

**MTA ANNUAL DISCLOSURE STATEMENT UPDATE**  
**(2020 ADS Second Quarterly Update)**  
**November 24, 2020**

**This Metropolitan Transportation Authority (“MTA”) Annual Disclosure Statement Update (including Attachment A hereto, the “Second Quarterly Update”), dated November 24, 2020, is the second quarterly update to the Annual Disclosure Statement (the “ADS”) of MTA, dated April 29, 2020, as supplemented on May 1, 2020, May 19, 2020, May 27, 2020, June 3, 2020, June 25, 2020, July 17, 2020 and August 28, 2020, and as updated by a First Quarterly Update, dated August 3, 2020, and contains information only through its date. MTA expects to file this Second Quarterly Update with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access system and may incorporate such information herein by specific cross-reference. Such information, together with the complete November Plan hereinafter referred to, is also posted on the MTA website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA’s website or any other website is included by specific cross-reference herein. All of the information in this Second Quarterly Update is accurate as of its respective date. MTA retains the right to update and supplement specific information contained herein as events warrant.**

**The factors affecting MTA’s financial condition are complex. This Second Quarterly Update contains forecasts, projections, and estimates that are based on expectations and assumptions, that existed at the time they were prepared and contains statements relating to future results and economic performance that are “forward-looking statements”, as such term is defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “calculate”, “budget,” “project,” “forecast,” “anticipate” or other similar words. The forward looking statements contained herein are based on MTA’s expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete, imprecise or not reflective of future actual results. Forecasts, projections, calculations and estimates are not intended as representations of fact or guarantees of results. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, general economic and business conditions; natural calamities; foreign hostilities or wars; domestic or foreign terrorism; changes in political, social, economic and environmental conditions , including climate change and extreme weather events; severe epidemic or pandemic events; cybersecurity events; impediments to the regulations; litigation; actions by the federal government to reduce or disallow expected aid, including federal aid authorized or appropriated by Congress, but subject to sequestration, administrative actions, or other actions that would reduce aid to MTA; and various other events, conditions and circumstances. Many of these risks and uncertainties are beyond the control of MTA. Except as set forth in the preceding paragraph, MTA does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations change or events occur that change the conditions or circumstances on which such statements are based. Such forward-looking statements speak only as of the date of this Second Quarterly Update.**

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**Introduction**

This update, dated November 24, 2020 (the “Second Quarterly Update”), is the second quarterly update to the Annual Disclosure Statement (the “ADS”) of the Metropolitan Transportation Authority (“MTA”), dated April 29, 2020, as supplemented on May 1, 2020, May 19, 2020, May 27, 2020, June 3, 2020, June 25, 2020, July 17, 2020 and August 28, 2020, and as updated by a First Quarterly Update, dated August 3, 2020. This Second Quarterly Update contains information only through November 24, 2020, and should be read in its entirety, together with the ADS as so previously supplemented. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ADS.

In this Second Quarterly Update, readers will find:

1. A summary of recent events and changes to MTA’s 2020-2024 Financial Plan released by MTA in July 2020 (the “July Plan”), made since the date of the ADS, to reflect provisions of the 2020 MTA November Financial Plan presented to the MTA Board on November 18, 2020 (the “November Plan”). The complete November Plan is posted on MTA’s website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA’s website or any other website is included by specific cross-reference herein. The updated information reflected in the November Plan includes revised July Plan projections for fiscal years 2020 through 2024, including a final proposed budget for 2021.
2. **Attachment A** to this Second Quarterly Update, which presents the November Plan in tabular form and includes Financial Plan tables that summarize MTA’s November Plan projected receipts and expenditures for fiscal years 2020 (actual), 2021 (final proposed) through 2024, in each case prepared by MTA management.

**Overview**

The November Plan, on a preliminary basis, includes the 2020 November Forecast, the 2021 Final Proposed Budget and a financial plan for the years 2021-2024, and updates the July Plan. Since 2010, MTA financial plans have included the impact of MTA management’s pursuit of operational efficiencies and recurring cost reductions which have been used to lower the amount of revenues needed from biennial fare and toll increases and governmental subsidies, and have provided funding for the capital program and enhanced maintenance. When sustainable, MTA multi-year financial plans have reflected added service, while at the same time addressing long-term costs such as pensions, health care, paratransit, and debt service.

The November Plan, however, as with the July Plan, reflects the impact the novel coronavirus (“COVID-19”) outbreak and the ensuing effect that the pandemic has had on the MTA region, forcing MTA to focus on financial survival while at the same time providing service needed to keep the region moving. A key conclusion of the forecasts available to MTA management is that the COVID-19 pandemic can be expected to have an extended impact over the entire November Plan period.

Without further federal action and major additional budget relief, MTA management now preliminarily projects total deficits attributable to COVID-19 pandemic impacts for the November Plan period of approximately \$15.9 billion. Actions identified to date will not be sufficient to fully address these forecast deficits. As further discussed below, future actions being reviewed by MTA management include the following: (i) reductions or delays in Capital Program implementation; (ii) fare and toll increases (above the planned 4% biennial adjustments); (iii) delay in pension contributions; (iv) wage freezes; (v) reductions in work force; (vi) service reductions; and (vii) long-term deficit financing.

## **The July Plan**

The July Plan was unlike any prior MTA financial plan. The COVID-19 outbreak, which was declared an international public health emergency on January 30, 2020 by the World Health Organization, first surfaced in the MTA region on March 1st. As COVID-19 cases rapidly increased, Governor Cuomo issued an Executive Order, effective March 22nd, closing all nonessential businesses statewide, banning gatherings of individuals who were not considered frontline workers, required social distancing of at least six feet, encouraged the wearing of masks or other personal protective equipment, and discouraged the use of mass transit. The Executive Order charged MTA with providing transportation for only essential travel and, in response, MTA implemented a reduced service schedule across the operating agencies to ensure service to and from work for frontline workers. On March 20, 2020, compared with one year earlier, subway ridership was down 76%, combined MTA New York City Transit Bus and MTA Bus ridership was down 61%, MTA Metro-North Railroad ridership was down 94%, MTA Long Island Rail Road ridership was down 76%, and MTA Bridges and Tunnels traffic was down 42%. On March 25, 2020, MTA began phasing in an “Essential Service Plan” for the subway, buses and MTA Long Island Rail Road and MTA Metro-North Railroad. While reducing scheduled service, the Essential Service Plan continued to provide the service necessary for first responders and essential personnel travel to and from hospitals and other critical locations.

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), a \$2 trillion economic relief package to address the financial impacts caused by the pandemic. The CARES Act provided \$25 billion to assist transit agencies with providing transportation to essential workers. Of that amount, MTA New York City Transit, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Bus, and Staten Island Railway received payments totaling \$4.009 billion to assist with covering expenses for operating service during the pandemic.

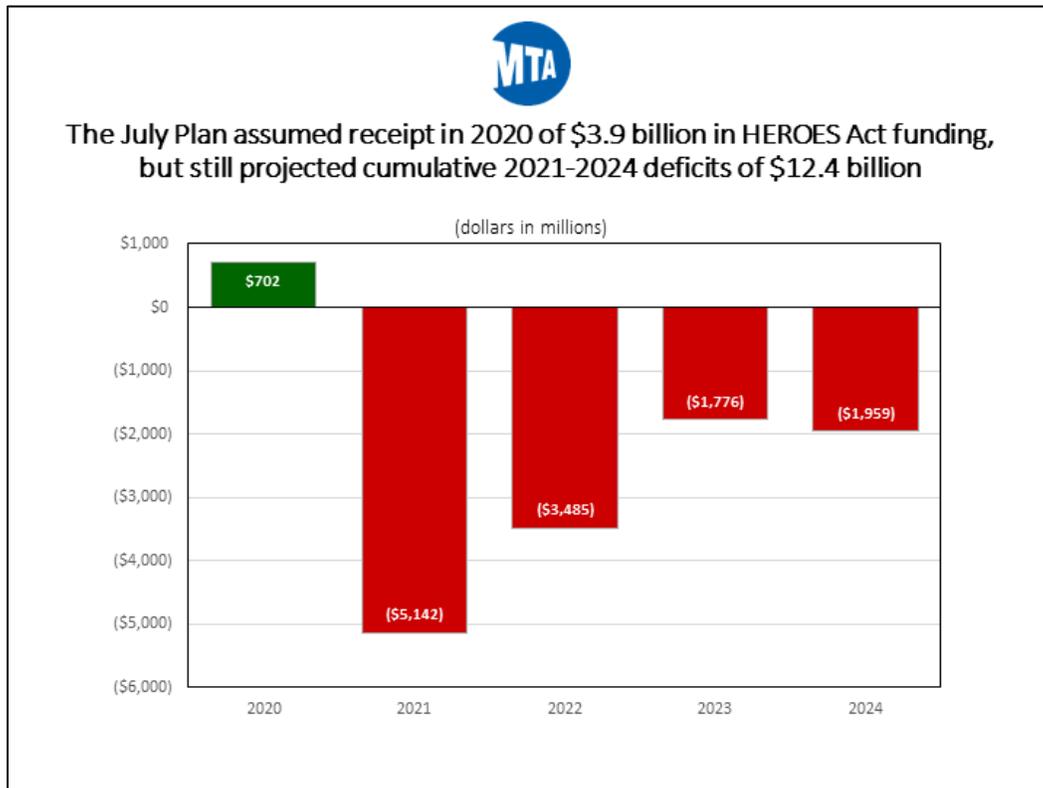
Measures were taken to aggressively clean and sanitize stations and the rail and bus fleets daily. Beginning May 6, 2020, in anticipation of a gradual reopening of New York City, subway service was suspended overnight from 1 a.m. to 5 a.m. to allow for a complete disinfecting of the system, with bus and third-party alternative transportation services provided to essential workers during hours of closure. As COVID-19 cases declined, New York City entered Phase 1 of the State’s gradual re-opening protocols on June 8th. The City and the metropolitan region gradually moved through subsequent phases – the City entered Phase 2 on June 22nd, Phase 3 on July 6th and Phase 4 on July 20th – and service was moderately increased to provide for social distancing on subways, buses and the commuter railroads for returning customers. As of November 6th, ridership was down 69% on the subway, 49% combined on bus service provided by MTA New York City Transit and MTA Bus, 73% on the MTA Long Island Rail Road, and 77% on MTA Metro-North Railroad. Traffic

on MTA Bridges and Tunnels facilities have been rebounding, but remains 13% below traffic levels from one year ago.

In April, MTA hired McKinsey & Company (“McKinsey”) to develop an initial financial impact assessment from the pandemic. McKinsey reviewed MTA farebox and toll revenues, and subsidy receipts, and developed forecasts consistent with the likely effect the pandemic would have on the regional and national economies. The results of the McKinsey analysis were a baseline scenario (“earlier containment and recovery”) where ridership and traffic begin to return in June, but with a resurgence in cases in the fall of 2020, and an alternative scenario (“delayed containment and recovery”) where the initial return is slower due to countervailing factors such as personal preferences to avoid public transit and continue working remotely, followed by a resurgence of the pandemic more severe than the base scenario. For the July Plan, ridership, traffic, and subsidy forecasts were based on the midpoint of these two scenarios.

McKinsey estimated the pandemic would adversely impact MTA’s finances by a net of \$16.2 billion through 2024. Operating revenues were projected to be down \$10.7 billion, subsidies \$6.9 billion lower, and expenses \$2.7 billion higher, offset by the receipt of \$4.0 billion from the CARES Act.

The July Plan also assumed \$3.9 billion of additional federal aid from the Health and Economic Recovery Omnibus Emergency Solutions Act (“HEROES Act”) or similar federal legislation to cover ongoing 2020 COVID-19-related losses and a portion of the 2021 deficit. Due to the U.S. Senate’s failure to act upon the HEROES Act, such additional federal aid has not been received.



