

Exhibit Book
Finance Committee Meeting
12/16/2020

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METROPOLITAN TRANSPORTATION AUTHORITY

**MULTIPLE SERIES 2021
TRANSPORTATION REVENUE BOND SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

**MULTIPLE SERIES 2021
TRANSPORTATION REVENUE BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This Multiple Series 2021 Transportation Revenue Bond Supplemental Resolution (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled “General Resolution Authorizing Transportation Revenue Obligations”, as heretofore supplemented (the “Resolution”).

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Series 2021 Bonds” shall mean the Transportation Revenue Bonds authorized by Article II of this Supplemental Resolution, subject to redesignation as hereinafter provided.

“Series 2021 Notes” shall mean the Transportation Revenue Bond Anticipation Notes, Series 2021, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to a Supplemental Resolution of the Issuer adopted as of the date that this Supplemental Resolution is adopted.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF SERIES 2021 BONDS

Section 2.01. Principal Amount, Designation and Series. Pursuant to the Resolution and in order to finance Capital Costs, Transportation Revenue Bonds, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount (but without giving effect to any net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2021 Bonds), the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest, capitalized interest or any Costs of Issuance of the Series 2021 Bonds), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2021 Bonds issued to finance Capital Costs shall not exceed \$2.0 billion at any one time Outstanding reduced by the sum of (1) the amount of Series 2021 Notes issued under the Metropolitan Transportation Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Transportation Revenue Bond Supplemental Resolution, adopted December 16, 2020, (2) the amount of bonds (the "DTF Series 2021 Bonds") issued under the Metropolitan Transportation Authority Multiple Series 2021 Dedicated Tax Fund Bond Supplemental Resolution, adopted December 16, 2020, and (3) the amount of bond anticipation notes (the "DTF Series 2021 Notes") issued under the Metropolitan Transportation Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Dedicated Tax Fund Bond Supplemental Resolution, adopted December 16, 2020 (but, for purposes of clarification, not including any Series 2021 Bonds, Series 2021 Notes, DTF Series 2021 Notes or DTF Series 2021 Bonds issued to refinance Series 2021 Notes or DTF Series 2021 Notes).

Series 2021 Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title "Transportation Revenue Bonds, Series 2021" or such other title or titles set forth in one or more Certificates of Determination.

The authority to issue the Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2021 Bonds shall continue in effect until the adoption by the Issuer Board of a subsequent new money bond issuance supplemental resolution relating to 2022 new money financings, provided, however, the authorization to issue the Series 2021 Bonds to refinance the Series 2021 Notes and the DTF Series 2021 Notes shall continue in effect until all of such Series 2021 Notes and DTF Series 2021 Notes have been refinanced by Series 2021 Bonds and/or DTF Series 2021 Bonds.

Section 2.02. Purposes. The purposes for which the Series 2021 Bonds are issued shall be set forth in one or more Certificates of Determination and shall include (i) the payment of all or any part of the Capital Costs, and (ii) the payment of principal of and redemption premium, if any, and interest on Outstanding Series 2021 Notes or the DTF Series 2021 Notes all to the extent and in the manner provided in this Supplemental Resolution.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Series 2021 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2021 Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04. Interest Payments. The Series 2021 Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2021 Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2021 Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2021 Bonds shall be numbered and lettered as provided in the related Certificate of Determination.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2021 Bonds shall be payable to the registered owner of each Series 2021 Bond when due upon presentation of such Series 2021 Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2021 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2021 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Series 2021 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of Series 2021 Bonds issued as Taxable Obligations), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2021 Bonds.

Section 2.08. Redemption Prices and Terms. The Series 2021 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of Series 2021 Bonds issued as Taxable Obligations, if set forth in the Certificate of Determination, the Series 2021 Bonds issued as Taxable Obligations may be made subject to pro rata redemption and/or a make-whole redemption premium.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2021 Bonds:

(a) to determine whether and when to issue any Series 2021 Bonds constituting Capital Cost Obligations, the amount of the Series 2021 Bonds to be applied to finance Capital Costs or other uses as provided in Section 2.02 hereof, and the amount of the proceeds of the Series 2021 Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2021 Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2021 Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2021 Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2021 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2021 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2021 Bonds shall be dated and the interest rate or rates of the Series 2021 Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2021 Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2021 Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2021 Bonds; provided, however, that if the Series 2021 Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Series 2021 Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Series 2021 Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Series 2021 Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2021 Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, the purchase price for the Series 2021 Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a

Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Series 2021 Bonds sold on a negotiated basis, the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2021 Bonds;

(h) to take all actions required for the Series 2021 Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2021 Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2021 Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2021 Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2021 Bonds, and to make any changes in connection therewith;

(k) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds;

(l) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series

or subseries of Series 2021 Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2021 Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2021 Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2021 Bonds; if any Series 2021 Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2021 Bonds consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2021 Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.10. Sale of Series 2021 Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2021 Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Series 2021 Bonds; (ii) to sell and award all or any portion of the Series 2021 Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Series 2021 Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Series 2021 Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2021 Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or

facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2021 Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2021 Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2021 Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any direct or private placement of the Series 2021 Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the "Official Statement") in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2021 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of the Series 2021 Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2021 Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments

(including any remarketing agreements, dealer agreements, broker dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2021 Bonds and for implementing the terms of the Series 2021 Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

Section 2.11. Forms of Series 2021 Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series 2021 Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by any Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Series 2021 Bonds.

ARTICLE III

DISPOSITION AND ALLOCATION OF SERIES 2021 BOND PROCEEDS

Section 3.01. Disposition and Allocation of Series 2021 Bond Proceeds. Any proceeds of the sale of the Series 2021 Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2021 Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination, as follows:

1. such proceeds shall be (i) deposited in the Series 2021 Bond Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Capital Costs or the payment of principal of and redemption premium, if any, and interest on the Series 2021 Notes or (ii) otherwise applied to the payment of such amounts; and
2. the balance of such proceeds shall be (i) deposited in the Series 2021 Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Section 3.02. Unless otherwise provided in the related Certificate of Determination, the accrued interest and capitalized interest, if any, received on the sale of the Series 2021 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANT PROVISIONS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Series 2021 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2021 Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2021 Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series 2021 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Series 2021 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2021 Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2021 Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

METROPOLITAN TRANSPORTATION AUTHORITY

**MULTIPLE SERIES 2021 BOND ANTICIPATION NOTES
AND RELATED SUBORDINATED INDEBTEDNESS
TRANSPORTATION REVENUE BOND SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

**MULTIPLE SERIES 2021 BOND ANTICIPATION NOTES AND
RELATED SUBORDINATED INDEBTEDNESS
TRANSPORTATION REVENUE BOND SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the “Issuer”), as follows:

**ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY**

SECTION 1.01. Supplemental Resolution. This Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Transportation Revenue Bond Supplemental Resolution (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled “General Resolution Authorizing Transportation Revenue Obligations”, as heretofore supplemented (the “Resolution”).

SECTION 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Noteholder”, “Holder” or “Holder of Notes”, or any similar term, means any person who shall be the registered owner of any Outstanding Series 2021 Note or Notes.

“Notice of Sale” shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of the Series 2021 Notes.

“Series 2021 Bonds” shall mean the Transportation Revenue Bonds, Series 2021, authorized by Article II of the Resolution and pursuant to a resolution of the Issuer adopted as of the date that this resolution is adopted.

“Series 2021 Notes” shall mean the Transportation Revenue Bond Anticipation Notes, Series 2021, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to this Supplemental Resolution, subject to redesignation as hereinafter provided.

SECTION 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II AUTHORIZATION OF SERIES 2021 NOTES

SECTION 2.01. Principal Amount, Designation and Series. Pursuant to the Resolution, Transportation Revenue Bond Anticipation Notes constituting Obligation Anticipation Notes under the Resolution, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters’ discount from the principal amount (but without giving effect to any net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2021 Notes), the amount to be deposited in the Series 2021 Note Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest, capitalized interest or any Costs of Issuance of the Series 2021 Notes), shall not exceed \$2.0 billion at any one time Outstanding reduced by the sum of (1) the amount of Series 2021 Bonds issued under the Metropolitan Transportation Authority Multiple Series 2021 Transportation Revenue Bond Supplemental Resolution, adopted December 16, 2020, (2) the amount of bonds (the “DTF Series 2021 Bonds”) issued under the Metropolitan Transportation Authority Multiple Series 2021 Dedicated Tax Fund Bond Supplemental Resolution, adopted December 16, 2020, and (3) the amount of bond anticipation notes (the “DTF Series 2021 Notes”) issued under the Metropolitan Transportation Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Dedicated Tax Fund Bond Supplemental Resolution, adopted December 16, 2020 (but, for purposes of clarification, not including any Series 2021 Notes, Series 2021 Bonds, DTF Series 2021 Bonds or DTF Series 2021 Notes issued to refinance Series 2021 Notes or DTF Series 2021 Notes). The Series 2021 Notes may be issued in the form of a loan agreement, line of credit, revolving credit agreement or similar facility (each, a “Loan Facility”). For all purposes of this Section such Transportation Revenue Bond Anticipation Notes shall be designated as, and shall be distinguished from the Transportation Revenue Bond Anticipation Notes of all other Series by the title, “Transportation Revenue Bond Anticipation Notes, Series 2021”, with such further or different designations as may be provided in any Certificate of Determination.

The authority to issue Obligation Anticipation Notes and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2021 Notes shall continue in effect until the adoption by the Issuer’s Board of a subsequent new money note issuance supplemental resolution relating to 2022 new money financings, provided, however, the authorization to issue Series 2021 Notes for the purposes set forth in clause (ii) of Section 2.02 hereof to the extent permitted by law and to issue DTF Series 2021 Bonds and the Series 2021 Bonds to refinance the DTF Series 2021 Notes and the Series 2021 Notes authorized hereunder shall continue in effect until all of such DTF Series 2021 Notes and Series 2021 Notes have been refinanced by DTF Series 2021 Bonds and/or Series 2021 Bonds.

The Issuer hereby covenants and agrees for the benefit of the Owners and Beneficial Owners of the Series 2021 Notes that it will maintain issuance capacity pursuant to the Resolution to issue Transportation Revenue Bonds or additional Obligation Anticipation Notes in an amount sufficient to pay the principal of and interest on the Series 2021 Notes when due.

SECTION 2.02. Use of Proceeds. The proceeds of the Series 2021 Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs, including Costs of Issuance related to the Series 2021 Notes and (ii) the payment of the principal and interest of Outstanding Series 2021 Notes or DTF Series 2021 Notes.

SECTION 2.03. Dates, Maturities, Principal Amounts and Interest; Redemption. The Series 2021 Notes shall be dated the date or dates determined in the related Certificate of Determination. The Series 2021 Notes shall mature on the date or dates and in the year or years and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, the Series 2021 Notes shall not be subject to redemption prior to maturity.

SECTION 2.04. Interest Payments. The Series 2021 Notes shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2021 Notes shall be computed on the basis of twelve 30-day months and a 360-day year.

SECTION 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2021 Notes shall be issuable in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2021 Notes shall be numbered and lettered as provided in the related Certificate of Determination.

SECTION 2.06. Places of Payment and Paying Agents. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2021 Notes shall be payable to the registered owner of each Series 2021 Note when due upon presentation of such Series 2021 Note at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2021 Notes will be paid by check or draft mailed on the interest payment date by the Paying Agent to the registered owner at his address as it appears on the registration books or, at the option of any Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2021 Notes, by wire transfer in immediately available funds on each interest payment date to such Holder thereof upon written notice from such Holder to the Trustee, at such address as the Trustee may from time to time notify such Holder, containing the wire transfer address (which shall be in the continental United States) to which such Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

SECTION 2.07. Sources of Payment

1. The principal of and interest on the Series 2021 Notes may be payable solely from (i) the proceeds of any other Series 2021 Notes or DTF Series 2021 Notes, (ii) the proceeds of the Series 2021 Bonds or DTF Series 2021 Bonds, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts (which other amounts are not pledged under the Resolution), in each case if and to the extent such amounts may lawfully be used to make such payments. The interest on the Series 2021 Notes

may also be payable from amounts available for transfer pursuant to Section 504(b) and Section 505.3 of the Resolution for the payment of Subordinated Indebtedness.

2. There are hereby pledged to the payment of principal and interest on the Series 2021 Notes (i) the proceeds of other Series 2021 Notes or DTF Series 2021 Notes issued to refinance such Series 2021 Notes, and (ii) the proceeds of the Series 2021 Bonds issued to refinance such Series 2021 Notes, and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501. There is also hereby pledged to the payment of interest on the Series 2021 Notes amounts available for transfer pursuant to Section 504(b) and Section 505.3 of the Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in Section 506 of the Resolution. Proceeds and amounts described in clause (iii) of Section 2.07(1) hereof may be pledged to the payment of principal and interest on the Series 2021 Notes to the extent set forth in a Certificate of Determination.

SECTION 2.08. Delegation to an Authorized Officer.

1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2021 Notes:

(a) to determine whether and when to issue any Series 2021 Notes, the amount of the Series 2021 Notes to be applied to finance Capital Costs or other uses as provided in Section 2.02 of this Supplemental Resolution and the amount of the proceeds of the Series 2021 Notes estimated to be necessary to pay the Costs of Issuance of the Series 2021 Notes;

(b) to determine the purpose or purposes for which the Series 2021 Notes are being issued, which shall be one or more of the purposes set forth in Section 2.02 hereof;

(c) to determine the principal amount of the Series 2021 Notes to be issued, which principal amount shall not exceed the amount described in Section 2.01 of this Supplemental Resolution, and whether such Series 2021 Notes shall be issued in one or more Series or subseries;

(d) to determine the maturity date and principal amount of each maturity of the Series 2021 Notes; provided that the Series 2021 Notes shall mature no later than five years after the date of issuance of such Series 2021 Notes;

(e) to determine the date or dates which the Series 2021 Notes shall be dated and the interest rate or rates of the Series 2021 Notes, provided that the true interest cost (as calculated by the officers of the Issuer executing any Certificate of Determination, which calculation shall be conclusive) on the Series 2021 Notes bearing a fixed rate of interest shall not exceed 4.00% per annum and for Series 2021 notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or one-month or three-month LIBOR or any short-term index generally accepted in the marketplace, in each case, plus 4.00% and any default rate or equivalent rate shall not exceed the sum of 4.00% plus either a specified prime rate or the federal funds rate;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2021 Notes; provided, however, that if the Series 2021 Notes are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of Series 2021 Notes issued as Taxable Obligations) shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2021 Notes to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of Series 2021

Notes issued as Taxable Obligations the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine the advisability of conducting the sale of all or any portion of the Series 2021 Notes through competitive bidding or through a negotiated sale or a direct purchase transaction, and to determine the purchase price for the Series 2021 Notes to be paid by the purchasers pursuant to either a competitive bid process or by the purchasers referred to in the Purchase Agreement described in Section 2.09 of this Supplemental Resolution in the event the Series 2021 Notes are sold, in such Authorized Officer's discretion, through a negotiated sale or a direct purchase transaction, which may include such original premium and original issue discount as shall be determined in the related Certificate of Determination, provided, however, that in the case of a negotiated transaction, underwriters' discount reflected in such purchase price shall not exceed \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2021 Notes;

(h) to determine the advisability, as compared to an unenhanced transaction, of obtaining municipal bond insurance or any other credit or liquidity facility, to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2021 Notes from those permitted by Section A-203 of the Resolution, and to determine such other matters as the officer executing any Certificate of Determination shall consider necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by bond insurers or the provider of any other credit or liquidity facility, if any, or required by the bond rating agencies in order to attain or maintain specific ratings on the Series 2021 Notes, or relating to the mechanism for the payment of insurance premium, credit or liquidity facility fees or direct purchase fees, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to implement an insurance policy or any other credit or liquidity facility with respect to the Series 2021 Notes, and to make any changes in connection therewith. Such changes may include, but are not limited to, the making of any additional covenants with Holders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(i) to take all actions required for the Series 2021 Notes to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form letter of representation with, or other form of document required by, DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Notes issuable in fully registered form; and

(j) to determine whether to issue all or any part of the Series 2021 Notes as Tax-Exempt Obligations or Taxable Obligations;

(k) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Notes;

(l) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine any other matters provided for herein, including the matters set forth in Sections 2.11 and 2.12 hereof.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2021 Notes are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2021 Notes by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2021 Notes, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2021 Notes; if any Series 2021 Notes shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2021 Notes consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2021 Notes, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

SECTION 2.09. Sale of Series 2021 Notes. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2021 Notes through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Series 2021 Notes; (ii) to sell and award all or any portion of the Series 2021 Notes through a negotiated sale to the purchasers who are referred to in the note purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; (iii) to sell and award all or any portion of the Series 2021 Notes through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement; or (iv) to issue all or any portion of the Series 2021 Notes in the form of a Loan Facility to any financial institution or institutions selected by the Authorized Officer. Each Authorized Officer is hereby authorized to sell and award the Series 2021 Notes to the purchasers referred to in the preceding sentence in the case of a note purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a Loan Facility or a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set

forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the requirement that the Loan Facility issuer or direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2021 Notes as may be approved by the Authorized Officer executing the note purchase, Loan Facility, continuing covenant or similar agreement (each, a “Purchase Agreement”). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2021 Notes shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2021 Notes on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the “Notice of Sale”), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2021 Notes in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize the use and distribution by said purchasers of a Preliminary Official Statement (the “Preliminary Official Statement”), in connection with the public offering of the Series 2021 Notes, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations of the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the “Official Statement”) in substantially the form of the Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2021 Notes, said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2021 Notes meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a

Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out the Notice of Sale, the Purchase Agreement, the Continuing Disclosure Agreement, the terms of any municipal bond insurance or any other credit or liquidity facility, and the issuance, sale and delivery of the Series 2021 Notes, and for implementing the terms of the Series 2021 Notes and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

SECTION 2.10. Forms of Series 2021 Notes and Authentication Certificate. The form of registered Series 2021 Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

SECTION 2.11. Appointment of Trustee, Paying Agent and other Agents. There is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other agent with respect to the Series 2021 Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

SECTION 2.12. General Provisions. As and to the extent provided in any Certificate of Determination, the provisions of Articles A-III, IV, A-IV, A-VII, A-IX and A-XI of the Resolution may apply equally to the Series 2021 Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2021 Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

ARTICLE III

DISPOSITION AND ALLOCATION OF SERIES 2021 NOTE PROCEEDS

SECTION 3.01. Disposition of Series 2021 Note Proceeds. Except as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2021 Notes shall be deposited in the Series 2021 Note Proceeds Account which is hereby established in the Proceeds Fund and applied pursuant to the related Certificate of Determination to the payment of Capital Costs, including any Costs of Issuance and accrued and capitalized interest, and the payment of principal of and interest on Outstanding Series 2021 Notes or DTF Series 2021 Notes.

ARTICLE IV

TAX COVENANT PROVISIONS AND DEFEASANCE

SECTION 4.01. Tax Covenants Relating to the Series 2021 Notes. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2021 Notes issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain

such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2021 Notes issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2021 Notes, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders or the Trustee under Section 702 of the Resolution (as though such provisions related to Series 2021 Notes rather than Bonds), and (b) neither the Holders of the Notes of any Series (other than the Owners of the Series 2021 Notes or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Noteholders under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

SECTION 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in this Supplemental Resolution, all or less than all Outstanding Series 2021 Notes issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution, the Series 2021 Notes issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in this Supplemental Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2021 Notes issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2021 Notes issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

METROPOLITAN TRANSPORTATION AUTHORITY

**MULTIPLE SERIES 2021
DEDICATED TAX FUND BOND SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

**MULTIPLE SERIES 2021
DEDICATED TAX FUND REVENUE BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

SECTION 1.01. Supplemental Resolution. This Multiple Series 2021 Dedicated Tax Fund Bond Supplemental Resolution (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled “Dedicated Tax Fund Obligation Resolution”, as heretofore supplemented (the “Resolution”).

SECTION 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Series 2021 Bonds” shall mean the Dedicated Tax Fund Bonds, Series 2021, authorized by Article II of this Supplemental Resolution, subject to redesignation as hereinafter provided.

“Series 2021 Notes” shall mean the Dedicated Tax Fund Bond Anticipation Notes, Series 2021, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to a Supplemental Resolution of the Issuer adopted as of the date that this Supplemental Resolution is adopted.

SECTION 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF SERIES 2021 BONDS

SECTION 2.01. Principal Amount, Designation and Series. Pursuant to the Resolution and in order to finance Capital Costs, Dedicated Tax Fund Bonds, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount (but without giving effect to any net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2021 Bonds), the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest, capitalized interest or any Costs of Issuance of the Series 2021 Bonds), shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2021 Bonds issued to finance Capital Costs shall not exceed \$2.0 billion at any one time Outstanding reduced by the sum of (1) the amount of bond anticipation notes (the "TRB Series 2021 Notes") issued under the Metropolitan Transportation Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Transportation Revenue Bond Supplemental Resolution, adopted December 16, 2020, (2) the amount of bonds (the "TRB Series 2021 Bonds") issued under the Metropolitan Transportation Authority Multiple Series 2021 Transportation Revenue Bond Supplemental Resolution, adopted December 16, 2020, and (3) the amount of bond anticipation notes (the "Series 2021 Notes") issued under the Metropolitan Transportation Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Dedicated Tax Fund Bond Supplemental Resolution, adopted December 16, 2020 (but, for purposes of clarification, not including any TRB Series 2021 Notes, Series 2021 Notes, Series 2021 Bonds or TRB Series 2021 Bonds issued to refinance Series 2021 Notes or TRB Series 2021 Notes).

Series 2021 Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title "Dedicated Tax Fund Bonds, Series 2021" or such other title or titles set forth in one or more Certificates of Determination.

The authority to issue the Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2021 Bonds shall continue in effect until the adoption by the Issuer Board of a subsequent new money bond issuance supplemental resolution relating to 2022 new money financings, provided, however, the authorization to issue the Series 2021 Bonds to refinance the TRB Series 2021 Notes and the Series 2021 Notes shall continue in effect until all of such TRB Series 2021 Notes and Series 2021 Notes have been refinanced by TRB Series 2021 Bonds and/or Series 2021 Bonds.

SECTION 2.02. Purposes. The purposes for which the Series 2021 Bonds are issued shall be set forth in one or more Certificates of Determination and shall include (i) the payment of all or any part of the Capital Costs, and (ii) the payment of principal of and redemption premium, if any, and interest on Outstanding Series 2021 Notes or the DTF Series 2021 Notes all to the extent and in the manner provided in this Supplemental Resolution.

SECTION 2.03. Dates, Maturities, Principal Amounts and Interest. The Series 2021 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2021 Bonds shall mature on the date or dates and in the

year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

SECTION 2.04. Interest Payments. The Series 2021 Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2021 Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

SECTION 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2021 Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2021 Bonds shall be numbered and lettered as provided in the related Certificate of Determination.

