MTA 2027 Preliminary Budget

July Financial Plan 2027-2030

Volume 1
July 2026

Metropolitan Transportation Authority

OVERVIEW

MTA 2027 Preliminary Budget
July Financial Plan 2027-2030
Volume 1

The MTA’s July Plan is divided into two volumes:

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

Volume 2 includes MTA-Consolidated detailed financial and position schedules as well as the narratives that support the baseline projections included in the 2027 Preliminary Budget and the Financial Plan for 2027 through 2030. Also included are the Agency sections which incorporate descriptions of Agency Programs with supporting baseline tables and required information related to the MTA Capital Program.

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I. Introduction

Executive Summary

The **2026 MTA July Financial Plan** (the “July Plan” or “Plan”), which includes the 2026 Mid-Year Forecast, the 2027 Preliminary Budget and a Financial Plan for the years 2027 to 2030, updates the 2026 February Financial Plan (the “February Plan”), which included the 2026 Adopted Budget and the Financial Plan for 2027 to 2029.

The “Bottom Line”

The July Plan remains balanced in 2026, but includes deficits of $295 million in 2027, $507 million in 2028, $707 million in 2029, and $897 million in 2030. In comparison, the February Plan was also balanced through 2026, and included deficits of $160 million in 2027, $242 million in 2028, and $306 million in 2029. Compared with the February Plan, the July Plan is $800 million unfavorable over the 2026 to 2029 period.

Analysis

Plan-to-plan changes incorporate Agency updates – including New Needs, Farebox and Toll Revenue, and other Agency re-estimates – as well as Subsidy receipts and Debt Service expense reforecasts.

The Plan also reflects incremental expense increases resulting from: 1) projected first-year wage increases of future labor settlements that conform with the recently approved LIRR settlement with five bargaining units, and 2) legislative changes to pension benefits for Tier 6. Incremental wage adjustments in the first year of future labor settlements are projected to increase expenses by $819 million over the Plan period. The pension adjustment is estimated to increase expenses by $120 million over the Plan period. The Plan also includes a one-time reduction of $200 million in the New York City Subsidy for the MTA Bus Company in recognition of the City’s current fiscal constraints.

The July Plan continues to include additional farebox and toll revenues from proposed fare and toll rate and policy changes for implementation in March 2027 and March 2029 that will generate annualized four percent increases in farebox and toll revenues. Until such time as the MTA Board acts on these proposals, the additional revenue projected from these actions is represented below-the-line in the July Plan. Over the Plan period, the proposed increases are projected to generate $1.86 billion in additional farebox and toll revenue. Compared with the February Plan, revised estimates are $28 million unfavorable over the 2027 to 2029 period.

Compared with the February Plan, Debt Service expense is $150 million favorable.

The net cost of Paratransit service to the MTA, which reflects paratransit service contracts and other expenses, Paratransit fare revenue, Urban Tax receipts dedicated to Paratransit, and City Subsidy for Paratransit, is $1.31 billion over the Plan period, and is $12 million higher than the February Plan over the 2026 to 2029 period. Since 2022 on an average annual basis, paratransit trips have increased 12.5 percent while total paratransit expenses have increased 13.4 percent. On the expense side, in 2022 the total costs were $426 million and by 2030 expenses are projected to be over $1.1 billion.

Information on New Needs, which over the Plan period cost $100 million to cover maintenance and operations, safety and security, fare collection improvements, information technology, and other service support initiatives, can be found in Volume 2 of this Plan.

Major Agency baseline changes from the February Plan include Farebox Revenue ($101 million favorable), Health and Welfare expenses ($257 million unfavorable), Workers' Compensation ($177 million unfavorable), Electric Power and Fuel ($374 million unfavorable), Public Liability and Claims ($586 million unfavorable), and Maintenance and Operations expenses, including the Central Maintenance Facility for NYCT ($244 million unfavorable). Overall, Agency changes increase $1.53 billion over the February Plan.

In 2023, the MTA committed to achieving an additional $500 million in annually recurring cost savings through operating efficiencies, which was attained by the end of 2025 with initiatives ranging from insourcing functions like cleaning, using reliability data to tailor maintenance frequencies, and standardizing work practices to improve productivity. Targets for new operating efficiencies were introduced in the 2025 November Plan, with savings of $75 million in 2026, growing to $150 million in 2027, $200 million in 2028, and reaching an ultimate value of $250 million in annual recurring operating savings by 2029. Efficiencies to meet the initial $76 million in savings were identified and incorporated in Agency baseline financial plans in the 2026 February Financial Plan. The remainder of the savings targets remain below-the-line, although the operating efficiencies to meet the remaining $74 million for 2027 have been identified and are listed in the tables that accompany this section. Future operating efficiencies to meet the remaining savings targets - $50 million in 2028 and $100 million recurring beginning in 2029 – will be identified and moved to above the line in future Plans.

Revenues from Taxes and State and Local Subsidies are $1.02 billion favorable from the February Plan, primarily reflecting increases in State appropriations and out-year re-estimates for Metropolitan Mass Transportation Operating Assistance (MMTOA) and the Mass Transportation Trust Fund (MTTF) year-to-date favorable receipts for the Urban Tax and Payroll Mobility Tax, and the earlier than anticipated receipt of Casino Gaming Tax receipts.

The Plan also reflects the receipt in May 2026 of $590 million in reimbursement of direct COVID-related expenses through the Federal Emergency Management Agency (FEMA). The February Plan anticipated $200 million in reimbursement annually from 2026 to 2028.

Risks to MTA's Financial Future

Risks to the July Plan include:

Dedicated tax receipts. Almost 45 percent of operating revenues that are necessary to cover operating budget expenses are derived from dedicated taxes, and an economic slowdown or recession could adversely impact MTA's ability to generate the revenue projected.

Labor agreements. Major collective bargaining agreements have expired, or will expire, over the course of the Plan period. At the conclusion of existing agreements, the Plan assumes a first-year wage increase of 3.8 percent followed by annual 2 percent wage increases. General wage increases above 2 percent will set the Plan further out of balance.

Continued growth of uncontrollable expenses. The Plan reflects continued growth in largely non-discretionary expenses—such as employee and retiree medical benefits, insurance, and claims—that are increasing faster than inflation. For example, medical benefits are expected to increase 8 percent annually, on average, while inflation is projected to average 2.6 percent annually. Energy costs, including electric power and fuel, are impacted by global energy markets, geopolitical events, and broader economic conditions, exposing the operating budget to external cost pressures. If these, and other uncontrollable expenses, increase faster than expected in the Plan, deficits will increase.

City paratransit reimbursements. The net cost of Paratransit service, which reflects paratransit service contracts and other expenses, Paratransit fare revenue, Urban Tax receipts dedicated to Paratransit, and City Subsidy for Paratransit, continues to increase: a 7% annual increase in ridership would increase the cost of the program by 30 percent. The Plan assumes an 80 percent contribution from the City without a cap. This would require an extension and enhancement of the current State law which expires on June 30, 2027.

Casino revenue. While the downstate casino licenses have been awarded and the Resorts World casino is now operating, shortfalls in gaming tax revenues from the estimated $75 million in 2026, $140 million for 2027 through 2029 and $300 million in 2030 that are projected (or delays in opening the remaining two casinos) will set the Plan further out of balance.

Approval and implementation of fare and toll yield increases. The Plan includes fare and toll rate increases proposed for March 2027 and March 2029. These increases are expected to generate $1.86 billion over the Plan period. Delayed implementation of the four percent fare and toll yield increases would reduce combined farebox and toll revenue by approximately $25 million a month, and each one percent deviation would reduce combined farebox and toll revenue by approximately $80 million on an annualized basis.

