the right, after an additional 10 days, to curtail, suspend or eliminate service and may elect to terminate the agreement. The City can terminate the agreement on one year's notice.

*Revenues from Investment Income and Miscellaneous*. MTA earns income, as do its subsidiaries and affiliates, from the temporary investment of money held in those of MTA's various funds and accounts that are pledged to holders of Transportation Revenue Bonds.

**Factors Affecting Revenues**

For a description of certain risks and other factors affecting TRB Pledged Revenues, which includes appropriation risk and the right of the State to amend, repeal, modify or otherwise alter statutes imposing or relating to the TRB Operating Subsidies or the taxes or appropriations which are the source of such TRB Operating Subsidies, see "CERTAIN RISK FACTORS" in Part 1 of the **ADS** and "GENERAL – Creditworthiness and Market Risk" in Part 3 of the **ADS** and "Risks Related to Federal Executive and Legislative and Governmental Actions" in the MTA Annual Disclosure Statement Update Relating to the February Financial Plan, dated March 5, 2025 in **Attachment 5.**

***Ridership***. The level of fare revenues depends to a large extent on MTA's ability to maintain and/or increase ridership levels on the Transit, Commuter and MTA Bus Systems. Those ridership levels are affected by safety and the quality and efficiency of systems operations, as well as by financial and economic conditions in the New York metropolitan area.

***Fare Policy.*** MTA determines the rate or rates of fares charged to users of the Commuter System and MTA Bus System, and MTA New York City Transit and MaBSTOA, together with MTA, do the same for the Transit System. After adopting operating expense budgets and assessing the availability of governmental subsidies, each makes a determination of fares necessary to operate on a self-sustaining cash basis in compliance with State law and covenants in the Transportation Resolution. Considering the impact of increased fares on riders and on the regional economy, MTA may attempt to reduce costs or obtain additional revenues from other sources, mainly governmental sources, before increasing fares. As a result, even though MTA does not generally need other governmental approvals before setting fares, the amount and timing of fare increases may be affected by the federal, State and local government financial conditions, as well as by budgetary and legislative processes. MTA's obligation to obtain approval of fare increases on the New Haven line from CDOT can also affect the amount and timing of fare increases.

***Ability to Comply with Rate Covenant and Pay Operating and Maintenance Expenses.*** The Transit, Commuter and MTA Bus Systems have depended, and are expected to continue to depend, upon government subsidies to meet capital and operating needs. Thus, although MTA is contractually obligated by the Transportation Resolution's rate covenant to raise fares sufficiently to cover all capital and operating costs, there can be no assurance that there is any level at which Transit, Commuter and MTA Bus Systems fares alone would produce revenues sufficient to comply with the rate covenant, particularly if the current level (or the assumed level in the Final Estimate 2024 and Adopted Budget 2025 and the forecasts in the February Financial Plan prepared in connection with 2026, 2027 and 2028) of collection of dedicated taxes, operating subsidies, and expense reimbursements were to be discontinued or substantially reduced.

***Operating Results and Projections.*** Based upon the February Financial Plan, the budgets of the Related Entities are balanced through 2026, with budget gaps projected in 2027 and 2028. Any of the Transit System, the Commuter System or MTA Bus System or all of them may be forced to institute additional cost reductions (which, in certain circumstances, could affect service which, in turn, could adversely affect revenues) or take other additional actions to close future projected budget gaps, which could include additional fare increases.

***MTA Liquidity Resources***. As of March 3, 2025, MTA had liquidity resources in the approximate amount of $7.75 billion, consisting of an operating funds liquidity balance of $1.26 billion, internal available funds and reserves totaling $5.19 billion, and undrawn commercial bank lines of credit totaling $1.3 billion.

***Financial Plans***. The February Financial Plan, the 2025-2029 Capital Program and prior and future Capital Programs are interrelated, and any failure to fully achieve the various components of these plans could have an adverse impact on one or more of the other proposals contained in the February Financial Plan, the 2025-2029 Capital Program and prior and future Capital Programs, as well as on TRB Pledged Revenues.

***MTA Bridges and Tunnels Operating Surplus.*** The amount of MTA Bridges and Tunnels operating surplus to be used for the Transit and Commuter Systems is affected by a number of factors, including traffic volume, the timing and amount of toll increases, the operating and capital costs of MTA Bridges and Tunnels Facilities, and the amount of debt service payable from its operating revenues, including debt service on obligations issued for the benefit of MTA's affiliates and subsidiaries and for MTA Bridges and Tunnels' own capital needs, including its bridges and tunnels and the CBD Tolling Program.

***Government Assistance.*** The level and timing of government assistance to MTA may be affected by several different factors, such as:

- In the case of certain subsidy payments by the State as described above, such payments may be made only if and to the extent that appropriations have been made by the Legislature and money is available to fund those appropriations.

- The Legislature may not bind or obligate itself to appropriate revenues during a future legislative session, and appropriations approved during a particular legislative session generally have no force or effect after the close of the State fiscal year for which the appropriations are made.
- The State is not bound or obligated to continue to pay operating subsidies to the Transit, Commuter or MTA Bus Systems or to continue to impose any of the taxes currently funding those subsidies.
- The financial condition of the State and the State of Connecticut, and the City and counties in the MCTD could affect the ability or willingness of the States and local governments to continue to provide general operating subsidies, the City and local governments to continue to provide reimbursements and station maintenance payments, and the State to continue to make special appropriations.
- Court challenges to the State taxes that are the sources of various State and City operating subsidies to MTA, if successful, could adversely affect the amount of TRB Pledged Revenues generated by such State taxes.
- Various bills have in the past been and may in the future be introduced by the Legislature which, if enacted, could have an impact on special tax-supported operating subsidies paid to MTA, including MTTF revenues and MMTOA taxes. MTA cannot predict whether such bills, if any, will become law, or whether any transfer of other State resources to offset any loss of revenues to MTA would be included in any enacted legislation.

***Risks Related to the 2025-2029 Capital Program.*** In December of 2024, the Capital Program Review Board vetoed the proposed 2025-2029 Capital Program, which had been submitted in October 2024, citing concerns regarding substantial funding shortfalls. MTA is exploring possible solutions with the State and when funding concerns have been addressed MTA expects to resubmit a 2025-2029 Capital Program, revised as necessary, for approval.

Solutions to close the funding gap could include the development of new credits based on new or existing revenue streams, seeking additional taxes or statutory changes to existing taxes currently provided to MTA by the State legislature, or other actions. The State Legislature could determine to modify, reduce or expand existing taxes and fees, subject to the State's pledge that the State will not limit or alter the rights vested in MTA to fulfill the terms of any agreements made by MTA with the holders of its notes, bonds and lease obligations, or in any way impair the rights and remedies of such holders, as further described herein under "Covenants – *Non-Impairment*".

In the event that new funding sources are insufficient to close the funding gap, the approved 2025-2029 Capital Program may require MTA and/or MTA Bridges and Tunnels to issue more debt payable from existing revenues than anticipated in the initially proposed 2025-2029 Capital Program, which could lead to a strain on MTA's and MTA Bridges and Tunnels' operating budgets and negatively impact credit ratings of obligations issued by MTA and MTA Bridges and Tunnels. Alternatively, in the absence of sufficient funding sources, the approved 2025-2029 Capital Program may eliminate certain projects in the initially proposed 2025-2029 Capital Program, which could put state of good repair of the Transit and Commuter Systems at risk, leave the system vulnerable to climate change, and leave accessibility needs unaddressed.

For a discussion of additional risk factors, see "BUSINESS – CERTAIN RISK FACTORS" in Part 1 of the **ADS** and "PUBLIC DEBT SECURITIES AND OTHER FINANCIAL INSTRUMENTS – GENERAL – Creditworthiness and Market Risk" in Part 3 of the **ADS**.

***Information Relating to the State.*** Information relating to the State, including the Annual Information Statement of the State, as amended or supplemented, is not a part of this official statement. Such information is on file with the MSRB through EMMA with which the State was required to file, and the State has committed to update that information to the holders of its general obligation bonds in the manner specified in Rule 15c2-12. Prospective purchasers of Transportation Revenue Bonds and Notes wishing to obtain that information may refer to those filings regarding currently available information about the State. The State has

not obligated itself to provide continuing disclosure in connection with the offering of Transportation Revenue Bonds or Notes. MTA makes no representations about State information or its continued availability.

## SECURITY

### General

The Transportation Revenue Bonds, including the Series 2025A Bonds, are MTA's special obligations payable as to principal (including sinking fund installments), redemption premium, if any, and interest from the security, sources of payment, and funds specified in the Transportation Resolution.

- The payment of principal (including sinking fund installments, if any), redemption premium, if any, and interest on Transportation Revenue Bonds is secured by, among other sources described below, the Operating Receipts and Operating Subsidies discussed in the preceding section "SOURCES OF PAYMENT," which are, together with certain other revenues, referred to as "TRB Pledged Revenues."
- Holders of Transportation Revenue Bonds are to be paid after the payment of debt service on RANs and prior to the payment, from TRB Pledged Revenues, of operating or other expenses of MTA, MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus. However, MTA's ability to generate major portions of the TRB Pledged Revenues depends upon its payment of operating and other expenses.
- Transportation Revenue Bonds are not a debt of the State or the City, or any other local governmental unit.
- MTA has no taxing power.

Summaries of certain provisions of the Transportation Resolution and the form of the Interagency Agreement have been filed with the MSRB through EMMA. See "INTRODUCTION – Where to Find Information."

### Revenue Anticipation Notes Authorized by the Resolution

MTA and MTA New York City Transit have in the past and may, from time to time, in the future issue RANs for their working capital needs and the needs of their respective affiliates and subsidiaries occasioned by delays in the receipt of subsidies or other irregularities in the timing of receipt of revenues. See "PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – SOURCES OF PAYMENT – Gross Lien on TRB Pledged Revenues." RANs issued under the Transportation Resolution are secured by a lien on TRB Operating Subsidies prior to the lien in favor of the owners of Transportation Revenue Bonds. Owners of the Transportation Revenue Bonds retain a first lien on the other TRB Pledged Revenues, including the TRB Operating Receipts, which include fares. The maturity on such RANs may not exceed 18 months. While such notes can be rolled, the final maturity of the notes cannot exceed five years from the date of their original issuance.

MTA currently has three taxable revolving commercial lines of credit agreements that permit the issuance of up to $1.3 billion of RANs. The $800 million credit agreement with JPMorgan Chase Bank, National Association, as amended, expires on April 28, 2026, the $200 million credit agreement with Bank of America, National Association, as amended, expires on July 30, 2027, and the $300 million credit agreement with Wells Fargo Bank, National Association, expires on February 4, 2028. Such agreements have been filed with EMMA, along with periodic notices regarding amounts drawn thereunder.

Subsidies that secure the line of credit agreements include general operating subsidies from the State and local governments under the State's Section 18-b program; special tax-supported operating subsidies (the MTTF revenues and MMTOA taxes) after the payment of debt service and certain other obligations relating to MTA's Dedicated Tax Fund senior and subordinated bonds; PMT Revenues and ATA Receipts after the payment of debt service and certain other obligations relating to senior and subordinated bonds issued under

the PMT Resolutions; MTA Bridges and Tunnels operating surplus; Commuter System station maintenance payments; certain mortgage recording taxes and real property transfer taxes with respect to certain real property located within the City referred to as the "Urban Taxes"; and Congestion Zone Surcharges and Rapid Transit Lane Fines deposited into the General Transportation Account, as hereinafter described.

