S&P Global
Ratings

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Research Update:

Metropolitan Transportation Authority, NY Revenue Bond Rating Raised To 'A' On Predictable Credit Profile;Outlook Stable

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Overview

- S&P Global Ratings raised its long-term rating and underlying rating (SPUR) on Metropolitan Transportation Authority (MTA), N.Y.'s transportation revenue bonds (TRBs) outstanding to ‘A’ from ‘A-‘.
- In addition, we raised the long-term component of our dual ratings on various MTA variable-rate TRBs, with enhancement by letters of credit (LOCs) from the Bank of America N.A., Toronto-Dominion Bank, Barclays Bank PLC, and Royal Bank of Canada, to ‘AA+’ from ‘AA’; the short-term component on the dual ratings is unchanged.
- Finally, we affirmed our 'AA/A-1' dual ratings on various MTA variable-rate TRBs, with enhancement by LOCs from Truist Bank.
- The outlook, where applicable, is stable.
- We base the upgrade on several factors we view as providing additional stability and predictability to MTA’s credit profile, including New York State’s decision to increase the payroll mobility tax for MTA’s capital programs, the initial financial success of MTA’s Manhattan congestion pricing program, ongoing recovery in ridership levels, maintenance of healthy liquidity levels, clarity regarding funding sources of the recently approved 2025-2029 capital program, and manageable projected out-year deficits.

Rationale

Security

The TRBs are secured by MTA gross revenue before payment of expenses of MTA, the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA), the Long Island Rail Road Co. (LIRR), Metro-North Commuter Railroad Co. (MNCRC), and MTA Bus Co. The pledged revenue consists of fares and other operating receipts from MTA subsidiaries (MTA Bus, LIRR, and MNCRC) and affiliates (the New York City Transit Authority and MaBSTOA).

Also securing the bonds is MTA nonoperating revenue, which consists of Triborough Bridge and Tunnel Authority (TBTA) surplus revenue, various tax revenue, subsidies, interest, and other miscellaneous MTA income. The authority also receives a cash subsidy from the U.S. Treasury for its Build America bonds. The subsidy payments are not part of the trust estate of the transportation resolution.

TRB provisions include a gross revenue pledge and a rate covenant that requires sufficiency, whereby pledged revenue, along with other available money or money anticipated to be available, is sufficient to cover annual operating expenses and debt service. The authority is statutorily required to operate on a self-sustaining basis each year, which MTA officials interpret as a balanced budget (using cash balances carried over from previous years in some years) for financial planning purposes. Although the bonds lack a debt service reserve fund, MTA's liquidity (including lines of credit) and strong market access offset this.

As of Aug. 1, 2025, the authority had consolidated, all-inclusive debt of approximately $49.6 billion, consisting of $17.1 billion of TRBs, $8.5 billion of TBTA general revenue bonds, $742.9 million of TBTA subordinate revenue bonds and bond anticipation notes (BANs), $378.8 million of TBTA second subordinate BANs, $4.7 billion of MTA dedicated tax fund (DTF) bonds, $11.7 billion of payroll mobility tax (PMT) bonds and BANs, $3.6 billion of TBTA sales tax revenues bonds (TBTA Capital Lockbox--City Sales Tax), $1.6 billion of real estate transfer tax revenue bonds (TBTA Capital Lockbox Fund), $500 million term loan secured by a line on Central Business District Toll Program (CBDTP) revenues, and $741 million of MTA Hudson Rail Yards Trust obligations. In addition, as of Dec. 31, 2024, the MTA had $868 million of lease obligations outstanding and $118 million of subscription-based IT arrangements liability.

Credit highlights

The rating reflects a highly essential and extensive transit system that serves the congested, populous New York metropolitan statistical area (MSA) and receives significant ongoing tax-supported subsidies for operations and debt service but also has a high debt burden from significant ongoing capital requirements. New York State’s decision to approve further increases to the payroll mobility tax to help fund the MTA’s capital needs, recent approval of the 2025-2029 capital program and related funding plan, continued healthy liquidity levels, and good year-to-date performance of the congestion pricing program we view as positive developments from a credit perspective. The rating also reflects an enterprise that operates with relatively slim financial margins.