## **The November Plan**

Despite lower ridership levels, MTA services are mostly operating at pre-pandemic levels, the exception being commuter railroads; MTA Metro-North Railroad has scheduled about 63% for weekday service and 66% for weekend service, and the MTA Long Island Rail Road has scheduled about 90% for weekday service and 100% for weekend service (although MTA Long Island Rail Road weekend service experiences reductions to accommodate Third Track and other capital work). While this has allowed returning customers some measure of social distancing, it is financially unsustainable as farebox revenues and subsidies needed to cover operating expenses continue to fall short. The HEROES Act, after passage by the U.S. House of Representatives, was never acted upon by the U.S. Senate, and other efforts to provide critical funding to MTA and other public transportation entities are not forthcoming as of the date hereof.

Without the \$3.9 billion in federal aid that was assumed in the July Plan, fiscal balance is not achievable in 2020, and the deficit will need to be addressed through other means.

Related Entity revenues and expenses are more favorable than projected in the July Plan. Fare and toll revenues are estimated to surpass the July Plan forecast by approximately \$319 million, while non-labor expenses are projected to be lower by \$295 million in 2020, although are projected to be higher for the rest of the November Plan period. Savings from vacancies—attributable to an MTA-wide hiring freeze—are expected to total \$66 million. Debt service expense is forecast to be \$31 million favorable in 2020, with savings through the remainder of the November Plan period, while subsidies are slightly unfavorable through 2022, followed by improvements in 2023 and 2024.

The preliminary November Plan projected a cumulative deficit of \$15.9 billion through 2024 as shown on the numerical and bar charts below.



## What has changed since the July Plan?

(dollars in millions)

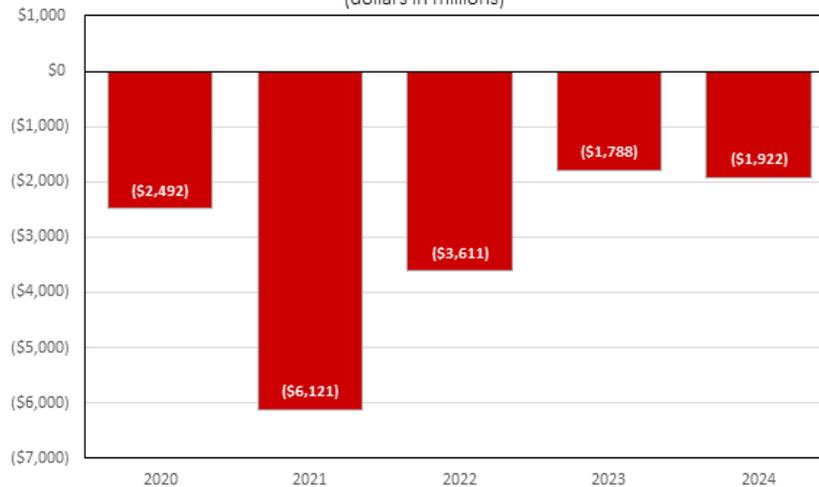
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Plan Total</u>
<b>July Plan <sup>1</sup></b>	<b>\$702</b>	<b>(\$5,142)</b>	<b>(\$3,485)</b>	<b>(\$1,776)</b>	<b>(\$1,959)</b>	<b>(\$11,661)</b>
HEROES Act funds not received	(\$3,900)	\$0	\$0	\$0	\$0	(\$3,900)
Re-Estimates:						
Agencies:						
Revenues	319	0	0	0	0	319
Non-Labor	295	(169)	(180)	(127)	(70)	(251)
Vacancies	66	0	0	0	0	66
Subsidies	(4)	(160)	(32)	33	40	(123)
Debt Service	31	52	87	85	84	338
Change in Prior Year Cash Balance	0	(702)	0	0	0	(702)
<b>Preliminary November Financial Plan</b>	<b>(\$2,492)</b>	<b>(\$6,121)</b>	<b>(\$3,611)</b>	<b>(\$1,785)</b>	<b>(\$1,905)</b>	<b>(\$15,914)</b>

<sup>1</sup> Reflects 4% fare and toll increases in 2021 and 2023.



## Preliminary November Financial Plan projects cumulative deficits of \$15.9 billion

(dollars in millions)



MTA identified new cost savings in three areas: overtime, consulting contracts, and other non-personnel expenses. These actions were initially presented to the MTA Board at a special Board

meeting in August 2020 and have been subsequently refined and increased. The Related Entities have already begun implementing these savings, which are projected to reduce expenses by \$259 million in 2020, \$601 million in 2021, \$498 million in 2022, \$466 million in 2023 and \$461 million in 2024.

Overtime spending reductions are targeted in several areas, with most of the savings derived from tighter controls on the use of overtime including reduced unscheduled overtime and related fringe benefits. Overtime is being reduced due to COVID-19-related service reductions, and for bus maintenance, track cleaning, signal inspections and fare collection equipment maintenance. Customer service overtime reductions—including overtime for platform staff, announcers, station and fleet cleaning staff, and for other station and ticket selling staff—are also being undertaken. Approaching storms will be better evaluated to ensure that weather-related overtime will only occur as necessary.

Consultant contract reductions include: the using of existing Enterprise Asset Management (“EAM”) systems for asset management; utilizing in-house staff for tolling audits; replacing consultants with in-house staff for human resources, legal services, training, and other auxiliary services and for maintenance inspections; reducing reliance on consultants for IT support; closing walk-in E-ZPass centers for cash customers (which have been closed since the pandemic started in March); and reducing the use of consultants originally identified for Transformation Plan support.



### Additional Savings Actions: Overtime Spending Reductions

(dollars in millions)

	2020	2021	2022	2023	2024
<b>Overtime Spending Reductions</b>					
Tighter Controls	\$13	\$150	\$173	\$173	\$173
Customer Service	0	11	11	11	11
Direct COVID Adjustments	4	18	18	18	18
Maintenance	1	13	13	13	13
Special Event Coverage	0	2	2	2	2
Weather-related	7	19	19	20	20
<b>Sub-Total</b>	<b>\$25</b>	<b>\$213</b>	<b>\$236</b>	<b>\$237</b>	<b>\$237</b>

- Tighter controls – reduced unscheduled overtime and associated fringe benefits by 41%, better “extra list” management for bus operators, and reduced availability overtime backfill provision
- Customer service – reduced overtime for customer service/experience related staff including platform staff, announcers, station and fleet cleaning staff, and station & ticket selling staff
- Direct COVID adjustments – reduced overtime needs resulting directly from COVID-19 service reductions
- Maintenance – reduced overtime allocation to bus maintenance, track cleaning, fare collecting equipment and signal inspections
- Special events – reduced special event overtime through reduction in station agent coverage and service delivery
- Weather-related – significantly reduce weather preparation and response overtime



## Additional Savings Actions: Consulting Contract Reductions

(dollars in millions)

	2020	2021	2022	2023	2024
<b>Consulting Contract Reductions</b>					
Asset Management	\$12	\$10	\$9	\$10	\$22
Audit & Finance	8	7	7	7	7
Customer Service	3	3	2	0	0
General Professional Services	5	22	8	7	6
IT	9	22	21	9	9
Maintenance & Property Management	1	4	3	3	3
Transformation	25	50	0	0	0
<b>Sub-Total</b>	<b>\$63</b>	<b>\$118</b>	<b>\$50</b>	<b>\$36</b>	<b>\$47</b>

- Asset Management – utilize existing EAM systems rather than replacing them
- Audit & Finance – eliminate use of outside consultants for tolling audits, and remove ineligible dependents from NYCT Health Plans through audit
- Customer Service – close walk-in E-ZPass centers for cash customers (which have been closed since the pandemic started in March)
- General Professional Services – reduce consulting services related to HR, legal services, training, and other auxiliary services
- IT – release of 100 IT consultants and EAM IT support
- Maintenance & Property – reduce the use of consultants for maintenance inspections by utilizing existing staff
- Transformation – reduce the use of consultants originally identified in Transformation costs

Savings in non-personnel expenses include reduced costs for electric power, fuel and labor from lower operating service levels; reduced inventory buildup; better management of non-revenue fleet; elimination of bus Wi-Fi and Bus Time SMS; revised vehicle inspection schedules and reductions on non-essential repairs; various procurement business expense savings; reduction of property and office equipment rentals; and the reduction in non-essential business travel, membership dues and training programs.



## Additional Savings Actions: Non-Personnel Expense Reductions

(dollars in millions)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Non-Personnel Expense Reductions</b>					
Direct COVID Adjustments	\$2	\$42	\$43	\$42	\$42
Equipment, Materials and Supplies	21	39	31	27	27
Fleet Management	3	10	4	3	3
IT	13	16	14	12	12
Maintenance	11	14	16	15	15
Procurement Savings	27	58	30	28	12
Other Business Expenses	90	84	67	59	59
Property Management	0	4	4	4	4
Training, Travel, Memberships	4	3	3	3	3
<b>Sub-Total</b>	<b>\$171</b>	<b>\$270</b>	<b>\$212</b>	<b>\$193</b>	<b>\$177</b>

- Direct COVID adjustments – savings identified with reduced energy costs and straight time/fringe benefits related to lower operating service levels
- Equipment, materials and supplies – reduced inventory buildup of track and station materials, office supplies, saving identified by reduced equipment/materials due to teleworking and lower service levels
- Fleet management – reduced non-revenue vehicle expenses (e.g. maintenance, gas, parking, E-ZPass)
- IT – eliminate bus Wi-fi and BusTime SMS, and savings identified from MTA IT Data Center and EAM IT
- Maintenance – revised vehicle inspection schedule and reduce spending on non-essential repairs
- Procurement Savings – cancellation of inventory POs, reduce contractor rates for cleaning and disinfection of rolling stock and stations, reduce uniform, medical and insurance costs
- Other business expenses – reduce spending in advertising, refuse, food services, security fund, and card fees
- Property – reduce property footprint, security, and office equipment rentals
- Training, travel, memberships – reduce non-essential business travel, membership dues, and training programs

The November Plan includes projected reimbursement from the Federal Emergency Management Agency (“FEMA”) for the estimated \$293 million in direct COVID-19-related expenses incurred from the start of the pandemic through September 15, 2020, the cut-off date established by FEMA. FEMA typically reimburses 75% of local claim amounts, with the remaining portion covered by the State; however, with the State experiencing fiscal stress, MTA expects to receive \$220 million in 2021, assuming the remaining 25% will not be received.

MTA is also taking three additional specific actions to address the 2020 deficit. First, the 2020 General Reserve of \$170 million is being released. Second, the \$337 million in the OPEB (“Other Post-Employment Benefits”) Trust Fund is being applied to 2020 current OPEB payments. Third, annual Committed to Capital transfers, operating funds earmarked for capital use, will not be made through the November Plan period, retaining in the operating budget \$187 million for 2020, \$181 million for 2021, \$120 million for 2022 and \$114 million for 2023.

Public Authorities Law 553-j was amended in the 2020-2021 State Enacted Budget to allow MTA to use monies in the Central Business District Tolling Lockbox Fund through the end of 2021 to offset revenue declines or operating expense increases resulting from the COVID-19 pandemic. Receipts from the Real Property Transfer Tax Surcharge and the Internet Marketplace Tax are deposited in the lockbox; revenues from the Central Business District Tolling Program will also be deposited in the lockbox, once tolling commences. MTA is required to repay the lockbox if it receives sufficient funds from the federal government or from insurance due to COVID-19, but only after first repaying any COVID-19 related public or private borrowings, draws on lines of credit, issuances of revenue anticipation loans or OPEB Trust. The November Plan includes such transfers from the lockbox of \$424 million in 2020 and \$476 million in 2021 to assist in covering operating expenses.