**Pledge Effected by the Resolution**

The Transportation Resolution provides that there are pledged to the payment of principal and redemption premium of, interest on, and sinking fund installments for, the Transportation Revenue Bonds and Parity Debt, in accordance with their terms and the provisions of the Transportation Resolution the following, referred to as the "Trust Estate":

- all TRB Pledged Revenues as described above;
- the net proceeds of certain agreements pledged by MTA to the payment of transit and commuter capital projects;
- the proceeds from the sale of Transportation Revenue Bonds, until those proceeds are paid out for an authorized purpose;
- all funds, accounts and subaccounts established by the Transportation Resolution (except those established by a supplemental obligation resolution for variable interest rate obligations, put obligations, parity debt, subordinated contract obligations or subordinated debt); and
- the Amended and Restated Interagency Agreement dated as of April 1, 2006, among MTA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA New York City Transit, MaBSTOA and MTA Bus.

The Trustee may directly enforce an undertaking to operate the Transit System, the Commuter System or the MTA Bus System to ensure compliance with the Transportation Resolution.

Under the Transportation Resolution, the operators of the Transit, Commuter and MTA Bus Systems are obligated to transfer to the Trustee for deposit into the Revenue Fund virtually all TRB Pledged Revenues as soon as practicable following receipt or, with respect to revenues in the form of cash and coin, immediately after being counted and verified. The pledge of money located in the State of Connecticut may not be effective until that money is deposited under the Transportation Resolution.

**Flow of Revenues**

The Transportation Resolution creates the following funds and accounts:

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

Subject to the payment from the operating subsidies of debt service on RANs, the Transportation Resolution requires the Trustee, promptly upon receipt of the TRB Pledged Revenues in the Revenue Fund, to deposit the revenues into the following funds and accounts, in the amounts and in the order of priority, as follows:

- to the debt service accounts, the net amount, if any, required to make the amount in the debt service accounts equal to the accrued debt service for Transportation Revenue Bonds and Parity Debt to the last day of the current calendar month;
- to pay, or accrue to pay, principal of and interest on any Subordinated Indebtedness or for payment of amounts due under any Subordinated Contract Obligation;

- to MTA for deposit in the Proceeds Fund, as directed by one of MTA's authorized officers, to fund Capital Costs of the Transit, Commuter and MTA Bus Systems; and
- to accounts held by MTA or any of the Related Transportation Entities for payment of operating expenses or any other authorized purpose.

All amounts paid out by MTA or the Trustee either for an authorized purpose (excluding transfers to any other pledged fund or account) or under the last bullet point above are free and clear of the lien and pledge created by the Transportation Resolution.

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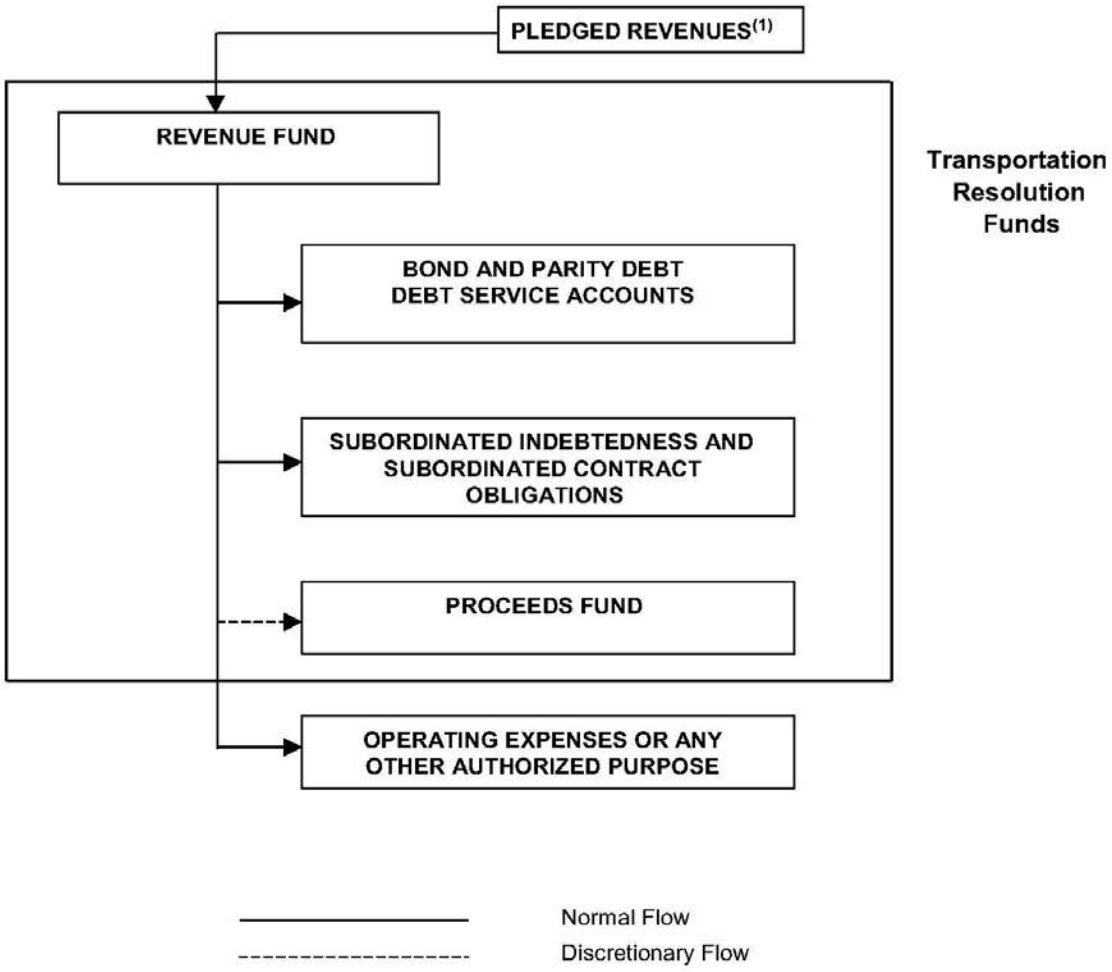
The following chart illustrates the basic elements of the flow of revenues described above:

**TRANSPORTATION REVENUE OBLIGATIONS - FLOW OF PLEDGED REVENUES**




(1) Includes TRB Operating Subsidies pledged to the payment of RANs prior to the payment of principal and interest on Transportation Revenue Bonds.

**Covenants**

***Rate Covenants.*** MTA must fix the transit and commuter fares and other charges and fees to be sufficient, together with other money legally available or expected to be available, including from government subsidies –

- to pay the debt service on all the Transportation Revenue Bonds;
- to pay any Parity Debt;
- to pay any Subordinated Indebtedness and amounts due on any Subordinated Contract Obligations; and
- to pay, when due, all operating and maintenance expenses and other obligations of its transit and commuter affiliates and subsidiaries.

See "SOURCES OF PAYMENT – Factors Affecting Revenues" above.

***Operating and Maintenance Covenants.***

- MTA, MaBSTOA, MTA New York City Transit, MTA Metro-North Railroad, MTA Long Island Rail Road and MTA Bus are required at all times to operate, or cause to be operated, the systems properly and in a sound and economical manner and maintain, preserve, reconstruct and keep the same or cause the same to be maintained, preserved, reconstructed and kept in good repair, working order and condition.
- Nothing in the Transportation Resolution prevents MTA from ceasing to operate or maintain, or from leasing or disposing of, all or any portion of the systems if, in MTA's judgment it is advisable to do so, but only if the operation is not essential to the maintenance and continued operation of the rest of the systems and this arrangement does not materially interfere with MTA's ability to comply with MTA's rate covenants.

***Additional Bonds.*** The Transportation Resolution permits MTA to issue additional Transportation Revenue Bonds and to issue or enter into Parity Debt, from time to time, to pay or provide for the payment of qualifying costs, without meeting any specific debt-service-coverage level, as long as MTA certifies to meeting the rate covenant described above for the year in which the additional debt is being issued. Under the Transportation Resolution, MTA may only issue additional Transportation Revenue Bonds if those bonds are issued to fund projects pursuant to an approved MTA Capital Program, if an approved capital program is then required.

There is no covenant with Owners limiting the aggregate principal amount of revenue anticipation notes or additional Transportation Revenue Bonds or Parity Debt that MTA may issue. There is a limit under current State law that covers the Transportation Revenue Bonds and certain other securities. See Part 3 of the **ADS** under the caption "GENERAL – Financing of Capital Projects and Statutory Ceiling" for a description of the current statutory cap.

***Refunding Bonds.*** MTA may issue Transportation Revenue Bonds to refund all or any portion of outstanding Transportation Revenue Bonds or Parity Debt. Transportation Revenue Bonds may also be issued to refund any pre-existing indebtedness of any Related Entity issued to fund transit and commuter projects. The MTA Board has adopted a refunding policy which must be complied with prior to the issuance of any refunding Bonds.

***Non-Impairment.*** Under State law, the State has pledged to MTA that it will not limit or change MTA's powers or rights in such a way that would impair the fulfillment of MTA's promises to holders of the Transportation Revenue Bonds.

***No Bankruptcy.*** State law specifically prohibits MTA, its Transit System affiliates, its Commuter System subsidiaries or MTA Bus from filing a bankruptcy petition under Chapter 9 of the U.S. Federal

Bankruptcy Code. As long as any Transportation Revenue Bonds are outstanding, the State has covenanted not to change the law to permit MTA or its affiliates or subsidiaries to file such a petition. Chapter 9 does not provide authority for creditors to file involuntary bankruptcy proceedings against MTA or other Related Entities.

**Parity Debt**

MTA may incur Parity Debt pursuant to the terms of the Transportation 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 Transportation Resolution with respect to Transportation Revenue 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 designated as constituting "Parity Debt" in a certificate of an Authorized Officer delivered to the Trustee.

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## PART III. OTHER INFORMATION ABOUT THE SERIES 2025A BONDS

**Part III** of this official statement provides miscellaneous additional information relating to the Series 2025A Bonds.

## TAX MATTERS

### General

Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C. are Co-Bond Counsel for the Series 2025A Bonds. Each Co-Bond Counsel is of the opinion that, under existing law, relying on certain statements by MTA and assuming compliance by MTA with certain covenants, interest on the Series 2025A Bonds is:

- excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986 (the Internal Revenue Code), and
- not a specific preference item for an Owner in calculating the federal individual alternative minimum tax. Interest on the Series 2025A Bonds that is included in the "adjusted financial statement income" of certain corporations is not excluded from the federal corporate alternative minimum tax.

Each Co-Bond Counsel is also of the opinion that, under existing law, interest on the Series 2025A Bonds is exempt from personal income taxes imposed by the State or any political subdivisions of the State, including the City. See **Attachment 3** to this official statement for the form of the opinion that Co-Bond Counsel each expect to deliver when the Series 2025A Bonds are delivered.

### The Series 2025A Bonds

The Internal Revenue Code imposes requirements on the Series 2025A Bonds that MTA must continue to meet after the Series 2025A Bonds are issued. These requirements generally involve the way that Series 2025A Bond proceeds must be invested and ultimately used and the way that assets financed and refinanced with proceeds of the Series 2025A Bonds must be used. If MTA does not meet these requirements, it is possible that an Owner may have to include interest on the Series 2025A Bonds in its federal gross income on a retroactive basis to the date of issue. MTA has covenanted to do everything necessary to meet the requirements of the Internal Revenue Code.

An Owner who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2025A Bonds. This is possible if an Owner 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 2025A Bonds.

If an Owner 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 2025A Bonds or affect the market price of the Series 2025A 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 2025A Bonds, or under State, local or foreign tax law.