Key MTA credit strengths are its:

- Monopolistic business position, high essentiality, and strong political support at the federal, state, and local levels because of its status as a critical service provider to the New York MSA;
- Extremely strong service area economic fundamentals, including favorable economic activity as measured by GDP per capita and a populous service area that more than offsets low expected population growth;
- Significant recurring tax-supported subsidies that are not sensitive to changes in ridership that, together, exceed MTA's revenue subject to volume risk (that is, total toll and fare revenue), resulting in more stable financial results; and
- History of officials obtaining additional support for the authority’s operations and capital needs from key stakeholders to keep the system in a state of good repair, achieve near-term balanced budget, and maintain adequate service levels.

The authority's key credit weaknesses are:

- Ongoing significant capital needs that require substantial additional debt to finance; and
- The potential for financial metrics to be pressured in funding operations and capital needs, absent timely actions, from materially weaker-than-expected revenue sources, resulting from underperformance, loss, or disruption.

As did the February plan, the July plan shows a balanced budget through 2026 and financial metrics comparable with those based on the February plan. Such outcomes, however, still rely on many actions not yet realized. Based on the July plan, we still calculate all-in coverage that is less than or near 1x in each year, which we consider slim and consistent with a vulnerable financial risk profile, similar to pre-pandemic coverage levels. Our coverage calculation excludes use of cash reserves and nonrecurring revenue sources. We view as credit positives the clarity regarding the funding of the MTA’s 2025-2029 capital program and the state’s new funding source to support it and MTA maintaining healthy liquidity levels (see the financial and operating data table). Consequently, we expect MTA's debt capacity and liquidity as measured by debt-to-net revenue and days’ cash on hand will be generally below 20x and more than 120, respectively, levels we consider adequate.

Net preliminary operating results for the six months ended June 30 were favorable to the adopted 2025 budget by $371 million due to higher operating revenue, higher operating subsidies, lower operating expenses, and lower debt service expenses. Revenues from the CBDTP, net of program expenses, totaled $268.5 million for six months ended June 30, which is trending $19.8 million or 8% favorable to budget. As of July 31, 2025, the MTA's liquidity resources totaled about $8.9 billion, consisting of an operating funds liquidity balance of about $1.2 billion, internal available funds and reserves totaling $6.4 billion, and $1.3 billion of undrawn commercial bank lines of credit.

The authority's 2026 preliminary budget and July financial plan for 2026-2029, which includes a midyear forecast for 2025, like the February plan, shows a balanced budget through 2026 because of a baseline increase of farebox revenue; toll revenue; and dedicated taxes, and state and local subsidies of 9.9%, 3.7%, and 18.2%, respectively, from 2024 to 2029; as well as the following below-the-line adjustments: additional cumulative farebox and toll revenue of $329 million in 2026, $612 million in 2027, $671 million in 2028, and $948 million in 2029 from fare and toll rate increases assumed in January 2026 (not August 2025 as assumed under the February plan), March 2027, and March 2029; and $600 million from nonrecurring Federal Emergency Management Agency (FEMA) reimbursements received in 2025 and 2026 (not 2024-2026 as assumed in the February plan). After incorporating these below-the-line adjustments, MTA projects balanced budgets in 2025 (midyear forecast) and 2026 (preliminary budget), lower projected deficits of $345 million in 2027 and $354 million in 2028, and a projected deficit of $428 million for 2029.

The July 2025 financial plan shows farebox revenues are favorable by $98 million through 2028 compared with the February 2025 plan. Risks to the plan include an economic slowdown that could impair MTA’s ability to cover costs with dedicated taxes, which cover almost 45% of budgeted operating expenses; further delay in receiving $600 million in FEMA COVID reimbursement; delay in receiving $1.8 billion of casino revenues from 2026-2029; lower-than-assumed fare evasion recovery; $2.5 billion in additional fare and toll revenues from fare and toll increases assumed in January 2026, March 2027, and March 2029; higher-than-expected 2% wage increases for major collective bargaining agreements that expire over the plan period, starting in 2026; and 80% contribution from the city for paratransit, which is not extended beyond June 2030.