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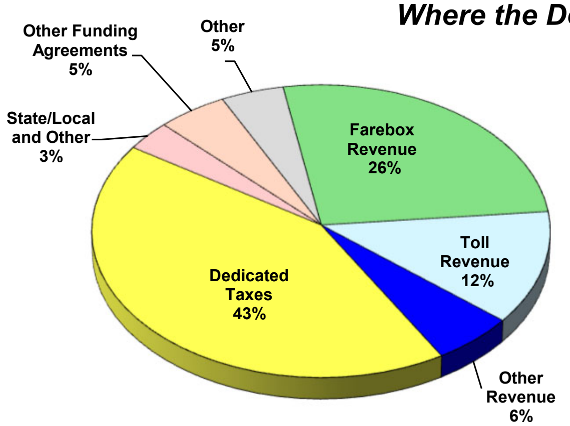
II. MTA Consolidated Financial Plan

MTA 2027 Preliminary Budget

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

Non-Reimbursable

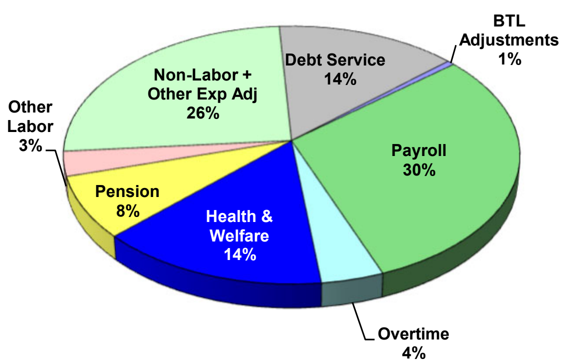
Where the Dollars Come From …



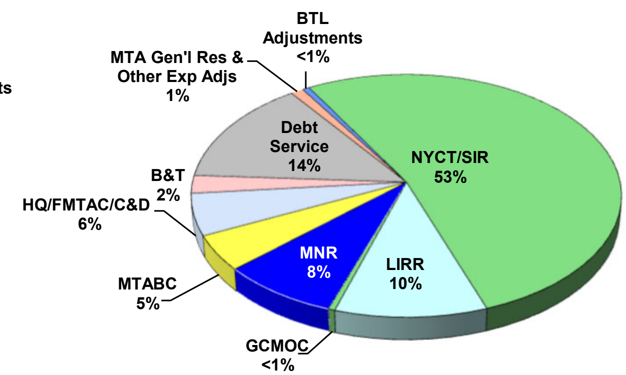
By Revenue Source ($ in millions)	
Farebox Revenue	$5,931
Toll Revenue	2,807
Other Revenue	1,256
Dedicated Taxes	9,605
State/Local and Other	758
Other Funding Agreements	1,154
Other	1,039
Total	**$22,550**

Where the Dollars Go …

By Expense Category



By MTA Agency



By Expense Category includes below-the-line adjustments ($ in millions)	
Payroll	$6,835
Overtime	904
Health & Welfare	3,319
Pension	1,758
Other Labor	699
Total Labor	*$13,516*
Non-Labor + Other Exp Adj	5,973
Debt Service	3,223
BTL Adjustments	133
Total	**$22,845**

By MTA Agency includes below-the-line adjustments ($ in millions)	
NYCT/SIR	$12,078
LIRR	2,355
GCMOC	101
MNR	1,828
MTABC	1,071
HQ/FMTAC/C&D	1,268
B&T	544
Debt Service	3,223
MTA Gen'l Res & Other Exp Adjs	243
BTL Adjustments	133
Total	**$22,845**

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

- Revenue and expenses totals may not add due to rounding; percentages may not add to 100% due to rounding.

- Expenses exclude Non-Cash Liabilities.

- BTL Adjustments for Expenses include: $74 million in savings from Operating Efficiencies; $30 million in additional expense related to Tier 6 Pension Legislation; and $177 million in additional expense related the Year One of Labor Settlements at 3.8%.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2027 - 2030
MTA Consolidated Accrued Statement of Operations By Category
($ in millions)

	Actual 2025	Mid-Year Forecast 2026	Preliminary Budget 2027	2028	2029	2030
Non-Reimbursable						
Operating Revenues						
Farebox Revenue	$5,207	$5,502	$5,660	$5,724	$5,742	$5,750
Toll Revenue	2,554	2,770	2,797	2,816	2,828	2,837
Other Revenue	4,242	1,829	1,256	1,410	1,462	1,525
Capital and Other Reimbursements	0	0	0	0	0	0
Total Revenues	**$12,003**	**$10,101**	**$9,713**	**$9,950**	**$10,032**	**$10,112**
Operating Expenses						
Labor:						
Payroll	$6,255	$6,695	$6,835	$6,977	$7,125	$7,283
Overtime	1,147	993	904	910	923	944
Health and Welfare	1,886	2,052	2,246	2,393	2,568	2,745
OPEB Current Payments	870	986	1,073	1,162	1,258	1,362
Pension	1,585	1,707	1,758	1,714	1,717	1,719
Other Fringe Benefits	1,010	1,251	1,276	1,337	1,398	1,463
Reimbursable Overhead	(573)	(573)	(576)	(575)	(584)	(591)
Total Labor Expenses	***$12,181***	***$13,112***	***$13,516***	***$13,917***	***$14,405***	***$14,924***
Non-Labor:						
Electric Power	$634	$772	$690	$714	$737	$759
Fuel	206	291	243	227	223	236
Insurance	1	21	38	38	47	58
Claims	1,029	590	609	614	619	624
Paratransit Service Contracts	717	857	949	1,000	1,057	1,120
Maintenance and Other Operating Contracts	923	1,054	1,049	1,039	1,060	1,084
Professional Services Contracts	769	973	942	911	912	921
Materials and Supplies	694	792	890	934	993	1,021
Other Business Expenses	292	321	322	331	349	351
Total Non-Labor Expenses	***$5,264***	***$5,671***	***$5,733***	***$5,809***	***$5,998***	***$6,176***
Other Expense Adjustments:						
Functional Allocations	$0	$0	$0	$0	$0	$0
Other	(8)	36	14	15	15	16
General Reserve	200	215	225	230	245	250
Total Other Expense Adjustments	***$192***	***$251***	***$239***	***$245***	***$260***	***$266***
Total Expenses Before Non-Cash Liability Adjs.	**$17,637**	**$19,033**	**$19,489**	**$19,970**	**$20,663**	**$21,365**
Depreciation	$3,859	$3,994	$4,031	$4,025	$4,087	$4,151
GASB Adjustments	(125)	544	626	470	514	546
Total Non-Cash Liability Adjustments	***$3,734***	***$4,539***	***$4,658***	***$4,495***	***$4,601***	***$4,698***
Total Expenses After Non-Cash Liability Adjs.	**$21,371**	**$23,572**	**$24,147**	**$24,465**	**$25,264**	**$26,063**
Conversion to Cash Basis: Non-Cash Liability Adjs.	($3,734)	($4,539)	($4,658)	($4,495)	($4,601)	($4,698)
Debt Service	2,417	2,887	3,223	3,380	3,432	3,656
Total Expenses with Debt Service	**$20,053**	**$21,920**	**$22,712**	**$23,351**	**$24,095**	**$25,021**
Dedicated Taxes & State and Local Subsidies	$11,117	$12,474	$11,531	$11,625	$11,761	$12,105
Net Surplus/(Deficit) After Subsidies and Debt Service	**$3,067**	**$654**	**($1,468)**	**($1,776)**	**($2,302)**	**($2,804)**
Conversion to Cash Basis: GASB Account	$0	$0	$0	$0	$0	$0
Conversion to Cash Basis: All Other	(2,182)	(1,448)	1,039	1,033	1,029	1,289
Cash Balance Before Prior-Year Carryover	**$885**	**($794)**	**($430)**	**($743)**	**($1,273)**	**($1,515)**
Below the Line Adjustments	$0	($92)	$134	$236	$566	$618
Prior Year Carryover Balance	0	885	0	0	0	0
Net Cash Balance	**$885**	**$0**	**($295)**	**($507)**	**($707)**	**($897)**

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2027 - 2030
Plan Adjustments
($ in millions)