**Original Issue Discount and Bond Premium**

Each maturity of the Series 2025A Bonds will have "original issue discount" if the price first paid by the purchasers of a substantial amount of such Series 2025A Bonds is less than the principal amount of these Series 2025A Bonds. Original issue discount on these Series 2025A Bonds as it accrues is excluded from an Owner's federal gross income under the Internal Revenue Code to the same extent and subject to the same considerations discussed above as interest paid on the Series 2025A Bonds. In addition, original issue discount on these Series 2025A Bonds as it accrues is exempt from personal income taxes imposed by the State or any political subdivisions of the State, including the City. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis and as it accrues an Owner's tax basis in these Series 2025A Bonds will be increased. If an Owner owns one of these Series 2025A Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

If an Owner purchases a Series 2025A Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Series 2025A Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized an Owner's tax basis in that Series 2025A Bond will be reduced. The Owner of a Series 2025A 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 2025A Bond. An Owner in certain circumstances may realize a taxable gain upon the sale of a Series 2025A Bond with bond premium, even though the Series 2025A Bond is sold for an amount less than or equal to the Owner's original cost. If an Owner owns any Series 2025A 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 2025A 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 interest 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. 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 an Owner purchasing a Series 2025A 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 2025A 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 Owner'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 2025A 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 2025A 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 or exemption of

the interest on the Series 2025A Bonds from gross income for federal or state income tax purposes, or otherwise. Prospective purchasers of the Series 2025A Bonds should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Series 2025A Bonds. Co-Bond Counsel have not undertaken to advise in the future whether any events after the date of issuance of the Series 2025A Bonds may affect the tax status of interest on the Series 2025A Bonds.

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

## VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations was independently verified by Robert Thomas CPA, LLC (the "Verification Agent"). These computations indicate (i) the sufficiency of available amounts held in escrow to pay the principal amount and interest on certain of the Refunded Bonds on their respective redemption dates, and (ii) the yields to be considered in determining that the Series 2025A Bonds are not "arbitrage bonds" under Section 148 of the Internal Revenue Code. The Verification Agent has relied upon assumptions and information supplied by J.P. Morgan Securities LLC, as representative of the Underwriters for the Series 2025A Bonds, 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.

## LEGALITY FOR INVESTMENT

The MTA Act provides that the Series 2025A 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 2025A Bonds.

## LITIGATION

There is no pending litigation concerning the Series 2025A Bonds.

MTA is the defendant in numerous claims and actions, as are its affiliates and subsidiaries, including MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Bus and MTA Bridges and Tunnels. Certain of these claims and actions, either individually or in the aggregate, are potentially material to MTA, or its affiliates or subsidiaries. MTA does not believe that any of these claims or actions would affect the application of the sources of payment for the Series 2025A Bonds. A summary of certain of these potentially material claims and actions is set forth in Part 5 of the **ADS** under the caption "LITIGATION," as that filing may be amended or supplemented to date.

## CO-FINANCIAL ADVISORS

Public Resources Advisory Group, Inc. and Backstrom McCarley Berry & Co., LLC are MTA's Co-Financial Advisors for the Series 2025A Bonds. The Co-Financial Advisors have provided MTA advice on the plan of refunding and reviewed the pricing of the Series 2025A 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 2025A Bonds, acting through J.P. Morgan Securities LLC, as representative, have agreed, subject to certain conditions, to purchase from MTA the Series 2025A Bonds described on the inside cover page of this official statement at an aggregate purchase price of $904,647,879.79 reflecting a net original issue premium of $60,649,241.85 and Underwriters' discount of $3,786,362.06 and to reoffer such Series 2025A Bonds at the public offering prices or yields set forth on the inside cover page.

The Series 2025A Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2025A 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' obligation to purchase the Series 2025A Bonds is subject to certain conditions precedent, and they will be obligated to purchase all such Series 2025A Bonds if any Series 2025A Bonds are purchased.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by MTA as Underwriters) for the distribution of the Series 2025A 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. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for MTA, 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. 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 that are assigned to the Series 2025A 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
Hearst Tower
300 W. 57th Street
New York, New York 10019
(212) 908-0500

Kroll Bond Ratings Agency
805 Third Avenue, 29th Floor
New York, New York 10022
(212) 702-0707

Moody's Ratings
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 has furnished information to each rating agency rating the bonds being offered, including information not included in this official statement, about MTA 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 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 Series 2025A Bonds are subject to the approval of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA. The form of the opinions of Co-Bond Counsel in connection with the issuance of the Series 2025A Bonds is **Attachment 3** to this official statement.

The Underwriters have appointed Katten Muchin Rosenman LLP, as counsel to the Underwriters in connection with the issuance of the Series 2025A Bonds, which firm will pass on certain legal matters.

Certain legal matters will be passed upon by Hawkins Delafield & Wood LLP, Special Disclosure Counsel to MTA.

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

## CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with Rule 15c2-12 (Rule 15c2-12) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, MTA and the trustee under the Transportation Resolution will enter into a written agreement, dated as of the date of issuance of the Series 2025A Bonds (the Continuing Disclosure Agreement), for the benefit of the holders of the Series 2025A Bonds. A form of such Continuing Disclosure Agreement is attached hereto as "**Attachment 2 –** Form of Continuing Disclosure Agreement". As more fully stated in **Attachment 2**, MTA 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, MTA's 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 has undertaken to file such information (the Annual Information) with EMMA.

MTA has further agreed to deliver notice to EMMA of any failure to provide the Annual Information. MTA is also obligated to deliver to EMMA, in a timely manner not in excess of ten business days after the occurrence of any of the sixteen (16) events described in the Continuing Disclosure Agreement notice of the occurrence of such events.

MTA 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 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 or any failure to associate such submitted disclosure to all related CUSIPs.

The Continuing Disclosure Agreement contains 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 if an undertaking calls for information that no longer can be generated because the operations to which it is related have been materially changed or discontinued, a statement to that effect will be provided. It is not anticipated that it will be necessary to amend the information undertakings, however, the Continuing Disclosure Agreement may be amended or modified without bondholders' consent under certain circumstances set forth therein.

## FURTHER INFORMATION

MTA may place a copy of this official statement on MTA's website at https://new.mta.info/investors. No statement on MTA's website or any other website is included by specific cross-reference herein.

Although MTA has prepared the information on its 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 assumes no liability or responsibility for errors or omissions contained on any website. Further, MTA disclaims 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 also assumes no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

**METROPOLITAN TRANSPORTATION AUTHORITY**

By: /s/ Olga Chernat
Olga Chernat
Deputy Chief, Financial Services
Metropolitan Transportation Authority

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## ATTACHMENT 1

## BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company (DTC) will act as securities depository for the Series 2025A Bonds. The Series 2025A 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 2025A Bond will be issued for each maturity of the Series 2025A 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 2025A 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). 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 2025A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025A 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 2025A 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 2025A Bonds, except in the event that use of the book-entry-only system for the Series 2025A Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2025A 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 2025A 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 2025A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025A 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 2025A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2025A Bond documents. For example, Beneficial Owners of the Series 2025A Bonds may wish to ascertain that the nominee holding the Series 2025A 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 2025A 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 2025A 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 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 2025A 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 2025A 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 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, 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 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 Participants.

9. DTC may discontinue providing its services as depository with respect to the Series 2025A Bonds at any time by giving reasonable notice to MTA or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2025A Bonds are required to be printed and delivered.

10. MTA 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 2025A Bonds will be printed and delivered.

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

**ATTACHMENT 2**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**METROPOLITAN TRANSPORTATION AUTHORITY**
**TRANSPORTATION REVENUE REFUNDING GREEN BONDS,**
**SERIES 2025A (CLIMATE BOND CERTIFIED)**

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**CONTINUING DISCLOSURE AGREEMENT**

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**THIS AGREEMENT**, dated _____, 2025, is made by and between MTA and the Trustee, each as defined below in Section 1.

In order to permit the Underwriters to comply with the provisions of Rule 15c2-12 in connection with the issuance of the Bonds, the parties hereto, in consideration of the mutual covenants herein contained and other good and lawful consideration, hereby agree, for the sole and exclusive benefit of the Holders, as follows:

**Section 1. Definitions; Rules of Construction.**

(i) Capitalized terms used but not defined herein shall have the respective meanings ascribed to them in the Resolution.

"Annual Information" shall mean the information specified in Section 3(A) hereof.

"Bonds" shall mean MTA's Transportation Revenue Refunding Green Bonds, Series 2025A (Climate Bond Certified).

"EMMA" shall mean the Electronic Municipal Market Access System of the MSRB.

"Financial Obligation" means "financial obligation" as such term is defined in Rule 15c2-12.

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States.

"Holder" shall mean any registered owner of Bonds, and, for purposes of Section 5 of this Agreement only, if registered in the name of DTC (or a nominee thereof) or in the name of any other entity (or a nominee thereof) that acts as a "clearing corporation" within the meaning of the New York Uniform Commercial Code and is a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended, any beneficial owner of Bonds.

"MTA" shall mean Metropolitan Transportation Authority, a public benefit corporation of the State of New York.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Official Statement" shall mean the Official Statement dated March 19, 2025, in connection with the Bonds.

"Related Transportation Entities" shall have the meaning set forth in the Resolution.

"Resolution" shall mean the General Resolution Authorizing Transportation Revenue Obligations of MTA, adopted by the members of MTA on March 26, 2002, as amended and supplemented to the date of issuance thereof, including by the Multiple Credit and Series 2025 Supplemental Resolution Authorizing Obligations, Obligation Anticipation Notes and Refunding Obligations adopted by the Board of the MTA on December 18, 2024.

"Rule 15c2-12" shall mean Rule 15c2-12 (as amended through the date of this Agreement) under the Securities Exchange Act of 1934, as amended, including any official interpretations thereof promulgated on or prior to the effective date hereof.

"State" shall mean the State of New York.

"Trustee" shall mean The Bank of New York Mellon or any successor trustee under the Resolution.

"Underwriters" shall mean the underwriter or underwriters that have contracted to purchase the Bonds from MTA upon initial issuance.

(ii) Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) Any reference herein to a particular Section or subsection without further reference to a particular document or provision of law or regulation is a reference to a Section or subsection of this Agreement.

(c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

**Section 2. Obligation to Provide Continuing Disclosure.**

A. *Obligations of MTA*

(i) MTA hereby undertakes, for the benefit of Holders, to provide or cause to be provided:

(a) to EMMA, no later than 120 days after the end of each fiscal year, commencing with the fiscal year ending December 31, 2024, Annual Information relating to such fiscal year;

(b) if not submitted as part of Annual Information, to EMMA, not later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2024, audited consolidated financial statements of the Transit Authority and audited consolidated financial statements of MTA for such fiscal year when and if they 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 of the Transit Authority or MTA for such fiscal year. In the event that the audited financial statements of the Transit Authority shall cease to be separately published, the obligation of the MTA hereunder to provide such financial statements shall cease; and

(c) to EMMA in a timely manner, not in excess of ten business days after the occurrence of each event, notices of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) 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;

(7) modifications to the rights of security holders, if material;

(8) bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the issuer as set forth in Rule 15c2-12;

(13) consummation of a merger, consolidation, or acquisition involving an obligated person or the 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;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an obligated person, any of which reflect financial difficulties.

(d) to EMMA, in a timely manner, notice of a failure to provide any Annual Information required by clause A(i)(a) of this Section 2 or any financial statements required by clause A(i)(b) of this Section 2.

(ii) MTA may satisfy its obligations hereunder by filing any notice, document or information with EMMA, to the extent permitted or required by the Securities and Exchange Commission (the "SEC").

(iii) MTA 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.

B. *Obligations of the Trustee*. The Trustee shall notify MTA upon the occurrence of any of the events listed in Section 2(A)(i)(c) promptly upon becoming aware of the occurrence of any such event. The Trustee shall not be deemed to have become aware of the occurrence of any such event unless an officer in its corporate trust department becomes aware of the occurrence of any such event.

C. *Additional Obligations*.

(i) Other information. Nothing herein shall be deemed to prevent MTA from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If MTA should disseminate any such additional information, MTA shall not have any obligation hereunder to update such information or to include it in any future materials disseminated hereunder.

(ii) Disclaimer. Each of MTA and the Trustee shall be obligated to perform only those duties expressly provided for such entity in this Agreement, and neither of the foregoing shall be under any obligation to the Holders or other parties hereto to perform, or monitor the performance of, any duties of such other parties.