Despite ongoing legal challenges related to congestion pricing, we understand that the TBTA plans to keep collecting congestion tolls unless a court orders it to cease. If the congestion pricing is halted, MTA officials have said they would reprioritize capital projects if one or more replacement funding source is not established. On Jan. 5, 2025, the TBTA began collecting CBDTP tolls. CBDTP toll rates will be equal to 60% of the toll structure approved by the TBTA board in March 2024 for phase 1 (2025-2027), then equal to 80% of the corresponding March 2024 adopted toll structure rates for phase 2 (2028-2030), and finally equal to the March 2024 adopted toll rates for phase 3 (2031 and beyond). As a result of this phased approach, the July plan, like the February plan, assumes CBDTP revenues totaling $500 million annually in 2025-2027 and $700 million in 2028. The July plan also assumes CBDTP revenues of $700 million in 2029. The initial CBDTP revenues are slated to provide $15 billion of funding for the 2020-2024 capital program.

The New York state fiscal year 2025-2026 enacted budget made changes to the PMT that are intended to generate new, recurring revenue of approximately $1.4 billion in the first full year (2026 and growing thereafter) for the MTA's $65.4 billion transit and commuter portion of the 2025-2029 capital program approved by the Capital Program Review Board (CPRB) in June 2025. This new funding source is statutorily dedicated to a new capital lockbox account held by the TBTA for purposes of funding MTA transit and commuter projects in the MTA 2025-2029 capital program and successor programs. We expect it will provide $31.5 billion of funding for the 2025-2029 capital program, of which about $24 billion will be funded with a mix of PMT and DTF lockbox debt. Changes to district sales tax flowing to the mass transportation trust fund enacted with the state's 2026 budget increased DTF capacity on the senior lien for the MTA's DTF credit.

Other 2025-2029 capital program funding sources include $14.0 billion in federal grants and loans; $9.7 billion in additional bonds; $3.0 billion of state capital appropriations; $3.0 billion of city capital appropriations; and $1.2 billion of state capital appropriations reallocated by the state from the Empire Station Complex to projects in the MTA 2025-2029 capital program. MTA expects to provide $3 billion in self-funding through capital program cost savings or other initiatives, which could include debt funded by savings or other available funds. The $3 billion 2025-2029 TBTA capital program, which does not require CPRB approval, is entirely self-funded through the issuance of TBTA bonds that are expected to be repaid from toll revenues and/or funded by pay-as-you-go funds.

The total $68.4 billion 2025-2029 capital program, which focuses mostly on state of good repair projects, includes $47.4 billion for MTA New York City transit, bus, and MTA Staten Island Railway projects; $6.0 billion for MTA Long Island Rail Road projects; $6.0 billion for MTA Metro-North Railroad projects; $454 million for MTA bus projects; $300 million for MTA interagency program; $5.25 billion for MTA network expansion projects; and $3.0 billion for TBTA projects.

Environmental, social, and governance

For the SPUR on MTA's debt, we view physical and social capital risk factors as a potential weakness in terms of recovery and exposure to extreme weather events, as well as various climate hazards in the long term. More specifically, portions of the MTA system are exposed to the coastline and the acute and chronic effects of sea-level rise and severe weather events could disrupt operations, which is consistent with transportation infrastructure providers in other coastal municipalities. The authority and the city have mitigated this risk by implementing infrastructure projects to harden assets and raising sea walls to protect vulnerable areas of the city and buffer residents from the effects of climate change. We believe ridership will remain slow to return to pre-pandemic levels due to modifications to working conditions that result in a gradual return to the office and flexibility to work remotely. Furthermore, despite New York City's elevated social risks stemming from its high cost of living and housing affordability concerns, we believe MTA somewhat mitigates this risk as a low-cost and reliable provider of transportation. We will monitor how these risks could affect its credit profile over the long term. We analyzed the authority's governance credit factors and view them as largely credit neutral. We view the authority's comprehensive financial planning and disclosure practices as credit supportive.

Outlook

The stable outlook on the SPUR reflects our expectation that management will adjust revenues, expenses, and capital spending as needed and work with key stakeholders to support operations and capital needs to maintain coverage, debt-to-net revenues, and days' cash on hand near recent levels.

Downside scenario

We could lower the SPUR over the two-year outlook period if weaker fare and toll revenue performance causes persistently weaker all-in net debt service coverage (S&P Global Ratings-calculated) or if we believe the funding of the authority's capital needs materially weakens MTA's debt-to-net revenues and liquidity metrics. Loss of congestion pricing revenues, absent timely management actions, could cause downward rating pressure.