SECTION 2.06. Places of Payment and Paying Agents. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2021 Bonds shall be payable to the registered owner of each Series 2021 Bond when due upon presentation of such Series 2021 Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2021 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2021 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

SECTION 2.07. Sinking Fund Installments. The Series 2021 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of Series 2021 Bonds issued as Taxable Obligations), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2021 Bonds.

SECTION 2.08. Redemption Prices and Terms. The Series 2021 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of Series 2021 Bonds issued as Taxable Obligations, if set forth in the Certificate of Determination, the Series 2021 Bonds issued as Taxable Obligations may be made subject to pro rata redemption and/or a make-whole redemption premium.

SECTION 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2021 Bonds:

(a) to determine whether and when to issue any Series 2021 Bonds constituting Capital Cost Obligations, the amount of the Series 2021 Bonds to be applied to finance Capital Costs or other uses as provided in Section 2.02 hereof, and the amount of the proceeds of the Series 2021 Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2021 Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2021 Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2021 Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2021 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2021 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2021 Bonds shall be dated and the interest rate or rates of the Series 2021 Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2021 Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2021 Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2021 Bonds; provided, however, that if the Series 2021 Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Series 2021 Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Series 2021 Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Series 2021 Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2021 Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, the purchase price for the Series 2021 Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Series 2021 Bonds sold on a negotiated basis, the

underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2021 Bonds;

(h) to take all actions required for the Series 2021 Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2021 Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2021 Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2021 Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2021 Bonds, and to make any changes in connection therewith;

(k) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds;

(l) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2021 Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or

subseries of Series 2021 Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2021 Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2021 Bonds; if any Series 2021 Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2021 Bonds consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2021 Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

SECTION 2.10. Sale of Series 2021 Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2021 Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Series 2021 Bonds; (ii) to sell and award all or any portion of the Series 2021 Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Series 2021 Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Series 2021 Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2021 Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase

Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2021 Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2021 Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2021 Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any direct or private placement of the Series 2021 Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the "Official Statement") in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2021 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of the Series 2021 Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2021 Bonds

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate

to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2021 Bonds and for implementing the terms of the Series 2021 Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

SECTION 2.11. Forms of Series 2021 Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series 2021 Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.

SECTION 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by any Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Series 2021 Bonds.

ARTICLE III

DISPOSITION AND ALLOCATION OF SERIES 2021 BOND PROCEEDS

SECTION 3.01. Disposition and Allocation of Series 2021 Bond Proceeds. Any proceeds of the sale of the Series 2021 Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2021 Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination, as follows:

1. such proceeds shall be (i) deposited in the Series 2021 Bond Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Capital Costs or the payment of principal of and redemption premium, if any, and interest on the Series 2021 Notes or (ii) otherwise applied to the payment of such amounts; and

2. the balance of such proceeds shall be (i) deposited in the Series 2021 Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

SECTION 3.02. Unless otherwise provided in the related Certificate of Determination, the accrued interest and capitalized interest, if any, received on the sale of the Series 2021 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANT PROVISIONS AND DEFEASANCE

SECTION 4.01. Tax Covenants Relating to the Series 2021 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2021 Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take

such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2021 Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Series 2021 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Series 2021 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

SECTION 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2021 Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2021 Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

METROPOLITAN TRANSPORTATION AUTHORITY

**MULTIPLE SERIES 2021 BOND ANTICIPATION NOTES
AND RELATED SUBORDINATED INDEBTEDNESS
DEDICATED TAX FUND BOND SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

**MULTIPLE SERIES 2021 BOND ANTICIPATION NOTES AND
RELATED SUBORDINATED INDEBTEDNESS
DEDICATED TAX FUND BOND SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the “Issuer”), as follows:

**ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY**

SECTION 1.01. Supplemental Resolution. This Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Dedicated Tax Fund Bond Supplemental Resolution (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled “Dedicated Tax Fund Obligation Resolution”, as heretofore supplemented (the “Resolution”).

SECTION 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Noteholder”, “Holder” or “Holder of Notes”, or any similar term, means any person who shall be the registered owner of any Outstanding Series 2021 Note or Notes.

“Notice of Sale” shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of the Series 2021 Notes.

“Series 2021 Bonds” shall mean the Dedicated Tax Fund Bonds, Series 2021, authorized by Article II of the Resolution and pursuant to a resolution of the Issuer adopted as of the date that this resolution is adopted.

“Series 2021 Notes” shall mean the Dedicated Tax Fund Bond Anticipation Notes, Series 2021, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to this Supplemental Resolution, subject to redesignation as hereinafter provided.

SECTION 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II AUTHORIZATION OF SERIES 2021 NOTES

SECTION 2.01. Principal Amount, Designation and Series. Pursuant to the Resolution, Dedicated Tax Fund Bond Anticipation Notes constituting Obligation Anticipation Notes under the Resolution, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters’ discount from the principal amount (but without giving effect to any net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2021 Notes), the amount to be deposited in the Series 2021 Note Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest, capitalized interest or any Costs of Issuance of the Series 2021 Notes), shall not exceed \$2.0 billion at any one time Outstanding reduced by the sum of (1) the amount of bond anticipation notes (the “TRB Series 2021 Notes”) issued under the Metropolitan Transportation Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness Transportation Revenue Bond Supplemental Resolution, adopted December 16, 2020, (2) the amount of bonds (the “TRB Series 2021 Bonds”) issued under the Metropolitan Transportation Authority Multiple Series 2021 Transportation Revenue Bond Supplemental Resolution, adopted December 16, 2020, and (3) the amount of bonds issued under the Metropolitan Transportation Authority Multiple Series 2021 Dedicated Tax Fund Bond Supplemental Resolution, adopted December 16, 2020 (but, for purposes of clarification, not including any TRB Series 2021 Notes, Series 2021 Notes, TRB Series 2021 Bonds or Series 2021 Bonds issued to refinance Series 2021 Notes or TRB Series 2021 Notes). The Series 2021 Notes may be issued in the form of a loan agreement, line of credit, revolving credit agreement or similar facility (each, a “Loan Facility”). For all purposes of this Section such Dedicated Tax Fund Bond Anticipation Notes shall be designated as, and shall be distinguished from the Dedicated Tax Fund Bond Anticipation Notes of all other Series by the title, “Dedicated Tax Fund Bond Anticipation Notes, Series 2021”, with such further or different designations as may be provided in any Certificate of Determination.

The authority to issue Obligation Anticipation Notes and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2021 Notes shall continue in effect until the adoption by the Issuer’s Board of a subsequent new money note issuance supplemental resolution relating to 2022 new money financings, provided, however, the authorization to issue Series 2021 Notes for the purposes set forth in clause (ii) of Section 2.02 hereof to the extent permitted by law and to issue the TRB Series 2021 Bonds and the Series 2021 Bonds to refinance the TRB Series 2021 Notes and the Series 2021 Notes authorized hereunder shall continue in effect until all of such TRB Series 2021 Notes and Series 2021 Notes have been refinanced by TRB Series 2021 Bonds and/or Series 2021 Bonds.

The Issuer hereby covenants and agrees for the benefit of the Owners and Beneficial Owners of the Series 2021 Notes that it will maintain issuance capacity pursuant to the Resolution to issue Dedicated

Tax Fund Bonds or additional Obligation Anticipation Notes in an amount sufficient to pay the principal of and interest on the Series 2021 Notes when due.

SECTION 2.02. Use of Proceeds. The proceeds of the Series 2021 Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs, including Costs of Issuance related to the Series 2021 Notes and (ii) the payment of the principal and interest of Outstanding Series 2021 Notes or TRB Series 2021 Notes.

SECTION 2.03. Dates, Maturities, Principal Amounts and Interest; Redemption. The Series 2021 Notes shall be dated the date or dates determined in the related Certificate of Determination. The Series 2021 Notes shall mature on the date or dates and in the year or years and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, the Series 2021 Notes shall not be subject to redemption prior to maturity.

SECTION 2.04. Interest Payments. The Series 2021 Notes shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2021 Notes shall be computed on the basis of twelve 30-day months and a 360-day year.

SECTION 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2021 Notes shall be issuable in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2021 Notes shall be numbered and lettered as provided in the related Certificate of Determination.

SECTION 2.06. Places of Payment and Paying Agents. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2021 Notes shall be payable to the registered owner of each Series 2021 Note when due upon presentation of such Series 2021 Note at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2021 Notes will be paid by check or draft mailed on the interest payment date by the Paying Agent to the registered owner at his address as it appears on the registration books or, at the option of any Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2021 Notes, by wire transfer in immediately available funds on each interest payment date to such Holder thereof upon written notice from such Holder to the Trustee, at such address as the Trustee may from time to time notify such Holder, containing the wire transfer address (which shall be in the continental United States) to which such Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

SECTION 2.07. Sources of Payment

1. The principal of and interest on the Series 2021 Notes may be payable solely from (i) the proceeds of any other Series 2021 Notes or TRB Series 2021 Notes, (ii) the proceeds of the Series 2021 Bonds or TRB Series 2021 Bonds, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts (which other amounts are not pledged under the Resolution), in each case if and to the extent such amounts may lawfully be used to make such payments. The interest on the Series 2021 Notes may also be payable from amounts available for transfer pursuant to Sections 504.3, 504.4 and 505.3 of the Resolution for the payment of Subordinated Indebtedness.

2. There are hereby pledged to the payment of principal and interest on the Series 2021 Notes (i) the proceeds of other Series 2021 Notes or TRB Series 2021 Notes issued to refinance such Series 2021 Notes, and (ii) the proceeds of the Series 2021 Bonds issued to refinance such Series 2021 Notes, and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501. There is also hereby pledged to the payment of interest on the Series 2021 Notes amounts available for transfer pursuant to Section 504(b) and Section 505.3 of the Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in Section 506 of the Resolution. Proceeds and amounts described in clause (iii) of Section 2.07(1) hereof may be pledged to the payment of principal and interest on the Series 2021 Notes to the extent set forth in a Certificate of Determination.

SECTION 2.08. Delegation to an Authorized Officer.

1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2021 Notes:

(a) to determine whether and when to issue any Series 2021 Notes, the amount of the Series 2021 Notes to be applied to finance Capital Costs or other uses as provided in Section 2.02 hereof and the amount of the proceeds of the Series 2021 Notes estimated to be necessary to pay the Costs of Issuance of the Series 2021 Notes;

(b) to determine the purpose or purposes for which the Series 2021 Notes are being issued, which shall be one or more of the purposes set forth in Section 2.02 hereof;

(c) to determine the principal amount of the Series 2021 Notes to be issued, which principal amount shall not exceed the amount described in Section 2.01 of this Supplemental Resolution, and whether such Series 2021 Notes shall be issued in one or more Series or subseries;

(d) to determine the maturity date and principal amount of each maturity of the Series 2021 Notes; provided that the Series 2021 Notes shall mature no later than five years after the date of issuance of such Series 2021 Notes;

(e) to determine the date or dates which the Series 2021 Notes shall be dated and the interest rate or rates of the Series 2021 Notes, provided that the true interest cost (as calculated by the officers of the Issuer executing any Certificate of Determination, which calculation shall be conclusive) on the Series 2021 Notes bearing a fixed rate of interest shall not exceed 4.00% per annum and for Series 2021 notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or one-month or three-month LIBOR or any short-term index generally accepted in the marketplace, in each case, plus 4.00% and any default rate or equivalent rate shall not exceed the sum of 4.00% plus either a specified prime rate or the federal funds rate;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2021 Notes; provided, however, that if the Series 2021 Notes are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of Series 2021 Notes issued as Taxable Obligations) shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2021 Notes to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of Series 2021 Notes issued as Taxable Obligations the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine the advisability, of conducting the sale of all or any portion of the Series 2021 Notes through competitive bidding or through a negotiated sale or a direct purchase transaction, and to determine the purchase price for the Series 2021 Notes to be paid by the purchasers pursuant to either a competitive bid process or by the purchasers referred to in the Purchase Agreement described in Section 2.09 of this Supplemental Resolution in the event the Series 2021 Notes are sold, in such Authorized Officer's discretion, through a negotiated sale or a direct purchase transaction, which may include such original premium and original issue discount as shall be determined in the related Certificate of Determination, provided, however, that in the case of a negotiated transaction, underwriters' discount reflected in such purchase price shall not exceed \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2021 Notes;

(h) to determine the advisability, as compared to an unenhanced transaction, of obtaining municipal bond insurance or any other credit or liquidity facility, to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2021 Notes from those permitted by Section A-203 of the Resolution, and to determine such other matters as the officer executing any Certificate of Determination shall consider necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by bond insurers or the provider of any other credit or liquidity facility, if any, or required by the bond rating agencies in order to attain or maintain specific ratings on the Series 2021 Notes, or relating to the mechanism for the payment of insurance premium, credit or liquidity facility fees or direct purchase fees, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to implement an insurance policy or any other credit or liquidity facility with respect to the Series 2021 Notes, and to make any changes in connection therewith. Such changes may include, but are not limited to, the making of any additional covenants with Holders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(i) to take all actions required for the Series 2021 Notes to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form letter of representation with, or other form of document required by, DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Notes issuable in fully registered form; and

(j) to determine whether to issue all or any part of the Series 2021 Notes as Tax-Exempt Obligations or Taxable Obligations;

(k) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Notes;

(l) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine any other matters provided for herein, including the matters set forth in Sections 2.11 and 2.12 hereof.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of

Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2021 Notes are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2021 Notes by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2021 Notes, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2021 Notes; if any Series 2021 Notes shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2021 Notes consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2021 Notes, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

SECTION 2.09. Sale of Series 2021 Notes. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2021 Notes through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Series 2021 Notes; (ii) to sell and award all or any portion of the Series 2021 Notes through a negotiated sale to the purchasers who are referred to in the note purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; (iii) to sell and award all or any portion of the Series 2021 Notes through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement; or (iv) to issue all or any portion of the Series 2021 Notes in the form of a Loan Facility to any financial institution or institutions selected by the Authorized Officer. Each Authorized Officer is hereby authorized to sell and award the Series 2021 Notes to the purchasers referred to in the preceding sentence in the case of a note purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a Loan Facility or a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the requirement that the Loan Facility issuer or direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2021 Notes as may be approved by the Authorized Officer executing the note purchase, Loan Facility, continuing covenant or similar agreement (each, a “Purchase Agreement”). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2021 Notes shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2021 Notes on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the “Notice of Sale”), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2021 Notes in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize the use and distribution by said purchasers of a Preliminary Official Statement (the “Preliminary Official Statement”), in connection with the public offering of the Series 2021 Notes, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations of the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate,

together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the "Official Statement") in substantially the form of the Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2021 Notes, said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2021 Notes meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts necessary or proper for carrying out the Notice of Sale, the Purchase Agreement, the Continuing Disclosure Agreement, the terms of any municipal bond insurance or any other credit or liquidity facility, and the issuance, sale and delivery of the Series 2021 Notes, and for implementing the terms of the Series 2021 Notes and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

SECTION 2.10. Forms of Series 2021 Notes and Authentication Certificate. The form of registered Series 2021 Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

SECTION 2.11. Appointment of Trustee, Paying Agent and other Agents. There is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other agent with respect to the Series 2021 Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

SECTION 2.12. General Provisions. As and to the extent provided in any Certificate of Determination, the provisions of Articles A-III, IV, A-IV, A-VII, A-IX and A-XI of the Resolution may apply equally to the Series 2021 Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2021 Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination

may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

ARTICLE III

DISPOSITION AND ALLOCATION OF SERIES 2021 NOTE PROCEEDS

SECTION 3.01. Disposition of Series 2021 Note Proceeds. Except as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2021 Notes shall be deposited in the Series 2021 Note Proceeds Account which is hereby established in the Proceeds Fund and applied pursuant to the related Certificate of Determination to the payment of Capital Costs, including any Costs of Issuance and accrued and capitalized interest, and the payment of principal of and interest on Outstanding Series 2021 Notes or TRB Series 2021 Notes.

ARTICLE IV

TAX COVENANT PROVISIONS AND DEFEASANCE

SECTION 4.01. Tax Covenants Relating to the Series 2021 Notes. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2021 Notes issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2021 Notes issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2021 Notes, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders or the Trustee under Section 702 of the Resolution (as though such provisions related to Series 2021 Notes rather than Bonds), and (b) neither the Holders of the Notes of any Series (other than the Owners of the Series 2021 Notes or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Noteholders under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

SECTION 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in this Supplemental Resolution, all or less than all Outstanding Series 2021 Notes issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution, the Series 2021 Notes issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in this Supplemental Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2021 Notes issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2021 Notes issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**MULTIPLE SERIES 2021
GENERAL REVENUE BOND
SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

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**MULTIPLE SERIES 2021
GENERAL REVENUE BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01 Supplemental Resolution. This Multiple Series 2021 General Revenue Bond Supplemental Resolution (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled “General Resolution Authorizing General Revenue Obligations”, as heretofore supplemented (the “Resolution”).

Section 1.02 Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Series 2021 Bonds” shall mean the General Revenue Obligations authorized by Article II of this Supplemental Resolution, subject to redesignation as hereinafter provided.

“Series 2021 Notes” shall mean the General Revenue Bond Anticipation Notes, Series 2021, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to a Supplemental Resolution of the Issuer adopted as of the date that this Supplemental Resolution is adopted.

Section 1.03 Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF SERIES 2021 BONDS

Section 2.01 Principal Amount, Designation and Series. Pursuant to the Resolution and in order to finance Capital Costs, General Revenue Obligations constituting Capital Cost Obligations, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters’ discount from the principal amount (but without giving effect to any net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2021 Bonds), the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest, capitalized interest or any Costs of Issuance of the Series 2021 Bonds) shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2021 Bonds issued to finance Capital Costs shall not exceed \$500 million at any one time Outstanding reduced by the sum of (1) the amount of bonds (the “Series 2021 Subordinate Bonds”) issued under the Triborough Bridge and Tunnel Authority Multiple Series 2021 Subordinate Revenue Bond Supplemental Resolution, adopted December 16, 2020 and (2) the amount of Series 2021 Notes issued under the Triborough Bridge and Tunnel Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness General Revenue Bond Supplemental Resolution, adopted December 16, 2020 (but, for purposes of clarification, not including any Series 2021 Bonds, Series 2021 Subordinate Bonds or Series 2021 Notes issued to refinance Series 2021 Notes).

Series 2021 Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title “General Revenue Bonds, Series 2021” or such other title or titles set forth in one or more Certificates of Determination.

The authority to issue the Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2021 Bonds shall continue in effect until the adoption by the Issuer Board of a subsequent new money bond issuance supplemental resolution relating to 2022 new money financings; provided, however, the authorization to issue the Series 2021 Bonds to refinance the Series 2021 Notes shall continue in effect until all of such Series 2021 Notes have been refinanced by Series 2021 Bonds.

Section 2.02 Purposes. The purposes for which the Series 2021 Bonds are issued shall be set forth in one or more Certificates of Determination and shall include (i) the payment of all or any part of the Capital Costs, and (ii) the payment of principal of and redemption premium, if any, and interest on Outstanding Series 2021 Notes, all to the extent and in the manner provided in this Supplemental Resolution.

Section 2.03 Dates, Maturities, Principal Amounts and Interest. The Series 2021 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2021 Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04 Interest Payments. The Series 2021 Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2021 Bonds shall be computed on the basis of twelve (12) 30-day months and a 360-day year.

Section 2.05 Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2021 Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2021 Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

Section 2.06 Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2021 Bonds shall be payable to the registered owner of each Series 2021 Bond when due upon presentation of such Series 2021 Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2021 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2021 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07 Sinking Fund Installments. The Series 2021 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of Series 2021 Bonds issued as Taxable Obligations), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years at the principal amount thereof as determined in the related Certificate of Determination, plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking

Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2021 Bonds.

Section 2.08 Redemption Prices and Terms. The Series 2021 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of Series 2021 Bonds issued as Taxable Obligations, if set forth in the Certificate of Determination, the Series 2021 Bonds issued as Taxable Obligations may be made subject to pro rata redemption and/or a make-whole redemption premium.

Section 2.09 Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2021 Bonds:

(a) to determine whether and when to issue any Series 2021 Bonds constituting Capital Cost Obligations, the amount of the Series 2021 Bonds to be applied to finance Capital Costs or other uses as provided in Section 2.02 hereof, and the amount of the proceeds of the Series 2021 Bonds, estimated to be necessary to pay the Costs of Issuance of the Series 2021 Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2021 Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2021 Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2021 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2021 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2021 Bonds shall be dated and the interest rate or rates of the Series 2021 Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2021 Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2021 Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate

Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any and the redemption terms, if any, for the Series 2021 Bonds; provided, however, that if the Series 2021 Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Series 2021 Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Series 2021 Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Series 2021 Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2021 Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement or the purchase price for the Series 2021 Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Series 2021 Bonds sold on a negotiated basis, the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2021 Bonds;

(h) to take all actions required for the Series 2021 Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2021 Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2021 Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2021 Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other

matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2021 Bonds, and to make any changes in connection therewith;

(k) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds;

(l) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2021 Bonds are delivered from time to time or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2021 Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2021 Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2021 Bonds; if any Series 2021 Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2021 Bonds consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the

remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2021 Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.10 Sale of Series 2021 Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2021 Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Series 2021 Bonds; (ii) to sell and award all or any portion of the Series 2021 Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Series 2021 Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Series 2021 Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2021 Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2021 Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2021 Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the “Notice of Sale”), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2021 Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the “Preliminary Official Statement”) in connection with each public offering or any direct or private placement of the Series 2021 Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the “Official Statement”) in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2021 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of the Series 2021 Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2021 Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of the Series 2021 Bonds and for implementing the terms of the Series 2021 Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

Section 2.11 Forms of Series 2021 Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series 2021 Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.

Section 2.12 Appointment of Trustee and Paying Agent. Unless otherwise provided in the related Certificate of Determination, U.S. Bank Trust National Association shall be the Trustee under the Resolution and the Paying Agent for the Series 2021 Bonds.

ARTICLE III

DISPOSITION OF SERIES 2021 BOND PROCEEDS

Section 3.01 Disposition of Series 2021 Bond Proceeds. Any proceeds of the sale of the Series 2021 Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2021 Bonds, or shall otherwise be applied pursuant to a Certificate of Determination as follows:

1. such proceeds shall be (i) deposited in the Series 2021 Bond Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Capital Costs or the payment of principal of and redemption premium, if any, and interest on the Series 2021 Notes or (ii) otherwise applied to the payment of such amounts; and
2. the balance of such proceeds shall be (i) deposited in the Series 2021 Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in the related Certificate of Determination, accrued interest and capitalized interest, if any, received on the sale of the Series 2021 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01 Tax Covenants Relating to the Series 2021 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2021 Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2021 Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with the above covenant (a) the Owners of the Series 2021 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer’s failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Series 2021 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

Section 4.02 Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2021 Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2021 Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**MULTIPLE SERIES 2021
SUBORDINATE REVENUE BOND
SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

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**MULTIPLE SERIES 2021
SUBORDINATE REVENUE BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01 Supplemental Resolution. This Multiple Series 2021 Subordinate Revenue Bond Supplemental Resolution (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled “2001 Subordinate Revenue Resolution Authorizing Subordinate Revenue Obligations”, as heretofore supplemented (the “Resolution”).