**Section 3. Annual Information.**

A. *Annual Information*.

The required Annual Information shall consist of at least the following:

1. a description of the systems operated by the Related Transportation Entities and their operations,

2. a description of changes to the fares or fare structures charged to users of the systems operated by the Related Transportation Entities,

3. operating data of the Related Transportation Entities, including data of the type included in MTA Annual Disclosure Statement (the "ADS"), filed with EMMA on April 29, 2024, as supplemented and updated, under the following captions:

a. "TRANSIT SYSTEM,"

b. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – MTA New York City Transit and MaBSTOA,"

c. "COMMUTER SYSTEM,"

d. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – Commuter System,"

e. "MTA BUS COMPANY," and

f. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – MTA Bus,"

4. information regarding the capital programs of the Related Transportation Entities, including information of the type included in the ADS under the caption "FINANCIAL PLANS AND CAPITAL PROGRAMS,"

5. a presentation of the financial results of the Related Transportation Entities prepared in accordance with GAAP for the most recent year for which that information is then currently available (currently, the Transit Authority prepares consolidated financial statements and MTA prepares combined financial statements),

6. a presentation of changes to indebtedness issued by MTA under the Resolution, as well as information concerning changes to MTA's debt service requirements on such indebtedness payable from pledged revenues,

7. information concerning the amounts, sources, material changes in and material factors affecting pledged revenues and debt service incurred under the Resolution,

8. financial information of the type included in the Official Statement, in Tables 2a and 2b under the caption "SOURCES OF PAYMENT—Gross Lien on TRB Pledged Revenues" and included in the ADS under the caption "REVENUES OF THE RELATED ENTITIES,"

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

10. 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, the Related Entities.

B. *Incorporation by Reference*

All or any portion of Annual Information may be incorporated therein by cross reference to any other documents which have been filed with (i) EMMA or (ii) the SEC.

C. *General Categories of Information Provided*

The requirements contained in this Agreement under Section 3 are intended to set forth a general description of the type of financial information and operating data to be provided; such descriptions are not intended to state more than general categories of financial information and operating data; and where the provisions of Section 3 call 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 shall be provided.

**Section 4. Financial Statements.**

MTA's and the Transit Authority's annual financial statements for each fiscal year shall be prepared in accordance with GAAP as in effect from time to time. Such financial statements shall be audited by an independent accounting firm.

All or any portion of MTA's and the Transit Authority's audited or unaudited financial statements may be incorporated therein by specific cross-reference to any other documents which have been filed with (i) EMMA or (ii) the SEC.

**Section 5. Remedies.**

If any party hereto shall fail to comply with any provision of this Agreement, then the Trustee or any Holder 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, this Agreement 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 under this Agreement; provided that the sole and exclusive remedy for breach of this Agreement shall be an action to compel specific performance of this Agreement of such party hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and, provided further, that any challenge to the adequacy of any information provided pursuant to Section 2 shall be brought only by the Trustee or the Holders of 25% in aggregate principal amount of the Bonds at the time outstanding which are affected thereby. MTA and the Trustee each reserves the right, but shall not be obligated, to enforce the obligations of the others. Failure to comply with any provision of this Agreement shall not constitute a default under the Resolution nor give right to the Trustee or any Holder to exercise any of the remedies under the Resolution, except as otherwise set forth herein.

**Section 6. Parties in Interest.**

This Agreement is executed and delivered solely for the benefit of the Holders which, for the purposes of Section 5, includes those beneficial owners of Bonds specified in the definition of Holder set forth in Section 1. For the purposes of such Section 5, such beneficial owners of Bonds shall be third-party beneficiaries of this Agreement. No person other than those described in Section 5 shall have any right to enforce the provisions hereof or any other rights hereunder.

**Section 7. Amendments.**

Without the consent of any Holders (except to the extent expressly provided below), MTA and the Trustee at any time and from time to time may enter into any amendments or changes to this Agreement for any of the following purposes:

(i) to comply with or conform to Rule 15c2-12 or any amendments thereto or authoritative interpretations thereof by the SEC or its staff (whether required or optional) which are applicable to the Agreement;

(ii) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(iii) to evidence the succession of another person to MTA and the assumption by any such successor of the covenants of MTA hereunder;

(iv) to add to the covenants of MTA for the benefit of the Holders, or to surrender any right or power herein conferred upon MTA; or

(v) for any other purpose as a result of a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of MTA, or type of business conducted; provided that (1) the Agreement, as amended, would have complied with the requirements of Rule 15c2-12 at the time of the offering of the Bonds, after taking into account any amendments or authoritative interpretations of Rule 15c2-12, as well as any change in circumstances, (2) the amendment or change either (a) does not materially impair the interests of Holders, as determined by Bond Counsel or (b) is approved by the vote or consent of Holders of a majority in outstanding principal amount of the Bonds affected thereby at or prior to the time of such amendment or change and (3) the Trustee receives an opinion of Bond Counsel that such amendment is authorized or permitted by this Agreement.

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 Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such Annual 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 reasonably feasible such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent to EMMA.

**Section 8. Termination.**

This Agreement shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Bonds shall have been paid in full or legally defeased pursuant to the Resolution (a "Legal Defeasance"); *provided, however,* that if Rule 15c2-12 (or successor provision) shall be amended, modified or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder; and *provided, further,* that if and to the extent Rule 15c2-12 (or successor provision), or any provision thereof, shall be declared by a court of competent and final jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void, or otherwise inapplicable to the Bonds, then the information required to be provided hereunder, insofar as it was required to be provided by a provision of Rule 15c2-12 so declared, shall no longer be required to be provided hereunder. Upon any Legal Defeasance, MTA shall provide notice of such defeasance to EMMA. Such notice shall state whether the Bonds have been defeased to maturity or to redemption and the timing of such maturity or redemption. Upon any other termination pursuant to this Section 8, MTA shall provide notice of such termination to EMMA.

**Section 9. The Trustee.**

(i) Except as otherwise set forth herein, this Agreement shall not create any obligation or duty on the part of the Trustee and the Trustee shall not be subject to any liability hereunder for acting or failing to act as the case may be.

(ii) MTA shall indemnify and hold harmless the Trustee in connection with this Agreement, to the same extent provided in the Resolution for matters arising thereunder.

**Section 10. Governing Law.**

This Agreement shall be governed by the laws of the State determined without regard to principles of conflict of law.

**Section 11. Counterparts.**

This Agreement may be executed in one or more counterparts, each of which shall be an original, but which together shall constitute one and the same Agreement.

[Signature Page to the Continuing Disclosure Agreement follows]

IN WITNESS WHEREOF, the undersigned have duly authorized, executed and delivered this Agreement as of the date first above written.

**METROPOLITAN TRANSPORTATION AUTHORITY**

By:_____
Name:
Title:

**THE BANK OF NEW YORK MELLON**, as Trustee

By:_____
Name:
Title:

[Signature Page of the Continuing Disclosure Agreement]

## ATTACHMENT 3

## FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

**Upon delivery of the Series 2025A Bonds in definitive form, Nixon Peabody LLP, New York, New York and D. Seaton and Associates, P.A., P.C., New York, New York, Co-Bond Counsel to MTA, propose to render its final approving opinion in substantially the following form:**

[Date of Delivery]

Metropolitan Transportation Authority
New York, New York

Ladies and Gentlemen:

We have examined a certified record of proceedings of the Metropolitan Transportation Authority ("MTA") and other proofs submitted to us relative to the issuance of $847,785,000 aggregate principal amount of Metropolitan Transportation Authority Transportation Revenue Refunding Green Bonds, Series 2025A (Climate Bond Certified) (the "Series 2025A Bonds").

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

The Series 2025A Bonds are issued under and pursuant to the Constitution and statutes of the State of New York (the "State"), including the Metropolitan Transportation Authority Act, being Title 11 of Article 5 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 MTA duly taken, including a resolution adopted by the members of MTA on March 26, 2002 entitled "General Resolution Authorizing Transportation Revenue Obligations" (the "General Resolution"), as supplemented by a resolution of said members adopted on December 18, 2024 (the "Supplemental Resolution" and, collectively with the General Resolution, the "Resolution").

The Series 2025A Bonds are dated, mature and are payable and bear interest all as provided in the Resolution.

The Internal Revenue Code (the "Code") establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2025A Bonds in order that interest on the Series 2025A 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 MTA, dated the date hereof (the "Arbitrage and Use of Proceeds Certificate"), in which MTA 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 2025A Bonds, including, but not limited to, certain representations with respect to the use of the proceeds of the Series 2025A Bonds and the investment of certain funds. We have not independently verified the accuracy of those representations, statements and certifications. The Arbitrage and Use of Proceeds Certificate obligates MTA to take certain actions necessary to cause interest on the Series 2025A 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 2025A 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. MTA has covenanted in the Resolution to maintain the exclusion of the interest on the Series 2025A Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In rendering the opinion in paragraph 6 hereof, we have relied upon and assumed the accuracy of the representations, statements of intention and reasonable expectation and certifications contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the exclusion of interest on the Series 2025A Bonds from gross income for federal income tax purposes under Section 103 of the Code and

compliance by MTA with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

We have also examined one of said Series 2025A Bonds as executed and, in our opinion, the form of said Series 2025A Bonds and its execution are regular and proper.

We are of the opinion that:

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

2. MTA has the right and power under the Issuer Act to adopt the Resolution. The Resolution has been duly and lawfully adopted by MTA, is in full force and effect, is valid and binding upon MTA, 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 2025A 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 special obligations of MTA, 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. MTA has no taxing power and the Series 2025A Bonds are not a debt of the State or of any other political subdivision thereof. MTA 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 2025A Bonds.

4. MTA, the holders of the Series 2025A Bonds, or the holders of any evidence of indebtedness of MTA do not and will not have a pledge of or lien on (i) the dedicated mass transportation trust fund established by Section 89-c of the State Finance Law, (ii) the metropolitan transportation authority financial assistance fund established by Section 92-ff of the State Finance Law, (iii) the metropolitan mass transportation operating assistance account established in the mass transportation operating assistance fund pursuant to Section 88-a of the State Finance Law, or (iv) the taxes or moneys deposited therein.

5. The Series 2025A 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.

6. Under existing statutes and court decisions, interest on the Series 2025A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code and is not a specific preference item in calculating the federal individual alternative minimum tax imposed under the Code. Interest on the Series 2025A Bonds that is included in the "adjusted financial statement income" of certain corporations is not excluded from the federal corporate alternative minimum tax.