Upside scenario

Although unlikely, we could raise the SPUR over the two-year outlook if we believe the MTA can maintain all-in coverage (S&P Global Ratings-calculated) near 1x as the authority debt-finances a portion of its capital programs. Additional enhancement to recurring revenue streams or establishing new recurring and predictable revenue streams would give us assurances. One-time or temporary actions to achieve a balanced budget would be less supportive, in our view, of a higher rating.

Credit Opinion

Enterprise Risk Profile: Extremely Strong

Our enterprise risk profile assessment reflects MTA's strong political support at the federal, state, and local levels; and the immense size of the system, with activity levels (although still recovering) that rank among the most highly used transit systems in the world, providing essential mobility options to the New York City MSA.

Progress made in reducing fare evasion and effects of congestion pricing should support ongoing recovery in ridership

The MTA July financial plan 2026-2029 includes a midyear forecast for 2025; a preliminary budget for 2026; and forecasts for 2026-2029 assume annual ridership (including subway, bus, commuter rail, and paratransit) reaching 74% of 2019 levels in 2025, 75% in 2026, 76% in 2027, and about 78% in 2028 and 2029, reflecting anticipated continued increase in consolidated ridership with the regional economy experiencing modest growth in employment. We expect congestion pricing and employers requiring their employees to commute to work more frequently will have a positive effect on ridership levels too. TBTA toll transactions are assumed to exceed pre-pandemic levels by 3%-6% over the plan period.

MTA reports June 2025 paid ridership is trending better than forecast with NYC subway paid ridership 75% of pre-pandemic levels; commuter rail paid ridership (80%); and NYCT bus paid ridership (65%). The June 2025 TBTA toll traffic is trending close to forecast 102% of pre-pandemic levels. By comparison, our current baseline activity estimates for the U.S. public transit sector indicate recapturing about 82% of pre-pandemic ridership levels in 2025, 86% by 2026, and 90% by 2027. For additional information, see "Updated 2025 U.S. Transportation Infrastructure Activity Estimates: Eroding Port Volumes And More Tempered Growth Across Asset Classes," June 9, 2025.

Key stakeholder actions underscores essentiality of the system

We consider the support the authority has received at the federal, state, and local levels significant. It received approximately $15.1 billion of combined federal relief under the CARES, Coronavirus Response and Relief Supplemental Appropriations, and American Rescue Plan acts, which allowed management time to assess the recovery in ridership and meet with key stakeholders to work out a solution to create a more resilient and sustainable business model, one that relies less on farebox revenue, which is sensitive to changes in ridership.

The state had issued debt under its credit to help fund a part of MTA's capital program. It also agreed in its enacted budget in 2023 both to raise the PMT, increasing the amount of revenue MTA will receive annually by about $1.1 billion, and to allocate casino revenue to MTA, starting in 2026. The state's most recently enacted budget included changes to the PMT that are expected to provide $1.4 billion in recurring revenues to support is capital program. Finally, New York City agreed in 2023 to extend and increase its commitment to covering paratransit expenses. In addition, both the state and city have agreed to provide $4.2 billion and $3 billion, respectively, in capital appropriations to support the 2025-2029 capital program. The actions by these parties underscore the significance and importance this system has at national, state, and local levels.

Management insights: A history of strong collaboration with key stakeholders to address needs

We view MTA's overall management team and organizational governance as extremely strong, based on management's commitment to achieving sustainable structural balance, as reflected in recent and current financial plans through 2026. This balance was achieved by a combination of added financial support from key stakeholders, fare and toll rate increases, pre-paying debt service, and cost-saving initiatives to offset anticipated labor expense increases from the recent outcome of labor negotiations, and a goal of limiting annual debt service growth as the authority issues debt to fund capital needs. Similar to actions taken in response to weaker revenue performance during the Great Recession, the management team has taken steps to fortify finances to reduce the authority's exposure to revenue sources that are sensitive to changes in ridership and toll traffic volumes by obtaining more recurring support from New York State and New York City in 2023 and this year to offset revenue gaps from lower ridership and funding of its capital programs. MTA officials expect to maintain its target of debt service comprising no more than 15% of operating budget expenses due, in part, to the state providing additional dedicated funding from PMT and DTF changes made in connection with the enactment of this year's state budget, supporting $31.5 billion of project costs included in the MTA's 2025-2029 capital program.