	Actual 2025	Mid-Year Forecast 2026	Preliminary Budget 2027	2028	2029	2030
Cash Balance Before Prior-Year Carryover	**$885**	**($794)**	**($430)**	**($743)**	**($1,273)**	**($1,515)**
Fare and Toll Increases:						
Fare/Toll Increase - March 2027 (4% Yield)		*0*	*281*	*332*	*333*	*334*
Subsidy Impacts - Fare/Toll Increase, March 2027		*0*	*(13)*	*(10)*	*(9)*	*(9)*
Fare/Toll Increase - March 2029 (4% Yield)		*0*	*0*	*0*	*296*	*347*
Subsidy Impacts - Fare/Toll Increase, March 2029		*0*	*0*	*0*	*(14)*	*(10)*
Subtotal:		**$0**	**$267**	**$322**	**$606**	**$662**
MTA Initiatives:						
MTA Operating Efficiencies - Identified		*0*	*74*	*74*	*74*	*74*
MTA Operating Efficiencies - Unidentified		*0*	*0*	*50*	*100*	*100*
Subtotal:		**$0**	**$74**	**$124**	**$173**	**$173**
MTA Re-estimates:						
Labor Settlements - Year 1 at 3.8%		*(92)*	*(177)*	*(180)*	*(184)*	*(187)*
Pension Adjustment - Tier 6 Legislation		*0*	*(30)*	*(30)*	*(30)*	*(30)*
Subtotal:		**($92)**	**($207)**	**($210)**	**($214)**	**($217)**
TOTAL ADJUSTMENTS		**($92)**	**$134**	**$236**	**$566**	**$618**
Prior Year Carryover Balance		*885*	*0*	*0*	*0*	*0*
Net Cash Surplus/(Deficit)	**$885**	**$0**	**($295)**	**($507)**	**($707)**	**($897)**

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2027 - 2030
Cash Receipts and Expenditures
($ in millions)

	Actual 2025	Mid-Year Forecast 2026	Preliminary Budget 2027	2028	2029	2030
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	$5,236	$5,476	$5,633	$5,696	$5,714	$5,722
Other Revenue	1,461	1,404	1,277	1,400	1,474	1,492
Capital and Other Reimbursements	2,486	2,994	2,796	2,723	2,672	2,711
Total Receipts	**$9,183**	**$9,874**	**$9,706**	**$9,820**	**$9,860**	**$9,925**
Expenditures						
Labor:						
Payroll	$7,104	$7,533	$7,498	$7,626	$7,793	$7,954
Overtime	1,441	1,245	1,135	1,147	1,169	1,195
Health and Welfare	1,920	2,104	2,265	2,416	2,594	2,775
OPEB Current Payments	850	969	1,051	1,139	1,233	1,336
Pension	1,065	1,785	1,821	1,780	1,791	1,799
Other Fringe Benefits	1,241	1,274	1,291	1,332	1,377	1,424
Contribution to GASB Fund	0	0	0	0	0	0
Reimbursable Overhead	0	0	0	0	0	0
Total Labor Expenditures	***$13,621***	***$14,909***	***$15,063***	***$15,439***	***$15,957***	***$16,483***
Non-Labor:						
Electric Power	$630	$776	$695	$718	$741	$763
Fuel	201	288	241	225	221	233
Insurance	7	22	33	36	47	56
Claims	619	716	564	464	464	462
Paratransit Service Contracts	716	855	947	998	1,055	1,118
Maintenance and Other Operating Contracts	882	1,075	971	935	955	980
Professional Services Contracts	852	1,202	1,018	963	960	969
Materials and Supplies	874	914	982	1,037	1,088	1,117
Other Business Expenses	296	310	291	322	312	314
Total Non-Labor Expenditures	***$5,078***	***$6,158***	***$5,742***	***$5,698***	***$5,843***	***$6,013***
Other Expenditure Adjustments:						
Functional Allocations	$0	$127	$194	$199	$205	$211
Other	83	188	178	155	138	140
General Reserve	200	215	225	230	245	250
Total Other Expenditure Adjustments	***$283***	***$530***	***$597***	***$584***	***$588***	***$601***
Total Expenditures	**$18,982**	**$21,598**	**$21,401**	**$21,721**	**$22,389**	**$23,097**
Net Cash Balance before Subsidies and Debt Service	**($9,799)**	**($11,724)**	**($11,695)**	**($11,901)**	**($12,529)**	**($13,172)**
Dedicated Taxes & State and Local Subsidies	$12,364	$12,987	$13,600	$13,559	$13,732	$14,292
Debt Service	(1,680)	(2,057)	(2,335)	(2,401)	(2,476)	(2,636)
Cash Balance Before Prior-Year Carryover	**$885**	**($794)**	**($430)**	**($743)**	**($1,273)**	**($1,515)**
Adjustments	$0	($92)	$134	$236	$566	$618
Prior-Year Carryover Balance	0	885	0	0	0	0
Net Cash Balance	**$885**	**$0**	**($295)**	**($507)**	**($707)**	**($897)**

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METROPOLITAN TRANSPORTATION AUTHORITY

July Financial Plan 2027-2030

MTA Consolidated July Financial Plan Compared with February Financial Plan

Cash Reconciliation after Below-the-Line Adjustments

($ in millions)

	Favorable/(Unfavorable)			
	2026	**2027**	**2028**	**2029**
FEBRUARY FINANCIAL PLAN 2026-2029 NET CASH SURPLUS / (DEFICIT)	**$0**	**($160)**	**($243)**	**($306)**
Agency Baseline Re-estimates	**($784)**	**($353)**	**($218)**	**($172)**
Farebox Revenue and Toll Revenue[1]	(26)	39	39	49
Paratransit Net of Fares and Reimbursements[2]	18	(10)	8	8
Health and Welfare (including retirees)	(19)	(77)	(76)	(85)
Workers' Compensation	(72)	(34)	(35)	(36)
Electric Power	(130)	(39)	(35)	(34)
Fuel	(79)	(34)	(17)	(6)
Insurance / Rates / Actuarial Adjustments	13	(13)	3	1
Public Liability / Claims	(234)	(173)	(110)	(69)
Maintenance / Operations	(103)	(11)	(22)	(67)
NYCT Central Maintenance Facility	(6)	(12)	(12)	(12)
MTA Initiatives / Centralized Functions	(7)	3	12	12
Timing	(240)	8	9	6
Other Baseline Adjustments[3]	101	(3)	19	62
New Needs / Investments	**($21)**	**($33)**	**($24)**	**($22)**
Taser and Body Camera Upgrade	(8)	(8)	(8)	(8)
Transit Adjudication Bureau Relocation	(3)	(10)	-	-
LED Subway Platform Lighting Initiative	(2)	(3)	(3)	(3)
All Other New Needs	(8)	(13)	(13)	(11)
B&T Adjustments	**($0)**	**$11**	**$10**	**$12**
B&T Net Baseline Impacts[4]	(0)	11	10	12
MTA Adjustments	**($5)**	**($5)**	**$0**	**($5)**
General Reserve	(5)	(5)	-	(5)
Debt Service (Cash)	**$24**	**$8**	**$12**	**$100**
Subsidies (Cash)	**$192**	**$650**	**$373**	**($84)**
Metropolitan Mass Transportation Operating Assist (MMTOA)	204	184	113	41
Mass Transportation Trust Fund (MTTF)	48	(5)	19	18
MRT Recording Tax	4	0	-	-
Urban Tax	96	-	-	-
Payroll Mobility Tax (PMT) for Operating	109	-	-	-
For-Hire Vehicle (FHV) Surcharge	(4)	(8)	(8)	(7)
Casino License and Gaming Tax Revenues	75	140	40	(60)
Investment Income	24	-	-	-
Other Subsidy Adjustments:	(442)	513	200	(75)
Forward Energy Contracts Program - Gain/(Loss)	*42*	*12*	*0*	*-*
Other Local Subsidy Resources	*(100)*	*407*	*200*	*(382)*
OPEB Trust/Reserve[5]	*(974)*	*94*	*-*	*307*
FEMA COVID Reimbursement	*590*	*-*	*-*	*-*
City Subsidy for MTA Bus	1	(156)	35	19
City Subsidy for Staten Island Railway	(8)	3	3	1
CDOT Subsidy for Metro-North Railroad	13	(5)	(12)	(4)
B&T Surplus Transfer	75	(15)	(16)	(17)
Subtotal Changes before Below-the-Line Adjustments	**($594)**	**$278**	**$153**	**($173)**