7. Under existing law, interest on the Series 2025A Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

The opinions expressed in paragraphs 2 and 3 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 6 and 7, 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 2025A 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 2025A 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 2025A 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 2025A 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,

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## ATTACHMENT 4

## BONDS TO BE REFUNDED

The following table provides information regarding the outstanding MTA Transportation Revenue Bonds to be refunded with proceeds of the Series 2025A Bonds and certain other funds of MTA (collectively, the Refunded Bonds). The redemption of the Refunded Bonds is contingent upon the delivery of the Series 2025A Bonds.

| Series | Dated Date | Maturity (November 15) | Interest Rate | Refunded Amount | Remaining Amount | Redemption Date | Redemption Price | CUSIP* |
|---|---|---|---|---|---|---|---|---|
| 2010E† | 12/29/2010 | 2040 | 6.814% | $201,355,000 | $350,995,000 | 4/28/2025 | 108.261% | 59259YGF0 |
| 2012A-2 | 6/3/2019 | 2041 | Variable | 50,000,000 | - | 3/27/2025 | 100.000 | 59261AZD2 |
| 2014C | 6/26/2014 | 2034 | 4.000 | 23,855,000 | - | 5/15/2025 | 100.000 | 59259Y2E8 |
| 2015A-1 | 1/22/2015 | 2025 | 5.000 | 18,870,000 | - | 5/15/2025 | 100.000 | 59259Y4F3 |
| 2015A-1 | 1/22/2015 | 2026 | 5.000 | 5,515,000 | - | 5/15/2025 | 100.000 | 59259Y3K3 |
| 2015A-1 | 1/22/2015 | 2027 | 5.000 | 8,600,000 | - | 5/15/2025 | 100.000 | 59259Y3L1 |
| 2015A-1 | 1/22/2015 | 2028 | 5.000 | 495,000 | - | 5/15/2025 | 100.000 | 59259Y3M9 |
| 2015A-1 | 1/22/2015 | 2029 | 5.000 | 7,260,000 | - | 5/15/2025 | 100.000 | 59259Y3R8 |
| 2015A-1 | 1/22/2015 | 2030 | 5.000 | 5,500,000 | - | 5/15/2025 | 100.000 | 59259Y3S6 |
| 2015A-1 | 1/22/2015 | 2031 | 5.000 | 435,000 | - | 5/15/2025 | 100.000 | 59259Y3T4 |
| 2015A-1 | 1/22/2015 | 2032 | 5.000 | 750,000 | - | 5/15/2025 | 100.000 | 59259Y3U1 |
| 2015A-1 | 1/22/2015 | 2033 | 5.000 | 8,370,000 | - | 5/15/2025 | 100.000 | 59259Y3V9 |
| 2015A-1 | 1/22/2015 | 2034 | 5.000 | 9,690,000 | - | 5/15/2025 | 100.000 | 59259Y3W7 |
| 2015A-1 | 1/22/2015 | 2035 | 5.000 | 9,625,000 | - | 5/15/2025 | 100.000 | 59259Y3N7 |
| 2015A-1 | 1/22/2015 | 2036 | 5.000 | 20,770,000 | - | 5/15/2025 | 100.000 | 59259Y4G1 |
| 2015A-1 | 1/22/2015 | 2037 | 5.000 | 25,550,000 | - | 5/15/2025 | 100.000 | 59259Y4H9 |
| 2015A-1† | 1/22/2015 | 2040 | 5.000 | 95,505,000 | - | 5/15/2025 | 100.000 | 59259Y3P2 |
| 2015A-1† | 1/22/2015 | 2045 | 5.000 | 219,895,000 | - | 5/15/2025 | 100.000 | 59259Y3Q0 |
| 2015B | 3/19/2015 | 2025 | 5.000 | 3,730,000 | - | 5/15/2025 | 100.000 | 59259Y4V8 |
| 2015B | 3/19/2015 | 2029 | 5.000 | 4,445,000 | - | 5/15/2025 | 100.000 | 59259Y4Z9 |
| 2015B | 3/19/2015 | 2031 | 5.000 | 4,820,000 | - | 5/15/2025 | 100.000 | 59259Y5B1 |
| 2015B | 3/19/2015 | 2032 | 5.000 | 5,065,000 | - | 5/15/2025 | 100.000 | 59259Y5C9 |
| 2015B | 3/19/2015 | 2033 | 5.000 | 5,315,000 | - | 5/15/2025 | 100.000 | 59259Y5D7 |
| 2015B | 3/19/2015 | 2035 | 5.000 | 5,775,000 | - | 5/15/2025 | 100.000 | 59259Y5F2 |
| 2015B† | 3/19/2015 | 2040 | 5.000 | 33,510,000 | - | 5/15/2025 | 100.000 | 59259Y5G0 |
| 2015B† | 3/19/2015 | 2055 | 5.250 | 119,845,000 | - | 5/15/2025 | 100.000 | 59259Y5J4 |

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA 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.

† Refunded Bonds will be credited against the mandatory sinking fund payments shown on the following page.

Refunded Bonds will be credited against the following mandatory sinking fund payments:

**$201,355,000 Series 2010E Term Bond Due November 15, 2040**

**CUSIP Number*: 59259Y GF0**

| November 15 | Refunded Amount |
|---|---|
| 2031 | $45,115,000 |
| 2032 | 47,110,000 |
| 2033 | 24,250,000 |
| 2034 | 25,870,000 |
| 2035 | 27,600,000 |
| 2037 | 31,410,000 |

**$33,510,000 Series 2015B Term Bond Due November 15, 2040**

**CUSIP Number*: 59259Y 5G0**

| November 15 | Refunded Amount |
|---|---|
| 2036 | $6,065,000 |
| 2037 | 6,370,000 |
| 2038 | 6,685,000 |
| 2039 | 7,020,000 |
| 2040 | 7,370,000 |

**$95,505,000 Subseries 2015A-1 Term Bond Due November 15, 2040**

**CUSIP Number*: 59259Y 3P2**

| November 15 | Refunded Amount |
|---|---|
| 2038 | $26,775,000 |
| 2039 | 28,050,000 |
| 2040 | 40,680,000 |

**$219,895,000 Subseries 2015A-1 Term Bond Due November 15, 2045**

**CUSIP Number*: 59259Y 3Q0**

| November 15 | Refunded Amount |
|---|---|
| 2041 | $39,800,000 |
| 2042 | 41,785,000 |
| 2043 | 43,875,000 |
| 2044 | 46,070,000 |
| 2045 | 48,365,000 |

**$119,845,000 Series 2015B Term Bond November 15, 2055**

**CUSIP Number*: 59259Y 5J4**

| November 15 | Refunded Amount |
|---|---|
| 2046 | $9,420,000 |
| 2047 | 9,910,000 |
| 2048 | 10,435,000 |
| 2049 | 10,980,000 |
| 2050 | 11,555,000 |
| 2051 | 12,165,000 |
| 2052 | 12,800,000 |
| 2053 | 13,475,000 |
| 2054 | 14,180,000 |
| 2055 | 14,925,000 |

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA 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 5**

**MTA ANNUAL DISCLOSURE STATEMENT UPDATE RELATING TO THE FEBRUARY FINANCIAL PLAN, DATED MARCH 5, 2025**

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**MTA ANNUAL DISCLOSURE STATEMENT UPDATE**
**RELATING TO THE 2025 FEBRUARY FINANCIAL PLAN**
**March 5, 2025**

## Introduction

This Metropolitan Transportation Authority ("MTA") Annual Disclosure Statement Update (including Attachment A hereto, the "February Plan Update"), dated March 5, 2025, is the February Plan Update to the Annual Disclosure Statement (the "ADS") of MTA, dated April 29, 2024, as supplemented on July 3, 2024, July 10, 2024, August 7, 2024, and December 3, 2024. This February Plan Update contains information only through March 5, 2025, and should be read in its entirety, together with the ADS as so previously supplemented. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ADS.

MTA expects to file this February Plan Update with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access ("EMMA") system and may incorporate the information contained herein by specific cross-reference into other documents. Such information, together with the complete February Plan, is also posted on the MTA website: https://new.mta.info/transparency/financial-information/financial-and-budget-statements. All of the information in this February Plan Update is accurate as of its date. MTA retains the right to update and supplement specific information contained herein as events warrant.

No statement on MTA's website or any other website is included by specific cross-reference herein.

The factors affecting MTA's financial condition are complex. This February Plan Update contains forecasts, projections, and estimates that are based on expectations and assumptions that existed at the time they were prepared and contains statements relating to future results and economic performance that are "forward-looking statements", as such term is defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "calculate," "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 future actual results. Forecasts, projections, calculations 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 involves 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. Such risks and uncertainties include, but are not limited to, general economic and business conditions; natural calamities; foreign hostilities or wars; domestic or foreign terrorism; changes in political, social, economic and environmental conditions including climate change and extreme weather events; severe epidemic or pandemic events; cybersecurity events; impediments to the regulations; litigation; actions or changes in policy by the federal government to reduce or disallow expected aid, including federal aid authorized or appropriated by Congress, but subject to sequestration,

administrative actions, or other actions that would reduce aid to MTA; and various other events, conditions and circumstances. Many of these risks and uncertainties are beyond the control of MTA. 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 change or events occur that change the conditions or circumstances on which such statements are based. Such forward-looking statements speak only as of the date of this February Plan Update.

In this February Plan Update, readers will find:

1. A summary of recent events and the 2025 MTA February Financial Plan presented to the Finance Committee of the MTA Board on February 24, 2025 (the "February Plan"). The complete February Plan is posted on MTA's website: https://new.mta.info/transparency/financial-information/financial-and-budget-statements. No statement on MTA's website or any other website is included by specific cross-reference herein. The February Plan includes projections for fiscal years 2025 through 2028, including the 2025 Adopted Budget (the "Adopted Budget") and reflects minor technical adjustments to the November Plan.
2. **Attachment A** to this February Plan Update, which presents the consolidated February Plan in tabular form and includes Financial Plan tables that summarize MTA's February Plan projected receipts and expenditures for fiscal years 2023 (actual), 2024 (final estimate), 2025 (adopted budget) and 2026 through 2028, in each case prepared by MTA management.

**The February Plan**

The purpose of the February Plan is to incorporate certain Board-approved MTA adjustments that were captured "below-the-line" and on a consolidated basis in the November Plan into Agencies' Financial Plan baseline budgets and forecasts. "Above-the-line" items are all items that are incorporated in the Related Entity and corporate-wide (such as subsidies and debt service) financials. Items are "below-the-line" for one or more of several reasons, such as: (i) they are a late adjustment and MTA cannot revise the aforementioned financials; (ii) they are proposed actions that require future Board approval (such as fare and toll increases); or (iii) they are actions which have yet to be allocated to each Related Entity. It also establishes a 12-month allocation of the Adopted Budget for financials, utilization, and positions, which will be compared with actual results. Variances will be analyzed and reported monthly to Board Committees. The February Plan, unlike the July and November Plans, typically does not include new proposals or programs. The detailed explanation of the programs and assumptions supporting the February Plan can be found in the November Plan.

MTA's financial situation, as reflected in the February Plan, is unchanged from the November Plan, which was adopted by the MTA Board in December 2024. Minor technical adjustments with no material financial impact have been incorporated into the February Plan.

The February Plan continues to present a balanced budget annually through 2026.

**Central Business District Tolling Program ("CBDTP") Update**

On November 14, 2024, following a pause in implementation of the CBDTP, Governor Hochul announced a proposal to proceed with the CBDTP, but with the toll structure and rates that had been adopted by the MTA Bridges and Tunnels Board on March 27, 2024 being phased-in gradually over several years with proportionally lower toll rates for all vehicle classes in the first six-years of the program.

In response, the MTA Bridges and Tunnels Board, at its November 18, 2024 meeting, adopted the phase-in approach to the toll rate schedule that it had approved on March 27, 2024. On November 21, 2024, the Federal Highway Administration ("FHWA") approved Re-evaluation 2 (as defined below) and conferred tolling authority through an agreement pursuant to its Value Pricing Pilot Program.

The CBDTP went into effect and tolling commenced on January 5, 2025.

*Subsequent Developments*.

In a letter dated February 19, 2025, US Secretary of Transportation Duffy notified Governor Hochul that, among other things, he had concluded that CBDTP is not an eligible project under the Value Pricing Pilot Program, and on February 20, 2025, the Executive Director of the FHWA notified MTA Bridges and Tunnels that toll collection must cease effective March 21, 2025. On February 19, 2025, MTA and MTA Bridges and Tunnels filed a complaint in the District Court for the Southern District of New York against Sean Duffy, as Secretary of the United States Department of Transportation, Gloria Shepherd, as Executive Director of the FHWA, the United States Department of Transportation, and the FHWA ("*MTA v. Duffy*") seeking a declaratory judgment that Secretary Duffy's purported termination of the November 21, 2024 VPPP agreement is null and void. MTA Bridges and Tunnels plans to keep collecting tolls unless a court orders MTA Bridges and Tunnels to cease collecting tolls.

*Litigation Relating to CBDTP.*

MTA and MTA Bridges and Tunnels are defendants in nine federal litigations and one state litigation challenging CBDTP. Several of the cases challenge the Environmental Assessment ("EA") conducted under the National Environmental Policy Act ("NEPA") and the Finding of No Significant Impact ("FONSI") issued by FHWA thereunder and allege that a supplemental EA or Environmental Impact Statement ("EIS") is required for CBDTP.