Management has a record of implementing policies and strategies to mitigate key operational and financial risks, adjusting rates, capital spending, operating costs, and cash management, accessing the capital markets, and obtaining local or federal support, when necessary, to achieve a balanced budget and funding for critical capital needs. In addition, it incorporates climate risk assessments into planning and operations. We consider MTA's budgeting and financial forecasting assumptions generally reasonable. The authority maintains a multiyear financial forecast on a rolling basis that includes a series of gap-closing proposals to achieve budgetary balance, capital needs, justification for them, and a summary of the most likely capital improvement plan funding sources.

Financial Risk Profile: Vulnerable

Our financial risk profile assessment reflects our expectation that MTA's all-in financial metrics, especially with S&P Global Ratings-calculated coverage hovering near 1x, will be pressured mostly due to significant ongoing capital needs that require a substantial amount of additional debt to finance.

Expectation of slim financial margins, tempered by healthy liquidity and enhanced revenues to fund capital needs

Although the July plan, like recent plans, shows a balanced budget through 2026, such outcomes still rely on many actions not yet realized. Over the plan period, we calculate all-in coverage that is less than or near 1x in each year, which we consider slim and consistent with a vulnerable financial risk profile, such as pre-pandemic (i.e., 2019) coverage levels (see financial and operating data table). Our coverage calculation excludes use of cash reserves and nonrecurring revenue sources.

However, we view the permanent increase in PMT revenue authorized by the state in 2023, which substantially offsets the revenue gap from lower paid ridership, as a material and positive credit development, providing the authority with greater financial stability, flexibility, and revenue diversity. In our opinion, the increase in PMT revenue stabilizes finances and operating performance by reducing the authority's sensitivity and reliance on farebox revenue that is sensitive to changes in ridership. With the recent approval and funding plan known of the 2025-2029 capital program we expect MTA's debt-to-net revenue will be generally below 20x and that the authority will maintain available liquidity that exceeds 120 days' cash on hand and more than 7.5% of debt (see projected financial and operating data table).

Financial results of congestion pricing has been a success so far in first year

The authority's 2025 midyear forecast and July financial plan for 2026-2029 show a balanced budget through 2026 because of a baseline increase of farebox revenue; toll revenue; and dedicated taxes, and state and local subsidies of 9.9%, 3.7%, and 18.2%, respectively, from 2024 to 2029; and the following below-the-line adjustments:

- $2.56 billion in additional farebox and toll revenue collected in 2026-2029 from fare and toll rate increases assumed in January 2026, March 2027, and March 2029; and
- $600 million from nonrecurring FEMA reimbursements received in 2025-2026.

Before incorporating these below-the-line adjustments to achieve balanced budgets through 2026, MTA projects deficits of $300 million in 2025, $630 million in 2026, $957 million in 2027, about $1.0 billion in 2028, and about $1.4 billion in 2029.

Congestion pricing revenues, net of program expenses totaled $268.5 million for six months ended June 30, which is trending $19.8 million or 8% favorable to budget, which assumed $500 million for 2025. Actual year-to-date subway farebox revenue and TBTA toll revenue have also trended well, tracking 2.2% and 0.3%, respectively, above budget.

Significant tax-supported subsidies are key credit strength

MTA benefits from a significant amount of support from various dedicated taxes and state and local subsidies. It uses this revenue to support operations, pay debt service, and pay for capital projects on a pay-as-you-go basis. Farebox and toll revenue combined covers about 45% of MTA's consolidated operating expenses, down from 60% pre-pandemic (2019). We calculate farebox and toll revenue will cover about 45%, on average, of consolidated operating expenses based on the current financial plan.

As a result of New York State's enacted budget that included an increase to the PMT rates, along with assumed growth in PMT revenue and the other dedicated taxes and state and local subsidies, these revenue sources are projected to exceed total toll and fare revenue. We calculate total dedicated taxes, state subsidies, and local subsidies are projected to increase to about $12.9 billion from about $10.7 billion over the July financial plan period (2025-2029). Tax-supported subsidies (S&P Global Ratings-calculated) make up the bulk of this revenue, projected to total about $8.7 billion in 2025, rising to about $10.5 billion and making up 42%, on average, of total revenue over the July financial plan period, up from about 35% pre-pandemic. We view this higher proportion of tax-supported subsidies to total revenue and less reliance on revenue subject to volume risk as a positive credit trend that will improve the authority's financial flexibility and stability. We believe it is possible that the proportion of tax-supported subsidies could grow, particularly if the state and city provide MTA with additional tax-supported subsidies to fund its significant capital needs and neutralize revenue loss from lower paid ridership.