These actions, totaling \$1.377 billion in 2020 and \$1.477 billion in 2021 are not sufficient to cover the remaining 2020 deficit and projected 2021 deficit.



### Deficit reduction actions implemented or identified

(dollars in millions)

	2020	2021	2022	2023	2024	Plan Total
<b>Preliminary November Financial Plan<sup>1</sup> [see Figure 2]</b>	<b>(\$2,492)</b>	<b>(\$6,121)</b>	<b>(\$3,611)</b>	<b>(\$1,785)</b>	<b>(\$1,905)</b>	<b>(\$15,914)</b>
Additional Savings Actions	259	601	498	466	461	2,285
Direct Capital Lockbox to Operating	424	476	0	0	0	900
Direct Committed to Capital to Operating	187	181	120	114	0	602
Use OPEB Trust Fund for Current OPEB Expense	337	0	0	0	0	337
COVID FEMA Reimbursement	0	220	0	0	0	220
2020 General Reserve	170	0	0	0	0	170
<b>Sub-Total</b>	<b>\$1,377</b>	<b>\$1,477</b>	<b>\$618</b>	<b>\$580</b>	<b>\$461</b>	<b>\$4,514</b>
MLF Deficit Borrowing	2,900	0	0	0	0	2,900
Debt service on MLF Borrowing (take out with 2023 bonds)	0	0	0	(143)	(143)	(286)
Change in Prior Year Cash Balance	0	1,785	0	0	0	1,785
<b>Preliminary November Financial Plan</b>	<b>\$1,785</b>	<b>(\$2,858)</b>	<b>(\$2,993)</b>	<b>(\$1,348)</b>	<b>(\$1,587)</b>	<b>(\$7,001)</b>

1 Reflects 4% fare and toll increases in 2021 and 2023.

To cover the 2020 deficit, MTA expects to use the authority granted in the 2020-2021 State Enacted Budget to borrow up to \$10 billion in deficit financing through December 2022. MTA intends to utilize the Federal Reserve’s Municipal Lending Facility (“MLF”), which was established by the Federal Reserve as a source of emergency financing for state and local governments and public entities to ensure they have access to credit during the COVID-19 pandemic. MTA has previously utilized this lending facility to refinance approximately \$450 million of maturing bond anticipation notes in August. The terms of the MLF financing are attractive compared with MTA’s alternatives in the municipal credit markets and MTA intends to borrow the maximum it is allowed to borrow under the program, \$2.9 billion, before the lending window closes at the end of 2020. MTA expects to issue long-term bonds in 2023 to repay the MLF loan. MTA submitted its application for the MLF loan to MLF on November 20, 2020. See “Additional Matters – Approval of MTA Bond Resolutions Authorizing Financings of COVID-19 Lost Revenues and Increased Costs” below.

The \$2.9 billion MLF loan is projected to result in an operating balance of \$1.785 billion at the end of 2020 that will be carried over into 2021 to reduce the 2021 deficit.

For a current assessment of MTA’s liquidity resources, see “Additional Matters – MTA Liquidity Resources” below.

### **New McKinsey Analysis and Updated COVID Impacts**

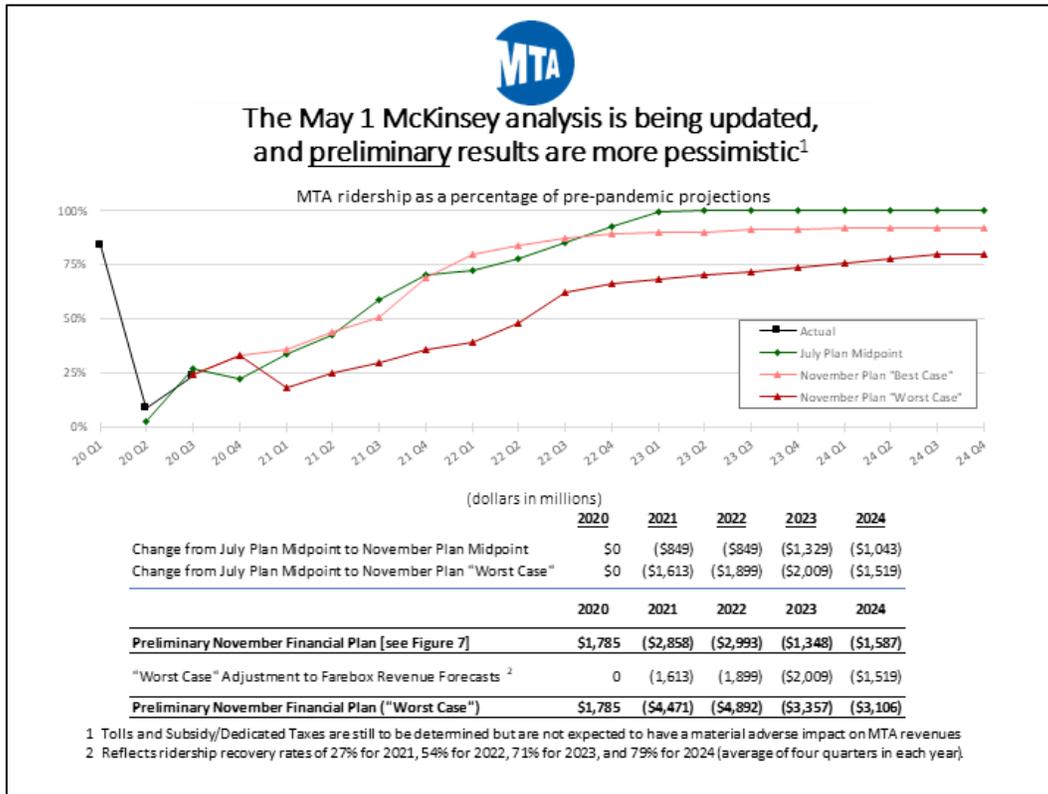
MTA has again engaged McKinsey to review the economic realities facing MTA. While the study had not been finished prior to the development of the November Plan, McKinsey has provided

revised ridership projections that are based on a number of factors, including remote work, changes in non-work activity and travel, the epidemiology of the virus, and the progress made towards a vaccine that can be widely distributed, and the likelihood of achieving “herd immunity”.

McKinsey is developing two scenarios for MTA based on the COVID-19 public health emergency, with two potential routes for the pandemic to end. In the “best case” scenario, the virus is contained through a combination of an effective vaccine and resistance to the virus due to previous exposure, eventually reaching a “new normal” ridership level (90% of pre-pandemic ridership) at the start of 2024. The “worst case” scenario assumes a virus resurgence that leads to meaningful restrictions associated with a second wave. From that resurgence, recovery will be slower and will take longer before reaching the “new normal” ridership level; by the end of the November Plan period, McKinsey projects ridership will only reach 80% of the pre-pandemic level under this scenario.

In the July Plan, MTA utilized a ridership projection based on the mid-point of the two scenarios developed at that time since the trajectory of the virus and the economy was difficult to ascertain early in the pandemic. While further analysis informs the latest possible progress of ridership, there is a degree of uncertainty for both current scenarios. However, it is likely that the July Plan assumption that ridership would return to the pre-pandemic level during the first quarter of 2023 was overly optimistic. Compared with the July Plan mid-point forecast, a mid-point of the latest McKinsey projections would leave farebox revenue below the July Plan forecast by \$849 million in 2021, \$849 million in 2022, \$1.3 billion in 2023 and \$1.0 billion in 2024.

MTA’s fiscal situation is dire and service level decisions may need to be made during the next few months if additional federal aid is not forthcoming. From a service planning and implementation perspective, it would be more problematic if farebox revenue fell even further. Therefore, MTA is incorporating McKinsey’s “worst case” ridership scenario in the November Plan, which results in farebox revenue falling short of the July Plan projections by \$1.61 billion in 2021, \$1.90 billion in 2022, \$2.01 billion in 2023 and \$1.52 billion in 2024.



While MTA ends 2020 with a favorable cash balance from the MLF borrowing, the out years of the November Plan remain in deficit: \$4.5 billion in 2021, \$4.9 billion in 2022, \$3.4 billion in 2023 and \$3.1 billion in 2024. MTA is required to have a Board-adopted balanced budget each year, and there are limited options for achieving that in 2021 without resorting to extreme measures in the absence of federal aid.

### Deficit Reduction Options Assuming No New Federal Aid

Without additional federal aid, MTA must consider difficult and painful alternatives. The most difficult action would be significant service reductions. With ridership remaining extremely low, and projections even worse than those included in the July Plan, MTA is considering service reductions to be more aligned with ridership levels. Initial reviews indicate service reductions of 40% for the subway and bus systems and 50% for the commuter railroads could accommodate current ridership levels and could yield a partial year savings of \$858 million in 2021, and \$1.27 billion in annualized savings in 2022. Accompanying the service reductions would be workforce reduction impacts estimated to be 9,367 positions. The proposed service reductions under consideration focus on achieving significant cost reductions, mitigating negative customer impacts, and rightsizing service in response to current and projected ridership. Service could be restored as ridership levels improved, and savings would be reduced to \$696 million in 2023 and \$212 million in 2024.

For MTA New York City Transit subways, annual savings are estimated to be \$343 million, with a workforce reduction of 2,369 positions. Subway service reductions of up to 40% may result in reduced train frequency, suspension of service and/or major weekend changes. All weekend service may be on 15-minute headways. Overall, the impact of the service reductions could reduce system-

wide annual revenue vehicle miles and annual trips by approximately 40%. The reduction in service may allow for a 35% subway fleet reduction, generating savings in maintenance, cleaning and inspection costs.

For MTA New York City Transit buses and MTA Bus, annual savings is estimated to be \$641 million for MTA New York City Transit and \$190 million for MTA Bus, with a workforce reduction of 4,587 positions at MTA New York City Transit and 1,282 positions at MTA Bus. Proposed reductions ensure alternative service is available within a half-mile. Bus service reductions of up to 40% may result in reduced frequencies by up to 33% on bus routes that are not eliminated. Additional service reductions may affect up to 24% of all bus routes, primarily those with low ridership, high cost per boarding and proximity to nearby alternatives.

For MTA Long Island Rail Road and MTA Metro-North Railroad, combined annual savings is estimated to be \$265 million, with a workforce reduction of 933 positions. Proposed reductions under consideration also take into account the existence of nearby alternate service and maintaining adequate service for essential workers. Railroad service reductions of up to 50% may result in full or partial suspension of service on both weekdays and weekends. Peak service may be reduced to every 20 to 30 minutes, or hourly in certain instances. Off-peak and weekend service may be hourly, reflecting current ridership levels while maintaining sufficient service to allow for social distancing.



**Summary of Service Reduction Impacts**

	<b>Annual Savings (in millions)</b>	<b>Workforce Impact</b>
MTA New York City Transit Subway	\$343	2,369
MTA New York City Transit Bus	641	4,587
MTA Long Island Rail Road/MTA Metro-North Railroad	265	933
MTA Bus	190	1,282
MTA Bridges and Tunnels	25	196
<b>Totals</b>	<b>\$1,274<sup>1</sup></b>	<b>9,367</b>

<sup>1</sup> Excludes the MTA Bus savings, which reduces the deficit covered by City of New York

MTA is also proposing a permanent wage freeze for all employees, both union represented and non-represented, through 2022. This action would save \$58 million in 2020, \$370 million in 2021 (including release of reserved funds from 2019 and 2020), \$309 million in 2022, \$315 million in 2023 and \$322 million in 2024.