On December 21, 2025, in *New Jersey v. U.S. Dep't of Transp., et al*., the court (District of New Jersey) issued a decision generally upholding the EA and FONSI and rejecting most of New Jersey's challenges, but ordering FHWA to address discrete issues on remand. On December 31, 2024, New Jersey moved for a preliminary injunction enjoining the commencement of the CBDTP, which motion was denied on January 3, 2025. New Jersey appealed that order and moved for a stay pending appeal in the district court, which motion was denied on January 3, 2025; a similar motion was made to and denied by Third Circuit Court of Appeals on January 4, 2025. On January 17, 2025, FHWA filed a supplemental memorandum addressing the issues on which the

Court remanded, and on February 7, 2025, New Jersey provided a memorandum in response to the remand. MTA and MTA Bridges and Tunnels intend to provide a memorandum of law in support of FWHA's remand and in opposition to New Jersey's supplemental memorandum; however, the federal defendants moved on February 25, 2025 to stay the case pending a final judgment in *MTA v. Duffy*, which may result in MTA and MTA Bridges and Tunnels being directed not to file that memorandum of law. A case brought by the Mayor of Fort Lee (*Sokolich, et al. v. USDOT, et al*.) is stayed pending the determination of the motions for summary judgment in the New Jersey action.

On June 20, 2024, in *Mulgrew, et al. v. U.S. Dep't of Transp., et al., New Yorkers Against Congestion Pricing Tax, et al. v. U.S. Dep't of Transp., et al.,* and *Chan, et al. v. U.S. Dep't of Transp., et al.,* the court (Southern District of New York) granted summary judgment to the federal defendants, MTA, and MTA Bridges and Tunnels, and dismissed on the merits the challenge to the EA and FONSI. Recently, the plaintiffs in *Mulgrew* and *Chan* challenged the adequacy of the reevaluation that had been issued in June 2024 ("Re-evaluation 1") for the tolling structure that had been adopted by the board in March 2024, and the reevaluation issued in November 2024 ("Re-evaluation 2") for the phase-in approach adopted by the board that month. MTA and MTA Bridges and Tunnels, along with the FHWA, moved for summary judgment dismissing these claims, and that motion is *sub judice*.

The plaintiffs in the various litigations have raised numerous other claims including, but not limited to, federal and state constitutional claims, including claims under the dormant commerce clause and right-to-travel provisions of the U.S. Constitution and the New York State so-called Green Amendment, as well as claims under the State Administrative Procedure Act ("SAPA"). The SAPA claim raised in *New Yorkers Against Congestion Pricing Tax et al. v. U.S. Dep't of Transp. et al.,* was dismissed without prejudice as unripe, but is being reinstated. There are also various statutory claims raised in some of the other cases including, but not limited to, the Clean Air Act and the Federal Aviation Administration Authorization Act.

The County of Rockland and the County of Orange, have sued the MTA and MTA Bridges and Tunnels (*County of Rockland, et al. v. Triborough Bridge and Tunnel Authority, et al.* and *Neuhaus, et al. v. Triborough Bridge and Tunnel Authority, et al.*), which is before a different judge in the Southern District of New York. These cases raise federal constitutional claims (the right to travel, equal protection and due process, and excessive fines) and a claim of unauthorized tax under the State constitution. The plaintiffs in both matters moved for a preliminary injunction enjoining the commencement of the CBDTP on December 6, 2024, which motions were denied by a bench ruling and order issued on December 23, 2024. Rockland County appealed from that order and moved in the district court for a stay pending appeal; that motion was denied on January 14, 2025. Rockland County moved for the same relief in the Second Circuit Court of Appeals, which was denied on January 28, 2025. MTA and MTA Bridges and Tunnels have moved to dismiss both actions, which motion is *sub judice*.

A federal case filed by the Town of Hempstead in the Eastern District of New York is stayed pending the determination of the motions to dismiss actions brought by Rockland County and Orange County.

In addition, a lawsuit against Governor Hochul, the Triborough Bridge and Tunnel Authority and MTA challenging the SAPA process was commenced by the Town of Hempstead in state court (Nassau County Supreme Court), removed to federal court, and then remanded back to state court. MTA and MTA Bridges and Tunnels, along with Governor Hochul, moved to dismiss the claims and to change venue from Nassau County to New York County. On January 30, 2025, the court granted the motion to change venue to New York County.

Additionally, two lawsuits were filed in state court against Governor Hochul and the New York State Department of Transportation, with MTA and MTA Bridges and Tunnels named solely in their capacity as necessary parties to these actions, challenging the State's pause to the CBDTP. In those two cases, *City Club of New York et al. v. Hochul et al.* and *Riders Alliance et al. v. Hochul et al.*, petitioners argued that the pause was unlawful and requested that the court undo it. Now that the pause has been lifted, those cases were discontinued on January 14, 2025

**MTA Liquidity Resources**

As of March 3, 2025, MTA had liquidity resources in the approximate amount of $7.75 billion, consisting of an operating funds liquidity balance of $1.26 billion, internal available funds and reserves totaling $5.19 billion, and undrawn commercial bank lines of credit totaling $1.3 billion.

**Governance**

Cathy Rinaldi, President of MTA Metro-North Railroad, is scheduled to retire effective March 31, 2025, and Metro-North Executive Vice President and Chief Operating Officer, Justin Vonashek, is slated to take over as President.

**Risks Related to Federal Executive and Legislative and Governmental Actions**

Following the federal elections in November 2024, a new presidential administration and Congress took office in January 2025. MTA and MTA Bridges and Tunnels cannot predict what regulatory changes will be implemented or what laws may be enacted by the new administration or Congress; however, Congress is expected to introduce legislation on tax policy (which could include elimination of tax exemption for municipal bonds) and transportation funding in 2025. It is possible that such regulatory or legislative actions, or the uncertainty stemming from potential regulatory or legislative actions, could have an adverse impact on MTA and MTA Bridges and Tunnels.

MTA's finances, including funding for capital programs, are influenced by federal transportation provisions, funding levels, and federal tax law. Federal policies on transportation, taxation, and other topics may shift dramatically and such shifts could result in reductions of the level of federal funding received by MTA and its Related Entities, the City, and the State, or restrictions on the use of such funding. Changes to policies and procedures for receiving federal funding may also impact the receipt of funding by MTA and its Related Entities.

**Attachment A to MTA Annual Disclosure Statement**
**February Plan Update**
**March 5, 2025**

## MTA February Financial Plan

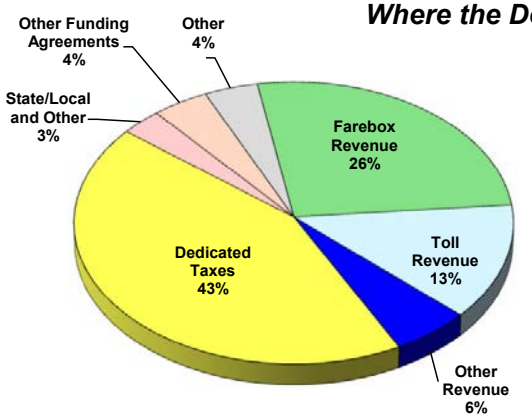
This **Attachment A** to the February Plan Update sets forth the consolidated February Plan in tabular form and includes Financial Plan tables that summarize MTA's February Plan projected receipts and disbursements for fiscal years 2023 (actual), 2024 (final estimate), 2025 (adopted budget) and 2026 through 2028, in each case prepared by MTA management. The complete February Plan is posted on MTA's website: https://new.mta.info/transparency/financial-information/financial-and-budget-statements. No statement on MTA's website or any other website is included by specific cross-reference herein.

# MTA 2025 Adopted Budget

## Baseline Revenues and Expenses After Below-the-Line (BTL) Adjustments

### Non-Reimbursable

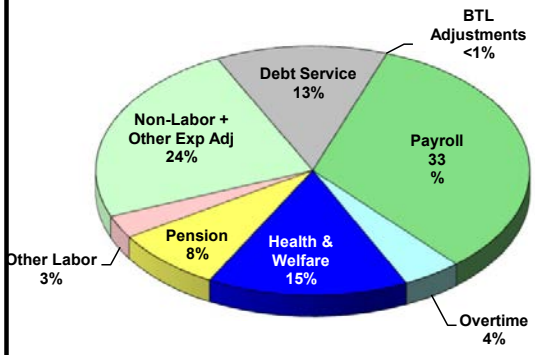
## *Where the Dollars Come From …*




| By Revenue Source ($ in millions) | |
|---|---|
| Farebox Revenue | $5,239 |
| Toll Revenue | 2,628 |
| Other Revenue | 1,106 |
| Dedicated Taxes | 8,617 |
| State/Local and Other | 618 |
| Other Funding Agreements | 855 |
| Other [1] | 814 |
| **Total [2]** | **$19,876** |

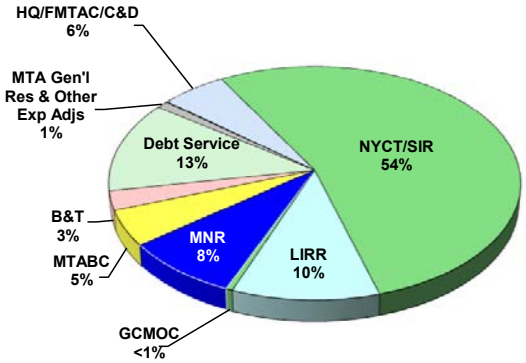
## *Where the Dollars Go …*

### By Expense Category




| By Expense Category [3] includes below-the-line adjustments ($ in millions) | |
|---|---|
| Payroll | $6,485 |
| Overtime | 866 |
| Health & Welfare | 2,945 |
| Pension | 1,598 |
| Other Labor | 590 |
| *Total Labor* | *$12,483* |
| Non-Labor + Other Exp Adj | 4,872 |
| Debt Service | 2,522 |
| **Total [2]** | **$19,876** |

### By MTA Agency




| By MTA Agency [3] includes below-the-line adjustments ($ in millions) | |
|---|---|
| NYCT/SIR | $10,686 |
| LIRR | 2,074 |
| GCMOC | 95 |
| MNR | 1,645 |
| MTABC | 977 |
| HQ/FMTAC/C&D | 1,133 |
| B&T | 522 |
| Debt Service | 2,522 |
| MTA Gen'l Res & Other Exp Adjs | 223 |
| **Total [2]** | **$19,876** |