Section 1.02 Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Series 2021 Bonds” shall mean the Subordinate Revenue Obligations authorized by Article II of this Supplemental Resolution, subject to redesignation as provided in this Supplemental Resolution.

Section 1.03 Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF SERIES 2021 BONDS

Section 2.01 Authorized Principal Amount, Designation and Series. Pursuant to the Resolution and in order to finance Capital Costs, Subordinate Revenue Obligations constituting Capital Cost Subordinate Revenue Obligations, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters' discount from the principal amount (but without giving effect to any net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2021 Bonds), the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest, capitalized interest or any Costs of Issuance of the Series 2021 Bonds) shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that the Series 2021 Bonds issued to finance Capital Costs shall not exceed \$500 million at any one time Outstanding, reduced by the sum of the (1) the amount of bonds (the "Series 2021 Senior Bonds") issued under the Triborough Bridge and Tunnel Authority Multiple Series 2021 General Revenue Bond Supplemental Resolution, adopted December 16, 2020, and (2) the amount of Series 2021 Notes issued under the Triborough Bridge and Tunnel Authority Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness General Revenue Bond Supplemental Resolution, adopted December 16, 2020 (but, for purposes of clarification, not including any Series 2021 Bonds, Series 2021 Senior Bonds or Series 2021 Notes issued to refinance Series 2021 Notes).

Series 2021 Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, "Subordinate Revenue Bonds, Series 2021" or such other title or titles set forth in one or more Certificates of Determination.

The authority to issue the Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2021 Bonds shall continue in effect until the adoption by the Issuer Board of a subsequent new money bond issuance supplemental resolution relating to 2022 new money financings; provided, however, the authorization to issue the Series 2021 Bonds to refinance the Series 2021 Notes shall continue in effect until all of such Series 2021 Notes have been refinanced by Series 2021 Bonds.

Section 2.02 Purposes. The purposes for which the Series 2021 Bonds are issued shall be set forth in one or more Certificates of Determination and shall include (i) the payment of all or any part of the Capital Costs, and (ii) the payment of principal of and redemption premium, if any, and interest on Outstanding Series 2021 Notes, all to the extent and in the manner provided in this Supplemental Resolution.

Section 2.03 Dates, Maturities, Principal Amounts and Interest. The Series 2021 Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Series 2021 Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04 Interest Payments. The Series 2021 Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2021 Bonds shall be computed on the basis of twelve (12) 30-day months and a 360-day year.

Section 2.05 Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2021 Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2021 Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

Section 2.06 Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2021 Bonds shall be payable to the registered owner of each Series 2021 Bond when due upon presentation of such Series 2021 Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2021 Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Series 2021 Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07 Sinking Fund Installments. The Series 2021 Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of Series 2021 Bonds issued as Taxable Obligations), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2021 Bonds.

Section 2.08 Redemption Prices and Terms. The Series 2021 Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of Series 2021 Bonds issued as Taxable Obligations, if set forth in the Certificate of Determination, the Series 2021 Bonds issued as Taxable Obligations may be made subject to pro rata redemption and/or a make-whole redemption premium.

Section 2.09 Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2021 Bonds:

- (a) to determine whether and when to issue any Series 2021 Bonds constituting Capital Cost Subordinate Revenue Obligations, the amount of the Series 2021 Bonds to be applied to finance Capital Costs or other uses as provided in Section 2.02 hereof, and the amount

of the proceeds of the Series 2021 Bonds, estimated to be necessary to pay the Costs of Issuance of the Series 2021 Bonds and capitalized interest, if any;

(b) to determine the purpose or purposes for which the Series 2021 Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Series 2021 Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Series 2021 Bonds, which principal amounts (and the aggregate of all such Series and subseries) shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Series 2021 Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Series 2021 Bonds shall be dated and the interest rate or rates of the Series 2021 Bonds or the manner of determining such interest rate or rates; provided, however, that any Series 2021 Bonds issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Series 2021 Bonds issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2021 Bonds; provided, however, that if the Series 2021 Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Series 2021 Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Series 2021 Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Series 2021 Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Series 2021 Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement or the purchase price for the Series 2021 Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale (as hereinafter defined), in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that, in the case of Series 2021 Bonds sold on a negotiated basis, the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Series 2021 Bonds;

(h) to take all actions required for the Series 2021 Bonds to be eligible under the rules and regulations of The Depository Trust Company (“DTC”) for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Series 2021 Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Series 2021 Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Series 2021 Bonds, (ii) the selection of remarketing agents, tender agents, calculation agents, auction agents, dealers, bidding agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof and to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Series 2021 Bonds, and to make any changes in connection therewith;

(k) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Bonds;

(l) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine such other matters specified in or permitted by (i) Sections 202, 203, and A-201 of the Resolution or (ii) this Supplemental Resolution, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2021 Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2021 Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2021 Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2021 Bonds; if any Series 2021 Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2021 Bonds consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2021 Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.10 Sale of Series 2021 Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2021 Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Series 2021 Bonds; (ii) to sell and award all or any portion of the Series 2021 Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Series 2021 Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Series 2021 Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2021 Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2021 Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2021 Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2021 Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any direct or private placement of the Series 2021 Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the "Official Statement") in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Series 2021 Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of the Series 2021 Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Series 2021 Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance,

sale and delivery of the Series 2021 Bonds and for implementing the terms of the Series 2021 Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

Section 2.11 Forms of Series 2021 Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Series 2021 Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or the related Certificate of Determination.

Section 2.12 Appointment of Trustee and Paying Agent. Unless otherwise provided in the related Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Series 2021 Bonds.

ARTICLE III

DISPOSITION OF SERIES 2021 BOND PROCEEDS

Section 3.01 Disposition of Series 2021 Bond Proceeds. Any proceeds of the sale of the Series 2021 Bonds, other than accrued interest and capitalized interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Series 2021 Bonds, or shall otherwise be applied pursuant to a Certificate of Determination as follows:

1. such proceeds shall be (i) deposited in the Series 2021 Bond Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Capital Costs or the payment of principal of and redemption premium, if any, and interest on the Series 2021 Notes or (ii) otherwise applied to the payment of such amounts; and
2. the balance of such proceeds shall be (i) deposited in the Series 2021 Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in the related Certificate of Determination, accrued interest and capitalized interest, if any, received on the sale of the Series 2021 Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01 Tax Covenants Relating to the Series 2021 Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2021 Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or

“Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Series 2021 Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with the above covenant (a) the Owners of the Series 2021 Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer’s failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Series 2021 Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

Section 4.02 Additional Covenants.

1. The Issuer covenants and agrees that it will not issue any Senior Obligations under the Senior Resolution (other than pursuant to Section 205 thereof) unless in addition to satisfying the requirements of the Senior Resolution, an Authorized Officer delivers to the trustee under the Senior Resolution a certificate demonstrating that for any period of 12 consecutive calendar months out of the 18 complete calendar months next preceding the date of authentication and delivery such issue of Senior Obligations, Net Revenues are at least equal to 1.10 times the Combined Maximum Annual Calculated Debt Service for all Subordinate Revenue Obligations, Parity Debt, Senior Obligations and Senior Parity Debt.

2. The Issuer covenants and agrees that in addition to complying with the provisions of Section 604 of the Resolution, the Issuer shall at all times establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the TBTA Facilities as shall always be sufficient, together with other money available therefor (including the anticipated receipt of proceeds of sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of the Issuer that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of TBTA Facilities), to equal or exceed in each calendar year the greater of (a) an amount equal to the sum of amounts necessary in such calendar year (i) to pay all Operating Expenses of the Issuer, plus (ii) to pay the sum of Calculated Debt Service as defined in the Resolution and Calculated Debt Service as defined in the Senior Resolution, plus (iii) to maintain any reserve established by the Issuer pursuant to the Senior Resolution, in such amount as may be determined from time to time by an Authorized Officer in his or her judgment, or (b) an amount such that Revenues less Operating Expenses shall equal at least 1.10 times the sum of Calculated Debt Service as defined in the Senior Resolution and Calculated Debt Service as defined in the Resolution for such calendar year.

Section 4.03 Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2021 Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Series 2021 Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a

covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2021 Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**MULTIPLE SERIES 2021 BOND ANTICIPATION NOTES AND RELATED SUBORDINATED
INDEBTEDNESS
GENERAL REVENUE BOND SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

**MULTIPLE SERIES 2021 BOND ANTICIPATION NOTES AND
RELATED SUBORDINATED INDEBTEDNESS
GENERAL REVENUE BOND SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the “Issuer”), as follows:

**ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY**

SECTION 1.01. Supplemental Resolution. This Multiple Series 2021 Bond Anticipation Notes and Related Subordinated Indebtedness General Revenue Bond Supplemental Resolution (the “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II, Article A-II and Article A-VIII of, a resolution adopted by the Issuer on March 26, 2002, entitled “General Resolution Authorizing General Revenue Obligations”, as heretofore supplemented (the “Resolution”).

SECTION 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance of the MTA, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Noteholder”, “Holder” or “Holder of Notes”, or any similar term, means any person who shall be the registered owner of any Outstanding Series 2021 Note or Notes.

“Notice of Sale” shall mean the form of Notice of Sale to be distributed with the Preliminary Official Statement, hereinafter defined, and published in the event of a competitive sale of the Series 2021 Notes.

“Series 2021 Notes” shall mean the General Revenue Bond Anticipation Notes, Series 2021, authorized to be issued, in accordance with Section A-203 of the Standard Resolution Provisions, pursuant to this Supplemental Resolution, subject to redesignation as hereinafter provided.

“Series 2021 Senior Bonds” shall mean the General Revenue Obligations authorized by Article II of the Resolution and pursuant to a resolution of the Issuer adopted as of the date that this Supplemental Resolution is adopted.

“Series 2021 Subordinate Bonds” shall mean the Subordinate Revenue Obligations authorized by Article II of the Issuer’s “2001 Subordinate Revenue Resolution Authorizing Subordinate Revenue Obligations” adopted on March 26, 2002, and pursuant to a resolution of the Issuer adopted as of the date that this Supplemental Resolution is adopted.

SECTION 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II AUTHORIZATION OF SERIES 2021 NOTES

SECTION 2.01. Principal Amount, Designation and Series. In accordance with the Resolution, General Revenue Bond Anticipation Notes constituting Obligation Anticipation Notes under the Resolution, which may be issued in one or more Series or subseries and from time to time, entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount and underwriters’ discount from the principal amount (but without giving effect to any net original issue premium as determined to be advisable by an Authorized Officer in connection with the marketing of the Series 2021 Notes), the amount to be deposited in the Series 2021 Note Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest, capitalized interest, or any Costs of Issuance of the Series 2021 Notes), shall not exceed \$500 million at any one time Outstanding reduced by the sum of (1) the amount of Series 2021 Senior Bonds issued under the Triborough Bridge and Tunnel Authority Multiple Series 2021 General Revenue Bond Supplemental Resolution, adopted December 16, 2020, and (2) the amount of Series 2021 Subordinate Bonds issued under the Triborough Bridge and Tunnel Authority Multiple Series 2021 Subordinate Revenue Bond Supplemental Resolution, adopted December 16, 2020 (but, for purposes of clarification, not including any Series 2021 Notes, Series 2021 Senior Bonds or Series 2021 Subordinate Bonds issued to refinance Series 2021 Notes). The Series 2021 Notes may be issued in the form of a loan agreement, line of credit, revolving credit agreement or similar facility (each, a “Loan Facility”). For all purposes of this Section such General Revenue Bond Anticipation Notes shall be designated as, and shall be distinguished from the General Revenue Bond Anticipation Notes of all other Series by the title, “General Revenue Bond Anticipation Notes, Series 2021”, with such further or different designations as may be provided in any Certificate of Determination.

The authority to issue Obligation Anticipation Notes and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Series 2021 Notes shall continue in effect until the adoption by the Issuer’s Board of a subsequent new money note issuance supplemental resolution relating to 2022 new money financings, provided, however, the authorization to issue Series 2021 Notes for the purposes set forth in clause (ii) of Section 2.02 hereof to the extent permitted by law and to issue Series 2021 Senior Bonds to refinance the Series 2021 Notes authorized hereunder shall continue in effect until all of such Series 2021 Notes have been refinanced by Series 2021 Senior Bonds.

The Issuer hereby covenants and agrees for the benefit of the Owners and Beneficial Owners of the Series 2021 Notes that it will maintain issuance capacity pursuant to the Resolution to issue General Revenue Obligations or additional Obligation Anticipation Notes in an amount sufficient to pay the principal of and interest on the Series 2021 Notes when due.

SECTION 2.02. Use of Proceeds. The proceeds of the Series 2021 Notes shall be used only for the purposes set forth in one or more Certificates of Determination and may include (i) the payment of all or any part of the Capital Costs, including Costs of Issuance related to the Series 2021 Notes and (ii) the payment of the principal and interest of Outstanding Series 2021 Notes.

SECTION 2.03. Dates, Maturities, Principal Amounts and Interest; Redemption. The Series 2021 Notes shall be dated the date or dates determined in the related Certificate of Determination. The Series 2021 Notes shall mature on the date or dates and in the year or years and in the principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination. Except as otherwise provided in any Certificate of Determination, the Series 2021 Notes shall not be subject to redemption prior to maturity.

SECTION 2.04. Interest Payments. The Series 2021 Notes shall bear interest from their date or dates, and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Series 2021 Notes shall be computed on the basis of twelve (12) 30-day months and a 360-day year.

SECTION 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Series 2021 Notes shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Series 2021 Notes shall be numbered and lettered as provided in the related Certificate of Determination.

SECTION 2.06. Places of Payment and Paying Agents. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Series 2021 Notes shall be payable to the registered owner of each Series 2021 Note when due upon presentation of such Series 2021 Note at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Series 2021 Notes will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2021 Notes, by wire transfer in immediately available funds on each interest payment date to such Holder thereof upon written notice from such Holder to the Trustee, at such address as the Trustee may from time to time notify such Holder, containing the wire transfer address (which shall be in the continental United States) to which such Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

SECTION 2.07. Sources of Payment

1. The principal of and interest on the Series 2021 Notes may be payable solely from (i) the proceeds of any other Series 2021 Notes, (ii) the proceeds of the Series 2021 Senior Bonds, and (iii) the proceeds of notes or other evidences of indebtedness or any other amounts (which other amounts are not pledged under the Resolution), in each case if and to the extent such amounts may lawfully be used to make such payments. The interest on the Series 2021 Notes may also be payable from amounts available for transfer pursuant to Section 503(c) of the Resolution for the payment of Subordinated Indebtedness.

2. There are hereby pledged to the payment of principal and interest on the Series 2021 Notes (i) the proceeds of other Series 2021 Notes issued to refinance such Series 2021 Notes, and (ii) the proceeds of the Series 2021 Senior Bonds issued to refinance such Series 2021 Notes, and such pledge has priority over any other pledge thereof created by the Resolution, including Section 501. There is also hereby pledged to the payment of interest on the Series 2021 Notes amounts available for transfer pursuant to Section 503(c) of the Resolution for the payment of Subordinated Indebtedness in accordance with and subject to the limitations contained in Section 507 of the Resolution. Proceeds and amounts described in clause (iii) of Section 2.07(1) hereof may be pledged to the payment of principal and interest on the Series 2021 Notes to the extent set forth in a Certificate of Determination.

SECTION 2.08. Delegation to an Authorized Officer.

1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Series 2021 Notes:

(a) to determine whether and when to issue any Series 2021 Notes, the amount of the Series 2021 Notes to be applied to finance Capital Costs or other uses as provided in Section 2.02 of this Supplemental Resolution and the amount of the proceeds of the Series 2021 Notes estimated to be necessary to pay the Costs of Issuance of the Series 2021 Notes;

(b) to determine the purpose or purposes for which the Series 2021 Notes are being issued, which shall be one or more of the purposes set forth in Section 2.02 hereof;

(c) to determine the principal amount of the Series 2021 Notes to be issued, which principal amount shall not exceed the amount described in Section 2.01 of this Supplemental Resolution, and whether such Series 2021 Notes shall be issued in one or more Series or subseries;

(d) to determine the maturity date and principal amount of each maturity of the Series 2021 Notes; provided that the Series 2021 Notes shall mature no later than five years after the date of issuance of such Series 2021 Notes;

(e) to determine the date or dates which the Series 2021 Notes shall be dated and the interest rate or rates of the Series 2021 Notes, provided that the true interest cost (as calculated by the officers of the Issuer executing any Certificate of Determination, which calculation shall be conclusive) on the Series 2021 Notes bearing a fixed rate of interest shall not exceed 4.00% per annum and for Series 2021 notes bearing interest at a variable interest rate shall not exceed a rate equal to SIFMA or one-month or three-month LIBOR or any short-term index generally accepted in the marketplace, in each case, plus 4.00% and any default rate or equivalent rate shall not exceed the sum of 4.00% plus either a specified prime rate or the federal funds rate;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2021 Notes; provided, however, that if the Series 2021 Notes are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of Series 2021 Notes issued as Taxable Obligations) shall not be greater than one hundred three percent (103%) of the principal amount of the Series 2021 Notes to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of Series 2021 Notes issued as Taxable Obligations the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine the advisability of conducting the sale of all or any portion of the Series 2021 Notes through competitive bidding or through a negotiated sale or a direct purchase

transaction, and to determine the purchase price for the Series 2021 Notes to be paid by the purchasers pursuant to either a competitive bid process or by the purchasers referred to in the Purchase Agreement described in Section 2.09 of this Supplemental Resolution in the event the Series 2021 Notes are sold, in such Authorized Officer's discretion, through a negotiated sale or a direct purchase transaction, which may include such original premium and original issue discount as shall be determined in the related Certificate of Determination, provided, however, that in the case of a negotiated transaction, underwriters' discount reflected in such purchase price shall not exceed \$3.50 for each one thousand dollars (\$1,000) principal amount of the Series 2021 Notes;

(h) to determine the advisability, as compared to an unenhanced transaction, of obtaining municipal bond insurance or any other credit or liquidity facility, to determine and accept the terms and provisions and price thereof, to determine the items to be pledged to the Series 2021 Notes from those permitted by Section A-203 of the Resolution, and to determine such other matters as the officer executing any Certificate of Determination shall consider necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by bond insurers or the provider of any other credit or liquidity facility, if any, or required by the bond rating agencies in order to attain or maintain specific ratings on the Series 2021 Notes, or relating to the mechanism for the payment of insurance premium, credit or liquidity facility fees or direct purchase fees, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to implement an insurance policy or any other credit or liquidity facility with respect to the Series 2021 Notes, and to make any changes in connection therewith. Such changes may include, but are not limited to, the making of any additional covenants with Holders or other parties deemed necessary or appropriate by the officer executing any Certificate of Determination;

(i) to take all actions required for the Series 2021 Notes to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form letter of representation with, or other form of document required by, DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in any Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Notes issuable in fully registered form; and

(j) to determine whether to issue all or any part of the Series 2021 Notes as Tax-Exempt Obligations or Taxable Obligations;

(k) to make such changes to the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Series 2021 Notes;

(l) to make such changes to the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects; and

(m) to determine any other matters provided for herein, including the matters set forth in Sections 2.11 and 2.12 hereof.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Series 2021 Notes are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered

to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Series 2021 Notes by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Series 2021 Notes, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Series 2021 Notes; if any Series 2021 Notes shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Series 2021 Notes consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Series 2021 Notes, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

SECTION 2.09. Sale of Series 2021 Notes. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Series 2021 Notes through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Series 2021 Notes; (ii) to sell and award all or any portion of the Series 2021 Notes through a negotiated sale to the purchasers who are referred to in the note purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; (iii) to sell and award all or any portion of the Series 2021 Notes through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement; or (iv) to issue all or any portion of the Series 2021 Notes in the form of a Loan Facility to any financial institution or institutions selected by the Authorized Officer. Each Authorized Officer is hereby authorized to sell and award the Series 2021 Notes to the purchasers referred to in the preceding sentence in the case of a note purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a Loan Facility or a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the requirement that the Loan Facility issuer or direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Series 2021 Notes as may be approved by the Authorized Officer executing the note purchase, Loan Facility, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers

as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Series 2021 Notes shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Series 2021 Notes on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Series 2021 Notes in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize the use and distribution by said purchasers of a Preliminary Official Statement (the "Preliminary Official Statement"), in connection with the public offering of the Series 2021 Notes, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations of the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, said distribution being conclusive evidence of the approval of such changes, omissions, insertions and revisions. The Issuer authorizes any of said officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized, to the extent required, to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the "Official Statement") in substantially the form of the Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of the Series 2021 Notes, said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Notwithstanding the preceding two paragraphs, however, each Authorized Officer may make public and authorize the use and distribution of a final Official Statement in connection with the public offering of the Series 2021 Notes meeting the requirements of the preceding two paragraphs and may deem such Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any

and all acts necessary or proper for carrying out the Notice of Sale, the Purchase Agreement, the Continuing Disclosure Agreement, the terms of any municipal bond insurance or any other credit or liquidity facility, and the issuance, sale and delivery of the Series 2021 Notes, and for implementing the terms of the Series 2021 Notes and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

SECTION 2.10. Forms of Series 2021 Notes and Authentication Certificate. The form of registered Series 2021 Notes, and the certificate of authentication, shall be of substantially the form and tenor provided in any Certificate of Determination.

SECTION 2.11. Appointment of Trustee, Paying Agent and other Agents. There is hereby delegated to any Authorized Officer executing any Certificate of Determination the right and authority to appoint any trustee, paying agent, fiscal agent or other agent with respect to the Series 2021 Notes deemed advisable by such Authorized Officer and to determine the terms and provisions of any arrangements with any such parties.

SECTION 2.12. General Provisions. As and to the extent provided in any Certificate of Determination, the provisions of Articles A-III, IV, A-IV, A-VII, A-IX and A-XI of the Resolution may apply equally to the Series 2021 Notes as though set forth in full herein but with each reference to Bonds being a reference to Series 2021 Notes, except as affected by the terms hereof and the procedures of the Securities Depository; provided that the Authorized Officer executing any Certificate of Determination may, in the alternative, set forth in any Certificate of Determination provisions relating to any such matters as deemed necessary or appropriate by such Authorized Officer.