Bonds With Dual Ratings

The dual ratings reflect the application of our joint criteria, assuming low correlation, and our 'A' SPUR on the MTA's existing TRBs. More specifically, the long-term component of the dual ratings reflects the application of our joint criteria and assumes low correlation among the obligor, MTA, and our long-term issuer credit rating (ICR) on the LOC provider, and also addresses our expectation of full and timely interest and principal payments when the

bondholders have not exercised the put option. The short-term component of the dual ratings is based on our short-term ICR on the LOC provider and addresses our expectation of full and timely interest and principal payments when the bondholders have exercised the put option. In view of the bond structure, changes to our dual ratings can result from, among other things, changes to our ratings on the LOC provider, the obligor, or amendments to the transaction's terms. We will maintain dual ratings as long as the bonds are in the rated mode and the LOC has not expired or otherwise terminated.

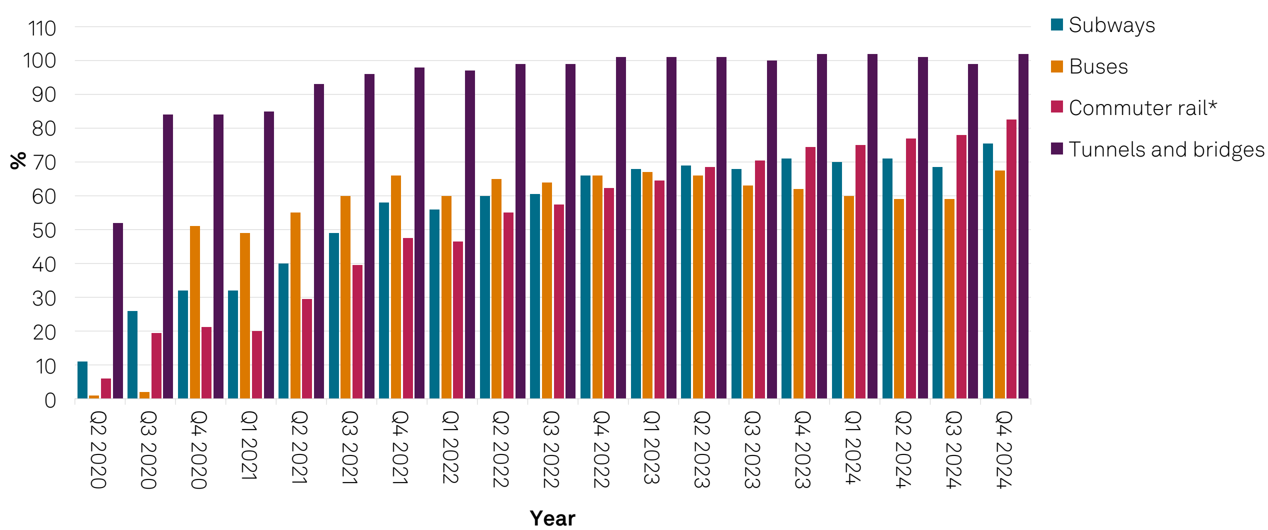
Environmental, social, and governance (ESG) credit factors that affect the rating on an LOC provider could also affect the ratings on TRB bonds that are based on the application of our joint criteria. Our assessment of the creditworthiness of LOC providers incorporates any material ESG credit factors. In our view, exposure to ESG credit factors in these transactions is limited to the factors related to the support provider.

Metropolitan Transportation Authority, New York--ratings score snapshot

Enterprise risk profile	**1**
Economic fundamentals	1
Industry risk	2
Market position	1
Management and governance	1
Financial risk profile	5
Financial performance	5
Debt and liabilities	4
Liquidity and financial flexibility	4

Metropolitan Transportation Authority, New York quarterly median recapture rates

(% of pre-pandemic levels)



Q--Quarter. *Average median for Long Island Rail Road and Metro North Commuter Railroad. Source: https://data.ny.gov.