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

1 *Includes cash adjustments and prior-year carryover.*

2 *Totals may not add due to rounding.*

3 *Expenses exclude Non-Cash Liabilities.*

# METROPOLITAN TRANSPORTATION AUTHORITY
## February Financial Plan 2025 - 2028
### MTA Consolidated Accrued Statement of Operations By Category
($ in millions)

| | Actual 2023 | Final Estimate 2024 | Adopted Budget 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|
| **Non-Reimbursable** | | | | | | |
| **Operating Revenues** | | | | | | |
| Farebox Revenue | $4,658 | $4,966 | $5,157 | $5,282 | $5,364 | $5,428 |
| Toll Revenue | 2,419 | 2,576 | 2,583 | 2,611 | 2,637 | 2,654 |
| Other Revenue | 881 | 3,314 | 966 | 1,034 | 1,078 | 1,124 |
| Capital and Other Reimbursements | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total Revenues** | **$7,958** | **$10,856** | **$8,706** | **$8,926** | **$9,078** | **$9,206** |
| **Operating Expenses** | | | | | | |
| ***Labor:*** | | | | | | |
| Payroll | $5,820 | $6,071 | $6,485 | $6,625 | $6,773 | $6,926 |
| Overtime | 1,152 | 1,105 | 866 | 882 | 905 | 919 |
| Health and Welfare | 1,581 | 1,791 | 2,000 | 2,146 | 2,298 | 2,466 |
| OPEB Current Payments | 827 | 880 | 945 | 1,022 | 1,105 | 1,195 |
| Pension | 1,363 | 1,449 | 1,598 | 1,685 | 1,754 | 1,795 |
| Other Fringe Benefits | 1,059 | 1,096 | 1,118 | 1,168 | 1,235 | 1,291 |
| Reimbursable Overhead | (474) | (520) | (528) | (525) | (510) | (520) |
| ***Total Labor Expenses*** | ***$11,328*** | ***$11,872*** | ***$12,483*** | ***$13,003*** | ***$13,559*** | ***$14,072*** |
| ***Non-Labor:*** | | | | | | |
| Electric Power | $510 | $544 | $583 | $623 | $634 | $657 |
| Fuel | 226 | 212 | 211 | 219 | 217 | 220 |
| Insurance | 32 | 11 | 19 | 16 | 20 | 31 |
| Claims | 394 | 404 | 421 | 434 | 448 | 462 |
| Paratransit Service Contracts | 517 | 614 | 615 | 648 | 681 | 727 |
| Maintenance and Other Operating Contracts | 908 | 1,099 | 1,025 | 977 | 997 | 1,039 |
| Professional Services Contracts | 631 | 756 | 784 | 783 | 805 | 754 |
| Materials and Supplies | 641 | 642 | 675 | 735 | 841 | 896 |
| Other Business Expenses | 314 | 324 | 325 | 330 | 338 | 364 |
| ***Total Non-Labor Expenses*** | ***$4,174*** | ***$4,608*** | ***$4,659*** | ***$4,765*** | ***$4,981*** | ***$5,152*** |
| ***Other Expense Adjustments:*** | | | | | | |
| Other | ($16) | $19 | $13 | $13 | $14 | $14 |
| General Reserve | 185 | 195 | 200 | 205 | 220 | 225 |
| ***Total Other Expense Adjustments*** | ***$169*** | ***$214*** | ***$213*** | ***$218*** | ***$234*** | ***$239*** |
| **Total Expenses Before Non-Cash Liability Adjs.** | **$15,671** | **$16,694** | **$17,355** | **$17,986** | **$18,774** | **$19,463** |
| Depreciation | $3,549 | $3,664 | $3,642 | $3,647 | $3,699 | $3,760 |
| GASB 49 Environmental Remediation | 51 | 6 | 6 | 6 | 6 | 6 |
| GASB 68 Pension Expense Adjustment | 170 | (260) | (220) | (272) | (202) | (427) |
| GASB 75 OPEB Expense Adjustment | 591 | 768 | 779 | 796 | 807 | 819 |
| GASB 87 Lease Adjustment | 20 | 14 | 12 | 12 | 12 | 12 |
| GASB 96 SBITA Adjustment | (2) | (3) | (3) | (3) | (3) | (3) |
| ***Total Non-Cash Liability Adjustments*** | ***$4,378*** | ***$4,190*** | ***$4,217*** | ***$4,186*** | ***$4,320*** | ***$4,168*** |
| **Total Expenses After Non-Cash Liability Adjs.** | **$20,049** | **$20,884** | **$21,571** | **$22,171** | **$23,094** | **$23,630** |
| Conversion to Cash Basis: Non-Cash Liability Adjs. | ($4,378) | ($4,190) | ($4,217) | ($4,186) | ($4,320) | ($4,168) |
| Debt Service | 2,631 | 2,891 | 2,522 | 2,956 | 3,263 | 3,501 |
| **Total Expenses with Debt Service** | **$18,302** | **$19,585** | **$19,876** | **$20,942** | **$22,037** | **$22,963** |
| Dedicated Taxes & State and Local Subsidies | $8,887 | $9,831 | $10,096 | $11,093 | $11,524 | $11,843 |
| **Net Surplus/(Deficit) After Subsidies and Debt Service** | **($1,457)** | **$1,103** | **($1,074)** | **($923)** | **($1,435)** | **($1,914)** |
| Conversion to Cash Basis: GASB Account | $0 | $0 | $0 | $0 | $0 | $0 |
| Conversion to Cash Basis: All Other | 1,457 | (1,353) | 814 | 423 | 497 | 878 |
| **Cash Balance Before Prior-Year Carryover** | **$0** | **($250)** | **($260)** | **($500)** | **($938)** | **($1,035)** |
| Below the Line Adjustments | $0 | $250 | $260 | $500 | $559 | $616 |
| Prior Year Carryover Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| **Net Cash Balance** | **$0** | **$0** | **$0** | **$0** | **($379)** | **($419)** |

# METROPOLITAN TRANSPORTATION AUTHORITY
## February Financial Plan 2025 - 2028
### Plan Adjustments
($ in millions)

| | Actual 2023 | Final Estimate 2024 | Adopted Budget 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|
| **Cash Balance Before Prior-Year Carryover** | **$0** | **($250)** | **($260)** | **($500)** | **($938)** | **($1,035)** |
| **Fare and Toll Increases:** | | | | | | |
| *Fare/Toll Increase - August 2025 (4% Yield)* | | *0* | *126* | *302* | *307* | *311* |
| *Subsidy Impacts - Fare/Toll Increase, August 2025* | | *0* | *(6)* | *(12)* | *(8)* | *(9)* |
| *Fare/Toll Increase - March 2027 (4% Yield)* | | *0* | *0* | *0* | *273* | *324* |
| *Subsidy Impacts - Fare/Toll Increase, March 2027* | | *0* | *0* | *0* | *(13)* | *(10)* |
| **Subtotal:** | | **$0** | **$120** | **$291** | **$559** | **$616** |
| **Other:** | | | | | | |
| *FEMA COVID Reimbursement* | | *250* | *140* | *210* | *0* | *0* |
| **Subtotal:** | | **$250** | **$140** | **$210** | **$0** | **$0** |
| **TOTAL ADJUSTMENTS** | | **$250** | **$260** | **$500** | **$559** | **$616** |
| *Prior Year Carryover Balance* | | *0* | *0* | *0* | *0* | *0* |
| **Net Cash Surplus/(Deficit)** | **$0** | **$0** | **$0** | **$0** | **($379)** | **($419)** |

**METROPOLITAN TRANSPORTATION AUTHORITY**
**February Financial Plan 2025 - 2028**
**Accrued Statement of Operations by Agency**
($ in millions)

| | | Actual 2023 | Final Estimate 2024 | Adopted Budget 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|
| **Non-Reimbursable** | | | | | | | |
| **Total Revenues** | | | | | | | |
| New York City Transit | | $4,006 | $6,621 | $4,413 | $4,578 | $4,679 | $4,775 |
| Bridges and Tunnels | | 2,447 | 2,603 | 2,611 | 2,638 | 2,664 | 2,681 |
| Long Island Rail Road | | 604 | 700 | 715 | 720 | 722 | 726 |
| Grand Central Madison | | 0 | 0 | 0 | 0 | 1 | 2 |
| Metro-North Railroad | | 638 | 658 | 685 | 700 | 713 | 718 |
| MTA Headquarters | | 48 | 51 | 48 | 49 | 51 | 51 |
| MTA Bus Company | | 193 | 201 | 211 | 219 | 226 | 229 |
| Staten Island Railway | | 5 | 6 | 5 | 5 | 5 | 5 |
| First Mutual Transportation Assurance Company | | 16 | 17 | 17 | 17 | 18 | 18 |
| Construction and Development | | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total** | **$7,958** | **$10,856** | **$8,706** | **$8,926** | **$9,078** | **$9,206** |
| **Total Expenses before Non-Cash Liability Adjs.*** | | | | | | | |
| New York City Transit | | $9,664 | $10,216 | $10,604 | $11,034 | $11,493 | $11,951 |
| Bridges and Tunnels | | 483 | 502 | 522 | 534 | 548 | 563 |
| Long Island Rail Road | | 1,841 | 1,912 | 2,074 | 2,153 | 2,333 | 2,431 |
| Grand Central Madison | | 84 | 103 | 95 | 98 | 101 | 104 |
| Metro-North Railroad | | 1,523 | 1,581 | 1,645 | 1,702 | 1,778 | 1,851 |
| MTA Headquarters | | 1,009 | 1,165 | 1,159 | 1,168 | 1,185 | 1,198 |
| MTA Bus Company | | 872 | 958 | 977 | 1,015 | 1,041 | 1,060 |
| Staten Island Railway | | 59 | 84 | 83 | 81 | 81 | 80 |
| First Mutual Transportation Assurance Company | | (66) | (52) | (27) | (28) | (29) | (25) |
| Construction and Development | | 1 | 0 | 0 | 0 | 0 | 0 |
| Other | | 200 | 224 | 223 | 229 | 244 | 250 |
| | **Total** | **$15,671** | **$16,694** | **$17,355** | **$17,986** | **$18,774** | **$19,463** |
| **Depreciation** | | | | | | | |
| New York City Transit | | $2,174 | $2,177 | $2,192 | $2,209 | $2,227 | $2,245 |
| Bridges and Tunnels | | 212 | 226 | 220 | 225 | 229 | 233 |
| Long Island Rail Road | | 551 | 564 | 536 | 541 | 546 | 552 |
| Grand Central Madison | | 104 | 207 | 201 | 201 | 201 | 201 |
| Metro-North Railroad | | 345 | 330 | 334 | 345 | 371 | 404 |
| MTA Headquarters | | 87 | 80 | 80 | 46 | 46 | 46 |
| MTA Bus Company | | 53 | 62 | 62 | 62 | 62 | 62 |
| Staten Island Railway | | 22 | 17 | 18 | 18 | 18 | 18 |
| First Mutual Transportation Assurance Company | | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction and Development | | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total** | **$3,549** | **$3,664** | **$3,642** | **$3,647** | **$3,699** | **$3,760** |
| **GASB Adjustments** | | | | | | | |
| New York City Transit | | $528 | $173 | $178 | $188 | $193 | $198 |
| Bridges and Tunnels | | 3 | 4 | 0 | (5) | (6) | (8) |
| Long Island Rail Road | | 63 | 56 | 64 | 36 | 69 | (27) |
| Grand Central Madison | | 0 | 0 | 0 | 0 | 0 | 0 |
| Metro-North Railroad | | 101 | 111 | 129 | 119 | 144 | 80 |
| MTA Headquarters | | 81 | 50 | 66 | 52 | 59 | 33 |
| MTA Bus Company | | 47 | 125 | 130 | 142 | 153 | 127 |
| Staten Island Railway | | 7 | 7 | 7 | 8 | 9 | 5 |
| First Mutual Transportation Assurance Company | | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction and Development | | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Total** | **$830** | **$526** | **$574** | **$539** | **$621** | **$407** |
| **Net Surplus/(Deficit)** | | | | | | | |
| New York City Transit | | ($8,361) | ($5,945) | ($8,560) | ($8,853) | ($9,233) | ($9,618) |
| Bridges and Tunnels | | 1,749 | 1,871 | 1,868 | 1,884 | 1,893 | 1,893 |
| Long Island Rail Road | | (1,851) | (1,832) | (1,959) | (2,011) | (2,226) | (2,230) |
| Grand Central Madison | | (188) | (309) | (296) | (299) | (301) | (302) |
| Metro-North Railroad | | (1,331) | (1,364) | (1,422) | (1,466) | (1,580) | (1,616) |
| MTA Headquarters | | (1,128) | (1,244) | (1,258) | (1,217) | (1,240) | (1,226) |
| MTA Bus Company | | (780) | (945) | (958) | (1,000) | (1,031) | (1,020) |
| Staten Island Railway | | (82) | (103) | (101) | (101) | (102) | (97) |
| First Mutual Transportation Assurance Company | | 82 | 68 | 44 | 45 | 47 | 43 |
| Construction and Development | | (1) | 0 | 0 | 0 | 0 | 0 |
| Other | | (200) | (224) | (223) | (229) | (244) | (250) |
| | **Total** | **($12,091)** | **($10,027)** | **($12,865)** | **($13,246)** | **($14,016)** | **($14,424)** |