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METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2027-2030
MTA Consolidated July Financial Plan Compared with February Financial Plan
Cash Reconciliation after Below-the-Line Adjustments

($ in millions)

	Favorable/(Unfavorable)			
	2026	2027	2028	2029
Continued from previous page				
Below-the-Line Items	**($292)**	**($414)**	**($417)**	**($228)**
Fare and Toll Increases:	-	(7)	(7)	(15)
March 2027 (4% Fare and Toll Yield)	*-*	*(7)*	*(7)*	*(8)*
Subsidy Impact, March 2027 (4% Fare and Toll Yield)	*-*	*(0)*	*(0)*	*0*
March 2029 (4% Fare and Toll Yield)	*-*	*-*	*-*	*(7)*
Subsidy Impact, March 2029 (4% Fare and Toll Yield)	*-*	*-*	*-*	*(0)*
MTA Initiatives	-	-	-	-
MTA Operating Efficiencies - Identified	*-*	*74*	*74*	*74*
MTA Operating Efficiencies - Unidentified	*-*	*(74)*	*(74)*	*(74)*
MTA Re-estimates:	(92)	(207)	(210)	(214)
Pension Adjustment - Tier 6 Legislation	*-*	*(30)*	*(30)*	*(30)*
Labor Settlements - Year 1 at 3.8%	*(92)*	*(177)*	*(180)*	*(184)*
Other:	(200)	(200)	(200)	-
FEMA COVID Reimbursement	*(200)*	*(200)*	*(200)*	*-*
Prior-Year Carryover	**$885**	**($0)**	**$0**	**$0**
JULY FINANCIAL PLAN 2027-2030 NET CASH SURPLUS / (DEFICIT)	**($0)**	**($295)**	**($507)**	**($707)**

[1] Excludes Paratransit Farebox Revenue.

[2] Includes Paratransit revenue and Paratransit expenses.

[3] Includes OTPS and reimbursable adjustments, pensions, operating capital and cash adjustments.

[4] While B&T Operating Surplus Transfer is captured as a subsidy, B&T's baseline impacts are captured in individual reconciliation categories in the Agency Baseline Adjustments above. To avoid duplication, B&T's baseline impacts are eliminated within this line. Included within this B&T Net Baseline Impacts are reversals for higher toll revenue and favorable OTPS adjustments which are captured above.

[5] Contributions to and/or Reimbursements from OPEB Trust and/or OPEB Reserve accounts.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2027 - 2030
Consolidated Subsidies
Cash Basis
($ in millions)

	Actual 2025	Mid-Year Forecast 2026	Preliminary Budget 2027	2028	2029	2030
MMTOA, PBT, Real Estate Taxes and Other						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	$3,151.2	$2,157.9	$2,107.1	$2,074.6	$2,041.4	$2,082.3
Mass Transportation Trust Fund (MTTF)	581.4	1,815.8	1,794.8	1,849.7	1,881.8	1,915.7
Mortgage Recording Tax (MRT)	425.9	469.7	569.6	596.8	626.3	645.1
MRT Transfer to Suburban Counties	*(12.1)*	*(13.3)*	*(14.8)*	*(17.1)*	*(17.6)*	*(18.1)*
MTA Bus Debt Service	*(12.6)*	*(14.5)*	*(13.6)*	*(12.3)*	*(13.7)*	*(13.7)*
Urban Tax	460.2	566.8	578.9	593.2	608.0	607.9
	$4,594.1	***$4,982.6***	***$5,022.0***	***$5,085.0***	***$5,126.2***	***$5,219.1***
PMT and MTA Aid						
Payroll Mobility Tax (PMT) for Operating	$3,462.2	$3,620.8	$3,582.5	$3,636.3	$3,672.6	$3,709.4
Payroll Mobility Tax Replacement Funds	244.3	244.3	244.3	244.3	244.3	244.3
MTA Aid	280.0	273.6	273.6	273.6	273.6	273.6
	$3,986.4	***$4,138.7***	***$4,100.4***	***$4,154.1***	***$4,190.5***	***$4,227.2***
For-Hire Vehicle (FHV) Surcharge						
Subway Action Plan Account	$300.0	$300.0	$300.0	$300.0	$300.0	$300.0
Outerborough Transportation Account (OBTA) Transfer to Operating	30.1	44.0	40.4	41.5	43.0	44.2
General Transportation Account	1.1	0.0	0.0	0.0	0.0	0.0
	$331.2	***$344.0***	***$340.4***	***$341.5***	***$343.0***	***$344.2***
Automated Camera Enforcement (ACE)	***$108.1***	***$113.2***	***$127.7***	***$86.1***	***$86.1***	***$86.1***
Peer-to-Peer Car Sharing Trip Tax	***$1.3***	***$1.2***	***$1.2***	***$1.2***	***$1.2***	***$1.2***
Capital Lockbox Fund						
Payroll Mobility Tax (PMT) for Capital Funding	$499.7	$1,443.3	$1,428.0	$1,449.4	$1,463.9	$1,478.6
Central Business District Tolling Program (CBDTP)	504.7	529.7	533.4	700.0	700.0	700.0
Real Estate Transfer Tax	406.6	395.1	335.8	339.9	344.1	348.3
Internet Marketplace Tax -NYS	157.3	158.8	160.4	162.0	163.6	165.3
Internet Marketplace Tax - NYC	178.2	180.0	181.8	183.6	185.5	187.3
Subtotal:	***1,746.5***	***2,706.9***	***2,639.4***	***2,835.0***	***2,857.1***	***2,879.5***
Less: Debt Service on Lockbox Bonds for the 2020-2024 Capital Program	*(273.3)*	*(331.8)*	*(475.3)*	*(604.2)*	*(759.9)*	*(908.0)*
Less: Debt Service on Lockbox Bonds for the 2025-2029 Capital Program	*0.0*	*0.0*	*(24.5)*	*(134.5)*	*(361.9)*	*(710.2)*
Less: 2020-2024 Capital Program PAYGO and CBDTP Expenses	*(973.5)*	*(931.8)*	*(736.1)*	*(781.4)*	*(633.3)*	*(493.0)*
Less: 2025-2029 Capital Program PAYGO	*(499.7)*	*(1,443.3)*	*(1,403.5)*	*(1,314.9)*	*(1,102.0)*	*(768.3)*
	$0.0	***$0.0***	***$0.0***	***$0.0***	***$0.0***	***$0.0***
State and Local Subsidies						
State Operating Assistance	$187.9	$187.9	$187.9	$187.9	$187.9	$187.9
Local Operating Assistance	222.9	187.9	187.9	187.9	187.9	187.9
Station Maintenance	213.7	221.8	227.7	231.9	236.0	240.4
State General Fund Subsidy	0.0	0.0	0.0	0.0	0.0	0.0
	$624.5	***$597.6***	***$603.5***	***$607.8***	***$611.8***	***$616.2***
Casino License and Gaming Tax Revenues	***$500.0***	***$1,075.0***	***$140.0***	***$140.0***	***$140.0***	***$300.0***
Investment Income	***$103.8***	***$39.9***	***$14.3***	***$14.3***	***$14.3***	***$14.3***
Other Subsidy Adjustments						
NYCT Charge Back of MTA Bus Debt Service	($11.5)	($11.5)	($11.5)	($11.5)	($11.5)	($11.5)
Forward Energy Contracts Program - Gain/(Loss)	(4.2)	29.5	10.3	0.0	0.0	0.0
FEMA COVID Reimbursement	0.0	590.2	0.0	0.0	0.0	0.0
Other Local Subsidy Resources	0.0	0.0	206.9	0.0	0.0	0.0
Other Local Subsidy to Cover Debt Service Prepayment	0.0	0.0	0.0	0.0	0.0	0.0
OPEB Trust/Reserve*	0.0	(1,509.8)	594.0	600.0	607.0	873.0
Federal Formula Grant	3,058.1	0.0	0.0	0.0	0.0	0.0
Federal Formula Grant for PAYGO	(3,058.1)	0.0	0.0	0.0	0.0	0.0
Subsidy Adjustments	***($15.7)***	***($901.7)***	***$799.7***	***$588.5***	***$595.5***	***$861.5***
Subtotal: Taxes & State and Local Subsidies	**$10,233.7**	**$10,390.5**	**$11,149.1**	**$11,018.5**	**$11,108.5**	**$11,669.7**
Other Funding Agreements						
City Subsidy for MTA Bus Company	$525.9	$732.7	$674.5	$824.9	$844.2	$872.1
City Subsidy for Staten Island Railway	42.0	65.9	88.2	79.1	76.9	78.0
CDOT Subsidy for Metro-North Railroad	246.6	274.3	269.7	276.2	304.2	321.3
	$814.5	***$1,072.9***	***$1,032.3***	***$1,180.2***	***$1,225.3***	***$1,271.4***
Subtotal, including Other Funding Agreements	**$11,048.2**	**$11,463.4**	**$12,181.4**	**$12,198.7**	**$12,333.8**	**$12,941.1**
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	$1,315.6	$1,523.4	$1,418.7	$1,360.6	$1,398.3	$1,351.3
	$1,315.6	***$1,523.4***	***$1,418.7***	***$1,360.6***	***$1,398.3***	***$1,351.3***
TOTAL SUBSIDIES	**$12,363.8**	**$12,986.8**	**$13,600.2**	**$13,559.2**	**$13,732.1**	**$14,292.4**