If necessary, absent additional federal aid, the service reductions and the permanent wage freeze would generate \$1.286 billion in 2021, reducing the deficit from \$4.42 billion to \$3.19 billion. Even with taking these undesirable actions, MTA would still have a significant projected budget deficit that further internal actions will not be enough to address. If MTA is forced to resort to deficit financing, without additional federal aid to balance the 2021 budget, such borrowing would add significant additional cost to the operating budget for decades and preclude critical infrastructure investment.



**Deficit reduction options assuming no new federal aid**  
(dollars in millions)

	2020	2021	2022	2023	2024
<b>Preliminary November Financial Plan ("Worst Case") [see Figure 8]</b>	<b>\$1,785</b>	<b>(\$4,471)</b>	<b>(\$4,892)</b>	<b>(\$3,357)</b>	<b>(\$3,106)</b>
New Federal Aid	\$0	\$0	\$0	\$0	\$0
Service Reductions <sup>1</sup>	\$0	\$858	\$1,274	\$696	\$212
Permanent Wage Freeze (Rep/Non-Rep through 2022)	58	370	309	315	322
Additional Fare/Toll Increases Above 4%	0	0	0	0	0
Deficit Financing	0	0	0	0	0
Change in Prior Year Cash Balance	0	58	0	0	0
<b>November Financial Plan</b>	<b>\$1,843</b>	<b>(\$3,185)</b>	<b>(\$3,309)</b>	<b>(\$2,346)</b>	<b>(\$2,572)</b>

1 Service reductions, and service increases, tie to the McKinsey "worst case" updated ridership projections. 2021 savings reflect May start.

### Other Elements of the November Plan

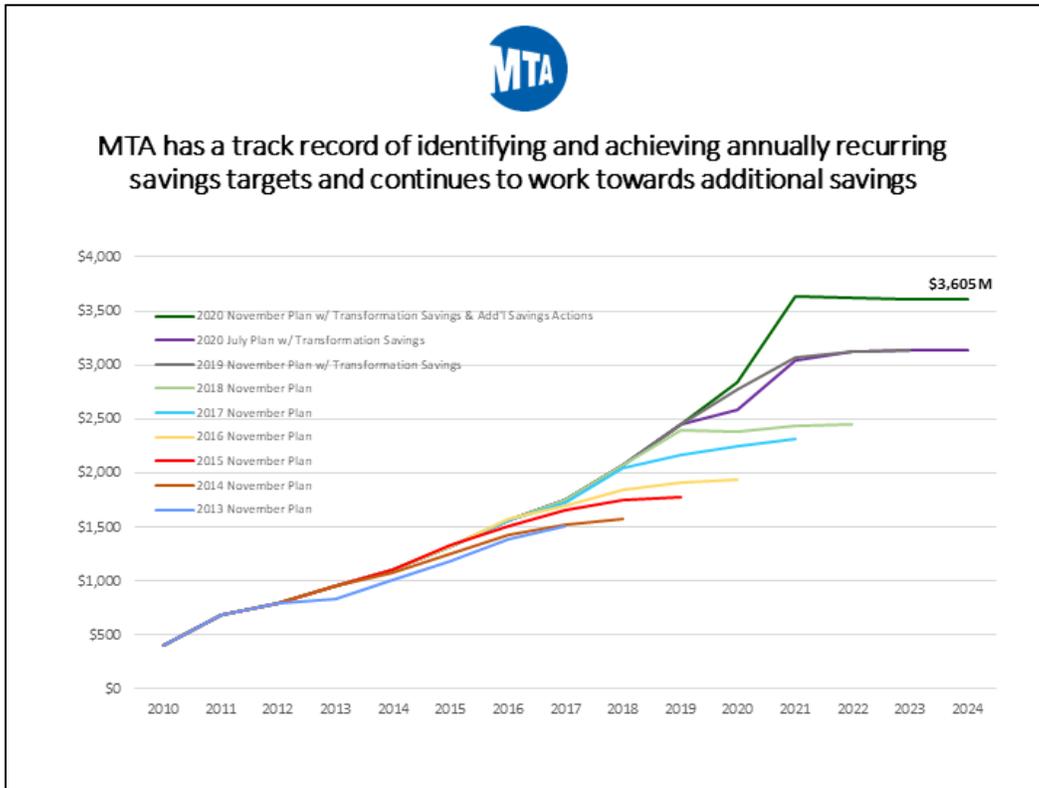
*Continue to implement the Transformation Plan to streamline MTA internal processes.* MTA is fundamentally changing the way business is conducted to more effectively deliver to MTA customers a modern and efficient system. This transformation includes the centralization of all operating support functions and focuses the operating agencies on core service delivery. The Transformation Plan includes the reduction of up to 2,700 primarily administrative positions; the intent was to rely on attrition and this goal will be met as of the end of the year, and with the additional vacancies attributable to an MTA-wide hiring freeze will likely be surpassed. While delayed at the onset of the COVID pandemic, centralization is expected to occur by the end of the first quarter 2021, and Transformation Plan net savings over the November Plan period are still expected to be \$1.9 billion.

*Maintain prior plan investments.* The November Plan maintains major on-going investment initiatives, including the MTA Long Island Rail Road “Forward” plan, the “Bus Plans” at MTA New York City Transit and MTA Bus, and the MTA Metro-North Railroad “Way Ahead” plan. The November Plan also sustains and expands upon the improvements of the Subway Action Plan, which

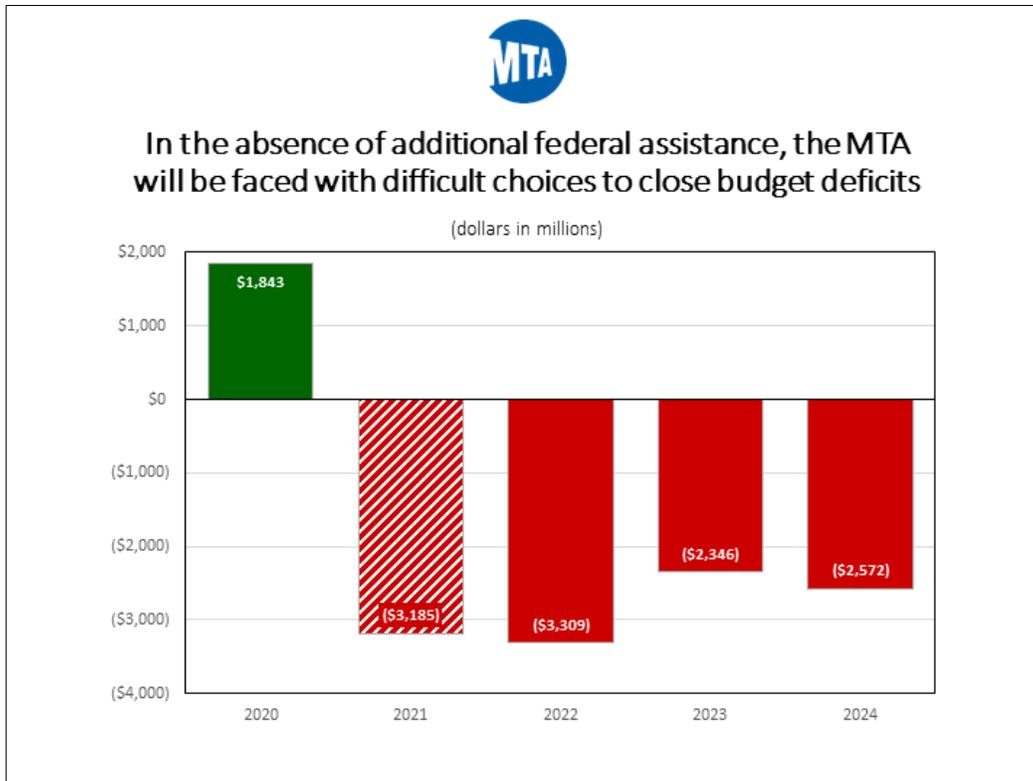
was initiated with funding jointly provided by New York State and New York City, and is now funded from revenues from the for-hire vehicle surcharge.

*Hold projected fare/toll increases to 4% in 2021 and 2023.* The November Plan continues to project net 4% biennial fare/toll increases (the equivalent of 2% per year), which is lower than the projected two-year inflation rates of 4.7% and 4.9% in 2021 and 2023, respectively. Consistent with recent MTA financial plans, a March implementation is assumed for both the 2021 and 2023 increases. The revenue from these increases is projected to be significantly less than projected in prior financial plans, the result of lower ridership and traffic due to the COVID-19 pandemic.

*Maintain annually recurring savings that have been achieved and meet new targets.* The chart below identifies cost reduction/cost containment targets by MTA financial plan. Through 2020, MTA has implemented initiatives with annualized savings of \$2.8 billion, and by the end of the November Plan period the recurring savings together with the savings from the Transformation Plan and additional savings actions identified at the MTA Board’s August meeting, and refined in the November Plan, will total \$3.6 billion. MTA continues to review all spending to identify further savings and remains focused on existing cost control efforts to avoid backsliding.



Although MTA has requested \$12 billion of new federal aid (prior to McKinsey’s updated analysis), the November Plan does not assume the receipt of such aid. Regarding the deficit in 2021, with 2020 balanced, the assumption is that 2021 will be balanced with new federal aid which MTA continues to request, or through a combination of difficult but ultimately necessary service reductions, wage freezes, fare/toll increases above planned 4% and deficit financing. The 2021 budget and November Plan will be revised as conditions dictate.

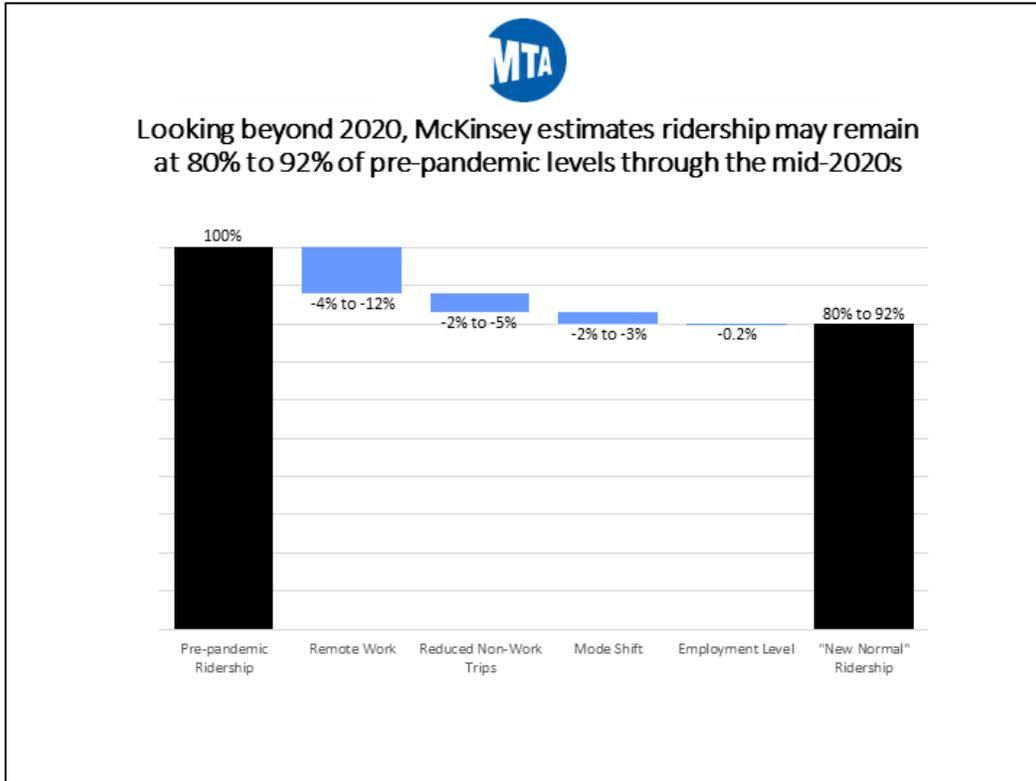


### Challenges and Significant Risks Remain

There are a variety of challenges and significant risks affecting MTA and implementation of the November Financial Plan and the ability to address the severe deficits included in the November Plan (as noted above, the November Plan does not assume receipt of an additional \$3.9 billion in federal aid for 2020):

- *Align service with “new normal” ridership levels to address MTA’s existing and future structural fiscal imbalance.* Since 2017, MTA has repeatedly noted that expenses have outpaced revenues, and the use of aggressive cost saving/cost containment and non-recurring initiatives have been the main reason budgets have been balanced. The ability to identify savings that do not affect service and the safety and security of MTA customers and employees are significantly diminished, and few non-recurring initiatives are available.