**Note: * Excludes Debt Service**

# METROPOLITAN TRANSPORTATION AUTHORITY
## February Financial Plan 2025 - 2028
### Cash Receipts and Expenditures
($ in millions)

| | Actual 2023 | Final Estimate 2024 | Adopted Budget 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|
| **Cash Receipts and Expenditures** | | | | | | |
| **Receipts** | | | | | | |
| Farebox Revenue | $4,640 | $4,955 | $5,147 | $5,271 | $5,353 | $5,417 |
| Other Revenue | 2,154 | 1,287 | 1,188 | 1,108 | 1,097 | 1,125 |
| Capital and Other Reimbursements | 1,876 | 2,770 | 2,540 | 2,535 | 2,523 | 2,499 |
| **Total Receipts** | **$8,671** | **$9,012** | **$8,875** | **$8,914** | **$8,973** | **$9,041** |
| **Expenditures** | | | | | | |
| ***Labor:*** | | | | | | |
| Payroll | $6,392 | $6,731 | $7,404 | $7,327 | $7,442 | $7,594 |
| Overtime | 1,381 | 1,362 | 1,075 | 1,091 | 1,107 | 1,127 |
| Health and Welfare | 1,601 | 1,904 | 2,071 | 2,219 | 2,372 | 2,542 |
| OPEB Current Payments | 814 | 858 | 922 | 998 | 1,079 | 1,168 |
| Pension | 2,062 | 1,434 | 1,134 | 1,732 | 1,846 | 1,889 |
| Other Fringe Benefits | 1,069 | 1,140 | 1,165 | 1,179 | 1,214 | 1,255 |
| Contribution to GASB Fund | 0 | 0 | 0 | 0 | 0 | 0 |
| Reimbursable Overhead | 0 | (1) | 0 | 0 | 0 | 0 |
| ***Total Labor Expenditures*** | ***$13,319*** | ***$13,428*** | ***$13,771*** | ***$14,546*** | ***$15,061*** | ***$15,576*** |
| ***Non-Labor:*** | | | | | | |
| Electric Power | $513 | $562 | $591 | $628 | $639 | $662 |
| Fuel | 229 | 211 | 210 | 217 | 215 | 219 |
| Insurance | 4 | 50 | 13 | 13 | 15 | 29 |
| Claims | 296 | 333 | 336 | 329 | 334 | 343 |
| Paratransit Service Contracts | 510 | 612 | 613 | 646 | 679 | 725 |
| Maintenance and Other Operating Contracts | 776 | 1,132 | 952 | 878 | 893 | 930 |
| Professional Services Contracts | 652 | 971 | 869 | 885 | 929 | 830 |
| Materials and Supplies | 759 | 776 | 811 | 848 | 945 | 995 |
| Other Business Expenses | 275 | 294 | 295 | 322 | 322 | 332 |
| ***Total Non-Labor Expenditures*** | ***$4,014*** | ***$4,942*** | ***$4,692*** | ***$4,766*** | ***$4,973*** | ***$5,067*** |
| ***Other Expenditure Adjustments:*** | | | | | | |
| Other | $171 | $150 | $147 | $115 | $110 | $100 |
| General Reserve | 185 | 195 | 200 | 205 | 220 | 225 |
| ***Total Other Expenditure Adjustments*** | ***$356*** | ***$345*** | ***$347*** | ***$320*** | ***$330*** | ***$325*** |
| **Total Expenditures** | **$17,689** | **$18,715** | **$18,810** | **$19,632** | **$20,364** | **$20,968** |
| **Net Cash Balance before Subsidies and Debt Service** | **($9,018)** | **($9,704)** | **($9,935)** | **($10,718)** | **($11,391)** | **($11,927)** |
| Dedicated Taxes & State and Local Subsidies | $10,961 | $11,706 | $11,431 | $12,333 | $12,821 | $13,401 |
| Debt Service | (1,943) | (2,252) | (1,757) | (2,115) | (2,368) | (2,510) |
| **Cash Balance Before Prior-Year Carryover** | **$0** | **($250)** | **($260)** | **($500)** | **($938)** | **($1,035)** |
| Adjustments | $0 | $250 | $260 | $500 | $559 | $616 |
| Prior-Year Carryover Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| **Net Cash Balance** | **$0** | **$0** | **$0** | **$0** | **($379)** | **($419)** |

# METROPOLITAN TRANSPORTATION AUTHORITY
## February Financial Plan 2025 - 2028
### Consolidated Cash Statement of Operations By Agency
($ in millions)

| | | Actual 2023 | Final Estimate 2024 | Adopted Budget 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|
| **Cash** | | | | | | | |
| **Total Receipts** | | | | | | | |
| New York City Transit | | $5,308 | $6,034 | $5,829 | $5,992 | $6,060 | $6,163 |
| Long Island Rail Road | | 1,415 | 1,191 | 1,116 | 1,129 | 1,139 | 1,148 |
| Grand Central Madison | | 0 | 0 | 0 | 0 | 1 | 2 |
| Metro-North Railroad | | 1,158 | 1,017 | 1,022 | 1,043 | 1,065 | 1,005 |
| MTA Headquarters | | 369 | 215 | 229 | 215 | 219 | 224 |
| Construction & Development | | 19 | 137 | 223 | 221 | 228 | 234 |
| First Mutual Transportation Assurance Company | | 16 | 17 | 17 | 17 | 18 | 18 |
| MTA Bus Company | | 329 | 370 | 425 | 284 | 234 | 237 |
| Staten Island Railway | | 58 | 31 | 13 | 13 | 10 | 10 |
| | **Total** | **$8,671** | **$9,012** | **$8,875** | **$8,914** | **$8,973** | **$9,041** |
| **Total Expenditures** | | | | | | | |
| New York City Transit | | $10,666 | $11,342 | $11,763 | $12,014 | $12,457 | $12,901 |
| Long Island Rail Road | | 2,424 | 2,434 | 2,234 | 2,563 | 2,745 | 2,852 |
| Grand Central Madison | | 64 | 129 | 95 | 98 | 101 | 104 |
| Metro-North Railroad | | 1,941 | 2,041 | 1,942 | 2,102 | 2,156 | 2,161 |
| MTA Headquarters | | 1,306 | 1,402 | 1,276 | 1,314 | 1,321 | 1,334 |
| Construction & Development | | 100 | 137 | 223 | 221 | 228 | 234 |
| First Mutual Transportation Assurance Company | | 16 | 17 | 17 | 17 | 18 | 18 |
| MTA Bus Company | | 888 | 918 | 944 | 983 | 1,009 | 1,027 |
| Staten Island Railway | | 88 | 84 | 89 | 87 | 83 | 82 |
| Other | | 195 | 212 | 226 | 232 | 246 | 254 |
| | **Total** | **$17,689** | **$18,715** | **$18,810** | **$19,632** | **$20,364** | **$20,968** |
| **Net Operating Surplus/(Deficit)** | | | | | | | |
| New York City Transit | | ($5,359) | ($5,308) | ($5,935) | ($6,023) | ($6,397) | ($6,738) |
| Long Island Rail Road | | (1,010) | (1,242) | (1,118) | (1,434) | (1,606) | (1,704) |
| Grand Central Madison | | (64) | (129) | (95) | (98) | (100) | (101) |
| Metro-North Railroad | | (783) | (1,024) | (920) | (1,059) | (1,091) | (1,156) |
| MTA Headquarters | | (938) | (1,187) | (1,047) | (1,100) | (1,102) | (1,110) |
| Construction & Development | | (81) | 0 | 0 | 0 | 0 | 0 |
| First Mutual Transportation Assurance Company | | 0 | 0 | 0 | 0 | 0 | 0 |
| MTA Bus Company | | (558) | (549) | (519) | (699) | (775) | (790) |
| Staten Island Railway | | (29) | (52) | (76) | (74) | (73) | (72) |
| Other | | (195) | (212) | (226) | (232) | (246) | (254) |
| | **Total** | **($9,018)** | **($9,704)** | **($9,935)** | **($10,718)** | **($11,391)** | **($11,927)** |

# METROPOLITAN TRANSPORTATION AUTHORITY

## February Financial Plan 2025-2028

### MTA Consolidated February Financial Plan Compared with November Financial Plan

### Cash Reconciliation after Below-the-Line Adjustments

($ in millions)

| | Favorable/(Unfavorable) | | | | |
|---|---|---|---|---|---|
| | 2024 | 2025 | 2026 | 2027 | 2028 |
| **NOVEMBER FINANCIAL PLAN 2025-2028 NET CASH SURPLUS/(DEFICIT)** | $0 | $0 | $0 | ($379) | ($419) |
| Agency Baseline Re-estimates | $0 | $0 | $0 | $0 | $0 |
| New Needs/Investments | $0 | $0 | $0 | $0 | $0 |
| Savings Program | $0 | $0 | $0 | $0 | $0 |
| B&T Adjustments | $0 | $0 | $0 | $0 | $0 |
| Debt Service (Cash) | $0 | $0 | $0 | $0 | $0 |
| Subsidies (Cash) | $0 | $0 | $0 | $0 | $0 |
| Below-the-Line Items | $0 | $0 | $0 | $0 | $0 |
| Prior Year Carryover | $0 | $0 | $0 | $0 | $0 |
| **FEBRUARY FINANCIAL PLAN 2025-2028 NET CASH SURPLUS/(DEFICIT)** | $0 | $0 | $0 | ($379) | ($419) |

# METROPOLITAN TRANSPORTATION AUTHORITY

## February Financial Plan 2025 - 2028

### Farebox Recovery and Operating Ratios

**FAREBOX RECOVERY RATIOS**

| | Actual 2023 | Final Estimate 2024 | Adopted Budget 2025 | Plan 2026 | Plan 2027 | Plan 2028 |
|---|---|---|---|---|---|---|
| New York City Transit | 24.8% | 25.2% | 25.6% | 25.5% | 25.1% | 24.7% |
| Staten Island Railway | 4.0% | 4.8% | 4.1% | 4.2% | 2.9% | 3.0% |
| Long Island Rail Road (3,4) | 17.0% | 18.0% | 18.6% | 18.3% | 17.3% | 17.2% |
| Metro-North Railroad (3) | 24.8% | 26.5% | 27.0% | 26.5% | 25.2% | 25.0% |
| MTA Bus Company | 18.6% | 15.1% | 15.4% | 15.5% | 15.6% | 15.9% |
| **MTA-Wide Farebox Recovery Ratio** | **23.1%** | **23.5%** | **23.9%** | **23.7%** | **23.2%** | **22.9%** |

**FAREBOX OPERATING RATIOS**

| | Actual 2023 | Final Estimate 2024 | Adopted Budget 2025 | Plan 2026 | Plan 2027 | Plan 2028 |
|---|---|---|---|---|---|---|
| New York City Transit | 35.5% | 35.1% | 35.1% | 34.7% | 34.0% | 33.1% |
| Staten Island Railway | 7.7% | 6.6% | 6.8% | 6.9% | 4.9% | 5.0% |
| Long Island Rail Road (3,4) | 29.5% | 32.3% | 30.9% | 30.1% | 27.9% | 26.9% |
| Metro-North Railroad (3) | 37.2% | 39.8% | 39.8% | 38.8% | 37.4% | 36.3% |
| MTA Bus Company | 21.7% | 18.9% | 19.6% | 19.6% | 19.8% | 19.7% |
| **MTA-Wide Farebox Operating Ratio** | **33.9%** | **34.0%** | **33.9%** | **33.4%** | **32.4%** | **31.6%** |

*(1) Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 20% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.*

*(2) Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain costs that are not subject to Agency control, but are provided centrally by MTA.*

*(3) In the agenda materials for the Meeting of the Metro-North and Long Island Rail Road Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.*

*(4) Long Island Rail Road farebox operating and recovery ratios include expenses associated with the Grand Central Madison Operating Company (GCMOC), which is resoponsible for the LIRR-operated portion of Grand Central Terminal.*

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