ARTICLE III

DISPOSITION AND ALLOCATION OF SERIES 2021 NOTE PROCEEDS

SECTION 3.01. Disposition of Series 2021 Note Proceeds. Except as otherwise provided in any Certificate of Determination, the proceeds of the sale of the Series 2021 Notes shall be deposited in the Series 2021 Note Proceeds Account which is hereby established in the Proceeds Fund and applied pursuant to the related Certificate of Determination to the payment of Capital Costs, including any Costs of Issuance and accrued and capitalized interest, and the payment of principal of and interest on Outstanding Series 2021 Notes.

ARTICLE IV

TAX COVENANT PROVISIONS AND DEFEASANCE

SECTION 4.01. Tax Covenants Relating to the Series 2021 Notes. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2021 Notes issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any "Arbitrage and Use of Proceeds Certificate" or "Tax Certificate" to be executed by the Issuer in connection with the execution and delivery of any Series 2021 Notes issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer's failure to observe, or refusal to comply with, the above covenant (a) the Holders of the Series 2021 Notes, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Bondholders or the Trustee under Section 702 of the Resolution (as though such provisions related to Series 2021 Notes rather than Bonds), other than the right (which is hereby abrogated solely as to the Issuer's failure to observe, or refusal to comply with the above covenant) to declare the principal of all Notes then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Holders of the Notes of any Series (other than the Owners of the Series 2021 Notes or the Trustee acting on their behalf) nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to Noteholders under the Resolution based upon the Issuer's failure to observe, or refusal to comply with, the above covenant.

SECTION 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in this Supplemental Resolution, all or less than all Outstanding Series 2021 Notes issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of this Supplemental Resolution, the Series 2021 Notes issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in this Supplemental Resolution unless (i) the Issuer has confirmed in writing that the Holders of the Series 2021 Notes issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2021 Notes issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

METROPOLITAN TRANSPORTATION AUTHORITY

**MULTIPLE SERIES
TRANSPORTATION REVENUE REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

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**MULTIPLE SERIES
TRANSPORTATION REVENUE REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This Multiple Series Transportation Revenue Refunding Bond Supplemental Resolution (this “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled “General Resolution Authorizing Transportation Revenue Obligations” (the “Resolution”).

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Cross-Credit Obligations” shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of “Capital Costs”, but excluding Obligations.

“Refunding Bonds” shall mean the Transportation Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries, subject to redesignation as hereinafter provided.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF REFUNDING BONDS

Section 2.01. Authorized Principal Amount, Designation and Series.

1. Pursuant to the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Transportation Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries) entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters’ discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest or any Costs of Issuance of the Refunding Bonds) shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time and any Refunding Bonds may be issued pursuant to this Supplemental Resolution to restructure principal amortization within the maturity limits permitted by law.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, “Transportation Revenue Refunding Bonds, Series [insert calendar year of issuance]” or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until the adoption by the MTA Board of a subsequent refunding bond supplemental resolution relating to 2022 refundings.

Section 2.02. Purposes. The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04. Interest Payments. The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the related Certificate of Determination, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

Section 2.08. Redemption Prices and Terms. The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents, calculation agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof, to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate

to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(m) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(n) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(o) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, and to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Refunding Bonds; if any Refunding Bonds shall consist of multiple subseries, to change the principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Refunding Bonds consist of a single Series or subseries, to

divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Refunding Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.10. Sale of Refunding Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Refunding Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Refunding Bonds; (ii) to sell and award all or any portion of the Refunding Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Refunding Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale,

including bid form (the “Notice of Sale”), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the “Preliminary Official Statement”) in connection with each public offering or any direct or private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said Authorized Officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the “Official Statement”) in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment

agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

ARTICLE III

DISPOSITION OF REFUNDING BOND PROCEEDS

Section 3.01. Disposition of Refunding Bond Proceeds. Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Refunding Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination as follows:

(a) such proceeds shall be (i) deposited in the Refunding Bonds Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the refunding of any Obligations, Parity Debt or Cross Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof or (ii) otherwise applied to such refunding; and

(b) the balance of such proceeds shall be (i) deposited in the Refunding Bonds Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Refunding Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

METROPOLITAN TRANSPORTATION AUTHORITY

**MULTIPLE SERIES
DEDICATED TAX FUND REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

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**MULTIPLE SERIES
DEDICATED TAX FUND REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Metropolitan Transportation Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This Multiple Series Dedicated Tax Fund Refunding Revenue Bond Supplemental Resolution (this “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled “Dedicated Tax Fund Obligation Resolution” (the “Resolution”).

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean the members of the Issuer acting as such pursuant to the provisions of the Issuer Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Cross-Credit Obligations” shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of “Capital Costs”, but excluding Obligations.

“Refunding Bonds” shall mean the Dedicated Tax Fund Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries subject to redesignation as hereinafter provided.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF REFUNDING BONDS

Section 2.01. Authorized Principal Amount, Designation and Series.

1. Pursuant to the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Dedicated Tax Fund Obligations (which may be issued at one time or from time to time in any number of Series or subseries) entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters’ discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest or any Costs of Issuance of the Refunding Bonds) shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time and any Refunding Bonds may be issued pursuant to this Supplemental Resolution to restructure principal amortization within the maturity limits permitted by law.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, “Dedicated Tax Fund Refunding Bonds, Series [insert calendar year of issuance]” or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until the adoption by the MTA Board of a subsequent refunding bond supplemental resolution relating to 2022 refundings.

Section 2.02. Purposes. The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04. Interest Payments. The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the related Certificate of Determination, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from

mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

Section 2.08. Redemption Prices and Terms. The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to

a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents, calculation agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof, to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of

fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(m) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(n) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(o) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, and to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Refunding Bonds; if any Refunding Bonds shall consist of multiple subseries, to change the

principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Refunding Bonds consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Refunding Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.10. Sale of Refunding Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Refunding Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Refunding Bonds; (ii) to sell and award all or any portion of the Refunding Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Refunding Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the "Notice of Sale"), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority's financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the "Preliminary Official Statement") in connection with each public offering or any direct or private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said Authorized Officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the "Official Statement") in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the "Continuing Disclosure Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

ARTICLE III

DISPOSITION OF REFUNDING BOND PROCEEDS

Section 3.01. Disposition of Refunding Bond Proceeds. Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Refunding Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination as follows:

(a) such proceeds shall be (i) deposited in the Refunding Bonds Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the refunding of any Obligations, Parity Debt or Cross Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof or (ii) otherwise applied to such refunding; and

(b) the balance of such proceeds shall be (i) deposited in the Refunding Bonds Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Refunding Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**MULTIPLE SERIES
GENERAL REVENUE REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

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**MULTIPLE SERIES
GENERAL REVENUE REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This Multiple Series General Revenue Refunding Bond Supplemental Resolution (this “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled “General Resolution Authorizing General Revenue Obligations” (the “Resolution”).

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Cross-Credit Obligations” shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of “Capital Costs”, but excluding Obligations.

“Refunding Bonds” shall mean the General Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries subject to redesignation as hereinafter provided.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF REFUNDING BONDS

Section 2.01. Authorized Principal Amount, Designation and Series.

1. Pursuant to the Resolution and in order to issue (a) Refunding Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of General Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries) entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters’ discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest or any Costs of Issuance of the Refunding Bonds) shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time and any Refunding Bonds may be issued pursuant to this Supplemental Resolution to restructure principal amortization within the maturity limits permitted by law.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, “General Revenue Refunding Bonds, Series [insert calendar year of issuance]” or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until the adoption by the Issuer Board of a subsequent refunding bond supplemental resolution relating to 2022 refundings.

Section 2.02. Purposes. The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04. Interest Payments. The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the related Certificate of Determination, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from

mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

Section 2.08. Redemption Prices and Terms. The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to

a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents, calculation agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof, to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of

fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(m) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(n) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(o) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, and to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Refunding Bonds; if any Refunding Bonds shall consist of multiple subseries, to change the

principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Refunding Bonds consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Refunding Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.10. Sale of Refunding Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Refunding Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Refunding Bonds; (ii) to sell and award all or any portion of the Refunding Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Refunding Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the “Notice of Sale”), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the “Preliminary Official Statement”) in connection with each public offering or any direct or private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said Authorized Officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the “Official Statement”) in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, U.S. Bank Trust National Association shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

ARTICLE III

DISPOSITION OF REFUNDING BOND PROCEEDS

Section 3.01. Disposition of Refunding Bond Proceeds. Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Refunding Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination as follows:

(a) such proceeds shall be (i) deposited in the Refunding Bonds Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the refunding of any Obligations, Parity Debt or Cross Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof or (ii) otherwise applied to such refunding; and

(b) the balance of such proceeds shall be (i) deposited in the Refunding Bonds Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Refunding Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer’s failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY

**MULTIPLE SERIES
SUBORDINATE REVENUE REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

Adopted December 16, 2020

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**MULTIPLE SERIES
SUBORDINATE REVENUE REFUNDING BOND
SUPPLEMENTAL RESOLUTION**

BE IT RESOLVED by the Board of Triborough Bridge and Tunnel Authority (the “Issuer”), as follows:

ARTICLE I

DEFINITIONS AND STATUTORY AUTHORITY

Section 1.01. Supplemental Resolution. This Multiple Series Subordinate Revenue Refunding Bond Supplemental Resolution (this “Supplemental Resolution”) is supplemental to, and is adopted in accordance with Article II and Article A-VIII of, a resolution of the Issuer adopted on March 26, 2002, entitled “2001 Subordinate Resolution Authorizing General Revenue Obligations” (the “Resolution”).

Section 1.02. Definitions.

1. All capitalized terms which are used but not otherwise defined in this Supplemental Resolution shall have the same meanings, respectively, as such terms are given by Section 102 of the Resolution.

2. In this Supplemental Resolution:

“Authorized Officer” shall include the officers designated as such in the Resolution, and the Chairman, the Chair of the Finance Committee, the Chief Financial Officer or the Director, Finance, as well as any officer duly designated as “Acting” in said officer’s capacity, except that, for the purposes of any delegation set forth herein that does not expressly include any Assistant Secretary, “Authorized Officer” shall not include any Assistant Secretary of the Issuer.

“Board” shall mean, when used with respect to the Issuer, the board of the Issuer acting as such pursuant to the provisions of the Issuer Act, and when used with respect to the MTA, the members of the MTA acting as such pursuant to the provisions of the MTA Act.

“Bond Counsel” shall mean Nixon Peabody LLP, Orrick, Herrington & Sutcliffe LLP, D. Seaton and Associates, P.A., P.C., Bryant Rabbino LLP or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to the issuance of obligations by state and municipal entities, selected by the Issuer.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and regulations thereunder.

“Cross-Credit Obligations” shall mean indebtedness or other obligations issued or incurred by the Issuer or any other Related Entity as described in clause (iii) of the definition of “Capital Costs”, but excluding Obligations.

“Refunding Bonds” shall mean the Subordinate Revenue Bonds authorized by Article II of this Supplemental Resolution in one or more Series or subseries subject to redesignation as hereinafter provided.

Section 1.03. Authority for this Supplemental Resolution. This Supplemental Resolution is adopted pursuant to the provisions of the Issuer Act and the Resolution.

ARTICLE II

AUTHORIZATION OF REFUNDING BONDS

Section 2.01. Authorized Principal Amount, Designation and Series.

1. Pursuant to the Resolution and in order to issue (a) Refunding Subordinate Obligations, and (b) Obligations for the purpose of refunding Cross-Credit Obligations, multiple Series of Subordinate Revenue Obligations (which may be issued at one time or from time to time in any number of Series or subseries) entitled to the benefit, protection and security of the Resolution are hereby authorized to be issued in an aggregate principal amount not exceeding the principal amount necessary so that, after giving effect to any net original issue discount or premium and underwriters’ discount from the principal amount, the amount to be deposited in the Proceeds Account pursuant to, or otherwise applied to effectuate the purposes of, Section 2.02 and Section 3.01 of this Supplemental Resolution (exclusive of any amount deposited therein or otherwise applied pursuant to a Certificate of Determination to pay accrued interest or any Costs of Issuance of the Refunding Bonds) shall not exceed the amount or amounts determined in one or more Certificates of Determination to be necessary to effectuate the purposes set forth in Section 2.02 hereof; provided, however, that any Refunding Bonds issued pursuant to this Supplemental Resolution shall be issued in compliance with any Board policies relating to the issuance of refunding bonds as may be in effect from time to time and any Refunding Bonds may be issued pursuant to this Supplemental Resolution to restructure principal amortization within the maturity limits permitted by law.

2. Nothing in this Supplemental Resolution is intended to preclude the issuance of Refunding Bonds as refunding obligations in accordance with Section 203 of the Resolution.

Refunding Bonds shall be designated as, and shall be distinguished from the Obligations of all other Series by the title, “Subordinate Revenue Refunding Bonds, Series [insert calendar year of issuance]” or such other title or titles set forth in the related Certificate of Determination.

The authority to issue Obligations and take related actions granted under previous resolutions of the Issuer shall continue in full force and effect. The authorization to issue the Refunding Bonds and take other related actions hereunder shall continue in effect without any further action by the Issuer until the adoption by the Issuer Board of a subsequent refunding bond supplemental resolution relating to 2022 refundings.

Section 2.02. Purposes. The purposes for which the Refunding Bonds are issued shall be set forth in one or more Certificates of Determination and may include the refunding, restructuring or payment, including by purchasing, exchanging or tendering therefor, of all or any portion of any Outstanding Obligations or Parity Debt or Cross-Credit Obligations deemed advisable by an Authorized Officer in accordance with Section 203 or 204 of the Resolution, as applicable.

Section 2.03. Dates, Maturities, Principal Amounts and Interest. The Refunding Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the related Certificate of Determination. The Refunding Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in or determined in the manner provided in the related Certificate of Determination.

Section 2.04. Interest Payments. The Refunding Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the related Certificate of Determination. Except as otherwise provided in the related Certificate of Determination, interest on the Refunding Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

Section 2.05. Denominations, Numbers and Letters. Unless otherwise provided in the related Certificate of Determination, the Refunding Bonds shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof.

The Refunding Bonds shall be lettered and numbered as provided in the related Certificate of Determination.

Section 2.06. Places of Payment and Paying Agent. Except as otherwise provided in the related Certificate of Determination, principal and Redemption Price of the Refunding Bonds shall be payable to the registered owner of each Refunding Bond when due upon presentation of such Refunding Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the related Certificate of Determination, interest on the registered Refunding Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner at his address as it appears on the registration books or, at the option of any Owner of at least one million dollars (\$1,000,000) in principal amount of the Refunding Bonds, by wire transfer in immediately available funds on each interest payment date to such Owner thereof upon written notice from such Owner to the Trustee, at such address as the Trustee may from time to time notify such Owner, containing the wire transfer address (which shall be in the continental United States) to which such Owner wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

Section 2.07. Sinking Fund Installments. The Refunding Bonds, if any, determined in the related Certificate of Determination shall be subject to redemption (a) in part, by lot, (b) pro rata (in the case of taxable Refunding Bonds), or (c) otherwise as determined in accordance with Section A-404 of the Resolution, as set forth in the related Certificate of Determination, on each date in the year or years determined in the related Certificate of Determination at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from

mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Refunding Bonds.

Section 2.08. Redemption Prices and Terms. The Refunding Bonds may also be subject to redemption prior to maturity, at the option of the Issuer, upon notice as provided in Article A-IV of the Resolution, at any time as a whole or in part (and by lot within a maturity, or otherwise as determined in accordance with Section A-404 of the Resolution, if less than all of a maturity is to be redeemed), from maturities designated by the Issuer on and after the date and in the years and at the Redemption Prices (expressed as a percentage of principal amount) determined in the related Certificate of Determination, plus accrued interest up to but not including the redemption date. Notwithstanding the foregoing, in the case of taxable Refunding Bonds, if set forth in the Certificate of Determination, the taxable Refunding Bonds may be made subject to pro rata redemption and/or a make-whole redemption premium.

Section 2.09. Delegation to an Authorized Officer. 1. There is hereby delegated to each Authorized Officer, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the Refunding Bonds:

(a) to determine whether and when to issue any Refunding Bonds constituting Refunding Subordinate Obligations or Obligations issued to refund Cross-Credit Obligations, and to determine the amount of the proceeds of the Refunding Bonds to be applied to refunding purposes as well as the specific Obligations or Parity Debt or Cross-Credit Obligations, or portions of either to be refunded and the date or dates, if any, on which such refunded obligations shall be redeemed, and the amount of the proceeds of the Refunding Bonds estimated to be necessary to pay the Costs of Issuance of the Refunding Bonds;

(b) to determine the purpose or purposes for which the Refunding Bonds are being issued, which shall be one or more of the purposes set forth in Section 2.02 of this Supplemental Resolution;

(c) to determine the principal amounts of the Refunding Bonds to be issued for the purposes set forth in Section 2.02 of this Supplemental Resolution and whether such principal amounts constitute a separate Series or a subseries of Refunding Bonds, and to determine Accreted Values and Appreciated Values, if applicable;

(d) to determine the maturity date and principal amount of each maturity of the Refunding Bonds and the amount and due date of each Sinking Fund Installment, if any;

(e) to determine the date or dates which the Refunding Bonds shall be dated and the interest rate or rates of the Refunding Bonds or the manner of determining such interest rate or rates; provided, however, that any Obligations issued as fixed rate Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 10% per annum, any Obligations issued as fixed rate Taxable Obligations shall be subject to a maximum interest rate of not greater than 12% per annum, any Variable Interest Rate Obligations issued as Tax-Exempt Obligations shall be subject to a maximum interest rate of not greater than 15% per annum, any Variable Interest Rate Obligations issued as Taxable Obligations shall be subject to a maximum interest rate of not greater than 18% per annum and any Parity Reimbursement Obligations shall be subject to

a maximum interest rate of not greater than 25% per annum, or, in each such case, such higher rate or rates as determined by the Issuer's Board;

(f) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Refunding Bonds; provided, however, that if the Refunding Bonds are to be redeemable at the election of the Issuer, the Redemption Price (except in the case of taxable Refunding Bonds) shall not be greater than one hundred three percent (103%) of the principal amount of the Refunding Bonds to be redeemed, plus accrued interest thereon up to but not including the date of redemption and in the case of taxable Refunding Bonds the Redemption Price may be determined pursuant to provisions relating to pro rata redemption and/or make-whole redemption;

(g) to determine whether the sale of the Refunding Bonds shall be conducted on either a negotiated or competitive bid basis and, as applicable, to determine the purchase price for the Refunding Bonds to be paid by the purchaser or purchasers referred to in one or more Purchase Agreements or a bank direct purchase agreement, or the purchase price for the Refunding Bonds to be paid by the winning bidder, if such sale is conducted by competitive bid pursuant to a Notice of Sale, in either case as such document is described in Section 2.10 of this Supplemental Resolution, which may include such original issue discount and original issue premium as shall be determined in the related Certificate of Determination; provided, however, that the underwriters' discount reflected in such purchase price shall not exceed \$10.00 for each one thousand dollars (\$1,000) principal amount of the Refunding Bonds;

(h) to take all actions required for the Refunding Bonds to be eligible under the rules and regulations of The Depository Trust Company ("DTC") for investment and trading as uncertificated securities, to execute and deliver a standard form of letter of representation with DTC and, notwithstanding any provisions to the contrary contained in this Supplemental Resolution, to include in the related Certificate of Determination such terms and provisions as may be appropriate or necessary to provide for uncertificated securities in lieu of Refunding Bonds issuable in fully registered form;

(i) to determine whether to issue all or any portion of the Refunding Bonds as Tax-Exempt Obligations, Taxable Obligations, Put Obligations, Variable Interest Rate Obligations or as any other form of Obligations permitted by the Resolution and any matters related thereto, including (i) the terms and provisions of any such Obligations, (ii) the selection of remarketing agents, tender agents, auction agents, dealers, bidding agents, calculation agents or any other agents or parties to ancillary arrangements and the terms of any such arrangements, and (iii) the methods for determining the accrual of Debt Service;

(j) to determine the advisability, as compared to an unenhanced transaction, of obtaining one or more Credit Facilities, to select a provider or providers thereof, to determine and accept the terms and provisions and price thereof, to determine such other matters related thereto as in the opinion of the officer executing the related Certificate of Determination shall be considered necessary or appropriate and to effect such determinations by making any changes in or additions to this Supplemental Resolution required by Credit Facility providers, if any, or required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds, or relating to the mechanisms for the repayment of amounts advanced thereunder or payment of

fees, premiums, expenses or any other amounts, notices, the provision of information, and such other matters of a technical, mechanical, procedural or descriptive nature necessary or appropriate to obtain or implement a Credit Facility with respect to the Refunding Bonds, and to make any changes in connection therewith;

(k) to make such changes in or from the form of this Supplemental Resolution as may be required by a Rating Agency in order to attain or maintain specific ratings on the Refunding Bonds;

(l) to make such changes in or from the form of this Supplemental Resolution as may be necessary or desirable in order to cure any ambiguities, inconsistencies or other defects;

(m) to determine whether to (i) enter into an escrow agreement or other arrangement in connection with the issuance of Refunding Bonds, including the selection of escrow agents, verification agents and the manner of determining specified matters relating to the defeasance of the refunded obligations and (ii) purchase SLGs or open market securities and the form and substance thereof and any related investment agreement, and to determine the application of any amounts released in connection with any such refunding;

(n) to determine that such Refunding Bonds comply with all Board policies relating to the issuance of refunding obligations in effect at the time of such determination; and

(o) to determine such other matters specified in or permitted by (i) Sections 202, 203, 204 and A-201 of the Resolution or (ii) this Supplemental Resolution, and to determine matters relating to the payment or defeasance of Obligation Anticipation Notes, including preparation of any documentation therefor.

2. Any Authorized Officer shall execute one or more Certificates of Determination evidencing the determinations made pursuant to this Supplemental Resolution and any such Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein. More than one Certificate of Determination may be delivered to the extent more than one Series or subseries of Refunding Bonds are delivered from time to time, or other authority is exercised under this Supplemental Resolution from time to time and each such Certificate of Determination shall be delivered to the Trustee concurrently with the authentication and delivery of the respective Series or subseries of Refunding Bonds by the Trustee or other documentation. Determinations set forth in any Certificate of Determination shall have the same effect as if set forth in this Supplemental Resolution.