Metropolitan Transportation Authority, New York--financial and operating data

	--Fiscal year ended Dec. 31--				
	2024	**2023**	**2022**	**2021**	**2020**
Financial performance					
Total operating revenue ($000)	8,508,000	7,863,000	7,005,000	5,779,000	4,728,000
Plus: other committed recurring revenue sources ($000)	11,021,000	10,137,000	9,519,000	9,126,000	6,952,000
Less: total O&M expenses excluding noncash expenses ($000)	16,928,000	15,671,000	14,570,000	13,187,000	13,447,000
Numerator for S&P Global Ratings' coverage calculation ($000)	2,601,000	2,329,000	1,954,000	1,718,000	(1,767,000)
Total debt service ($000)	3,312,000	3,169,000	2,906,000	3,136,000	3,248,000
Denominator for S&P Global Ratings' coverage calculation* ($000)	3,414,000	3,257,000	3,110,000	3,218,000	3,248,000
S&P Global Ratings-calculated coverage§ (x)	0.8	0.7	0.6	0.5	(0.5)

Metropolitan Transportation Authority, New York--financial and operating data

	--Fiscal year ended Dec. 31--				
	2024	2023	2022	2021	2020
Debt and liabilities					
Debt† ($000)	47,027,000	46,363,000	49,624,000	54,615,000	49,386,000
S&P Global Ratings-calculated net revenue ($000)	2,601,000	2,329,000	1,954,000	1,718,000	(1,767,000)
Debt to net revenue (x)	18	20	25	32	(28)
Liquidity and financial flexibility					
Unrestricted cash and investments ($000)	9,308,000	7,376,000	12,458,000	7,638,000	4,633,000
Available liquidity, net of contingent liabilities ($000)	10,308,000	8,576,000	13,658,000	7,638,000	5,833,000
Unrestricted days' cash on hand	222	200	342	211	158
Available liquidity to debt %	22	19	28	14	12
Unrestricted days' cash on hand (excluding credit facilities)	201	172	312	211	126
Available liquidity to debt % (excluding credit facilities)	20	16	25	14	9
Tax revenues					
Tax-supported subsidies	8,836,000	7,604,000	7,618,000	7,014,000	5,393,000
Tax-supported subsidies as a % of total revenues	45	42	46	47	46
Operating metrics - toll road					
Total toll revenue ($000)	2,564,000	2,415,000	2,332,000	2,170,000	1,640,000
Toll transactions (000)	337,333	335,086	326,304	307,296	253,184
Operating metrics - mass transit					
Subway and commuter rail passengers (000)	1,336,670	1,276,364	1,113,924	825,116	696,428
Bus passengers (000)	409,034	426,982	425,694	383,325	254,768
Para-transit passengers (000)	13,311	11,162	9,100	7,813	7,117
Total transit passengers (000)	1,759,015	1,714,508	1,548,718	1,216,254	958,313
Fare and toll revenue ($000)	7,560,000	7,073,000	6,356,000	5,218,000	4,265,000
Farebox recovery ratio %	45	45	44	40	32

O&M--Operations and maintenance. S&P Global Ratings-calculated net revenue = (Total operating revenue + other committed recurring revenue sources) - total O&M expenses excl. noncash expenses. Available liquidity = unrestricted cash and investments + total contingent liquidity resources - contingent liabilities. Examples of total contingent liquidity resources include working capital line of credit and other available cash reserves not already included in unrestricted cash and investments. *Includes consolidated debt service payments plus lease payments and SBITA payments. §Coverage calculation does not include the use of federal COVID-19 aid given its non-recurring nature. If about $17.4 billion of federal COVID-19 aid or reimbursements, which was used in 2020 ($4.01 billion), 2021 ($4.114 billion), 2022 ($6.967 billion), 2023 ($31 million), and 2024 ($2.3 billion) is included, coverage is about 0.7x, 1.8x, 3x, 0.7x, and 1.4x, respectively. MTA was able to achieve a balanced budget in 2022-2024 on a cash basis. For fiscal years 2020-2024,MTA reported gross pledged revenue TRB debt service coverage of about 4x, 6x, 7x, 9x, and 11x, respectively. †Includes all of MTA's debt outstanding, including lease obligations and SBITA payments. See "Global Not-For-Profit Transportation Infrastructure Enterprises: Methodologies And Assumptions" for more S&P Global Ratings definitions and calculations.