McKinsey projected that MTA’s overall ridership may only recover to 80% to 92% of the pre-pandemic level by the mid-2020s. This projection considers changes in travel behavior, as more employers allow their staffs to work remotely, increasing work from home from between one and three days a week, on average, from the pre-pandemic average of a half-day per week. McKinsey estimated that commutation change could drive down ridership between 4% and 12%. Non-work trips are expected to decline due to a 10% to 20% reduction in retail trips and a 20% to 30% decline in leisure trips, driving down overall ridership another 2% to 5%. Mode shifts, to automobile and other forms of travel—primarily bicycle and walking for shorter trips—are expected to further reduce overall ridership by 2% to 3%.



The challenge facing MTA is not only to provide the level of service to match the current needs of customers, but also to introduce the appropriate level of service as ridership returns. Simply returning to pre-pandemic service structure and service levels, without appropriately matching service with “new normal” demand, will continue the unsustainable structural fiscal imbalances that must be addressed and corrected.

- *Maintain cost reductions and identify and implement further savings actions.* MTA must remain focused on existing cost control efforts. Further savings must be identified to create financial flexibility.
- *Respond to developing economic environment.* As evident from the deteriorating financial situation over the first nine months of 2020, the finances of MTA are highly influenced by economic and other factors out of its control. Passenger and toll revenues, dedicated taxes and subsidies (including real estate transaction revenue), debt service, pensions and energy costs are all impacted by the health of the economy nationally and particularly in the MTA region. If the economic assumptions reflected in the November Plan are unrealized, the November Plan’s projected results will further deteriorate.
- *Cybersecurity Risks.* In the course of its daily business, MTA and its Related Entities collect and store sensitive data, including fare and toll collection data, financial information, security information, proprietary business information, information regarding customers, suppliers and business partners, and personally identifiable information of customers and employees. The secure processing, maintenance and transmission of this information is critical to many of MTA and its Related Entities’ operations, including operations of the Transit and Commuter Systems and MTA Bridges and Tunnels’ facilities. Despite security and other technical

measures currently in place and those which may be adopted in the future, information technology and infrastructure may be vulnerable to attacks by hackers or other breaches, including as a result of error, malfeasance or other disruptions or failures. Any such breach, disruption or other failure could compromise networks, facility operations and the information stored there could be accessed, disrupted, publicly disclosed, lost or stolen. Any such access, disruption, disclosure, theft or other loss of information could result in disruptions to MTA and its Related Entities' operations and financial or other activities, including as they relate to the Transit and Commuter Systems and MTA Bridges and Tunnels' facilities or otherwise, or legal claims or proceedings, including pursuant to laws that protect the privacy of personal information, or regulatory penalties.

MTA maintains a cybersecurity division within its IT department lead by the MTA Chief Information and Security Officer who reports to the MTA Chief Technology Officer. MTA uses National Institute of Standards and Technology Cybersecurity Framework to measure the maturity of cybersecurity controls and exposure to cyber risks at MTA and its Related Entities. The current focus is on improving detection, response and recovery capabilities along with a continual review of critical controls for systems which process MTA and its Related Entities corporate/IT data. Funding has been provided to cover previously identified cybersecurity investment needs. While the 2020 MTA budget provides \$52.3 million for cybersecurity, an additional \$188.2 million is forecast over the November Plan period to strengthen cybersecurity defenses at MTA and its Related Entities.

While MTA cybersecurity and operational safeguards are periodically tested, no assurances can be given by MTA that such measures will ensure against all potential cybersecurity threats and attacks, and accompanying disruptions and costs.

- *Potential Impact of Changes in Federal Law.* MTA's finances are also influenced by federal public transportation provisions, funding levels and federal tax law. The Presidential administration and Congress are considering budgetary and programmatic changes in law relating to federal public transportation and infrastructure finance. Enacted federal tax reform includes changes in personal and corporate tax rates and deductions, which adversely impact MTA's opportunities for federal tax-exempt financing, particularly the prohibition of advance refundings for debt service savings which became effective in 2018. The limitation of itemized deductions for state and local income and property taxes to \$10,000 may also adversely impact the New York region's real estate market and levels of MTA real estate related tax subsidies. Although MTA management is monitoring federal legislative activity, at this time it is not possible to assess the financial or programmatic impacts upon MTA's finances of current federal proposals and enacted tax law changes.
- *Potentially Higher Interest Rates than Forecast.* The November Plan includes interest rate assumptions consistent with the Federal Open Markets Committee's ("FOMC"). However, recent actions and policy statements on future actions or a sudden and unexpected increase in economic activity may result in inflationary growth beyond the FOMC's inflation target, which in turn could lead to a further increasing of the federal funds rate. Such an increase could lead to an increase in interest rates for MTA capital borrowing higher than projected in the November Plan.

## **Additional Matters**

*Approval of MTA Bond Resolutions Authorizing Financings of COVID-19 Lost Revenues and Increased Costs.* On November 18, 2020, MTA Board approved the following: (i) MTA Payroll Mobility Tax Obligation Resolution ("MTA PMT Resolution"), (ii) MTA PMT Supplemental Resolution ("MTA PMT New Money Supplemental Resolution") providing for the issuance of up to \$2,907,280,000 of senior lien or second lien obligations to finance the COVID-19 lost revenues and related increased costs (such bonds, "MTA PMT Bonds"), (iii) MTA PMT Bond Anticipation Note Supplemental Resolution providing for the issuance of up to \$2,907,280,000 of bond anticipation notes ("MTA PMT BANs") that can be sold in anticipation of the issuance of MTA PMT Bonds, including the sale of such MTA PMT BANs to the MLF and similar federal and State programs, and (iv) MTA PMT Refunding Obligations Supplemental Resolution that provides for the issuance at any time of refunding obligations to refund, refinance or restructure outstanding MTA PMT BANs and MTA PMT Bonds. Such bonds will be secured on either a senior lien or second lien basis by Payroll Mobility Tax receipts and the Aid Trust Account receipts. In accordance with the legislation authorizing the issuance of such obligations, the foregoing bond and BAN resolutions are not required to be approved by the MTA Capital Program Revenue Board for such purposes. See "The November Plan" above for a discussion of MTA's expectation to utilize the MLF, secured by MTA PMT BANs, to help address MTA's projected remaining 2020 deficit.

*Central Business District Tolling Program.* On October 18, 2019, MTA Bridges and Tunnels announced the selection of TransCore to design, build, operate and maintain the toll system equipment and infrastructure required to implement the Central Business District ("CBD") Tolling Program in New York City. MTA Bridges and Tunnels will work closely with TransCore and the City's Department of Transportation to install the toll system and infrastructure for the CBD Tolling Program that is expected to reduce congestion and generate net revenue sufficient to fund an estimated \$15 billion for the MTA 2020-2024 Capital Plan. The City would be the first in North America to have a CBD Tolling Program.

Authorization is required from the Federal Highway Administration ("FHWA") under its Value Pricing Pilot Program ("VPPP") to implement the CBD Tolling Program on federal-aid roadways within the CBD. FHWA approval to participate in the VPPP makes this project subject to National Environmental Policy Act review. Because FHWA regulations provide that final design and construction cannot proceed before FHWA issues an environmental finding, the project will proceed in two phases, subject to receipt of FHWA approval. There is no assurance when or if FHWA approval will be secured. In light of the delays caused by the absence of FHWA approval, MTA Bridges and Tunnels' implementation of the CBD Tolling Program could be delayed until 2023.

*Climate Change Adaptation.* As noted in the ADS under the heading "THE RELATED ENTITIES – Climate Change Adaptation", MTA continues to monitor and plan for potential climate change impacts on its Transit and Commuter Systems and MTA Bridges and Tunnels' facilities, including the implementation of infrastructure resiliency projects through its capital planning process. On November 7, 2019, MTA joined the United Nations sponsored Science Based Targets initiative ("SBTI") to reduce greenhouse gas emissions in line with the Paris Climate Agreement. Through the SBTi, a joint-partnership between U.N. Global Compact, the World Resources Institute, World Wide Fund for Nature, and CDP, MTA will develop a defined set of emissions reduction targets using the most up-to-date climate science, in an effort to help keep the increase in global temperatures below 2

degrees Celsius this century. MTA is the second government agency in the United States to commit to a science based target to drive down greenhouse gas emissions.

MTA is also committed to reducing its energy consumption. Through Governor Cuomo’s BuildSmartNY clean energy initiative, MTA expects to complete more than 75 energy efficiency projects with New York Power Authority by the end of 2020. MTA also plans to achieve a significant emissions reduction by converting its diesel bus fleets to electric, with the current plan calling for MTA to have all electric buses by 2040. This process is well under way highlighted by the inclusion of 500 electric buses in the 2020-2024 Capital Plan. On July 22, 2020, the Board approved a contract to purchase 25 electric-diesel hybrid locomotives for use on MTA New York City Transit work trains, which help to reduce or eliminate fuel emissions during subway construction and repairs. Funding for this approximately \$233 million contract is expected to come from the 2015-2019 Capital Plan.

*MTA Liquidity Resources.* As of November 23, 2020, MTA had liquidity resources in the approximate amount of \$4.876 billion, consisting of a current running cash balance of \$1.845 billion, internal available flexible funds totaling \$1.178 billion, OPEB resources of \$1 million, commercial bank lines of credit plus interest earnings totaling \$1.852 billion (total commercial bank lines of credit are \$2.150 billion, of which \$477 million have been drawn by MTA, with \$179 million of that remaining unspent, together with \$1.673 billion undrawn). *These funds provide a temporary funding “bridge” to a permanent solution to lost revenues and higher expenses. Certain of these funds must be repaid or replaced. Use of these monies will leave MTA with a significant gap in funding for both the operating budget and capital plan over the longer term and will likely result in additional debt issuance and unfunded operating needs.*

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**Attachment A to MTA Annual Disclosure Statement**  
**Second Quarterly Update**  
**November 24, 2020**

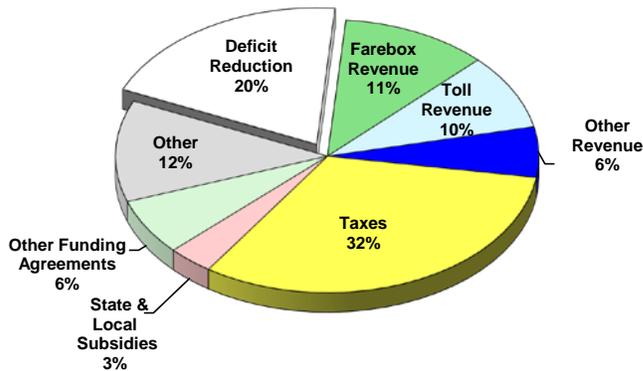
**MTA November Financial Plan**

This **Attachment A** to the 2020 ADS Second Quarterly Update sets forth the November Plan in tabular form and includes Financial Plan tables that summarize MTA's November Plan projected receipts and disbursements for fiscal years 2020 (adopted budget) through 2024, in each case prepared by MTA management. The complete November Plan is posted on MTA's website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA's website or any other website is included by specific cross-reference herein.