* Contribution to and/or Reimbursements from OPEB Trust and/or OPEB Reserve Accounts.

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

	2026	2027	2028	2029
MMTOA, PBT, Real Estate Taxes and Other				
Metropolitan Mass Transportation Operating Assistance (MMTOA)	$203.6	$184.2	$113.3	$40.8
Mass Transportation Trust Fund (MTTF)	47.6	(4.8)	18.6	18.2
Mortgage Recording Tax (MRT)	3.7	0.0	0.0	0.0
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0
Urban Tax	95.8	0.0	0.0	0.0
	$350.7	***$179.4***	***$131.9***	***$59.0***
PMT and MTA Aid				
Payroll Mobility Tax (PMT) for Operating	$108.6	$0.0	$0.0	$0.0
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0
MTA Aid	0.0	0.0	0.0	0.0
	$108.6	***$0.0***	***$0.0***	***$0.0***
For-Hire Vehicle (FHV) Surcharge				
Subway Action Plan Account	$0.0	$0.0	$0.0	$0.0
Outerborough Transportation Account (OBTA) Transfer to Operating	(3.9)	(8.2)	(7.9)	(7.2)
General Transportation Account	0.0	0.0	0.0	0.0
	($3.9)	***($8.2)***	***($7.9)***	***($7.2)***
Automated Camera Enforcement (ACE)	***$0.0***	***$0.0***	***$0.0***	***$0.0***
Peer-to-Peer Car Sharing Trip Tax	***$0.0***	***$0.0***	***$0.0***	***$0.0***
Capital Lockbox Fund				
Payroll Mobility Tax (PMT) for Capital Funding	$43.3	$0.0	$0.0	$0.0
Central Business District Tolling Program (CBDTP)	0.0	0.0	0.0	0.0
Real Estate Transfer Tax	59.4	0.0	0.0	0.0
Internet Marketplace Tax - NYS	0.0	0.0	0.0	0.0
Internet Marketplace Tax - NYC	0.0	0.0	0.0	0.0
Subtotal:	***102.7***	***0.0***	***0.0***	***0.0***
Less: Debt Service on Lockbox Bonds for the 2020-2024 Capital Program	*15.4*	*10.5*	*(10.1)*	*2.1*
Less: Debt Service on Lockbox Bonds for the 2025-2029 Capital Program	*0.0*	*0.0*	*0.0*	*0.0*
Less: 2020-2024 Capital Program PAYGO and CBDTP Expenses	*(74.9)*	*(10.5)*	*10.1*	*(2.1)*
Less: 2025-2029 Capital Program PAYGO	*(43.3)*	*0.0*	*0.0*	*0.0*
	$0.0	***$0.0***	***$0.0***	***$0.0***
State and Local Subsidies				
State Operating Assistance	$0.0	$0.0	$0.0	$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0
Station Maintenance	(0.4)	(0.4)	(0.4)	(0.4)
State General Fund Subsidy	0.0	0.0	0.0	0.0
	($0.4)	***($0.4)***	***($0.4)***	***($0.4)***
Casino License and Gaming Tax Revenues	***$75.0***	***$140.0***	***$40.0***	***($60.0)***
Investment Income	***$24.0***	***$0.0***	***$0.0***	***$0.0***
Other Subsidy Adjustments				
NYCT Charge Back of MTA Bus Debt Service	$0.0	$0.0	0.0	0.0
Forward Energy Contracts Program - Gain/(Loss)	41.6	11.6	0.0	0.0
FEMA COVID Reimbursement	590.2	0.0	0.0	0.0
Other Local Subsidy Resources	(100.0)	406.9	200.0	(382.1)
Other Local Subsidy to Cover Debt Service Prepayment	0.0	0.0	0.0	0.0
OPEB Trust/Reserve*	(974.3)	94.0	0.0	307.0
Federal Formula Grant	0.0	0.0	0.0	0.0
Federal Formula Grant for PAYGO	0.0	0.0	0.0	0.0
Subsidy Adjustments	**($442.5)**	**$512.5**	**$200.0**	**($75.1)**
Subtotal: Taxes & State and Local Subsidies	**$111.5**	**$823.3**	**$363.6**	**($83.6)**
Other Funding Agreements				
City Subsidy for MTA Bus Company	$0.9	($156.3)	$35.0	$19.3
City Subsidy for Staten Island Railway	(8.5)	3.2	2.8	1.2
CDOT Subsidy for Metro-North Railroad	13.3	(5.0)	(12.5)	(4.3)
	$5.7	***($158.1)***	***$25.3***	***$16.3***
Subtotal, including Other Funding Agreements	**$117.2**	**$665.2**	**$388.9**	**($67.4)**
Inter-agency Subsidy Transactions				
B&T Operating Surplus Transfer	$75.2	($15.1)	($16.3)	($16.8)
	$75.2	***($15.1)***	***($16.3)***	***($16.8)***
TOTAL SUBSIDIES	**$192.5**	**$650.0**	**$372.7**	**($84.2)**

* Contributions to and/or Reimbursements from OPEB Trust and/or OPEB Reserve accounts.