3. Any such Authorized Officer may exercise any authority delegated under this Supplemental Resolution from time to time following issuance of any Refunding Bonds, as appropriate for any purposes, including to change interest rate modes or auction periods; to obtain or terminate one or more Credit Facilities, including substitute or additional Credit Facilities; to enter into one or more bank direct purchase agreements or similar instruments; to appoint new or additional agents or other parties deemed appropriate to a particular form or mode of Obligation or manner of sale; to enter into one or more remarketing agreements, firm remarketing agreements, continuing disclosure agreements or other agreements in connection with the remarketing of any Refunding Bonds; if any Refunding Bonds shall consist of multiple subseries, to change the

principal amounts and number of the individual subseries or to combine one or more subseries into a single Series or subseries; or, if any Refunding Bonds consist of a single Series or subseries, to divide such Series or subseries into two or more subseries and to determine the principal amount of such subseries. In connection with the remarketing, by negotiated sale, competitive bid or direct or private placement, of any Refunding Bonds, any such Authorized Officer is hereby authorized to make public and to authorize the use and distribution by remarketing agents or other appropriate parties of a remarketing circular (including a preliminary remarketing circular), or other disclosure document, in substantially the form most recently executed or delivered by the Issuer in connection with the remarketing of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. Any Authorized Officer shall execute one or more amendments to the applicable Certificate or Certificates of Determination evidencing the determinations made pursuant to this paragraph and any such amended Certificate of Determination shall be conclusive evidence of the determinations of such Authorized Officer, as stated therein.

Section 2.10. Sale of Refunding Bonds. Each Authorized Officer is hereby authorized either (i) to sell and award all or any portion of the Refunding Bonds through a competitive bidding process to purchasers meeting the requirements of one or more Notices of Sale (as hereinafter defined) to be published in order to give notice of the competitive sale of the Refunding Bonds; (ii) to sell and award all or any portion of the Refunding Bonds through a negotiated sale to the purchasers who are referred to in the bond purchase agreement and who shall be selected from the then current list of approved underwriters or shall be an authorized purchaser under a federal or State program; or (iii) to sell and award all or any portion of the Refunding Bonds through a direct sale to the financial institution or institutions selected by the Authorized Officer who shall be referred to in the continuing covenant, direct purchase or similar agreement. Each Authorized Officer is hereby authorized to sell and award the Refunding Bonds to the purchasers referred to in the preceding sentence in the case of a bond purchase agreement, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, or, with respect to a sale under a federal or State program, a bond purchase agreement in substantially the form approved by the authorized purchaser under such federal or State program or most recently executed or delivered by the Issuer under such federal or State program, or, with respect to a continuing covenant, direct purchase or similar agreement, containing bank facility terms and provisions (including, without limitation, increased costs, term-out, events of default and remedies) in substantially the form set forth in a letter of credit reimbursement agreement most recently executed or delivered by the Issuer, including, if applicable, that the direct purchaser offer to the Issuer a term-out provision of no less than five years, with such revisions to reflect the terms and provisions of the Refunding Bonds as may be approved by the Authorized Officer executing the bond purchase, continuing covenant or similar agreement (each, a "Purchase Agreement"). Each Authorized Officer is hereby authorized to agree to the selection of the representative of the underwriters or the other purchasers or facility providers as referred to in the Purchase Agreement or Agreements and to execute and deliver the Purchase Agreement or Agreements for and on behalf and in the name of the Issuer with such changes, omissions, insertions and revisions as may be approved by the Authorized Officer executing the Purchase Agreement or Agreements, said execution being conclusive evidence of such approval and concurrence in the selection of the representative of the underwriters.

If it is determined that any sale of Bonds shall be conducted on a competitive bid basis, each Authorized Officer is hereby further authorized to conduct the sale and award of the Refunding Bonds on the basis of a competitive bid, pursuant to the terms of a notice of sale, including bid form (the “Notice of Sale”), in a form, including any limitations on permitted bidders and a description of the basis for determining the winning bidder or bidders, determined by such Authorized Officer. Each Authorized Officer is hereby authorized to conduct such competitive sale of the Refunding Bonds in a manner consistent with this Supplemental Resolution and to utilize the services of the Authority’s financial advisor and the services of an electronic bidding service, as such Authorized Officer shall determine, and the execution by such Authorized Officer of a letter of award shall be conclusive evidence of such award.

Each Authorized Officer is hereby authorized to make public and to authorize the use and distribution by said purchasers or other appropriate parties of a preliminary official statement, offering circular, or other disclosure document (the “Preliminary Official Statement”) in connection with each public offering or any direct or private placement of the Refunding Bonds, in substantially the form most recently executed or delivered by the Issuer in connection with the sale of Obligations, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable. The Issuer authorizes any of said Authorized Officers to deliver a certification to the effect that such Preliminary Official Statement or Official Statement, if deemed necessary or appropriate, together with such other documents, if any, described in such certificate, was deemed final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission as applicable.

Each Authorized Officer is hereby authorized to make public and to authorize distribution of a final official statement, offering circular or other disclosure document (the “Official Statement”) in substantially the form of each Preliminary Official Statement or the most recently executed and delivered Official Statement if there is not a Preliminary Official Statement, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable, to sign such Official Statement and to deliver such Official Statement to the purchasers of such issue of the Refunding Bonds, such execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of the Issuer, to the extent determined by such Authorized Officer to be necessary or convenient, a Continuing Disclosure Agreement, substantially in the form of the Continuing Disclosure Agreement most recently executed and delivered by the Issuer, with such changes, omissions, insertions and revisions as such Authorized Officer shall deem advisable (the “Continuing Disclosure Agreement”), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

The proceeds of each good faith check, if any, received by the Issuer from the purchasers of each issue of Refunding Bonds under the terms of the related Purchase Agreement or Notice of Sale may be invested by the Issuer pending application of the proceeds of such good faith check for the purposes provided in Section 2.02 of this Supplemental Resolution at the time of the issuance and delivery of such Refunding Bonds.

Each Authorized Officer (including any Assistant Secretary of the Issuer) is hereby authorized and directed to execute, deliver, amend, replace or terminate any and all documents and instruments (including any remarketing agreements, dealer agreements, broker-dealer agreements, tender agent agreements, or auction agency agreements, any escrow agreements, any investment agreements or arrangements, or any reimbursement agreements or documents or instruments relating to a Credit Facility deemed appropriate to a given form or mode of an Obligation) and to do and cause to be done any and all acts necessary or proper for carrying out each Purchase Agreement or Notice of Sale, each Continuing Disclosure Agreement, the terms of any Credit Facility or other such agreement or arrangement, and the issuance, sale and delivery of each issue of the Refunding Bonds and for implementing the terms of each issue of the Refunding Bonds and the transactions contemplated hereby or thereby.

When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such Authorized Officers individually.

Section 2.11. Forms of Refunding Bonds and Trustee's Authentication Certificate. Subject to the provisions of the Resolution, the form of registered Refunding Bonds, and the Trustee's certificate of authentication, shall be substantially in the form set forth in Exhibit One to the Resolution including, if necessary, any changes to comply with the requirements of DTC or the provisions of this Supplemental Resolution or any Certificate of Determination.

Section 2.12. Appointment of Trustee and Paying Agent. Unless otherwise provided by Certificate of Determination, The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., shall be the Trustee under the Resolution and the Paying Agent for the Refunding Bonds.

ARTICLE III

DISPOSITION OF REFUNDING BOND PROCEEDS

Section 3.01. Disposition of Refunding Bond Proceeds. Any proceeds of the sale of the Refunding Bonds, other than accrued interest, if any, shall be deposited, simultaneously with the issuance and delivery of a series or subseries of the Refunding Bonds, or shall otherwise be disposed of or applied pursuant to the related Certificate of Determination as follows:

(a) such proceeds shall be (i) deposited in the Refunding Bonds Proceeds Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the refunding of any Obligations, Parity Debt or Cross Credit Obligations, or portions of any of them, in accordance with Section 2.02 hereof or (ii) otherwise applied to such refunding; and

(b) the balance of such proceeds shall be (i) deposited in the Refunding Bonds Costs of Issuance Account, which is hereby established in the Proceeds Fund for each such series or subseries, and applied to the payment of Costs of Issuance, or (ii) otherwise applied to the payment of Costs of Issuance.

Unless otherwise provided in a Certificate of Determination, the accrued interest, if any, received on the sale of the Refunding Bonds shall be deposited in the Debt Service Fund.

ARTICLE IV

TAX COVENANTS, ADDITIONAL COVENANTS AND DEFEASANCE

Section 4.01. Tax Covenants Relating to the Refunding Bonds. The Issuer covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Refunding Bonds issued as Tax-Exempt Obligations, the Issuer will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, the Issuer agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, the Issuer agrees to continually comply with the provisions of any “Arbitrage and Use of Proceeds Certificate” or “Tax Certificate” to be executed by the Issuer in connection with the execution and delivery of any Refunding Bonds issued as Tax-Exempt Obligations, as amended from time to time.

Notwithstanding any other provision of the Resolution to the contrary, upon the Issuer’s failure to observe, or refusal to comply with, the above covenant (a) the Owners of the Refunding Bonds, or the Trustee acting on their behalf, shall be entitled to the rights and remedies provided to Owners or the Trustee under Section 702 of the Resolution, other than the right (which is hereby abrogated solely as to the Issuer’s failure to observe, or refusal to comply with the above covenant) to declare the principal of all Obligations then Outstanding, and the interest accrued thereon, to be due and payable pursuant to Section 567 of the Issuer Act, and (b) neither the Owners of the Obligations of any Series or holders of any Parity Debt (other than the Owners of the Refunding Bonds or the Trustee acting on their behalf), nor the Trustee acting on their behalf, shall be entitled to exercise any right or remedy provided to the Owners, the Parity Debt holders or the Trustee under the Resolution based upon the Issuer’s failure to observe, or refusal to comply with, the above covenant.

The provisions of the foregoing covenants set forth in this Section shall not apply to any Refunding Bonds, including any subseries thereof, which the Issuer determines pursuant to the applicable Certificate of Determination to issue as Taxable Obligations.

Section 4.02. Additional Covenants.

1. The Issuer covenants and agrees that it will not issue any Senior Obligations under the Senior Resolution (other than pursuant to Section 205 thereof) unless in addition to satisfying the requirements of the Senior Resolution, an Authorized Officer delivers to the trustee under the Senior Resolution a certificate demonstrating that for any period of 12 consecutive calendar months out of the 18 complete calendar months next preceding the date of authentication and delivery such issue of Senior Obligations, Net Revenues are at least equal to 1.10 times the Combined Maximum Annual Calculated Debt Service for all Subordinate Revenue Obligations, Parity Debt, Senior Obligations and Senior Parity Debt.

2. The Issuer covenants and agrees that in addition to complying with the provisions of Section 604 of the Resolution, the Issuer shall at all times establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the TBTA Facilities as shall always be sufficient, together with other money available therefor (including the anticipated receipt of proceeds of sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of the Issuer that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of TBTA Facilities), to equal or exceed in each calendar year the greater of (a) an amount equal to the sum of amounts necessary in such calendar year (i) to pay all Operating Expenses of the Issuer, plus (ii) to pay the sum of Calculated Debt Service as defined in the Resolution and Calculated Debt Service as defined in the Senior Resolution, plus (iii) to maintain any reserve established by the Issuer pursuant to the Senior Resolution, in such amount as may be determined from time to time by an Authorized Officer in his or her judgment, or (b) an amount such that Revenues less Operating Expenses shall equal at least 1.10 times the sum of Calculated Debt Service as defined in the Senior Resolution and Calculated Debt Service as defined in the Resolution for such calendar year.

Section 4.03. Defeasance. In the event the Issuer shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Refunding Bonds issued as Tax-Exempt Obligations and the provisions of Section 4.01 hereof shall then be of any force or effect, then, notwithstanding the provisions of Article A-XI of the Resolution, the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section A-1101 of the Resolution unless (i) the Issuer has confirmed in writing that the Owners of the Refunding Bonds issued as Tax-Exempt Obligations which the Issuer then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of the Issuer contained in Section 4.01 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Refunding Bonds issued as Tax-Exempt Obligations in determining gross income for Federal income tax purposes.

RESOLUTION

WHEREAS, Metropolitan Transportation Authority (“MTA”) intends to finance the MTA’s transit and commuter capital improvement program, including MTA Bus Company and Staten Island Rapid Transit Operating Authority, as more fully described in the accompanying staff summary and capital program documents referenced therein (the “MTA Project”);

WHEREAS, MTA desires to finance the MTA Project through the issuance of tax-exempt debt or tax-advantaged debt, if available, and other sources as described in the approved capital programs, including moneys derived from affiliates and subsidiaries, and expects to reimburse expenditures made from such other sources with proceeds of such tax-exempt or tax-advantaged debt;

NOW THEREFORE, BE IT:

RESOLVED, that the statements contained in this Resolution with respect to the reimbursement of the expenditures described in this resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e); and

RESOLVED, that the expenditures in connection with the MTA Project to be reimbursed pursuant to this Resolution have been incurred and paid not more than 60 days prior to the date hereof or will be incurred and paid after the date hereof in connection with the MTA Project; and

RESOLVED, that the MTA reasonably expects that the maximum principal amount of tax-exempt or tax-advantaged debt (including bonds, commercial paper and bond anticipation notes) to be issued by MTA subsequent to the date hereof to pay MTA Project expenditures in 2021 (whether directly or as a reimbursement) is \$2 billion (plus associated financing costs); and

RESOLVED, that this Resolution shall take effect immediately.

December 16, 2020

RESOLUTION

WHEREAS, Triborough Bridge and Tunnel Authority (“MTA Bridges and Tunnels”) intends to finance the MTA Bridges and Tunnels’ bridge and tunnel capital improvement program, as more fully described in the accompanying staff summary and capital program documents referenced therein (the “Project”);

WHEREAS, MTA Bridges and Tunnels desires to finance the Project through the issuance of tax-exempt debt or tax-advantaged debt, if available, and other sources as described in the approved capital programs, including moneys derived from the Metropolitan Transportation Authority and its affiliates and subsidiaries, and expects to reimburse expenditures made from such other sources with proceeds of such tax-exempt or tax-advantaged debt;

NOW THEREFORE, BE IT:

RESOLVED, that the statements contained in this Resolution with respect to the reimbursement of the expenditures described in this resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e); and

RESOLVED, that the expenditures in connection with the Project to be reimbursed pursuant to this Resolution have been incurred and paid not more than 60 days prior to the date hereof or will be incurred and paid after the date hereof in connection with the Project; and

RESOLVED, that MTA Bridges and Tunnels reasonably expects that the maximum principal amount of tax-exempt or tax-advantaged debt (including bonds, commercial paper and bond anticipation notes) to be issued by MTA Bridges and Tunnels subsequent to the date hereof to pay Project expenditures in 2021 (whether directly or as a reimbursement) is \$500 million (plus associated financing costs); and

RESOLVED, that this Resolution shall take effect immediately.

December 16, 2020

RESOLUTION

WHEREAS, Metropolitan Transportation Authority (“MTA”) and Triborough Bridge and Tunnel Authority (“MTA Bridges and Tunnels”) intend to finance capital costs relating to the Central Business District Tolling Program, as more fully described in the accompanying staff summary (the “Central Business District Project”);

WHEREAS, MTA and MTA Bridges and Tunnels desire to finance the Central Business District Project through the issuance of tax-exempt debt or tax-advantaged debt, if available, and other sources, including moneys deposited into the Central Business District Tolling Capital Lockbox Fund established by Section 553-j of the Public Authorities Law, and expect to reimburse expenditures made from such other sources with proceeds of such tax-exempt or tax-advantaged debt;

NOW THEREFORE, BE IT:

RESOLVED, that the statements contained in this Resolution with respect to the reimbursement of the expenditures described in this resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Treasury Regulation Section 1.150-2(e); and

RESOLVED, that the expenditures in connection with the Central Business District Project to be reimbursed pursuant to this Resolution have been incurred and paid not more than 60 days prior to the date hereof or will be incurred and paid after the date hereof in connection with the Central Business District Project; and

RESOLVED, that MTA and MTA Bridges and Tunnels reasonably expect that the maximum aggregate principal amount of tax-exempt or tax-advantaged debt (including bonds, commercial paper and bond anticipation notes) to be issued by MTA and MTA Bridges and Tunnels subsequent to the date hereof to pay Central Business District Project expenditures in 2021 (whether directly or as a reimbursement) is \$550 million (plus associated financing costs), which includes the amount set forth in last year’s reimbursement resolution; and

RESOLVED, that this Resolution shall take effect immediately.

December 16, 2020

MTA 2021 BUDGET AND 2021-2024 FINANCIAL PLAN ADOPTION MATERIALS

MTA Finance Committee/MTA Board

December 16, 2020



Metropolitan Transportation Authority

MTA 2021 Budget and 2021-2024 Financial Plan Adoption Materials

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**I. Staff Summary MTA Consolidated
2021 Budget and 2021-2024
Financial Plan**

Staff Summary

Subject MTA 2021 Budget and 2021-2024 Financial Plan
Department Chief Financial Officer
Department Head Name Robert E. Foran
Department Head Signature
Project Manager/Division Head David E. Keller

Date December 16, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16			
2	Board	12/16			

Internal Approvals			
Order	Approval	Order	Approval
1	Legal		
2	Chairman/CEO		

Purpose:

The purpose of this staff summary is to secure MTA Board (i) adoption of the accompanying **2021 Revised Proposed Budget and the Four-Year Financial Plan 2021-2024 (“December Plan” or “Plan”)**, which includes approving the 2020 December Forecast and Plan Adjustments (items below the baseline), and (ii) authorization of Budget and Plan adjustments, including MTA policy actions, as set forth below in this Staff Summary.

Discussion:

This document summarizes the **December Plan**, which projects ending cash balances of \$1,786 million in 2020 and \$29 million in 2021, with projected cash deficits of \$3,280 million in 2022, \$2,346 million in 2023 and \$2,225 million in 2024 (see attachment A). Although the MTA has requested \$12 billion in new federal aid (prior to McKinsey’s updated analysis), the December Plan assumes the receipt of just \$4.5 billion of such aid to address the 2021 shortfall. 2020 is balanced from the receipt of \$2,900 million borrowed through the Federal Reserve’s Municipal Liquidity Facility, and the assumption is that 2021 will be balanced with new federal aid. The 2021 Budget and 2021-2024 Financial Plan projected cash deficits will be revised as conditions dictate, and as information regarding federal funding is forthcoming but will be balanced on a cash basis by the end of 2021. The MTA will utilize all available resources and tools to ensure that MTA ends 2021 on a self-sustaining basis as required by statute, including service reductions, wage freezes, fare/toll increases above the planned 4% and/or deficit financing, all painful and unwanted. The 2020-2021 New York State Enacted Budget authorizes deficit bonding up to \$10 billion and the MTA may issue bonds or notes and use those proceeds to offset decreases in revenue or increases in operating costs due to COVID-19 and, if that occurs, the proceeds “shall be taken into consideration as revenue and any other funds or property actually available to the authority and its subsidiary corporations” within the meaning of PAL 1266(3).

The December Plan captures the major assumptions that were first identified in the July Plan, and has been updated to reflect stakeholder input and the impact of new developments and risks. The July Plan was unlike any prior MTA financial plan. The Coronavirus Disease 2019 (“COVID-19” or “COVID”) 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 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 essential 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 the MTA with providing transportation for only essential travel and, in response, the

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 NYCT Bus and MTA Bus ridership was down 61%, MNR ridership was down 94%, LIRR ridership was down 76%, and B&T traffic was down 42%. On March 25th, the MTA began phasing in an “Essential Service Plan” for the subway, buses, the LIRR and MNR. 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 27th, Congress passed the Coronavirus Aid, Relief, and Economic Security (“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, New York City Transit, Long Island Rail Road, 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 6th, in anticipation of a gradual reopening of New York City, subway service was suspended each overnight from 1 AM to 5 AM 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 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 increased to provide 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 NYCT and MTA Bus, 73% on the LIRR, and 77% on MNR. Traffic on B&T facilities have been rebounding sooner and stronger but remains 13% below traffic levels from one year ago.

In April, the MTA engaged 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 impact 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, partially 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 (HEROES) Act or similar federal legislation to cover ongoing COVID-related losses in 2020 and a portion of the losses in 2021.

The December Plan

Despite lower ridership levels, MTA services are mostly operating at pre-pandemic levels, the exception being commuter railroads: MNR has scheduled about 63% for weekday service and 66% for weekend service, and the LIRR has scheduled about 90% for weekday service and 100% for weekend service (although LIRR weekend service reflects reductions to accommodate Third Track and other capital work). While this has allowed returning customers some measures to social distance, 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 the MTA and other public transportation entities have not

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

Agency 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 \$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 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 Plan period, while subsidies are slightly unfavorable through 2022, followed by improvements in 2023 and 2024. With these adjustments, the preliminary December Financial Plan projected a cumulative deficit of \$15.9 billion through 2024.

The MTA identified new cost savings actions 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. Agencies 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, better “extra list” management for bus operators and reduced availability overtime backfill provision. Overtime is being reduced due to COVID-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 taken. Approaching storms will be better evaluated so weather-related overtime will only occur as necessary.

Consultant contract reductions include: the use of existing EAM systems for asset management; utilizing in-house staff for tolling audits; replacing consultants with in-house staff for human resources, legal services, training, other auxiliary services and for maintenance inspections; reduced reliance on consultants for IT support; closing of 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 support.

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.

The December Plan assumes reimbursement from the Federal Emergency Management Agency (“FEMA”) for the estimated \$293 million in direct COVID-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.

The MTA is also taking an additional three 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 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 New York State Enacted Budget to allow the 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 pandemic. Receipts from 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. The 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 December 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 \$1.4 billion in 2020 and \$1.5 billion in 2021, are not sufficient to cover the remaining 2020 deficit and projected 2021 deficit.

To cover the 2020 deficit, the MTA will use the authority granted in the 2020-2021 New York State Enacted Budget to borrow up to \$10 billion in deficit financing through December 2022. The MTA intends to utilize the Federal Reserve's Municipal Liquidity 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 pandemic. MTA 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 so the MTA intends to borrow the maximum it is allowed to borrow under the program, an additional \$2.9 billion, before the lending window closes at the end of 2020. The MTA expects to issue long-term bonds in 2023 to repay the MLF loan.

The \$2.9 billion MLF loan will result in an operating balance of \$1.8 billion at the end of 2020 that will be carried over into 2021 to reduce the 2021 deficit.

New McKinsey Analysis and Updated COVID Impacts

The MTA has again engaged McKinsey to review the economic realities facing the MTA. While the study had not been finished prior to the development of the December 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 to the point, and the likelihood of achieving "herd immunity".

McKinsey is developing two scenarios for the MTA based on the COVID public health situation, 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 Plan period, McKinsey projects ridership will only reach 80% of the pre-pandemic level under this scenario.