In general, the MTA's November Plan provides the opportunity for MTA to present a revised forecast of the current year's finances, a presentation of the following year final proposed budget, and a three-year re-forecast of out-year finances. The November Plan may include a series of gap closing proposals necessary to maintain a balanced budget and actions requiring public hearings.

**MTA 2021 Final Proposed Budget**  
**Baseline Expenses After Below-the-Line (BTL) Adjustments**  
**Non-Reimbursable**

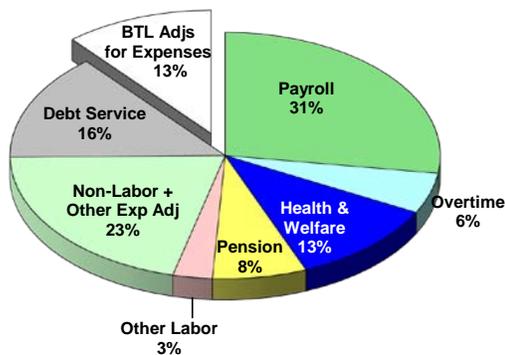
**Where the Dollars Come From ...**



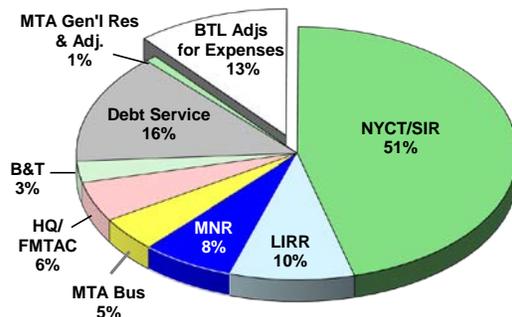
By Revenue Source (\$ in millions)	
Farebox Revenue	\$1,799
Toll Revenue	1,444
Other Revenue	958
Taxes	5,152
State and Local	558
Other Funding Agreements	1,073
Other <sup>1</sup>	1,931
Deficit Reduction	3,185
<b>Total<sup>2</sup></b>	<b>\$16,099</b>

**Where the Dollars Go ...**

**By Expense Category**



**By MTA Agency**



By Expense Category <sup>3</sup> includes below-the-line adjustments (\$ in millions)	
Payroll	\$5,663
Overtime	1,104
Health & Welfare	2,328
Pension	1,469
Other Labor	615
<i>Total Labor</i>	<i>\$11,179</i>
Non-Labor + Other Exp Adj	4,326
Debt Service	2,912
BTL Adjustments for Expenses <sup>4</sup>	(2,317)
<b>Total<sup>2</sup></b>	<b>\$16,099</b>

By MTA Agency <sup>3</sup> includes below-the-line adjustments (\$ in millions)	
NYCT/SIR	\$9,489
LIRR	1,889
MNR	1,405
MTABC	919
HQ/FMTAC	1,062
B&T	566
Debt Service	2,912
MTA Gen'l Res & Adjs	175
BTL Adjustments for Expenses <sup>4</sup>	(2,317)
<b>Total<sup>2</sup></b>	<b>\$16,099</b>

<sup>1</sup> Includes cash adjustments and prior-year carryover .

<sup>2</sup> Totals may not add due to rounding.

<sup>3</sup> Expenses exclude Depreciation, OPEB Liability Adjustment, GASB 68 Pension Adjustment and Environmental Remediation. MTA Capital Construction is not included, as its budget contains reimbursable expenses only.

<sup>4</sup> In the pie chart "By Expense Category," the below-the-line adjustments cannot be segmented by Expense Category. The pie slice reflects the total adjustments to expenses that are being proposed in this Plan.

In the pie chart "By MTA Agency," the below-the-line adjustments cannot be segmented by Agency . The pie slice reflects the total adjustments to expenses that are being proposed in this Plan.

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

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2021 - 2024**  
**MTA Consolidated Accrued Statement of Operations By Category**  
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<b>Non-Reimbursable</b>						
<b>Operating Revenues</b>						
Farebox Revenue	\$6,351	\$2,393	\$3,307	\$5,287	\$6,435	\$6,492
Toll Revenue	2,071	1,419	1,396	1,962	2,127	2,130
Other Revenue	706	4,628	738	813	846	941
Capital and Other Reimbursements	0	0	0	0	0	0
<b>Total Revenues</b>	<b>\$9,128</b>	<b>\$8,441</b>	<b>\$5,441</b>	<b>\$8,061</b>	<b>\$9,408</b>	<b>\$9,563</b>
<b>Operating Expenses</b>						
<b>Labor:</b>						
Payroll	\$5,311	\$5,405	\$5,663	\$5,834	\$5,952	\$6,109
Overtime	974	999	1,104	1,121	1,146	1,169
Health and Welfare	1,339	1,405	1,552	1,652	1,745	1,855
OPEB Current Payments	666	692	775	841	911	986
Pension	1,493	1,532	1,469	1,485	1,485	1,484
Other Fringe Benefits	848	992	1,043	1,096	1,136	1,178
Reimbursable Overhead	(470)	(370)	(427)	(418)	(417)	(425)
<b>Total Labor Expenses</b>	<b>\$10,161</b>	<b>\$10,655</b>	<b>\$11,179</b>	<b>\$11,611</b>	<b>\$11,957</b>	<b>\$12,357</b>
<b>Non-Labor:</b>						
Electric Power	\$444	\$398	\$479	\$495	\$506	\$517
Fuel	174	121	151	156	160	163
Insurance	2	19	30	47	56	71
Claims	495	387	424	436	451	465
Paratransit Service Contracts	477	359	438	519	555	592
Maintenance and Other Operating Contracts	731	866	940	960	969	975
Professional Services Contracts	442	683	712	663	618	618
Materials and Supplies	647	606	721	782	764	773
Other Business Expenses	231	215	214	222	233	235
<b>Total Non-Labor Expenses</b>	<b>\$3,642</b>	<b>\$3,656</b>	<b>\$4,110</b>	<b>\$4,281</b>	<b>\$4,312</b>	<b>\$4,410</b>
<b>Other Expense Adjustments:</b>						
Other	\$149	\$94	\$41	\$28	\$28	\$23
General Reserve	0	170	175	185	185	205
<b>Total Other Expense Adjustments</b>	<b>\$149</b>	<b>\$264</b>	<b>\$216</b>	<b>\$213</b>	<b>\$213</b>	<b>\$228</b>
<b>Total Expenses Before Non-Cash Liability Adjs.</b>	<b>\$13,952</b>	<b>\$14,574</b>	<b>\$15,505</b>	<b>\$16,104</b>	<b>\$16,482</b>	<b>\$16,994</b>
Depreciation	\$2,870	\$2,849	\$2,923	\$2,992	\$3,067	\$3,125
GASB 75 OPEB Expense Adjustment	877	1,607	1,760	1,860	1,966	2,032
GASB 68 Pension Expense Adjustment	13	(237)	(311)	(300)	(241)	(348)
Environmental Remediation	42	6	6	6	6	6
<b>Total Expenses After Non-Cash Liability Adjs.</b>	<b>\$17,752</b>	<b>\$18,800</b>	<b>\$19,883</b>	<b>\$20,662</b>	<b>\$21,280</b>	<b>\$21,809</b>
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$3,801)	(\$4,226)	(\$4,378)	(\$4,557)	(\$4,798)	(\$4,815)
Debt Service (excludes Service Contract Bonds)	2,630	2,734	2,912	3,176	3,573	3,612
<b>Total Expenses with Debt Service</b>	<b>\$16,582</b>	<b>\$17,309</b>	<b>\$18,416</b>	<b>\$19,280</b>	<b>\$20,055</b>	<b>\$20,606</b>
Dedicated Taxes & State and Local Subsidies	\$7,290	\$5,946	\$6,134	\$7,142	\$7,672	\$7,871
<b>Net Surplus/(Deficit) After Subsidies and Debt Service</b>	<b>(\$164)</b>	<b>(\$2,922)</b>	<b>(\$6,842)</b>	<b>(\$4,077)</b>	<b>(\$2,976)</b>	<b>(\$3,172)</b>
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	277	110	87	97	198	226
<b>Cash Balance Before Prior-Year Carryover</b>	<b>\$113</b>	<b>(\$2,812)</b>	<b>(\$6,755)</b>	<b>(\$3,980)</b>	<b>(\$2,777)</b>	<b>(\$2,946)</b>
Below the Line Adjustments	\$0	\$4,170	\$1,726	\$671	\$432	\$375
Prior Year Carryover Balance	372	485	1,844	0	0	0
<b>Net Cash Balance</b>	<b>\$485</b>	<b>\$1,844</b>	<b>(\$3,185)</b>	<b>(\$3,309)</b>	<b>(\$2,346)</b>	<b>(\$2,572)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2021 - 2024**  
**Plan Adjustments**  
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<b>Cash Balance Before Prior-Year Carryover</b>	<b>\$113</b>	<b>(\$2,812)</b>	<b>(\$6,755)</b>	<b>(\$3,980)</b>	<b>(\$2,777)</b>	<b>(\$2,946)</b>
<b>Fare and Toll Increases:</b>						
<i>Fare and Toll Increase on 3/1/21 (4% Yield)</i>		\$0	\$153	\$276	\$326	\$329
<i>Fare and Toll Increase on 3/1/23 (4% Yield)</i>		0	0	0	289	341
<i>Subsidy Impacts of 2021/2023 Fare/Toll Increase</i>		<u>0</u>	<u>(8)</u>	<u>(10)</u>	<u>(23)</u>	<u>(20)</u>
<b>Subtotal:</b>		<b>\$0</b>	<b>\$145</b>	<b>\$267</b>	<b>\$592</b>	<b>\$650</b>
<b>Management and Policy Actions:</b>						
<i>July Financial Plan:</i>						
<i>Delay Use of the 2019 General Reserve to 2021</i>		(\$165)	\$165	\$0	\$0	\$0
<i>MTA Transformation Plan</i>		0	430	472	475	475
<i>Change in State Aid for the 2015-19 Capital Program</i>		0	0	44	46	46
<i>Repayment of Revolving Bank Line of Credit</i>		0	0	(300)	0	0
<i>November Financial Plan:</i>						
<i>Drawdown 2020 General Reserve</i>		170	0	0	0	0
<i>Additional Savings Actions</i>		259	601	498	466	461
<i>Redirect Mansion Tax and Internet Marketplace Tax</i>		424	476	0	0	0
<i>Hold 2020-2024 Committed to Capital</i>		187	181	120	114	0
<i>Use OPEB Trust Proceeds</i>		337	0	0	0	0
<i>MLF Deficit Financing</i>		2,900	0	0	0	0
<i>MLF Takeout with Long-Term Deficit Bonds Issued in 2022</i>		0	0	0	(143)	(143)
<i>Service Reductions</i>		0	858	1,274	696	212
<i>Permanent Wage Freeze</i>		<u>58</u>	<u>369</u>	<u>309</u>	<u>315</u>	<u>322</u>
<b>Subtotal:</b>		<b>\$4,170</b>	<b>\$3,080</b>	<b>\$2,417</b>	<b>\$1,969</b>	<b>\$1,373</b>
<b>MTA Re-Estimates:</b>						
<i>Adjustment to Farebox Revenue Forecasts</i>		\$0	(\$1,613)	(\$1,899)	(\$2,009)	(\$1,519)
<i>Rate Increase for MTA-Sponsored Medical Plans</i>		0	(106)	(113)	(121)	(129)
<i>FEMA Reimbursement</i>		<u>0</u>	<u>\$220</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Subtotal</b>		<b>\$0</b>	<b>(\$1,499)</b>	<b>(\$2,013)</b>	<b>(\$2,130)</b>	<b>(\$1,648)</b>
<b>TOTAL ADJUSTMENTS</b>		<b>\$4,170</b>	<b>\$1,726</b>	<b>\$671</b>	<b>\$432</b>	<b>\$375</b>
<i>Prior Year Carryover Balance</i>	\$372	\$485	\$1,844	\$0	\$0	\$0
<b>Net Cash Surplus/(Deficit)</b>	<b>\$485</b>	<b>\$1,844</b>	<b>(\$3,185)</b>	<b>(\$3,309)</b>	<b>(\$2,346)</b>	<b>(\$2,572)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2021 - 2024**  
**Cash Receipts and Expenditures**  
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<b><u>Cash Receipts and Expenditures</u></b>						
<b>Receipts</b>						
Farebox Revenue	\$6,380	\$2,391	\$3,306	\$5,283	\$6,434	\$6,491
Other Revenue	757	4,655	889	831	865	962
Capital and Other Reimbursements	2,322	2,144	2,135	2,006	1,998	2,022
<b>Total Receipts</b>	<b>\$9,459</b>	<b>\$9,190</b>	<b>\$6,330</b>	<b>\$8,121</b>	<b>\$9,297</b>	<b>\$9,475</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$5,823	\$5,888	\$6,217	\$6,325	\$6,439	\$6,606
Overtime	1,226	1,182	1,290	1,297	1,321	1,346
Health and Welfare	1,379	1,437	1,606	1,701	1,794	1,904
OPEB Current Payments	652	681	769	833	903	978
Pension	1,549	1,587	1,532	1,544	1,546	1,546
Other Fringe Benefits	930	935	995	1,025	1,055	1,090
Contribution to GASB Fund	0	0	0	0	0	0
Reimbursable Overhead	0	0	0	0	0	0
<b>Total Labor Expenditures</b>	<b>\$11,559</b>	<b>\$11,710</b>	<b>\$12,408</b>	<b>\$12,726</b>	<b>\$13,058</b>	<b>\$13,471</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$459	\$410	\$487	\$503	\$514	\$525
Fuel	172	118	148	153	157	160
Insurance	23	22	30	47	56	72
Claims	392	246	286	295	307	319
Paratransit Service Contracts	484	357	436	517	553	590
Maintenance and Other Operating Contracts	737	858	885	872	869	871
Professional Services Contracts	595	854	780	690	642	640
Materials and Supplies	875	778	889	889	864	872
Other Business Expenses	199	217	192	192	202	217
<b>Total Non-Labor Expenditures</b>	<b>\$3,935</b>	<b>\$3,862</b>	<b>\$4,133</b>	<b>\$4,158</b>	<b>\$4,164</b>	<b>\$4,265</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	\$112	\$171	\$222	\$211	\$231	\$241
General Reserve	0	170	175	185	185	205
<b>Total Other Expenditure Adjustments</b>	<b>\$112</b>	<b>\$341</b>	<b>\$397</b>	<b>\$396</b>	<b>\$416</b>	<b>\$446</b>
<b>Total Expenditures</b>	<b>\$15,606</b>	<b>\$15,913</b>	<b>\$16,937</b>	<b>\$17,280</b>	<b>\$17,639</b>	<b>\$18,183</b>
<b>Net Cash Balance before Subsidies and Debt Service</b>	<b>(\$6,147)</b>	<b>(\$6,723)</b>	<b>(\$10,608)</b>	<b>(\$9,159)</b>	<b>(\$8,342)</b>	<b>(\$8,708)</b>
Dedicated Taxes & State and Local Subsidies	\$8,223	\$5,956	\$6,009	\$7,531	\$8,150	\$8,375
Debt Service (excludes Service Contract Bonds)	(1,963)	(2,044)	(2,156)	(2,352)	(2,586)	(2,613)
<b>Cash Balance Before Prior-Year Carryover</b>	<b>\$113</b>	<b>(\$2,812)</b>	<b>(\$6,755)</b>	<b>(\$3,980)</b>	<b>(\$2,777)</b>	<b>(\$2,946)</b>
Adjustments	\$0	\$4,170	\$1,726	\$671	\$432	\$375
Prior-Year Carryover Balance	372	485	1,844	0	0	0
<b>Net Cash Balance</b>	<b>\$485</b>	<b>\$1,844</b>	<b>(\$3,185)</b>	<b>(\$3,309)</b>	<b>(\$2,346)</b>	<b>(\$2,572)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2021-2024**  
**MTA Consolidated November Financial Plan Compared with July Financial Plan**  
**Cash Reconciliation after Below-the-Line Adjustments (Page 1 of 2)**  
(\$ in millions)