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METROPOLITAN TRANSPORTATION AUTHORITY

July Financial Plan 2027-2030

Debt Affordability Statement after Below-the-Line Adjustments[1]

Debt Affordability for Operating Budget Debt Service Only - Excludes Debt Service on Capital Lockbox Debt

($ in millions)

Forecasted Debt Service and Borrowing Schedule	Notes	2025 ACTL	2026	2027	2028	2029	2030
Combined MTA/TBTA Forecasted Debt Service Schedule	1, 2, 3	$2,416.7	$2,887.0	$3,223.1	$3,380.4	$3,431.8	$3,655.5
Forecasted New Long-Term Bonds Issued	4	-	645.0	1,548.3	1,277.3	3,394.3	3,692.7
Forecasted Debt Service by Credit[9]	**Notes**	**2025 ACTL**	**2026**	**2027**	**2028**	**2029**	**2030**
Transportation Revenue Bonds							
Pledged Revenues	5	$16,707.4	$17,689.4	$17,442.0	$17,710.6	$17,910.7	$18,020.9
Debt Service	10	899.2	1,140.0	1,262.3	1,262.3	1,311.4	1,394.9
Debt Service as a % of Pledged Revenues		*5%*	*6%*	*7%*	*7%*	*7%*	*8%*
Dedicated Tax Fund Bonds							
Pledged Revenues (Adjusted - see Note)	6	$581.4	$1,815.8	$1,794.8	$1,849.7	$1,881.8	$1,915.7
Debt Service (excludes Capital Lockbox debt service)	6,10	290.6	293.5	342.3	372.4	340.4	370.3
Debt Service as a % of Pledged Revenues		*50%*	*16%*	*19%*	*20%*	*18%*	*19%*
Payroll Mobility Tax Bonds							
Pledged Revenues (Adjusted - see Note)	7	$3,742.2	$3,894.5	$3,856.2	$3,909.9	$3,946.3	$3,983.0
Debt Service (excludes Capital Lockbox debt service)	7,10	506.0	646.3	753.9	791.1	851.5	901.5
Debt Service as a % of Pledged Revenues		*14%*	*17%*	*20%*	*20%*	*22%*	*23%*
Triborough Bridge and Tunnel Authority General Revenue Bonds							
Pledged Revenues	8	$2,066.3	$2,257.1	$2,277.0	$2,308.1	$2,331.5	$2,334.3
Debt Service	10	703.7	804.7	862.5	945.9	869.4	929.1
Debt Service as a % of Total Pledged Revenues		*34%*	*36%*	*38%*	*41%*	*37%*	*40%*
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds							
Pledged Revenues	9	$1,362.6	$1,452.4	$1,414.5	$1,362.2	$1,462.0	$1,405.2
Debt Service	10	15.8	-	-	7.5	58.9	59.7
Debt Service as a % of Total Pledged Revenues		*1%*	*0%*	*0%*	*1%*	*4%*	*4%*
Triborough Bridge and Tunnel Authority 2nd Subordinate Revenue Bonds							
Pledged Revenues	11	$1,346.9	$1,452.4	$1,414.5	$1,354.7	$1,403.2	$1,345.5
Debt Service	10,13	0.8	-	-	-	-	-
Debt Service as a % of Total Pledged Revenues		*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
2 Broadway Certificates of Participation							
Lease Payments		$0.6	$2.5	$2.1	$1.2	$0.2	$0.0
Cumulative Debt Service (Excluding State Service Contract Bonds)	**Notes**	**2025 ACTL**	**2026**	**2027**	**2028**	**2029**	**2030**
Total Debt Service before Below-the-Line Adjustments:	1, 2, 3	**$2,416.7**	**$2,887.0**	**$3,223.1**	**$3,380.4**	**$3,431.8**	**$3,655.5**
Fare and Toll Revenues before Below-the-Line Adjustments		$7,761.3	$8,271.9	$8,457.6	$8,539.7	$8,569.6	$8,587.2
Total Debt Service as a % of Fare/Toll Revenue		*31.1%*	*34.9%*	*38.1%*	*39.6%*	*40.0%*	*42.6%*
Operating Revenues (including Fare/Toll Revenues) and Subsidies		$23,120.6	$22,574.9	$21,244.0	$21,575.0	$21,792.4	$22,216.7
Total Debt Service as a % of Operating Revenues and Subsidies		*10.5%*	*12.8%*	*15.2%*	*15.7%*	*15.7%*	*16.5%*
Non-Reimbursable Exp with Debt Service without Non-Cash Liabilities		$20,053.1	$21,920.5	$22,712.0	$23,350.8	$24,094.5	$25,021.0
Total Debt Service as % of Non-reimbursable Expenses		*12.1%*	*13.2%*	*14.2%*	*14.5%*	*14.2%*	*14.6%*
Total Debt Service after Below the Line Adjustments:	12	**$2,416.7**	**$2,887.0**	**$3,223.1**	**$3,380.4**	**$3,431.8**	**$3,655.5**
Fare and Toll Revenues after Below the Line Adjustments	12	**$7,761.3**	**$8,271.9**	**$8,738.2**	**$8,871.8**	**$9,198.9**	**$9,268.3**
Total Debt Service as a % of Fare and Toll Revenue after BTL Adjustments		*31.1%*	*34.9%*	*36.9%*	*38.1%*	*37.3%*	*39.4%*
Operating Revenues and Subsidies after Below the Line Adjustments	12	**$23,120.6**	**$22,574.9**	**$21,511.1**	**$21,897.4**	**$22,398.7**	**$22,878.7**
Total Debt Service as a % of Operating Rev/Subsidies after BTL Adjs.		*10.5%*	*12.8%*	*15.0%*	*15.4%*	*15.3%*	*16.0%*
Non-reimbursable Exp with DS after Below the Line Adjustments	12	**$20,053.1**	**$22,012.0**	**$22,845.2**	**$23,437.2**	**$24,134.6**	**$25,064.9**
Total Debt Service as a % of Non-Reimbursable Exp after BTL Adjs.		*12.1%*	*13.1%*	*14.1%*	*14.4%*	*14.2%*	*14.6%*

Notes on the following page are integral to this table.

[1] *Floating rate notes assumed at the variable rate assumption plus the current fixed spread to maturity.*

[2] *Synthetic fixed-rate debt assumed at swap rate; floating rate notes assumed at swap rate plus the current fixed spread to maturity.*

[3] *All debt service numbers reduced by Build America Bonds (BAB) subsidy.*

[4] *All bonds to be issued assume 30-year level debt service with the principal amortized over the life of the bonds, with the following exceptions: PMT Bonds for MTA Bond funded portion of the 2020-24 capital program, which are 30-year bonds, amortized on a level debt service basis over 20 years, from year 11 to year 30.*

[5] *Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies; funds contributed to the General Transportation Account of the NYC Transportation Assistance Fund; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds, and the Payroll Mobility Tax Obligation Resolution Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.*

[6] *Dedicated Tax Fund pledged revenues as shown above consist generally of the following: petroleum business tax, motor fuel tax, motor vehicle fees and, beginning in 2026, district sales tax deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; in addition, while not reflected in the DTF pledged revenue figures above, the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Transportation Operating Assistance Account for the benefit of the MTA are also pledged. After the payment of debt service on the MTA Dedicated Tax Fund Bonds, these subsidies are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and SIRTOA. Effective April 1, 2026, the State Fiscal Year 2025-2026 Enacted Budget redirected 85% of annual District Sales Tax revenues previously deposited into the MMTOA Account into the MTTF on behalf of MTA. Dedicated Tax Fund debt service excludes all debt service for the 2025-2029 Account of the Capital Lockbox Fund.*

[7] *Payroll Mobility Tax Obligations pledged revenues include Payroll Mobility Tax and Aid Trust Account Receipts, including 28.5% of gross Payroll Mobility Tax revenues dedicated to the 2025–2029 Account of the Capital Lockbox Fund, which began in September 2025. Because debt service for this account is excluded from the above table, pledged revenues are adjusted to net out the 28.5% dedicated to the account.*

[8] *Triborough Bridge and Tunnel Authority General Revenue Bond pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels. Pledged revenues secure TBTA General Revenue Bonds after the payment of TBTA operating and maintenance expenses, including certain reserves.*

[9] *Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue Bonds.*

[10] *A debt service schedule for each credit is attached as addendum hereto.*

[11] *Triborough Bridge and Tunnel Authority Second Subordinate (2nd SUB) Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue and Subordinate Revenue Bonds.*

[12] *These totals incorporate the Plan's Below-the-Line Adjustments.*

[13] *Reimbursable from Capital Lockbox for 2020-2024 Capital Program.*

Note: Does not include debt service to be paid by the Capital Lockbox Fund. Pledged revenues in this table are not necessarily the same as in bond resolutions.