In the July Plan, the 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 December Plan, which results in farebox revenue falling short of the July Plan projections by \$1.6 billion in 2021, \$1.9 billion in 2022, \$2.0 billion in 2023 and \$1.5 billion in 2024. MTA hopes it will experience an "upside surprise" and can respond accordingly; with a "downside surprise" MTA may not have the time or means to respond.

For 2021, the MTA is assuming \$4.5 billion in new federal aid, which will cover the 2021 deficit.

While MTA ends 2020 with a favorable cash balance from the MLF borrowing, and 2021 is balanced from the infusion of new federal aid, the out years of the Plan remain in deficit: \$4.9 billion in 2022, \$3.4 billion in 2023 and \$3.1 billion in 2024. The 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 beyond the assumed \$4.5 billion in 2021, the MTA must consider difficult and painful alternatives. The most difficult action would be significant service reductions and resulting lay-offs of operating staff who have been working heroically throughout the pandemic. 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% percent for the subway and bus systems and 50% for the commuter railroads could accommodate current ridership levels and could yield a partial year (May implementation) savings of \$858 million in 2021, and \$1.2 billion in annualized savings in 2022. Accompanying the service reductions would be workforce 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 improve, and savings would be reduced to \$696 million in 2023 and \$559 million in 2024.

For New York City Transit Subways, annual savings is estimated to be \$343 million, with a workforce impact of 2,369 positions. Subway service reductions of up to 40% may result in reduced 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 systemwide annual revenue vehicle miles and annual trips by approximately 40 percent. The reduction in service may allow for a 35% subway fleet reduction, generating savings in maintenance, cleaning and inspection costs.

For New York City Transit Buses and MTA Bus, annual savings is estimated to be \$641 million for NYCT and \$190 million for MTA Bus, with a workforce impact of 4,587 positions at NYCT 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 the Long Island Rail Road and Metro-North Railroad, combined annual savings is estimated to be \$265 million, with a workforce impact 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 prevent crowding.

The MTA is also proposing a permanent wage freeze for all employees, both represented and non-represented, in 2022. This action would save \$309 million in 2022, \$315 million in 2023 and \$322 million in 2024.

If necessary, absent additional Federal aid, advancing the service reductions and the permanent wage freeze into 2021 would generate \$1.3 billion in 2021, reducing the deficit from \$4.4 billion to \$3.2 billion. Even with taking these undesirable actions, MTA still has a significant 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.

Other Elements of the December Plan

Continue to implement the Transformation Plan to streamline MTA internal processes. The MTA is fundamentally changing the way business is conducted to more effectively deliver to our customers the modern, efficient system they deserve. This historic 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 2020, 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 net savings over the Plan period are still expected to be \$1.9 billion.

Maintain prior plan investments. The Plan maintains major on-going investment initiatives, including the Long Island Rail Road “Forward” plan, the “Bus Plans” at New York City Transit and MTA Bus, and the Metro-North Railroad “Way Ahead” plan. The Plan also sustains and expands upon the improvements of the Subway Action Plan, which was jump-started 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 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 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 Plans, the result of lower ridership and traffic due to the COVID pandemic.

Maintain annually recurring savings that have been achieved and meet new targets. Through 2020, the MTA has implemented initiatives with annualized savings of \$2.8 billion, and by the end of the Plan period the recurring savings together with the savings from the Transformation Plan and Additional Savings Actions identified in August and refined in this Plan, will total \$3.6 billion. The MTA is aggressively reviewing all spending to identify further savings and remains focused on existing cost control efforts to avoid backsliding.

The “Bottom Line”

The financial plan is balanced through 2021, with 2020 balanced with the use of the MLF and the assumption that 2021 will be balanced with new federal aid. The 2021 Budget and 2021-2024 Financial Plan will be revised as conditions dictate, through service reductions, wage freezes, fare/toll increases above planned 4% and/or deficit financing, all painful and unwanted.

Additional Challenge to be Addressed

Align service with “new normal” ridership levels to address the 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 initiatives and one-shots 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 one-shots are available.

McKinsey projects that the 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 estimates this change in commutation patterns could drive down ridership between 4 percent and 12 percent. 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 percent to 5 percent. 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 percent to 3 percent.

The challenge facing the 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.

Recommendation:

It is recommended that the Board:

- Adopt the 2021 Revised Proposed Budget and Four-Year Financial Plan 2021-2024 (December Plan), which includes approving the 2020 December Forecast and Plan Adjustments (items below the baseline). The approval of this Plan will supersede prior Board Plan approvals for this period. Note that the projected 2021 and 2023 fare/toll increase proposals will require separate Board actions in advance of those dates.
- Authorize staff, under the guidance and direction of the Chairman/CEO, Chief Financial Officer, or their designees to take actions to implement the policy actions set forth in the Plan.
- Authorize staff to draw down the unexpended 2020 general reserve of \$170 million, which will be used to help balance the 2020 budget.
- Authorize staff to redirect funds deposited in the Capital Lockbox during 2020 and 2021 from the Real Property Transfer Tax Surcharge (“Mansion Tax”) and the Internet Marketplace Tax to the operating budget as permitted under Public Authorities Law section 553-j.
- Authorize staff to suspend contributions to Committed to Capital. This action would reduce operating-funded contributions to the capital program by \$602 million over the plan period.
- Authorize staff to draw down the \$337 million in the OPEB (“Other Post-Employment Benefits”) Trust Fund to provide funding to offset 2020 current OPEB expenses.
- Authorize staff to draw down the \$2.9 billion in proceeds from the Federal Reserve’s Municipal Liquidity Facility to help balance the 2020 and 2021 budgets.
- Authorize technical adjustments to MTA budgets and forecasts of a non-material nature in the 2021 February Plan.
- Authorize adjustment of MTA budgets and forecasts to reflect labor settlements approved from time to time by the Board.
- Authorize staff, under the guidance and direction of the Chairman/CEO, the Chief Financial Officer, or their designees (including the MTA Treasurer), to take additional budget and cash management actions, as has been done in past budgets, to draw on the general reserve and/or make budget adjustments to respond to unexpected expenses or revenue/subsidy shortfalls, and other actions described below:

Advance of Bridges and Tunnels Operating Surplus

The Board is requested to authorize Bridges and Tunnels to advance to MTA and NYC Transit, to the extent funds are available, all or part of the estimated operating surplus for the year 2020.

Uses of MTA MRT-2 Corporate Account Monies

Unlike many other forms of intergovernmental aid, these subsidy monies, by statute, can be allocated at the Board’s discretion. It is recommended that the Board authorize that these funds be used as set forth in the Plan, authorize staff to administer these funds in a manner consistent with the Plan, and to temporarily help stabilize cash-flow requirements. As in the past, the advance

of funds to the MTA and its affiliates and subsidiaries to stabilize cash-flow requirements may be made, provided they are repaid prior to the end of the fiscal year in which made.

Uses of Payroll Mobility Tax (and Replacement Funds) and MTA Aid

Like the MRT-2 Corporate Account moneys, these subsidy monies, by statute, can be allocated at the Board's discretion. It is recommended that the Board authorize that the revenues from the PMT (and Replacement Funds) be released as needed: (i) for pledged revenues by MTA to secure and be applied to the payment of bonds to be issued in the future, to fund capital projects of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary and (ii) to pay capital costs, including debt service of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary. It is further recommended that the Board authorize that subject to the provisions of any such pledge, or in the event there is no such pledge, the PMT Revenues be used by MTA to pay for costs, including operating and capital costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary.

Further, it is recommended that the Board authorize that the revenues in the MTA Aid Trust Account (derived from four fees and taxes imposed in the Metropolitan Commuter Transportation District – a supplemental motor vehicle license fee, a supplemental motor vehicle registration fee, a tax on medallion taxicab rides, and a supplemental tax on passenger car rentals) be released as needed and used as pledged revenues by MTA or pledged to the Triborough Bridge and Tunnel Authority to secure debt of MTA Bridges and Tunnels. Further, subject to the provisions of such pledge, or in the event there is no such pledge, the Board authorizes the release of these funds to be used by MTA for the payment of operating and capital costs of the MTA and its subsidiaries, and New York City Transit, and its subsidiary.

Inter-Agency Loans

The Board is requested to authorize staff acting under Section 1266 (6-a) of the Public Authorities Law, to enter into inter-agency loan agreements among the MTA and its affiliates and subsidiaries. This authorization would allow the temporary movement of funds among agencies to meet cash flow requirements for operating or capital purposes resulting from a mismatch between the receipt of subsidies and other monies and cash flow needs. The statute requires that any such inter-agency loans be repaid no later than the end of the next succeeding calendar year.

Use of Stabilization Reserve: Provision for Prompt Payment of Contractual Obligations

In 1996, the Board approved the establishment of a Stabilization Reserve, to be held by the MTA Treasurer (the "Treasurer"), to stabilize MTA Agencies' cash flow requirements. The fund consists of two accounts, the MTA New York City Transit Account (the "Transit Account") and the MTA Commuter Railroad Account (the "Commuter Railroad Account"). The Board is requested to authorize the use of any balances in such accounts, plus any amounts authorized to be transferred to such accounts, to meet the cash flow requirements of MTA New York City Transit and the MTA Commuter Railroads and to authorize MTA New York City Transit to pay to the Treasurer for deposit in the Transit Account such amounts as it deems necessary to accomplish the purpose thereof, consistent with this Plan; and the Treasurer to pay into the Commuter Railroad Account, such amounts as are deemed necessary to accomplish the purpose thereof, consistent with this Plan. The Treasurer, upon request of MTA New York City Transit, shall pay to NYCT such amounts as are necessary to meet cash flow requirements of NYCT and shall transfer from the Commuter Railroad Account such amounts as are necessary to meet the cash flow requirements of MTA Commuter Railroads. The Treasurer shall also use such funds as from time to time may be necessary or convenient to timely make debt service payments on MTA bonds.

ATTACHMENT A

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

	Actual 2019	December Forecast 2020	Revised Proposed Budget 2021	2022	2023	2024
Non-Reimbursable						
Operating Revenues						
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
Total Revenues	\$9,128	\$8,441	\$5,441	\$8,061	\$9,408	\$9,563
Operating Expenses						
Labor:						
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)
Total Labor Expenses	\$10,161	\$10,655	\$11,179	\$11,611	\$11,957	\$12,357
Non-Labor:						
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
Total Non-Labor Expenses	\$3,642	\$3,656	\$4,110	\$4,281	\$4,312	\$4,410
Other Expense Adjustments:						
Other	\$149	\$94	\$41	\$28	\$28	\$23
General Reserve	0	170	175	185	185	205
Total Other Expense Adjustments	\$149	\$264	\$216	\$213	\$213	\$228
Total Expenses Before Non-Cash Liability Adjs.	\$13,952	\$14,574	\$15,505	\$16,104	\$16,482	\$16,994
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
Total Expenses After Non-Cash Liability Adjs.	\$17,752	\$18,800	\$19,883	\$20,662	\$21,280	\$21,809
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
Total Expenses with Debt Service	\$16,582	\$17,309	\$18,416	\$19,280	\$20,055	\$20,606
Dedicated Taxes & State and Local Subsidies	\$7,290	\$5,946	\$6,134	\$7,142	\$7,672	\$7,871
Net Surplus/(Deficit) After Subsidies and Debt Service	(\$164)	(\$2,922)	(\$6,842)	(\$4,077)	(\$2,976)	(\$3,172)
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	277	110	87	97	198	226
Cash Balance Before Prior-Year Carryover	\$113	(\$2,812)	(\$6,755)	(\$3,980)	(\$2,777)	(\$2,946)
Below the Line Adjustments	\$0	\$4,112	\$4,998	\$671	\$432	\$722
Prior Year Carryover Balance	372	485	1,786	29	0	0
Net Cash Balance	\$485	\$1,786	\$29	(\$3,280)	(\$2,346)	(\$2,225)

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

	Actual 2019	December Forecast 2020	Revised Proposed Budget 2021	2022	2023	2024
Cash Balance Before Prior-Year Carryover	\$113	(\$2,812)	(\$6,755)	(\$3,980)	(\$2,777)	(\$2,946)
Fare and Toll Increases:						
<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>
Subtotal:		\$0	\$145	\$267	\$592	\$650
Management and Policy Actions:						
<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	0	1,274	696	559
<i>Permanent Wage Freeze</i>		<u>0</u>	<u>0</u>	<u>309</u>	<u>315</u>	<u>322</u>
Subtotal:		\$4,112	\$1,852	\$2,417	\$1,969	\$1,720
MTA Re-Estimates:						
<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>		<u>0</u>	<u>(106)</u>	<u>(113)</u>	<u>(121)</u>	<u>(129)</u>
Subtotal		\$0	(\$1,719)	(\$2,013)	(\$2,130)	(\$1,648)
Other:						
<i>FEMA Reimbursement</i>		\$0	\$220	\$0	\$0	\$0
<i>New Federal Aid</i>		<u>0</u>	<u>4,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal:		\$0	\$4,720	\$0	\$0	\$0
TOTAL ADJUSTMENTS		\$4,112	\$4,998	\$671	\$432	\$722
<i>Prior Year Carryover Balance</i>	\$372	\$485	\$1,786	\$29	\$0	\$0
Net Cash Surplus/(Deficit)	\$485	\$1,786	\$29	(\$3,280)	(\$2,346)	(\$2,225)

II. Agencies' Staff Summaries 2021 Budget and 2021-2024 Financial Plan

Bridges and Tunnels

Subject B&T 2021 Budget and 2021-2024 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Allison C. de Cerreño (Acting)
Department Head Signature 
Project Manager Name Adam Hartke and Marissa Krinis

Date December 2, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	B&T Committee	12/16/20	X		
2	Finance Committee	12/16/20	X		
3	MTA Board	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval
3	President 	1	Sr VP and Acting CFO 
2	Senior Vice President 		VP Procurement & Materials
	General Counsel		VP Labor Relations
	VP Operations		VP & Chief Engineer

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	VP Safety & Health		VP & Chief of Staff				Other
	VP & Chief Security Officer		VP Maintenance & Operations Support				

PURPOSE:

To secure MTA Board adoption of the MTA Bridges and Tunnels' (B&T) 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

DISCUSSION

The 2021 Final Proposed Budget, which is consistent with information presented to the Board in November, and MTA's commitment to provide safe, reliable and efficient transportation service to the metropolitan New York region. The baseline projections exclude the estimated impacts from projected toll increases, and MTA policy actions. These impacts will be presented as part of MTA consolidated materials.

B&T estimates that \$1,780.1 million will be provided in baseline net operating income for 2020 and 2021 combined.

2020 NOVEMBER FORECAST- BASELINE

The 2020 November Forecast projects nearly \$1,439.5 million in non-reimbursable revenues, of which \$1,419.3 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be over \$509.8 million, consisting of \$254.3 million in labor expenses and \$255.5 million in non-labor expenses. Total Support to Mass Transit is projected to be \$529.7 million. Reimbursable revenue and expenses are both forecast at \$22.8 million. Total end-of-year positions are budgeted at 1,478, including 1,391 non-reimbursable positions and 87 reimbursable positions.

2021 FINAL PROPOSED BUDGET- BASELINE

The 2021 Final Proposed Budget projects nearly \$1,416.0 million in non-reimbursable revenues, of which \$1,395.8 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be over \$565.6 million, consisting of \$276.0 million in labor expenses and \$289.5 million in non-labor expenses. Total Support to Mass Transit is projected to be \$476.2 million. Reimbursable revenue and expenses are both forecast at \$23.3 million. Total end-of-year positions are currently budgeted at 1,478 including 1,391 non-reimbursable positions and 87 reimbursable positions. These levels are expected to be reduced as part of the MTA Transformation.

MAJOR PROGRAMMATIC INITIATIVES

- **COVID Response** - The COVID-19 pandemic, and the subsequent slowing of the economy, resulted in a severe decline in the utilization of B&T's facilities and increases in expenses for cleaning and employee protection, devastating B&T's funding envelope unlike anything previously experienced. The Plan includes an unfavorable \$1,603 million in COVID-identified impacts over the five-year period, primarily reflecting the overall impact of a substantial drop in vehicle traffic. This represents a favorable change of \$174.4 million when compared with the July Plan due to the modest improvement in vehicular volume experienced this year. Additionally, to maintain the current operational environment and address new needs as the region begins to reopen, B&T has increased funding for Personal Protective Equipment (PPE), cleaning and sanitizing contracts, and janitorial supplies for buildings and vehicles.
- B&T continues its work on the **Central Business District Tolling Program (CBDTP)**, aiming to reduce congestion in Manhattan's Central Business District (CBD) and support the MTA Capital Program. The CBDTP, which was authorized by the MTA Reform and Traffic Mobility Act, enacted in April 2019, includes the installation of electronic tolling devices on the perimeter and within the CBD, defined as streets south and inclusive of 60th Street in Manhattan, and excluding the West Side Highway and FDR Drive. B&T is working closely with the New York City Department of Transportation on the infrastructure's preliminary design to support the toll system and awaits guidance from the US Department of Transportation Federal Highway Administration, pending an environmental review. Until the commencement of operations, implementation costs will be funded through B&T PAYGO and other capital resources, all of which will be reimbursed when the program becomes fully operable.
- **Overtime** - The 2020 November Forecast totals \$27.4 million, unchanged from the Mid-Year Forecast. However, \$2.1 million in controllable overtime reductions were realized centrally. While there is a significant increase in emergency overtime spending for COVID-related cleaning and sanitizing facilities and equipment, these additional costs are offset by timing savings resulting from rescheduled and deferred maintenance work, as well as scheduling, deployment, and managerial efficiencies. Overtime needs for COVID response will continue to be reviewed by management and adjusted, as appropriate. The 2021 Final Proposed Budget also remains unchanged from the Preliminary Budget, but a \$4.7 million reduction in controllable overtime will be realized centrally.
- **Additional Savings Actions** - MTA Bridges and Tunnels has identified and begun implementing a program of significant Additional Savings Actions. These savings reduce reliance on outside consultants and contractors, reduce non-service-related expenses, and reduce overtime. These reductions provide savings throughout the Plan period and are captured and presented as part of MTA Consolidated materials; savings will be reflected in Agency financials in the February Plan.

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.

IMPACT ON FUNDING

The 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

RECOMMENDATION

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024 for MTA Bridges and Tunnels.

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.

MTA BRIDGES AND TUNNELS
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable</u>						
Operating Revenue						
Toll Revenue	\$2,071.411	\$1,419.286	\$1,395.827	\$1,961.744	\$2,126.849	\$2,129.541
Other Operating Revenue	23.439	18.936	18.936	18.936	18.936	18.936
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	3.689	1.240	1.240	1.240	1.240	1.240
Total Revenues	\$2,098.539	\$1,439.462	\$1,416.004	\$1,981.920	\$2,147.026	\$2,149.718
Operating Expense						
<u>Labor:</u>						
Payroll	\$119.793	\$127.215	\$141.274	\$144.154	\$147.370	\$149.371
Overtime	23.873	26.501	27.061	27.632	28.212	28.804
Health and Welfare	27.243	31.767	33.059	34.558	36.129	37.767
OPEB Current Payments	22.567	24.387	25.500	26.783	27.685	29.054
Pension	47.023	38.630	35.301	33.230	29.423	29.124
Other Fringe Benefits	17.106	13.672	21.873	23.080	23.628	23.516
Reimbursable Overhead	(5.336)	(7.874)	(8.032)	(8.192)	(8.356)	(8.523)
Total Labor Expenses	\$252.269	\$254.300	\$276.035	\$281.243	\$284.091	\$289.113
<u>Non-Labor:</u>						
Electric Power	\$3.933	\$4.941	\$5.474	\$5.445	\$5.553	\$5.722
Fuel	1.709	1.879	2.092	2.246	2.369	2.448
Insurance	16.095	11.875	12.580	13.190	13.852	14.542
Claims	0.006	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	152.916	162.019	170.286	178.457	173.504	177.818
Professional Services Contracts	32.931	30.653	42.845	44.162	45.953	45.421
Materials and Supplies	2.679	3.038	4.001	4.077	4.142	4.216
Other Business Expenses	48.890	41.065	52.252	52.758	53.256	53.681
Total Non-Labor Expenses	\$259.158	\$255.470	\$289.528	\$300.336	\$298.629	\$303.848
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$511.427	\$509.770	\$565.564	\$581.579	\$582.720	\$592.960
Depreciation	\$166.910	\$173.285	\$169.848	\$181.689	\$194.355	\$194.355
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	37.165	33.900	36.023	38.150	38.814	39.542
GASB 68 Pension Expense Adjustment	(2.641)	(13.597)	(13.153)	(9.456)	(4.896)	(3.373)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$712.861	\$703.358	\$758.282	\$791.962	\$810.994	\$823.485
Less: Depreciation	166.910	173.285	169.848	181.689	194.355	194.355
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Exp Adjustment	37.165	33.900	36.023	38.150	38.814	39.542
GASB 68 Pension Exp Adjustment	(2.641)	(13.597)	(13.153)	(9.456)	(4.896)	(3.373)
Total Expenses	\$511.427	\$509.770	\$565.564	\$581.579	\$582.720	\$592.960
Net Surplus/(Deficit)	\$1,587.112	\$929.692	\$850.440	\$1,400.341	\$1,564.305	\$1,556.757