	Favorable/(Unfavorable)				
	2020	2021	2022	2023	2024
<b>JULY FINANCIAL PLAN 2021-2024</b>					
<b>NET CASH SURPLUS/(DEFICIT)</b>	<b>\$702</b>	<b>(\$5,142)</b>	<b>(\$3,485)</b>	<b>(\$1,776)</b>	<b>(\$1,959)</b>
<b>COVID-19 Identified Impacts</b>	<b>\$322</b>	<b>(\$371)</b>	<b>(\$354)</b>	<b>(\$365)</b>	<b>(\$372)</b>
Revenue					
Farebox Revenue <sup>1</sup>	131	-	-	-	-
Toll Revenue <sup>1</sup>	181	-	-	-	-
All Other (including advertising, rental, freight, etc.)	1	(0)	(1)	(1)	(1)
Expenses					
Direct COVID-19 Response Expenses <sup>1</sup>	22	(357)	(352)	(363)	(369)
Net Other Expense Impacts <sup>2</sup>	(13)	(13)	(2)	(2)	(2)
CARES Act/Additional Federal Aid	0	-	-	-	-
<b>Agency Baseline Re-estimates</b>	<b>\$365</b>	<b>(\$73)</b>	<b>(\$101)</b>	<b>(\$43)</b>	<b>\$27</b>
Rates & Related Assumptions <sup>3</sup>	43	(5)	(6)	22	54
Timing	287	(85)	(91)	(48)	(17)
Other Baseline Re-estimates <sup>4</sup>	34	17	(4)	(17)	(9)
<b>New Needs/Other Investments</b>	<b>(\$24)</b>	<b>(\$33)</b>	<b>(\$29)</b>	<b>(\$30)</b>	<b>(\$28)</b>
Juneteenth Holiday <sup>1</sup>	(20)	(23)	(24)	(25)	(25)
Maintenance/Safety/Technology/All Other	(5)	(10)	(5)	(5)	(3)
<b>Savings Programs</b>	<b>43</b>	<b>(0)</b>	<b>1</b>	<b>2</b>	<b>3</b>
Impact of Hiring Freeze <sup>5</sup>	43	-	-	-	-
BRPs/BRP Re-estimates	-	(0)	1	2	3
<b>B&amp;T Adjustments</b>	<b>(\$220)</b>	<b>\$1</b>	<b>\$3</b>	<b>\$1</b>	<b>\$0</b>
B&T Net Baseline Impacts <sup>6</sup>	(220)	1	3	1	0
<b>Debt Service</b>	<b>\$31</b>	<b>\$128</b>	<b>\$248</b>	<b>\$364</b>	<b>\$466</b>
<b>Subsidies (Cash)</b>	<b>(\$67)</b>	<b>(\$163)</b>	<b>(\$30)</b>	<b>\$49</b>	<b>\$60</b>
Metropolitan Mass Transportation Operating Assist (MMTOA) <sup>1</sup>	(107)	(193)	(5)	(0)	(0)
Petroleum Business Tax (PBT) Receipts	27	-	-	-	-
Real Estate Taxes	47	-	-	-	-
Payroll Mobility Tax (PMT)	70	-	-	-	-
PMT Replacement Funds	(34)	(83)	-	-	-
MTA Aid	(16)	-	-	-	-
For-Hire Vehicle (FHV) Surcharge <sup>1</sup>	(57)	(19)	3	3	3
2020-24 Capital Program Funding from Lockbox for Debt Service	0	-	-	(2)	(17)
State Operating Assistance (18-b) <sup>1</sup>	(64)	-	-	-	-
Local Operating Assistance (18-b) <sup>1</sup>	(64)	-	-	-	-
City Subsidy for MTA Bus	(57)	107	(39)	32	51
City Subsidy for Staten Island Railway	(0)	(4)	7	4	10
CDOT Subsidy for Metro-North Railroad	(5)	5	0	(3)	(6)
B&T Surplus Transfer	210	52	21	28	34
Other Subsidies and Subsidy Adjustments	(17)	(29)	(17)	(12)	(15)

Continued on Page 2

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2021-2024**  
**MTA Consolidated November Financial Plan Compared with July Financial Plan**  
**Cash Reconciliation after Below-the-Line Adjustments (Page 2 of 2)**  
(\$ in millions)

	Favorable/(Unfavorable)				
	2020	2021	2022	2023	2024
<b>Below-the-Line (BTL) Adjustments</b>	<b>\$694</b>	<b>\$1,326</b>	<b>\$439</b>	<b>(\$549)</b>	<b>(\$768)</b>
<b>Management and Policy Actions:</b>					
Change in State Aid for the 2015-19 Capital Plan	-	(76)	(161)	(279)	(382)
Drawdown 2020 General Reserve	170	-	-	-	-
Additional Savings Actions	259	601	498	466	461
Redirect of Mansion Tax & Internet Marketplace Tax	424	476	-	-	-
Hold 2020-2024 Committed to Capital	187	181	120	114	-
Use OPEB Trust Proceeds	337	-	-	-	-
MLF Deficit Financing issued 12/01/20	2,900	-	-	-	-
MLF Takeout with Long-Term Deficit Bonds issued in 2022	-	-	-	(143)	(143)
Service Reductions	-	858	1,274	696	212
Permanent Wage Freeze (Rep/Non-Rep through 2022)	58	370	309	315	322
<b>MTA Re-estimates:</b>					
Reversal of Reduced State Aid to Localities (incorporated ATL) <sup>1</sup>	276	5	-	-	-
Reversal of May/June Actual Revenues (incorporated ATL) <sup>1</sup>	(143)	-	-	-	-
Reversal of Additional Sanitization Expenses (incorporated ATL) <sup>1</sup>	94	379	379	379	377
Adjustment to Farebox Revenue Forecasts	-	(1,613)	(1,899)	(2,009)	(1,519)
Rate Increase for MTA-Sponsored Medical Plans	-	(106)	(113)	(121)	(129)
<b>Other:</b>					
Reversal of Juneteenth Holiday Expense Impact (incorporated ATL) <sup>1</sup>	32	32	32	32	33
Reversal of Additional Federal Funding	(3,900)	-	-	-	-
FEMA Reimbursement	-	220	-	-	-
<b>Prior Year Carryover</b>	<b>(\$0)</b>	<b>\$1,142</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>NOVEMBER FINANCIAL PLAN 2021-2024</b>	<b>\$1,844</b>	<b>(\$3,185)</b>	<b>(\$3,309)</b>	<b>(\$2,346)</b>	<b>(\$2,572)</b>
<b>NET CASH SURPLUS/(DEFICIT)</b>					

\* Totals may not add due to rounding

<sup>1</sup> This action was captured below the line in the July Financial Plan and incorporated above the line (ATL) in the November Financial Plan.

<sup>2</sup> Includes higher Paratransit costs (quicker recovery of usage than projected), COVID-19 death benefits, and inventory adjustments.