III. Plan Adjustments

Plan Adjustments

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

Fare and Toll Increases

March 2027 (4% Fare and Toll Yield) – An increase in fares and tolls, yielding a 4 percent overall increase in farebox and toll revenues, is assumed for implementation in March 2027 and is projected to generate $281 million in 2027, $332 million in 2028, $333 million in 2029, and $334 million in 2030. Factoring in subsidy impacts for MTA Bus, SIR and B&T (10 percent of all B&T surplus toll revenues are delayed for distribution to NYCT and the Commuter Railroads, per MTA Board policy, until B&T results are audited), the net increase to the MTA is $267 million in 2027, $322 million in 2028, $324 million in 2029 and $325 million in 2030. Compared with the February Plan, net projections are unfavorable by $7 million in 2027 and 2028, and unfavorable by $8 in 2028 in 2029.

March 2029 (4% Fare and Toll Yield) – An increase in fares and tolls, yielding a 4% overall increase in farebox and toll revenues, is assumed for implementation in March 2029 and is projected to generate $296 million in 2029 and $347 million in 2030. Factoring in the subsidy impacts for MTA Bus, SIR and B&T, the net increase to the MTA is $282 million in 2029 and $337 million in 2030. Compared with the February Plan, this is unfavorable by $7 million in 2029.

MTA Consolidated Utilization

MTA Agency Fare and Toll Revenue Projections, in millions

Including the Impact of Fare & Toll Yield Increases

		Mid-Year Forecast 2026	Preliminary Budget 2027	2028	2029	2030
Fare Revenue						
Long Island Rail Road	Baseline	$749.345	$749.560	$751.660	$754.891	$757.068
	2027 Yield Increase	0.000	25.631	30.066	30.196	30.283
	2029 Yield Increase	0.000	0.000	0.000	26.846	31.494
		$749.345	**$775.191**	**$781.726**	**$811.932**	**$818.845**
Metro-North Railroad [1]	Baseline	$702.465	$708.808	$710.795	$724.568	$726.628
	2027 Yield Increase	0.000	16.046	18.826	19.336	19.390
	2029 Yield Increase	0.000	0.000	0.000	17.024	19.975
		$702.465	**$724.854**	**$729.621**	**$760.927**	**$765.994**
MTA Bus Company [2]	Baseline	$197.641	$213.927	$217.383	$217.256	$217.322
	2027 Yield Increase	0.000	7.294	8.695	8.690	8.693
	2029 Yield Increase	0.000	0.000	0.000	7.704	9.041
		$197.641	**$221.221**	**$226.078**	**$233.650**	**$235.055**
New York City Transit [3]	Baseline	$3,848.321	$3,983.672	$4,039.656	$4,040.649	$4,045.031
	2027 Yield Increase	0.000	134.981	161.753	161.792	161.968
	2029 Yield Increase	0.000	0.000	0.000	142.855	168.446
		$3,848.321	**$4,118.654**	**$4,201.409**	**$4,345.296**	**$4,375.445**
Staten Island Railway [2]	Baseline	$4.029	$4.127	$4.158	$4.158	$4.160
	2027 Yield Increase	0.000	0.140	0.166	0.166	0.166
	2029 Yield Increase	0.000	0.000	0.000	0.147	0.173
		$4.029	**$4.268**	**$4.324**	**$4.471**	**$4.500**
Total Farebox Revenue	Baseline	$5,501.801	$5,660.094	$5,723.651	$5,741.521	$5,750.209
	2027 Yield Increase	*0.000*	*184.092*	*219.507*	*220.180*	*220.500*
	2029 Yield Increase	*0.000*	*0.000*	*0.000*	*194.575*	*229.129*
		$5,501.801	***$5,844.186***	***$5,943.158***	***$6,156.276***	***$6,199.838***
Toll Revenue						
Bridges & Tunnels [4]	Baseline	$2,770.060	$2,797.476	$2,816.022	$2,828.056	$2,836.988
	2027 Yield Increase	0.000	96.499	112.641	113.122	113.480
	2029 Yield Increase	0.000	0.000	0.000	101.456	118.019
		$2,770.060	**$2,893.975**	**$2,928.663**	**$3,042.634**	**$3,068.486**
TOTAL FARE & TOLL REVENUE						
	Baseline	$8,271.861	$8,457.570	$8,539.673	$8,569.577	$8,587.196
	2027 Yield Increase	*0.000*	*280.591*	*332.148*	*333.303*	*333.980*
	2029 Yield Increase	*0.000*	*0.000*	*0.000*	*296.031*	*347.148*
		$8,271.861	***$8,738.161***	***$8,871.821***	***$9,198.910***	***$9,268.324***

1 Metro-North Railroad utilization figures include both East of Hudson and West of Hudson services.
2 MTA Bus and Staten Island Railway revenues from fare increases are used to reduce NYC subsidies to MTA Bus and SIR.
3 New York City Transit utilization figures include Paratransit and Fare Media Liability.
4 Distribution of 10% of B&T surplus toll revenue is delayed to subsequent year per MTA Board resolution.

MTA Initiatives

Operating Efficiencies – From 2009 through 2022, the MTA identified and captured about $3.2 billion in annually recurring savings. In 2023, the MTA committed to achieving an additional $500 million in annually recurring cost savings through operating efficiencies, which was attained by the end of 2025 with initiatives ranging from insourcing functions like cleaning, using reliability data to tailor maintenance frequencies, and standardizing work practices to improve productivity. Details on these savings actions are included in Volume 2, Section II of the 2023 November Financial Plan.

Targets for new operating efficiencies were introduced in the 2025 November Plan, with savings of $75 million in 2026, growing to $150 million in 2027, $200 million in 2028, and reaching an ultimate value of $250 million in annual recurring operating savings by 2029. Efficiencies to meet the initial $76 million in savings were identified and incorporated in Agency baseline financial plans in the 2026 February Financial Plan. The remainder of the savings targets remain below-the-line, although the operating efficiencies to meet the remaining $74 million for 2027 have been identified and are listed in the tables that accompany this section.

Future operating efficiencies to meet the remaining savings targets – $50 million in 2028 and $100 million recurring beginning in 2029 – will be identified in future Plans.

Management and Policy Actions

The Plan does not include any below-the-line Management and Policy Actions.

MTA Re-estimates

Labor Settlements - Year 1 at 3.8% – In June 2026, the MTA approved a new four-year labor agreement with five Long Island Rail Road unions, with wage increases of 3 percent in the first and second year, 3.5 percent in the third year, and 4.5% in the fourth year. The fourth year was extended by six weeks, which resulted in an effective increase of 3.8% in the final year of the contract. Including work rule changes, the first three years of the contract follow the pattern set by the recently concluded TWU Local 100 contract, and the LIRR financial plan includes the financial impact of the settlement terms. The fourth year of the settled contract, however, is not aligned with assumptions in the Plan, which assumes wage increases would be 2 percent annually once existing settlements expire. The incremental increase, from a 2 percent first year increase to a 3.8 percent first year increase, across the MTA is estimated to be $92 million in 2026, increasing to $177 million in 2027, and growing to $187 million by 2030.

Pension Adjustment - Tier 6 Legislation – The New York State Enacted Budget 2026-2027 included a number of changes to the current tier of the pension plans administered by New York State and New York City. Tier 6, which covers employees who began pensionable service on April 1, 2012 or later, has been amended to lower employee contributions and increase pensionable overtime caps. These changes will also be incorporated in other pension plans that cover MTA employees, and these changes are estimated to increase total MTA actuarily determined pension expenses by $30 million annually.