MTA BRIDGES AND TUNNELS
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	16.667	22.826	23.317	23.817	24.328	24.848
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$16.667	\$22.826	\$23.317	\$23.817	\$24.328	\$24.848
Operating Expense						
Labor:						
Payroll	\$6.456	\$8.850	\$9.027	\$9.208	\$9.392	\$9.580
Overtime	0.760	0.868	0.909	0.952	0.995	1.039
Health and Welfare	1.499	1.905	1.943	1.982	2.021	2.062
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	1.644	2.272	2.323	2.376	2.430	2.484
Other Fringe Benefits	0.972	1.058	1.083	1.108	1.134	1.160
Reimbursable Overhead	5.336	7.874	8.032	8.192	8.356	8.523
Total Labor Expenses	\$16.667	\$22.826	\$23.317	\$23.817	\$24.328	\$24.848
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$16.667	\$22.826	\$23.317	\$23.817	\$24.328	\$24.848
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable / Reimbursable</u>						
Page 1 of 2						
Operating Revenue						
Toll Revenue	\$2,071.411	\$1,419.286	\$1,395.827	\$1,961.744	\$2,126.849	\$2,129.541
Other Operating Revenue	23.439	18.936	18.936	18.936	18.936	18.936
Capital and Other Reimbursements	16.667	22.826	23.317	23.817	24.328	24.848
Investment Income	3.689	1.240	1.240	1.240	1.240	1.240
Total Revenues	\$2,115.206	\$1,462.288	\$1,439.320	\$2,005.737	\$2,171.353	\$2,174.566
Operating Expense						
<u>Labor:</u>						
Payroll	\$126.250	\$136.065	\$150.301	\$153.362	\$156.762	\$158.950
Overtime	24.633	27.369	27.970	28.583	29.207	29.843
Health and Welfare	28.743	33.672	35.002	36.539	38.151	39.829
OPEB Current Payments	22.567	24.387	25.500	26.783	27.685	29.054
Pension	48.667	40.902	37.624	35.606	31.853	31.608
Other Fringe Benefits	18.077	14.730	22.955	24.188	24.761	24.676
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$268.936	\$277.126	\$299.352	\$305.061	\$308.419	\$313.961
<u>Non-Labor:</u>						
Electric Power	\$3.933	\$4.941	\$5.474	\$5.445	\$5.553	\$5.722
Fuel	1.709	1.879	2.092	2.246	2.369	2.448
Insurance	16.095	11.875	12.580	13.190	13.852	14.542
Claims	0.006	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	152.916	162.019	170.286	178.457	173.504	177.818
Professional Services Contracts	32.931	30.653	42.845	44.162	45.953	45.421
Materials and Supplies	2.679	3.038	4.001	4.077	4.142	4.216
Other Business Expenses	48.890	41.065	52.252	52.758	53.256	53.681
Total Non-Labor Expenses	\$259.158	\$255.470	\$289.528	\$300.336	\$298.629	\$303.848
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$528.094	\$532.596	\$588.880	\$605.397	\$607.048	\$617.809
Depreciation	\$166.910	\$173.285	\$169.848	\$181.689	\$194.355	\$194.355
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	37.165	33.900	36.023	38.150	38.814	39.542
GASB 68 Pension Expense Adjustment	(2.641)	(13.597)	(13.153)	(9.456)	(4.896)	(3.373)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$729.528	\$726.185	\$781.599	\$815.779	\$835.321	\$848.333
Less: Depreciation	166.910	173.285	169.848	181.689	194.355	194.355
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Exp Adjustment	37.165	33.900	36.023	38.150	38.814	39.542
GASB 68 Pension Exp Adjustment	(2.641)	(13.597)	(13.153)	(9.456)	(4.896)	(3.373)
Total Expenses	\$528.094	\$532.596	\$588.880	\$605.397	\$607.048	\$617.809
Net Surplus/(Deficit)	\$1,587.112	\$929.692	\$850.440	\$1,400.341	\$1,564.305	\$1,556.757

MTA BRIDGES AND TUNNELS
November Financial Plan 2021 - 2024
Accrual Statement of Operations by Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Non-Reimbursable / Reimbursable						
Page 2 of 2						
Net Surplus/(Deficit)	\$1,587.112	\$929.692	\$850.440	\$1,400.341	\$1,564.305	\$1,556.757
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$11.842	\$37.248	\$27.516	\$27.923	\$28.224	\$23.042
B&T Capital Reserves	3.707	0.000	0.000	0.000	0.000	0.000
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000	0.000
Adjusted Net Surplus/(Deficit)	\$1,571.563	\$892.444	\$822.924	\$1,372.418	\$1,536.082	\$1,533.715
Less: Debt Service	\$655.817	\$675.235	\$705.766	\$742.637	\$864.661	\$870.904
Less: Contribution to the Capital Program	132.981	56.623	13.878	0.000	0.000	0.000
Income Available for Distribution	\$782.764	\$160.586	\$103.280	\$629.781	\$671.421	\$662.811
<u>Distributable To:</u>						
MTA - Investment Income	\$3.689	\$1.240	\$1.240	\$1.240	\$1.240	\$1.240
MTA - Distributable Income	445.011	137.845	109.983	371.027	397.299	388.743
NYCT - Distributable Income	334.064	21.501	(7.943)	257.514	272.882	272.828
Total Distributable Income	\$782.764	\$160.586	\$103.280	\$629.781	\$671.421	\$662.811
<u>Actual Cash Transfers:</u>						
MTA - Investment Income - Prior Year	\$2.603	\$3.689	\$1.240	\$1.240	\$1.240	\$1.240
MTA - Cash Surplus Transfer	453.529	185.812	112.769	344.922	394.672	389.598
NYCT - Cash Surplus Transfer	334.967	61.680	(4.999)	230.968	271.345	272.834
Total Cash Transfers	\$791.099	\$251.181	\$109.010	\$577.131	\$667.257	\$663.672
SUPPORT TO MASS TRANSIT:						
Total Revenue	\$2,115.206	\$1,462.288	\$1,439.320	\$2,005.737	\$2,171.353	\$2,174.566
Total Expenses Before Non-Cash Liability Adjs.	528.094	532.596	588.880	605.397	607.048	617.809
Net Operating Income	\$1,587.112	\$929.692	\$850.440	\$1,400.341	\$1,564.305	\$1,556.757
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$299.818	\$306.130	\$332.815	\$381.189	\$474.734	\$503.390
Contribution to the Capital Program	132.981	56.623	13.878	0.000	0.000	0.000
Capitalized Assets	11.842	37.248	27.516	27.923	28.224	23.042
B&T Capital Reserves	3.707	0.000	0.000	0.000	0.000	0.000
GASB Reserves	0.000	0.000	0.000	0.000	0.000	0.000
Total Deductions from Operating Income	\$448.348	\$400.001	\$374.208	\$409.112	\$502.958	\$526.432
Total Support to Mass Transit	\$1,138.764	\$529.692	\$476.232	\$991.229	\$1,061.348	\$1,030.325

MTA BRIDGES AND TUNNELS
November Financial Plan 2021 - 2024
Traffic Volume (Utilization) and Toll Revenue
(in millions)

	Actual	November Forecast	Final Proposed Budget			
	2019	2020	2021	2022	2023	2024

TRAFFIC VOLUME

Total Traffic Volume

329.397	221.264	218.571	307.645	333.957	334.673
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TOLL REVENUE

Toll Revenue

\$2,071.411	\$1,419.286	\$1,395.827	\$1,961.744	\$2,126.849	\$2,129.541
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MTA BRIDGES & TUNNELS
November Financial Plan 2021-2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents

FUNCTION/DEPARTMENT	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Executive	11	8	8	8	8	8
Law ⁽¹⁾	12	12	12	12	12	12
CFO ⁽²⁾	16	18	18	18	18	18
Administration	31	35	35	35	35	35
EEO	0	1	1	1	1	1
Total Administration	70	74	74	74	74	74
Operations						
ITS & Tolling	36	68	68	68	74	74
Central Business District Tolling Program	0	3	3	3	3	3
Operations (Non-Security)	49	60	60	60	60	60
Total Operations	85	131	131	131	137	137
Maintenance						
Maintenance	214	214	214	214	214	214
Operations - Maintainers	167	168	168	168	168	168
Total Maintenance	381	382	382	382	382	382
Engineering/Capital						
Engineering & Construction	133	192	192	192	192	192
Health & Safety	9	10	10	10	10	10
Law ⁽¹⁾	19	22	22	22	22	22
Planning & Budget Capital	23	17	17	17	17	17
Total Engineering/Capital	184	241	241	241	241	241
Public Safety						
Operations (Security)	547	605	605	605	605	605
Internal Security - Operations	29	45	45	45	45	45
Total Public Safety	576	650	650	650	650	650
Total Positions	1,296	1,478	1,478	1,478	1,484	1,484
<i>Non-Reimbursable</i>	1,209	1,391	1,391	1,391	1,397	1,397
<i>Reimbursable</i>	87	87	87	87	87	87
<i>Total Full-Time</i>	1,296	1,478	1,478	1,478	1,484	1,484
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

(1) Includes Legal and Procurement staff.

(2) Includes Controller and Operating Budget staff

(3) Includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	21	26	26	26	26	26
Professional/Technical/Clerical	49	48	48	48	48	48
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	70	74	74	74	74	74
Operations						
Managers/Supervisors	51	70	70	70	70	70
Professional/Technical/Clerical	34	61	61	61	67	67
Operational Hourlies (1)	0	0	0	0	0	0
Total Operations Headcount	85	131	131	131	137	137
Maintenance						
Managers/Supervisors	25	27	27	27	27	27
Professional/Technical/Clerical	16	12	12	12	12	12
Operational Hourlies (2)	340	343	343	343	343	343
Total Maintenance Headcount	381	382	382	382	382	382
Engineering / Capital						
Managers/Supervisors	44	50	50	50	50	50
Professional/Technical/Clerical	140	191	191	191	191	191
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	184	241	241	241	241	241
Public Safety						
Managers/Supervisors	156	186	186	186	186	186
Professional/Technical/Clerical	22	36	36	36	36	36
Operational Hourlies (3)	398	428	428	428	428	428
Total Public Safety Headcount	576	650	650	650	650	650
Total Positions						
Managers/Supervisors	297	359	359	359	359	359
Professional/Technical/ Clerical	261	348	348	348	354	354
Operational Hourlies	738	771	771	771	771	771
Total Positions	1,296	1,478	1,478	1,478	1,484	1,484

(1) Represents Bridge and Tunnel Officers. These positions are paid annually, not hourly.

(2) Represents maintenance personnel. These positions are paid annually, not hourly.

(3) Represents Bridge and Tunnel Officers performing public safety. These positions are paid annually, not hourly.

Construction & Development

Staff Summary

Subject MTA C&D 2021 Budget and 2021-2024 Financial Plan Adoption
Department Office of Chief Administrative Officer
Department Head Name Shawn Moore
Department Head Signature <i>Shawn Moore</i>
Project Manager Name Adam Rosenbloom

Date December 4, 2020
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref # NA

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval
	President MTA C&D		

Purpose:

To secure MTA Board adoption of the MTA Construction & Development (MTA C&D) 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion:

MTA C&D organization was created in 2019 to streamline, oversee, and improve regional capital planning, capital program development, the delivery functions of transit network expansion projects, and upgrades to stations and system-wide infrastructure. Capital project operational functions and management are also under the purview of MTA C&D. The Financial Plan contains MTA C&D's operational costs that are non-project specific and are for the provision of company-wide construction support from specialty contractors and oversight agencies. Annual staffing levels are projected at 162 through 2024 and is based on the former MTA Capital Construction Company's management portfolio. These positions provide support to capital projects such as East Side Access, Canarsie Line Reconstruction, LIRR Concourse Train Hall.

2020 November Forecast - Baseline:

2020 expenses are estimated at \$49.4 million. Labor expenses are projected at \$25.3 million, and Non-Labor expenses are projected at \$24.1 million. To mitigate COVID-19 spread and transmission in offices and project construction sites, \$10.8 million of Non-Labor costs are dedicated to safety prevention protocols. Approximately \$4.2 million of Non-Labor expenses are required funding for MTA shared services, office space at 2 Broadway, and All-Agency Protective Liability (AAPL) insurance. Remaining Non-Labor expenses are predominately comprised of East Side Access IT network maintenance support, contract supplier online portal initiative, program management consulting, and independent compliance monitoring services.

2021 Final Proposed Budget - Baseline:

2021 expenses total of \$60.6 million with \$37.4 million in Labor costs. Of the \$23.2 million projected Non-Labor costs, \$10.6 million is for COVID-19 safety prevention protocols, and \$4.3 million is for MTA shared services, 2 Broadway office space, and AAPL insurance. Similar to the 2020 November Forecast, the 2021 Final Proposed Budget includes reimbursements for East Side Access project's IT network maintenance support, program management consulting services, and data communications.

Impact on Funding:

The 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024 for the MTA Construction & Development.

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	33.835	49.370	60.577	54.168	53.249	52.370
Total Revenues	\$33.835	\$49.370	\$60.577	\$54.168	\$53.249	\$52.370
Operating Expense						
Labor:						
Payroll	\$16.638	\$17.874	\$25.235	\$25.737	\$26.249	\$26.772
Overtime	0.015	0.020	0.020	0.020	0.020	0.020
Health and Welfare	2.465	3.040	4.812	5.019	5.230	5.454
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	2.117	2.472	4.323	4.543	4.771	5.011
Other Fringe Benefits	1.472	1.887	3.034	3.110	3.185	3.278
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$22.708	\$25.292	\$37.424	\$38.429	\$39.455	\$40.534
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.001	0.002	0.002	0.002	0.002	0.002
Insurance	0.001	0.032	0.037	0.042	0.049	0.056
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	2.958	8.678	8.655	4.640	3.793	3.586
Professional Services Contracts	7.985	14.714	13.745	10.635	9.600	7.861
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.183	0.652	0.713	0.419	0.350	0.330
Total Non-Labor Expenses	\$11.127	\$24.078	\$23.152	\$15.739	\$13.795	\$11.836
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$33.835	\$49.370	\$60.577	\$54.168	\$53.249	\$52.370
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	\$33.835	\$49.370	\$60.577	\$54.168	\$53.249	\$52.370
Total Receipts	\$33.835	\$49.370	\$60.577	\$54.168	\$53.249	\$52.370
Expenditures						
Labor:						
Payroll	\$16.638	\$17.874	\$25.235	\$25.737	\$26.249	\$26.772
Overtime	0.015	0.020	0.020	0.020	0.020	0.020
Health and Welfare	2.465	3.040	4.812	5.019	5.230	5.454
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	2.117	2.472	4.323	4.543	4.771	5.011
Other Fringe Benefits	1.472	1.887	3.034	3.110	3.185	3.278
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$22.708	\$25.292	\$37.424	\$38.429	\$39.455	\$40.534
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.001	0.002	0.002	0.002	0.002	0.002
Insurance	0.001	0.032	0.037	0.042	0.049	0.056
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	2.958	8.678	8.655	4.640	3.793	3.586
Professional Services Contracts	7.985	14.714	13.745	10.635	9.600	7.861
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.183	0.652	0.713	0.419	0.350	0.330
Total Non-Labor Expenditures	\$11.127	\$24.078	\$23.152	\$15.739	\$13.795	\$11.836
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$33.835	\$49.370	\$60.577	\$54.168	\$53.249	\$52.370
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Capital and Other Reimbursements	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2021 - 2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2019 Actual	2020 November Forecast	2021 Final Proposed Budget	2022	2023	2024
Administration						
MTACD	16	19	19	19	19	19
Engineering/Capital						
MTACD	38	75	75	75	75	75
East Side Access	26	31	31	31	31	31
Security Program	2	2	2	2	2	2
Second Avenue Subway	10	12	12	12	12	12
Lower Manhattan Project	5	3	3	3	3	3
7 Line Extension	1	1	1	1	1	1
Penn Station Access	4	5	5	5	5	5
LIRR 3rd Track	6	7	7	7	7	7
Canarsie Line Reconstruction	5	4	4	4	4	4
LIRR Concourse Train Hall	3	3	3	3	3	3
Total Engineering/Capital	100	143	143	143	143	143
Total Baseline Positions	116	162	162	162	162	162
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	116	162	162	162	162	162
<i>Total Full-Time</i>	116	162	162	162	162	162
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA CONSTRUCTION & DEVELOPMENT
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	16	19	19	19	19	19
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	16	19	19	19	19	19
Operations						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Operations Headcount	0	0	0	0	0	0
Maintenance						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Maintenance Headcount	0	0	0	0	0	0
Engineering / Capital						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	100	143	143	143	143	143
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	100	143	143	143	143	143
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/ Clerical	116	162	162	162	162	162
Operational Hourlies	0	0	0	0	0	0
Total Positions	116	162	162	162	162	162

Long Island Rail Road



Long Island Rail Road

Subject LIRR 2021 Budget & 2021-2024 Financial Plan Adoption
Department Office of Management & Budget
Department Head Name Francis Landers
Department Head Signature
Project Manager Name

Date December 4, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR & LIRR Committee	12/16/20	X		
2	Finance Committee	12/16/20	X		
3	MTA Board	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval
3	President		VP Svc Png Tech & CPM
	Exec Vice President		VP Mkt Dev & Public Affairs
	Sr. VP Operations		General Counsel
	VP Labor Relations	2	VP & CFO

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	Exec Dir Mgmt & Budget						

Purpose

To secure MTA Board adoption of the MTA Long Island Rail Road's (LIRR) 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021 – 2024.

Discussion

The 2021 Final Proposed Budget, which is consistent with information presented to the Board in November, provides funding to maintain the Long Island Rail Road's commitment to delivering safe, secure, and reliable transportation and first-class customer service. Sufficient investments are included in this Financial Plan that support the LIRR's enhanced cleaning initiatives in response to COVID-19, ongoing safety initiatives, asset maintenance efforts, and system expansion projects. The LIRR projections do not include the estimated impacts from projected fare increases and MTA policy actions. These impacts will be presented as part of MTA consolidated materials.

The 2021 Final Proposed Budget reflects the full integration of the LIRR Forward philosophy into how the LIRR manages every day. Particular attention is being paid to customer communication and operational resiliency. The financial plan focuses on Reliability Centered Maintenance (RCM) for rolling stock to ensure maximum fleet availability and on maintenance of the right-of-way to maintain a state of good repair. This is particularly important as many components will enter critical maintenance stages. Funding and resources also are included to support and maintain the new Positive Train Control (PTC) system, ramp-up costs for East Side Access (ESA) readiness efforts, and other operating budget impacts, including Moynihan Station, Belmont Park, and Main Line Expansion.

Achieving an efficient operation remains a priority. MTA LIRR has identified and begun implementing a program of significant Additional Savings Actions, which include reduced reliance on outside consultants and contractors, reduced non-service-related expenses, and reduced overtime. These reductions provide savings throughout the Plan period and are captured and presented as part of MTA Consolidated materials; savings will be reflected in Agency financials in the February Plan. The LIRR continues to subject all areas of the budget to intensive review.

2020 November Forecast - Baseline

Non-Reimbursable/Reimbursable expenses for the 2020 November Forecast before non-cash liability adjustments total \$1,998.7 million. This is comprised of \$1,564.8 million of Non-Reimbursable expenses and \$433.9 million of Reimbursable expenses. Total Non-Reimbursable/Reimbursable revenue for the 2020 November Forecast is \$1,252.8 million. This is comprised of \$818.8 million of Non-Reimbursable revenue and \$433.9 million of Reimbursable revenue. Total positions are 7,698.

The Non-Reimbursable revenue for the 2020 November Forecast of \$818.8 million includes Farebox Revenue projections of \$278.4 million. The Forecast also assumes \$540.4 million in other revenue, including \$508.0 million in aid from the federal CARES Act as well as from advertising, rental fees, freight, and other miscellaneous revenue.

Excluding non-cash liability adjustments, Non-Reimbursable expenses for the 2020 November Forecast totals \$1,564.8 million. Including non-cash liability adjustments, total Non-Reimbursable expenses for the 2020 November Forecast increases to \$2,061.8 million. The cash adjustments for non-cash items and timing of expenses/receipts total \$513.5 million. The resulting Net Cash Deficit is projected to be \$729.5 million in 2020.

Total Non-Reimbursable positions are 6,460 positions. Total Reimbursable positions are 1,239.

2021 Final Proposed Budget - Baseline

Non-Reimbursable/Reimbursable expenses for the 2021 Final Proposed Budget before non-cash liability adjustments are \$2,276.7 million, comprised of \$1,888.9 million of Non-Reimbursable expenses and \$387.8 million of Reimbursable expenses. The total Non-Reimbursable/Reimbursable revenue for the 2020 Final Proposed Budget is \$826.2 million, comprised of \$438.4 million of Non-Reimbursable revenue and \$387.8 million of Reimbursable revenue.

The Non-Reimbursable revenue for the 2021 Final Proposed Budget of \$438.4 million includes Passenger Revenue projections of \$407.2 million and \$31.2 million in other revenue from advertising and rental fees. The Farebox revenue is based on a projected annual ridership of 47.7 million passengers, which is a 55.2% increase over 2020. Excluding non-cash liability adjustments, Non-Reimbursable expenses for the 2021 Final Proposed Budget totals \$1,888.9 million. Including non-cash liability adjustments, total Non-Reimbursable expenses for the 2021 Final Proposed Budget increases to \$2,326.3 million. Cash adjustments for non-cash items and timing of expenses/receipts total \$417.7 million. The resulting Net Cash Deficit is projected to be \$1,470.2 million in 2021.

The Non-Reimbursable expense budget, before non-cash liability adjustments, of \$1,888.9 million is comprised of \$1,396.3 million in labor expenses (payroll and benefits), which represent 73.9% of total expenses. The balance of the expenses is non-payroll and are related to the operation and maintenance of the fleet and infrastructure, with expenses allocated for electric power and fuel of \$104.4 million, materials & supplies of \$188.2 million, professional and maintenance services contracts of \$153.8 million, and all other costs of \$46.2 million.

Total Non-Reimbursable headcount is 7,039 positions. Total Reimbursable headcount is 1,113 positions. The Total Non-Reimbursable/Reimbursable headcount is 8,152, of which 91.1 percent are in the operating departments.

Budget Reduction Initiatives

Additional Savings Actions, which include reduced reliance on outside consultants and contractors, reduced non-service-related expenses, and reduced overtime are captured and presented as part of MTA Consolidated materials; savings will be reflected in Agency financials in the February Plan.