Metropolitan Transportation Authority, New York--projected financial and operating data

	--Year ended Dec. 31--		
	2025 midyear forecast	2026 preliminary budget	2027 forecast
Financial performance			
Total operating revenue* ($000)	10,457,000	9,424,000	9,860,000
Plus: other committed recurring revenue sources§ ($000)	10,712,000	11,668,600	12,151,400
Less: Total O&M expenses excluding noncash expenses† ($000)	17,734,000	18,354,000	19,128,000
Plus: Conversion to cash basis	(965,000)	265,000	514,000
Numerator for S&P Global Ratings' coverage calculation ($000)	2,470,000	3,003,600	3,397,400
Total debt service‡ ($000)	2,769,100	3,303,700	3,742,500
Denominator for S&P Global Ratings' coverage calculation‡‡ ($000)	2,931,448	3,447,380	3,861,250
S&P Global Ratings-calculated coverage** (x)	0.8	0.9	0.9
Debt and liabilities			
Debt§§ ($000)	48,017,527	47,769,803	50,214,501
S&P Global Ratings-calculated net revenue ($000)	2,470,000	3,003,600	3,397,400
Debt to net revenue (x)	19	16	15
Liquidity and financial flexibility			
Available liquidity, low range†† ($000)	6,500,000	6,500,000	6,500,000
Available liquidity, high range†† ($000)	7,800,000	7,800,000	7,800,000
Unrestricted days' cash on hand, low range	134	129	124
Available liquidity to debt %, low range	14	14	13
Unrestricted days' cash on hand, high range	161	155	149
Available liquidity to debt %, high range	16	16	16
Tax revenues			
Tax-supported subsidies	8,730,300	9,046,500	9,429,400
Tax-supported subsidies as a % of total revenues	43	42	42
Operating metrics - toll road			
Toll transactions (000)	338,967	343,200	346,600
Operating metrics - mass transit			
Total transit passengers (000)	1,903,263	1,914,069	1,959,930

Metropolitan Transportation Authority, New York--projected financial and operating data

	--Year ended Dec. 31--		
	2025 midyear forecast	2026 preliminary budget	2027 forecast
Fare and toll revenue ($000) +++	7,826,000	8,266,000	8,660,000
Farebox recovery ratio %	44	45	45

Data was sourced from MTA's 2026 Preliminary Budget July Financial Plan 2026-2029. *Includes cummulative effects of January 2026 and March 2027 fare and toll increases, increasing fare and toll revenues by about $329 million in 2026, $612 million in 2027. §Includes dedicated taxes, state and local subsidies and lockbox revenues used to pay lockbox debt service. †Includes projected additional labor expense for latest collective bargaining agreement settlements and assumptions for unsettled labor agreements. ‡Includes debt service for TRB, TBTA, DTF, and PMT bonds, and lockbox debt. ‡‡Includes debt service plus lease obligations and SBITAs. O&M--Operations and maintenance. S&P Global Ratings-calculated net revenue = (Total operating revenue + other committed recurring revenue sources) - total O&M expenses excl. noncash expenses. **Coverage calculation does not include NYCT federal formula grant ($1.4 billion in 2025) and FEMA COVID reimbursements ($300 million in 2025, and $300 million in 2026) given their non-recurring nature. MTA shows a balanced budget for 2025-2026 and a projected deficity of $345 million for 2027 in its July financial plan. §§Includes all of MTA's debt outstanding, including lease obligations and SBITAs. Available liquidity = unrestricted cash and investments + total contingent liquidity resources - contingent liabilities. Examples of total contingent liquidity resources include working capital line of credit and other available cash reserves not already included in unrestricted cash and investments. ††Represents a rough minimum range of available liquidity management intends to maintain. †††Includes effects of fare and toll revenues increases mentioned above. See "Global Not-For-Profit Transportation Infrastructure Enterprises: Methodologies And Assumptions" for more S&P Global Ratings definitions and calculations.

Ratings List		
Upgraded;Outlook Action		
	To	**From**
Transportation		
Metropolitan Transp Auth, NY Transit System	A/Stable	A-/Positive

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.