<sup>3</sup> Includes plan-to-plan rate adjustments for health & welfare (employees and retirees), pension, electric power, fuel, etc.

<sup>4</sup> Includes updated operating capital, reimbursable and OTPS adjustments, and cash.

<sup>5</sup> Includes payroll savings from hiring freeze of non-essential positions that has been in place since 2017.

<sup>6</sup> 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 B&T's baseline changes in 2020 are increased toll revenue, vacancy savings, and OTPS adjustments. Changes for 2021 to 2024 primarily reflect OTPS adjustments and changes in rates and related assumptions.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2021 - 2024**  
**Consolidated Subsidiaries**  
**Cash Basis**  
(\$ in Millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<b>MMTOA, PBT &amp; Real Estate Taxes</b>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$1,823.7	\$1,415.6	\$1,341.8	\$1,790.2	\$2,090.2	\$2,118.4
Petroleum Business Tax (PBT)	648.6	504.6	467.3	601.2	640.7	640.7
Mortgage Recording Tax (MRT)	461.7	401.5	288.0	313.3	340.7	370.6
MRT Transfer to Suburban Counties	(4.9)	(5.8)	(6.4)	(6.8)	(7.1)	(7.5)
Reimburse Agency Security Costs	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(12.3)	(12.3)	(12.3)	(12.3)	(12.3)	(12.3)
Interest	5.3	5.3	5.3	5.3	5.3	5.3
Urban Tax	668.5	361.0	319.5	347.5	377.9	411.0
Other Investment Income	<u>1.3</u>	<u>1.3</u>	<u>1.4</u>	<u>1.4</u>	<u>1.4</u>	<u>1.4</u>
	<b>\$3,581.9</b>	<b>\$2,661.2</b>	<b>\$2,394.6</b>	<b>\$3,029.9</b>	<b>\$3,426.9</b>	<b>\$3,517.6</b>
<b>PMT and MTA Aid</b>						
Payroll Mobility Tax (PMT)	\$1,560.5	\$1,469.4	\$1,375.1	\$1,596.2	\$1,762.5	\$1,840.6
Payroll Mobility Tax Replacement Funds	244.3	161.3	161.3	244.3	244.3	244.3
MTA Aid	<u>311.0</u>	<u>260.9</u>	<u>273.2</u>	<u>305.0</u>	<u>310.5</u>	<u>310.9</u>
	<b>\$2,115.8</b>	<b>\$1,891.6</b>	<b>\$1,809.7</b>	<b>\$2,145.4</b>	<b>\$2,317.3</b>	<b>\$2,395.8</b>
<b>New Funding Sources</b>						
<b>SAP Support and For-Hire Vehicle Surcharge:</b>						
NYS Operating Support for SAP	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYC Operating Support for SAP	0.0	0.0	0.0	0.0	0.0	0.0
For-Hire Vehicle (FHV) Surcharge	336.4	234.7	271.3	387.5	387.5	387.5
Subway Action Plan Account	336.4	232.8	268.8	300.0	300.0	300.0
Outerborough Transportation Account	0.0	0.0	0.0	50.0	50.0	50.0
Less: Assumed Capital or Member Project	0.0	0.0	0.0	(50.0)	(50.0)	(50.0)
General Transportation Account	0.0	1.9	2.5	87.5	87.5	87.5
Less: Transfer to Committed to Capital for SAP	0.0	0.0	0.0	0.0	0.0	0.0
<b>2020-24 Capital Program Funding from Lockbox for Debt Service:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7.5</b>
Central Business District Tolling Program (CBDTP)	0.0	0.0	0.0	0.0	1,000.0	1,000.0
Real Property Transfer Tax Surcharge (Mansion Tax)	58.1	180.0	185.7	202.0	219.7	239.0
Internet Marketplace Tax	85.1	244.3	290.0	325.5	328.7	332.0
Less: Transfer Lockbox Revenues to Committed to Capital	(143.2)	(424.3)	(475.7)	(527.5)	(1,548.4)	(1,563.5)
	<b>\$336.4</b>	<b>\$234.7</b>	<b>\$271.3</b>	<b>\$387.5</b>	<b>\$387.5</b>	<b>\$395.0</b>
<b>State and Local Subsidies</b>						
State Operating Assistance	\$187.9	\$124.1	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	152.5	159.1	187.9	187.9	187.9	187.9
Station Maintenance	<u>171.8</u>	<u>175.2</u>	<u>178.8</u>	<u>183.0</u>	<u>187.5</u>	<u>192.1</u>
	<b>\$512.2</b>	<b>\$458.4</b>	<b>\$554.7</b>	<b>\$558.9</b>	<b>\$563.3</b>	<b>\$568.0</b>
<b>Other Subsidy Adjustments</b>						
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)	1.0	(29.0)	(14.8)	0.0	0.0	0.0
Fuel Hedge Collateral	40.0	0.0	0.0	0.0	0.0	0.0
MNR Repayment of 525 North Broadway	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Committed to Capital Program Contributions	0.0	(186.7)	(180.6)	(120.2)	(114.1)	(108.8)
Drawdown of GASB 45 OPEB Reserves	<u>0.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$27.9</b>	<b>(\$229.7)</b>	<b>(\$209.3)</b>	<b>(\$134.1)</b>	<b>(\$128.1)</b>	<b>(\$122.8)</b>
<b>Subtotal: Taxes &amp; State and Local Subsidies</b>	<b>\$6,574.2</b>	<b>\$5,016.1</b>	<b>\$4,820.9</b>	<b>\$5,987.6</b>	<b>\$6,566.9</b>	<b>\$6,753.7</b>
<b>Other Funding Agreements</b>						
City Subsidy for MTA Bus Company	\$667.6	\$361.9	\$776.0	\$695.6	\$669.2	\$689.4
City Subsidy for Staten Island Railway	47.2	39.5	40.0	69.9	81.4	101.1
CDOT Subsidy for Metro-North Railroad	<u>145.8</u>	<u>291.0</u>	<u>264.3</u>	<u>201.9</u>	<u>166.7</u>	<u>168.6</u>
	<b>\$860.6</b>	<b>\$692.5</b>	<b>\$1,080.3</b>	<b>\$967.4</b>	<b>\$917.3</b>	<b>\$959.1</b>
<b>Subtotal, including Other Funding Agreements</b>	<b>\$7,434.8</b>	<b>\$5,708.6</b>	<b>\$5,901.2</b>	<b>\$6,954.9</b>	<b>\$7,484.2</b>	<b>\$7,712.8</b>
<b>Inter-agency Subsidy Transactions</b>						
B&T Operating Surplus Transfer	<u>\$788.5</u>	<u>\$247.5</u>	<u>\$107.8</u>	<u>\$575.9</u>	<u>\$666.0</u>	<u>\$662.4</u>
	<b>\$788.5</b>	<b>\$247.5</b>	<b>\$107.8</b>	<b>\$575.9</b>	<b>\$666.0</b>	<b>\$662.4</b>
<b>TOTAL SUBSIDIES</b>	<b>\$8,223.3</b>	<b>\$5,956.1</b>	<b>\$6,009.0</b>	<b>\$7,530.8</b>	<b>\$8,150.2</b>	<b>\$8,375.2</b>

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

	2020	2021	2022	2023	2024
<b>MMTOA, PBT and Real Estate Taxes</b>					
Metropolitan Mass Transportation Operating Assistance (MMTOA)	(\$107.0)	(\$193.1)	(\$5.0)	\$0.0	\$0.0
Petroleum Business Tax (PBT)	26.9	0.0	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	46.6	0.0	0.0	0.0	0.0
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0
Urban Tax	0.5	0.0	0.0	0.0	0.0
Other Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>(\$33.0)</b>	<b>(\$193.1)</b>	<b>(\$5.0)</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>PMT and MTA Aid</b>					
Payroll Mobility Tax (PMT)	\$69.8	\$0.0	\$0.0	\$0.0	\$0.0
Payroll Mobility Tax Replacement Funds	(34.1)	(82.9)	0.0	0.0	0.0
MTA Aid	<u>(15.8)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$19.8</b>	<b>(\$82.9)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>New Funding Sources</b>					
<b>SAP Support and For-Hire Vehicle Surcharge:</b>					
NYS Operating Support for SAP	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYC Operating Support for SAP	0.0	0.0	0.0	0.0	0.0
For-Hire Vehicle (FHV) Surcharge	(57.4)	(19.0)	2.5	2.5	2.5
Subway Action Plan Account	(59.2)	(21.5)	0.0	0.0	0.0
Outerborough Transportation Account	0.0	0.0	0.0	0.0	0.0
Less: Assumed Capital or Member Project	0.0	0.0	0.0	0.0	0.0
General Transportation Account	1.9	2.5	2.5	2.5	2.5
Less: Transfer to Committed to Capital for SAP	0.0	0.0	0.0	0.0	0.0
<b>2020-24 Capital Program Funding from Lockbox for Debt Service:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(2.4)</b>	<b>(17.0)</b>
Central Business District Tolling Program (CBDTP)	0.0	0.0	0.0	0.0	0.0
Real Property Transfer Tax Surcharge (Mansion Tax)	(34.9)	0.0	0.0	0.0	0.0
Internet Marketplace Tax	18.0	(32.3)	0.0	0.0	0.0
Less: Transfer Lockbox Revenues to Committed to Capital	16.9	32.3	0.0	(2.4)	(17.0)
	<b>(\$57.4)</b>	<b>(\$19.0)</b>	<b>\$2.5</b>	<b>\$0.1</b>	<b>(\$14.5)</b>
<b>State and Local Subsidies</b>					
State Operating Assistance	(\$63.8)	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	(63.8)	0.0	0.0	0.0	0.0
Station Maintenance	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>(\$127.6)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Other Subsidy Adjustments</b>					
NYCT Charge Back of MTA Bus Debt Service	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Forward Energy Contracts Program - Gain/(Loss)	3.6	1.0	0.1	0.0	0.0
MNR Repayment of 525 North Broadway	0.0	0.0	0.0	0.0	0.0
Committed to Capital Program Contributions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$3.6</b>	<b>\$1.0</b>	<b>\$0.1</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Subtotal: Taxes &amp; State and Local Subsidies</b>	<b>(\$194.6)</b>	<b>(\$293.9)</b>	<b>(\$2.4)</b>	<b>\$0.1</b>	<b>(\$14.5)</b>
<b>Other Funding Agreements</b>					
City Subsidy for MTA Bus Company	(\$57.0)	\$107.3	(\$38.8)	\$32.0	\$51.3
City Subsidy for Staten Island Railway	0.0	(3.8)	7.1	4.4	10.3
CDOT Subsidy for Metro-North Railroad	<u>(5.5)</u>	<u>5.4</u>	<u>0.5</u>	<u>(2.6)</u>	<u>(6.4)</u>
	<b>(\$62.5)</b>	<b>\$108.9</b>	<b>(\$31.2)</b>	<b>\$33.7</b>	<b>\$55.2</b>
<b>Subtotal, including Other Funding Agreements</b>	<b>(\$257.0)</b>	<b>(\$185.1)</b>	<b>(\$33.6)</b>	<b>\$33.8</b>	<b>\$40.7</b>
<b>Inter-agency Subsidy Transactions</b>					
B&T Operating Surplus Transfer	<u>\$210.4</u>	<u>\$51.9</u>	<u>\$21.4</u>	<u>\$27.9</u>	<u>\$33.6</u>
	<b>\$210.4</b>	<b>\$51.9</b>	<b>\$21.4</b>	<b>\$27.9</b>	<b>\$33.6</b>
<b>TOTAL SUBSIDIES</b>	<b>(\$46.6)</b>	<b>(\$133.1)</b>	<b>(\$12.2)</b>	<b>\$61.7</b>	<b>\$74.3</b>