Metropolitan Transportation Authority
July Financial Plan 2027-2030
Summary of Operating Efficiencies
($ in millions)

Agency	2027	2028	2029	2030
NYCT	$ 49	$ 49	$ 49	$ 49
LIRR	$ 10	$ 10	$ 10	$ 10
MNR	$ 7	$ 7	$ 7	$ 7
B&T	$ 1	$ 1	$ 1	$ 1
MTA HQ	$ 7	$ 7	$ 7	$ 7
Additional savings identified in this Plan	**$ 74**	**$ 74**	**$ 74**	**$ 74**
Existing initiatives reflected in Agency baselines	**$ 76**	**$ 76**	**$ 76**	**$ 76**
Additional savings to be identified to meet target	**$ -**	**$ 50**	**$ 100**	**$ 100**
Grand Total	**$ 150**	**$ 200**	**$ 250**	**$ 250**

MTA New York City Transit
July Financial Plan 2027-2030
Summary of Operating Efficiencies
($ in millions)

Initiative	Description	Positions	2027	Positions	2028	Positions	2029	Positions	2030
Energy efficiency	Continue to identify and implement measures to reduce energy consumption / footprint.	-	$ 4.3	-	$ 4.3	-	$ 4.3	-	$ 4.3
Facilities spending	Continue to identify workspace efficiencies to reduce rental and operational costs.	-	$ 0.2	-	$ 0.2	-	$ 0.2	-	$ 0.2
Maintenance productivity	Increase productivity through process improvements and equipment modernization.	-	$ 1.9	-	$ 1.9	-	$ 1.9	-	$ 1.9
MetroCard reduced costs	Reduce costs associated with MetroCard and coin machine maintenance and processing given transition to OMNY.	-	$ 6.7	-	$ 6.7	-	$ 6.7	-	$ 6.7
Operational process improvement	Identify and streamline administrative, scheduling, tracking processes.	-	$ 22.7	-	$ 22.7	-	$ 22.7	-	$ 22.7
Service enhancements	Leverage data-driven enhancements to provide service more efficiently.	-	$ 3.8	-	$ 3.8	-	$ 3.8	-	$ 3.8
Technology enablement	Identify and leverage technology to boost capabilities at lower cost.	-	$ 9.9	-	$ 9.9	-	$ 9.9	-	$ 9.9
Transit Total		**-**	**$ 49.4**	**-**	**$ 49.4**	**-**	**$ 49.4**	**$ -**	**$ 49.4**

MTA LONG ISLAND RAIL ROAD
July Financial Plan 2027-2030
Summary of Operating Efficiencies
($ in millions)

Initiative	Description	Positions	2027	Positions	2028	Positions	2029	Positions	2030
Improve Equipment Maintenance Workflows in Shops	Eliminate redundancies in the Periodic Inspection Procedure (PI), gain efficiencies to reduce headcount in shops, remove underperforming M3 cars from the fleet, improve inventory management to ensure that material and equipment purchases are aligned with usage and systematic needs, and refine overtime protocols to focus cleaning efforts where most needed.	32	$ 4.8	32	$ 4.8	32	$ 4.8	32	$ 4.8
Maintenance Overtime	Improve availability, and reduce overtime usage for planned activities.	-	$ 0.2	-	$ 0.2	-	$ 0.2	-	$ 0.2
On Board Staffing Optimization	Optimize onboard staffing to boost efficiency.	27	$ 5.0	27	$ 5.0	27	$ 5.0	27	$ 5.0
Energy Management	Implement various energy efficiency projects including more efficient building heating initiatives, lighting, etc.	-	$ 0.1	-	$ 0.1	-	$ 0.1	-	$ 0.1
MTA Long Island Rail Road Total		**59**	**$ 10.1**	**59**	**$ 10.1**	**59**	**$ 10.1**	**59**	**$ 10.1**

MTA Metro-North Railroad
July Financial Plan 2027-2030
Summary of Operating Efficiencies
($ in millions)

Initiative	Description	Positions	2027	Positions	2028	Positions	2029	Positions	2030
Optimize Overtime Utilization	Strengthen enterprise overtime governance through enhanced pre-approval requirements, real-time monitoring, and data-driven oversight. Expand use of the Overtime Approval Application and standardized performance reviews to reduce non-essential overtime.	-	$ 1.0	-	$ 1.0	-	$ 1.0	-	$ 1.0
Operational Efficiency and Resource Optimization	Improve operating efficiency through stronger financial and operational controls, better resource utilization, enhanced inventory management and prioritizing fleet maintenance activities while maintaining safety and FRA compliance.	-	$ 5.8	-	$ 5.8	-	$ 5.8	-	$ 5.8
M of W Standard Work	Expand Standard Work practices across Maintenance of Way to increase production output, reduce variability, and lower overtime reliance.	-	$ 0.3	-	$ 0.3	-	$ 0.3	-	$ 0.3
Stations Standard Work	Scale standardized maintenance practices across Grand Central Terminal and outlying stations to improve productivity, consistency, and cost efficiency.	-	$ 0.8	-	$ 0.8	-	$ 0.8	-	$ 0.8
Passenger Counting Modernization	Replace manual passenger count processes with an Automated Passenger Counting (APC) solution that provides accurate, real-time ridership information to support service planning, capacity management, and operational decision-making.	-	$ 0.8	-	$ 0.8	-	$ 0.8	-	$ 0.8
MNR subtotal		**-**	**$ 8.6**	**$ -**	**$ 8.6**	**$ -**	**$ 8.6**	**$ -**	**$ 8.6**
CDOT share of savings		**-**	**$ (1.9)**	**-**	**$ (1.9)**	**-**	**$ (1.9)**	**$ -**	**$ (1.9)**
MNR total (MTA share)		**-**	**$ 6.7**	**-**	**$ 6.7**	**-**	**$ 6.7**	**$ -**	**$ 6.7**

MTA BRIDGES & TUNNELS
July Financial Plan 2027-2030
Summary of Operating Efficiencies
($ in millions)

Initiative	Description	Positions	2027	Positions	2028	Positions	2029	Positions	2030
Reduce Credit Card Expenses	Change policies to encourage ACH deposits on large E-ZPass account replenishments.	-	$ 1.0	-	$ 1.0	-	$ 1.0	-	$ 1.0
B&T Total		**-**	**$ 1.0**	**-**	**$ 1.0**	**-**	**$ 1.0**	**-**	**$ 1.0**

MTA HEADQUARTERS
July Financial Plan 2027-2030
Summary of Operating Efficiencies
($ in millions)

Initiative	Description	Positions	2027	Positions	2028	Positions	2029	Positions	2030
In-sourcing / contract efficiency	Increase reliance on internal staff to deliver projects and reduce external professional services and contract spend.	-	$ 3.9	-	$ 3.9	-	$ 3.9	-	$ 3.9
Optimize operational / administrative processes through technology	Utilize new technologies and software to improve efficiency of administrative tasks and operational functions.	-	$ 1.2	-	$ 1.2	-	$ 1.2	-	$ 1.2
Headcount optimization	Complete work more efficiently to reduce need for extra staff.	-	$ 1.5	-	$ 1.5	-	$ 1.5	-	$ 1.5
Lower overtime costs by streamlining workflows and improving day-to-day	Reduce employee overtime due to more streamlined work processes.	-	$ 0.1	-	$ 0.1	-	$ 0.1	-	$ 0.1
Reduce rent, utilities, and materials expenses	Reduce spend on office supplies, fuel, and other material goods.	-	$ 0.2	-	$ 0.2	-	$ 0.2	-	$ 0.2
HQ Total		**-**	**$ 7.0**	**-**	**$ 7.0**	**-**	**$ 7.0**	**-**	**$ 7.0**

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IV. Appendix

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

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

METROPOLITAN TRANSPORTATION AUTHORITY

By: ______________________________
Janno Lieber
Chair and Chief Executive Officer

Dated: 7.22.26

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V. Other

The MTA Budget Process

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

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

- Volume I summarizes the complete financial plan, including the baseline as well as policy items and other “below-the-line” items;

- Volume II includes detailed Agency information supporting baseline revenue, expense, cash and headcount projections. Also included is detailed information supporting actions taken to increase savings as well as individual Agency deficit reduction programs.

July Plan

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

November Plan

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

December Adopted Budget

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

February Plan

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