Impact on Funding

The 2020 November Forecast, 2021 Final Proposed Budget and the Four-Year Financial Plan 2021 – 2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan for 2021 – 2024 for the MTA Long Island Rail Road.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$768,739	\$278,435	\$407,179	\$652,787	\$801,037	\$815,974
Other Operating Revenue	40,504	540,409	31,218	34,458	36,820	42,384
Capital and Other Reimbursements	0,000	0,000	0,000	0,000	0,000	0,000
Total Revenues	\$809,243	\$818,844	\$438,397	\$687,245	\$837,857	\$858,358
Operating Expense						
Labor:						
Payroll	\$566,613	\$591,266	\$686,648	\$692,557	\$709,815	\$738,970
Overtime	145,125	137,277	166,172	173,132	175,150	179,974
Health and Welfare	111,012	120,408	143,576	154,437	163,657	173,457
OPEB Current Payments	60,181	67,277	78,255	81,977	86,491	91,273
Pension	137,136	172,901	168,502	175,078	180,778	179,421
Other Fringe Benefits	152,636	144,656	165,681	174,158	179,985	187,447
Reimbursable Overhead	(46,689)	(34,052)	(12,500)	(24,410)	(23,003)	(24,158)
Total Labor Expenses	\$1,126,014	\$1,199,734	\$1,396,333	\$1,426,929	\$1,472,873	\$1,526,384
Non-Labor:						
Electric Power	\$80,528	\$80,592	\$89,123	\$106,187	\$108,858	\$109,417
Fuel	20,162	16,488	15,269	16,131	17,009	17,514
Insurance	20,326	22,075	25,172	28,706	32,917	37,855
Claims	9,995	4,546	4,612	4,682	4,755	4,851
Paratransit Service Contracts	0,000	0,000	0,000	0,000	0,000	0,000
Maintenance and Other Operating Contracts	62,181	71,781	105,223	136,997	125,589	116,669
Professional Services Contracts	31,001	46,712	48,605	45,529	41,753	45,102
Materials and Supplies	147,223	110,614	188,171	219,024	211,370	237,181
Other Business Expenses	16,242	12,286	16,388	20,252	26,355	26,305
Total Non-Labor Expenses	\$387,658	\$365,093	\$492,563	\$577,508	\$568,605	\$594,894
Other Expense Adjustments:						
Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Expenses Before Depreciation and GASB Adjs.	\$1,513,671	\$1,564,828	\$1,888,896	\$2,004,438	\$2,041,479	\$2,121,278
Depreciation	\$379,199	\$414,397	\$416,616	\$420,782	\$424,989	\$429,239
OPEB Liability Adjustment	0,000	0,000	0,000	0,000	0,000	0,000
GASB 75 OPEB Expense Adjustment	108,047	52,144	53,187	54,251	55,336	56,443
GASB 68 Pension Expense Adjustment	(12,034)	28,400	(34,400)	(33,300)	(8,300)	(60,500)
Environmental Remediation	9,955	2,000	2,000	2,000	2,000	2,000
Total Expenses	\$1,998,838	\$2,061,769	\$2,326,299	\$2,448,170	\$2,515,504	\$2,548,459
Net Surplus/(Deficit)	(\$1,189,595)	(\$1,242,925)	(\$1,887,902)	(\$1,760,925)	(\$1,677,646)	(\$1,690,101)
Cash Conversion Adjustments						
Depreciation	\$379,199	\$414,397	\$416,616	\$420,782	\$424,989	\$429,239
Operating/Capital	(17,128)	(7,839)	(26,217)	(15,246)	(13,167)	(12,641)
Other Cash Adjustments	62,487	106,916	27,290	30,866	61,651	5,208
Total Cash Conversion Adjustments	\$424,558	\$513,473	\$417,689	\$436,402	\$473,473	\$421,806
Net Cash Surplus/(Deficit)	(\$765,037)	(\$729,452)	(\$1,470,213)	(\$1,324,523)	(\$1,204,173)	(\$1,268,295)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ In millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	479.120	433.906	387.808	355.078	348.321	354.089
Total Revenues	\$479.120	\$433.906	\$387.808	\$355.078	\$348.321	\$354.089
Operating Expense						
Labor:						
Payroll	\$127.994	\$139.897	\$132.884	\$124.997	\$126.236	\$129.284
Overtime	55.829	62.728	55.502	43.443	38.863	38.080
Health and Welfare	33.820	31.684	31.429	28.371	27.963	28.490
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	47.378	41.599	51.063	46.095	45.433	46.290
Other Fringe Benefits	34.766	33.269	32.138	29.011	28.595	29.134
Reimbursable Overhead	46.689	34.052	12.500	24.410	23.003	24.158
Total Labor Expenses	\$346.475	\$343.228	\$315.516	\$296.327	\$290.092	\$295.437
Non-Labor:						
Electric Power	\$0.619	\$0.264	\$0.268	\$0.268	\$0.268	\$0.268
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	7.549	7.705	7.738	6.953	7.817	8.007
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	30.550	18.793	15.244	13.811	13.827	13.984
Professional Services Contracts	4.593	2.500	0.907	0.696	0.709	0.728
Materials and Supplies	88.147	60.658	47.700	36.630	35.219	35.270
Other Business Expenses	1.187	0.756	0.436	0.393	0.388	0.395
Total Non-Labor Expenses	\$132.644	\$90.678	\$72.292	\$58.750	\$58.228	\$58.653
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$479.120	\$433.906	\$387.808	\$355.078	\$348.321	\$354.089
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$768,739	\$278,435	\$407,179	\$652,787	\$801,037	\$815,974
Other Operating Revenue	40,504	540,409	31,218	34,458	36,820	42,384
Capital and Other Reimbursements	479,120	433,906	387,808	355,078	348,321	354,089
Total Revenues	\$1,288,363	\$1,252,750	\$826,206	\$1,042,323	\$1,186,178	\$1,212,447
Operating Expense						
Labor:						
Payroll	\$694,607	\$731,163	\$819,532	\$817,554	\$836,052	\$868,254
Overtime	200,954	200,005	221,674	216,576	214,013	218,054
Health and Welfare	144,832	152,092	175,005	182,807	191,619	201,948
OPEB Current Payments	60,181	67,277	78,255	81,977	86,491	91,273
Pension	184,513	214,500	219,565	221,173	226,211	225,711
Other Fringe Benefits	187,402	177,925	197,819	203,169	208,579	216,581
Reimbursable Overhead	0,000	0,000	0,000	0,000	0,000	0,000
Total Labor Expenses	\$1,472,489	\$1,542,963	\$1,711,849	\$1,723,256	\$1,762,966	\$1,821,821
Non-Labor:						
Electric Power	\$81,146	\$80,856	\$89,391	\$106,456	\$109,126	\$109,686
Fuel	20,162	16,488	15,269	16,131	17,009	17,514
Insurance	27,875	29,781	32,910	35,659	40,734	45,862
Claims	9,995	4,546	4,612	4,682	4,755	4,851
Paratransit Service Contracts	0,000	0,000	0,000	0,000	0,000	0,000
Maintenance and Other Operating Contracts	92,730	90,574	120,467	150,808	139,416	130,653
Professional Services Contracts	35,594	49,212	49,512	46,225	42,462	45,830
Materials and Supplies	235,369	171,272	235,871	255,654	246,589	272,451
Other Business Expenses	17,429	13,043	16,823	20,645	26,743	26,700
Total Non-Labor Expenses	\$520,302	\$455,771	\$564,855	\$636,259	\$626,834	\$653,547
Other Expense Adjustments:						
Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Other Expense Adjustments	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000
Total Expenses Before Depreciation and GASB Adjs.	\$1,992,791	\$1,998,734	\$2,276,704	\$2,359,515	\$2,389,799	\$2,475,368
Depreciation	\$379,199	\$414,397	\$416,616	\$420,782	\$424,989	\$429,239
OPEB Liability Adjustment	0,000	0,000	0,000	0,000	0,000	0,000
GASB 75 OPEB Expense Adjustment	108,047	52,144	53,187	54,251	55,336	56,443
GASB 68 Pension Expense Adjustment	(12,034)	28,400	(34,400)	(33,300)	(8,300)	(60,500)
Environmental Remediation	9,955	2,000	2,000	2,000	2,000	2,000
Total Expenses	\$2,477,958	\$2,495,675	\$2,714,108	\$2,803,248	\$2,863,824	\$2,902,549
Net Surplus/(Deficit)	(\$1,189,595)	(\$1,242,925)	(\$1,887,902)	(\$1,760,925)	(\$1,677,646)	(\$1,690,101)
Cash Conversion Adjustments						
Depreciation	\$379,199	\$414,397	\$416,616	\$420,782	\$424,989	\$429,239
Operating/Capital	(17,128)	(7,839)	(26,217)	(15,246)	(13,167)	(12,641)
Other Cash Adjustments	62,487	106,916	27,290	30,866	61,651	5,208
Total Cash Conversion Adjustments	\$424,558	\$513,473	\$417,689	\$436,402	\$473,473	\$421,806
Net Cash Surplus/(Deficit)	(\$765,037)	(\$729,452)	(\$1,470,213)	(\$1,324,523)	(\$1,204,173)	(\$1,268,295)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$786.627	\$281.910	\$415.341	\$665.745	\$816.757	\$831.724
Other Operating Revenue	32.352	533.068	18.801	21.734	23.795	23.895
Capital and Other Reimbursements	417.749	449.587	361.125	339.358	334.670	340.952
Total Receipts	\$1,236.727	\$1,264.545	\$795.267	\$1,026.837	\$1,175.222	\$1,196.571
Expenditures						
Labor:						
Payroll	\$680.810	\$726.178	\$809.918	\$807.718	\$825.986	\$857.954
Overtime	194.785	202.680	221.674	216.576	214.013	218.054
Health and Welfare	140.608	137.699	175.005	182.807	191.619	201.948
OPEB Current Payments	60.188	63.053	78.255	81.977	86.491	91.273
Pension	180.532	212.716	219.565	221.173	226.211	225.711
Other Fringe Benefits	172.406	182.004	196.819	202.169	207.579	215.581
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,429.328	\$1,524.330	\$1,701.236	\$1,712.420	\$1,751.899	\$1,810.521
Non-Labor:						
Electric Power	\$77.699	\$84.289	\$89.391	\$106.456	\$109.126	\$109.686
Fuel	19.469	17.163	15.269	16.131	17.009	17.514
Insurance	31.133	25.652	32.686	36.257	40.341	45.430
Claims	5.044	1.822	1.837	1.852	1.867	1.888
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	115.731	94.369	120.467	150.808	139.416	130.653
Professional Services Contracts	41.907	40.979	35.862	31.892	27.413	30.029
Materials and Supplies	243.469	184.082	241.111	259.311	247.161	273.935
Other Business Expenses	21.995	15.708	19.460	23.275	29.443	29.460
Total Non-Labor Expenditures	\$556.447	\$464.064	\$556.083	\$625.982	\$611.776	\$638.595
Other Expenditure Adjustments:						
Other	\$15.902	\$5.603	\$8.161	\$12.958	\$15.720	\$15.750
Total Other Expense Adjustments	\$15.902	\$5.603	\$8.161	\$12.958	\$15.720	\$15.750
Total Expenditures	\$2,001.677	\$1,993.997	\$2,265.480	\$2,351.360	\$2,379.395	\$2,464.866
Net Cash Balance	(\$764.949)	(\$729.452)	(\$1,470.213)	(\$1,324.523)	(\$1,204.173)	(\$1,268.295)
Cash Timing and Availability Adjustment	(0.088)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Net Cash Balance after Cash Timing & Availability Adj	(\$765.037)	(\$729.452)	(\$1,470.213)	(\$1,324.523)	(\$1,204.173)	(\$1,268.295)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$17,888	\$3,475	\$8,162	\$12,958	\$15,720	\$15,750
Other Operating Revenue	(8,152)	(7,341)	(12,417)	(12,724)	(13,025)	(18,489)
Capital and Other Reimbursements	(61,371)	15,661	(26,683)	(15,720)	(13,651)	(13,137)
Total Receipts	(\$51,635)	\$11,795	(\$30,939)	(\$15,486)	(\$10,956)	(\$15,876)
Expenditures						
Labor:						
Payroll	\$13,796	\$4,985	\$9,614	\$9,836	\$10,066	\$10,300
Overtime	6,169	(2,675)	0,000	0,000	0,000	0,000
Health and Welfare	4,224	14,393	0,000	0,000	0,000	0,000
OPEB Current Payments	(0,007)	4,224	0,000	0,000	0,000	0,000
Pension	3,982	1,784	0,000	0,000	0,000	0,000
Other Fringe Benefits	14,996	(4,079)	1,000	1,000	1,000	1,000
Contribution to GASB Fund	0,000	0,000	0,000	0,000	0,000	0,000
Reimbursable Overhead	0,000	0,000	0,000	0,000	0,000	0,000
Total Labor Expenditures	\$43,161	\$18,633	\$10,613	\$10,836	\$11,067	\$11,300
Non-Labor:						
Electric Power	\$3,448	(\$3,433)	0,000	\$0,000	\$0,000	\$0,000
Fuel	0,693	(0,675)	0,000	0,000	0,000	0,000
Insurance	(3,258)	4,129	0,224	(0,598)	0,393	0,432
Claims	4,951	2,724	2,775	2,830	2,888	2,963
Paratransit Service Contracts	0,000	0,000	0,000	0,000	0,000	0,000
Maintenance and Other Operating Contracts	(23,000)	(3,795)	0,000	0,000	0,000	0,000
Professional Services Contracts	(6,313)	8,233	13,650	14,333	15,049	15,801
Materials and Supplies	(8,100)	(12,810)	(5,240)	(3,657)	(0,572)	(1,484)
Other Business Expenses	(4,566)	(2,665)	(2,637)	(2,630)	(2,700)	(2,760)
Total Non-Labor Expenditures	(\$36,145)	(\$8,293)	\$8,772	\$10,277	\$15,058	\$14,952
Other Expenditure Adjustments:						
Other Expense Adjustments	(\$15,902)	(\$5,603)	(\$8,161)	(\$12,958)	(\$15,720)	(\$15,750)
Total Other Expenditure Adjustments	(\$15,902)	(\$5,603)	(\$8,161)	(\$12,958)	(\$15,720)	(\$15,750)
Total Expenditures	(\$8,886)	\$4,737	\$11,224	\$8,155	\$10,404	\$10,502
Total Cash Conversion Adjustments before Depreciation	(\$60,521)	\$16,532	(\$19,714)	(\$7,331)	(\$0,552)	(\$5,375)
Depreciation	\$379,199	\$414,397	\$416,616	\$420,782	\$424,989	\$429,239
OPEB Liability Adjustment	0,000	0,000	0,000	0,000	0,000	0,000
GASB 75 OPEB Expense Adjustment	108,047	52,144	53,187	54,251	55,336	56,443
GASB 68 Pension Expense Adjustment	(12,034)	28,400	(34,400)	(33,300)	(8,300)	(60,500)
Environmental Remediation	9,955	2,000	2,000	2,000	2,000	2,000
Cash Timing and Availability Adjustment	(0,088)	0,000	0,000	0,000	0,000	0,000
Total Cash Conversion Adjustments	\$424,558	\$513,473	\$417,689	\$436,402	\$473,473	\$421,806

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021 - 2024
Ridership (Utilization) and Revenue
(in millions)

	Actual	November	Final			
	2019	Forecast	Proposed	2022	2023	2024
		2020	Budget			
			2021			

RIDERSHIP

Monthly Ridership	48.079	15.382	24.898	40.394	50.273	52.587
Weekly Ridership	2.502	0.869	1.295	2.042	2.466	2.471
Total Commutation	50.581	16.251	26.192	42.436	52.740	55.057
One-way Full Fare	10.183	3.335	5.261	8.375	10.137	10.146
One-way Off-Peak	18.996	6.922	10.129	16.085	19.438	19.456
All Other	11.345	4.229	6.129	9.818	11.892	11.903
Total Non-Commutation	40.524	14.486	21.520	34.279	41.467	41.505
Total Ridership	91.105	30.738	47.712	76.714	94.207	96.562

FAREBOX REVENUE

Baseline Total Farebox Revenue	\$768.739	\$278.435	\$407.179	\$652.787	\$801.037	\$815.974
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MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021-2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2019 Actual	2020 November Forecast	2021 Final Proposed Budget	2022	2023	2024
Administration						
Executive VP	1	1	1	1	1	1
Enterprise Asset Management	6	7	7	7	7	7
Sr Vice President - Engineering	1	2	2	2	8	8
Labor Relations	16	17	17	17	17	17
Procurement & Logistics (excl. Stores)	63	72	69	67	65	65
Human Resources	34	37	37	37	37	37
Sr VP Administration	2	2	2	2	2	2
Strategic Investments	13	14	14	14	14	14
President	7	8	8	8	8	8
VP & CFO	2	2	2	2	2	2
Information Technology	0	0	0	0	0	0
Controller	46	44	45	45	45	45
Management and Budget	14	17	17	17	17	17
BPM, Controls, & Compliance	4	4	4	4	4	4
Market Dev. & Public Affairs	68	70	70	70	70	70
Gen. Counsel & Secretary	28	30	31	31	31	31
Diversity Management	3	3	3	3	3	3
Security	10	15	15	15	15	15
System Safety	35	46	46	46	42	42
Training	66	69	68	68	68	68
Service Planning	27	30	28	28	22	22
Rolling Stock Programs	9	17	17	17	17	17
Sr Vice President - Operations	2	2	2	2	2	2
Total Administration	457	509	505	503	497	497
Operations						
Train Operations	2,330	2,385	2,453	2,429	2,371	2,371
Customer Service	308	330	480	480	480	480
Total Operations	2,638	2,715	2,933	2,909	2,851	2,851
Maintenance						
Engineering	1,997	2,058	2,088	2,055	2,141	2,141
Equipment	2,109	2,092	2,314	2,362	2,425	2,543
Procurement (Stores)	96	95	95	111	111	111
Total Maintenance	4,202	4,245	4,497	4,528	4,677	4,795
Engineering/Capital						
Department of Program Management	125	152	152	151	150	150
Special Projects	53	63	62	62	50	50
Positive Train Control	12	14	3	3	3	3
Total Engineering/Capital	190	229	217	216	203	203
Total Baseline Positions	7,487	7,698	8,152	8,156	8,228	8,346
<i>Non-Reimbursable</i>	6,499	6,460	7,039	7,212	7,269	7,387
<i>Reimbursable</i>	988	1,239	1,113	944	959	959
<i>Total Full-Time</i>	7,487	7,698	8,152	8,156	8,228	8,346
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	243	271	271	271	268	268
Professional/Technical/Clerical	109	134	130	112	109	109
Operational Hourlies	105	104	104	120	120	120
Total Administration Headcount	457	509	505	503	497	497
Operations						
Managers/Supervisors	307	330	364	352	349	349
Professional/Technical/Clerical	98	108	123	123	123	123
Operational Hourlies	2,233	2,277	2,446	2,434	2,379	2,379
Total Operations Headcount	2,638	2,715	2,933	2,909	2,851	2,851
Maintenance						
Managers/Supervisors	776	898	956	854	869	886
Professional/Technical/Clerical	236	280	307	320	338	338
Operational Hourlies	3,190	3,067	3,234	3,355	3,470	3,571
Total Maintenance Headcount	4,202	4,245	4,497	4,528	4,677	4,795
Engineering / Capital						
Managers/Supervisors	141	161	154	153	140	140
Professional/Technical/Clerical	49	68	63	63	63	63
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	190	229	217	216	203	203
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	1,467	1,660	1,745	1,630	1,626	1,643
Professional/Technical/ Clerical	492	590	623	618	633	633
Operational Hourlies	5,528	5,448	5,784	5,909	5,969	6,070
Total Positions	7,487	7,698	8,152	8,156	8,228	8,346

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Metro-North Railroad



Staff Summary

Subject MNR 2021 Budget and 2021-2024 Financial Plan Adoption	Date December 4, 2020
Department Budget	Vendor Name
Department Head Name Steven Weiss	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager Name	Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR&LIRR Comm. Mtg.	12/16/2020			
2	MTA Fin. Comm.	12/16/2020			
3	MTA Board Mtg.	12/16/2020			

Internal Approvals			
Order	Approval	Order	Approval
3	President	1	Budget
	VP Operations		VP Capital Programs
2	VP Finance		Engr/Const
	Controller		Project Reporting

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	VP Planning & Development		Corporate & Public Affairs		Labor Relations		General Counsel
	Press		VP Human Resources		Human Resources		Other

Purpose

To secure MTA Board adoption of the MTA Metro-North Railroad's (MNR) 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion:

The 2021 Final Proposed Budget, which is consistent with information presented to the Board in November, maintains funding of key initiatives which directly improve the reliability and safe delivery of service, enhance the customer experience and ensure regulatory compliance. Metro-North projections do not include the estimated impacts from projected fare increases in New York State and MTA policy actions. These impacts will be presented as part of MTA consolidated materials.

Our Strategic Plan: Our Railroad, Our Vision, Our Future

In June of 2016, we launched a new five-year Metro-North Strategic Plan. Our mission is to be a safe, reliable and efficient railroad providing regional mobility and excellent service to our customers.

Through the three priorities of Our Customers, Our Infrastructure and Our People, an engaged workforce will continue to progress Metro-North Railroad towards fulfilling Our Mission.

- *Our Customers – Consistently meet customer expectations by ensuring safe, reliable, accessible and comfortable service, and by providing timely, accurate and open communication.*
- *Our Infrastructure – Ensure that all assets are in a state of good repair.*
- *Our People – Be an engaged, accountable and high performing workforce.*

The November Financial Plan focuses on resources to continue the support of Metro-North's Strategic Plan. October 2018 saw the launch of Metro-North's "Way Ahead" Program, which lays out how Metro-North will continue to set the standard for safety, reliability and innovation in delivering excellent customer service.

The COVID-19 pandemic and the subsequent slowdown in the economy resulted in a severe decline in the utilization of Metro-North's transportation services and increases in expenses for cleaning and employee protection,

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

severely impacting MNR's funding envelope unlike anything previously experienced. As a result of the significant decrease in ridership, MNR implemented a reduced service schedule which allowed us to continue to provide much needed service to our first responders and health care professionals while "rightsizing" service levels.

Since the outbreak of COVID-19, Metro-North Railroad has worked tirelessly to promote and provide a clean and healthy environment for our employees, customers and contractors. Metro-North routinely sanitizes and disinfects trains, stations and common spaces throughout the territory to prevent the spread and transmission of the virus.

Despite the COVID-19 pandemic, over the past year, Metro-North has continued to realize key aspects of its vision. Significant accomplishments include installation of on-board cameras and video recording equipment in 100% of Metro-North passenger trains and locomotives, remaining on track to meet the federal mandate for the installation of Positive Train Control (PTC), and receiving a new Track Geometry Inspection Vehicle planned for service in the spring of 2021. And with COVID-related schedule reductions, we have been able to maintain our focus on our SMARTRACK program enabling crews to continue the completion of critical infrastructure work by strategically shutting down continuous segments of the track with minimal to no impact on service delivery.

New investments that are included in the November Financial Plan focus on ensuring resources to maintain Positive Train Control, provide right-of-way infrastructure enhancements to ensure safe operations, and implement a system to provide real time customer communication on seating availability via TrainTime™ app or on the Digital Customer Information Screens.

Additional Savings Actions

Metro-North has identified and begun implementing a program of significant Additional Savings Actions, which include reduced reliance on outside consultants and contractors, reduced non-service-related expenses, and reduced Overtime. These reductions provide savings throughout the Plan period and are captured and presented as part of MTA Consolidated materials; savings will be reflected in Agency financials in the February Plan.

2020 November Forecast-Baseline

The 2020 Non-Reimbursable forecast reflects revenues totaling \$622.9 million, including \$262.8 million of Farebox Revenues and \$360.1 million in Other Operating Revenue. Total Operating Expense projections of \$1,655.3 million consist of labor costs of \$978.5 million, non-labor costs of \$360.8 million and non-cash liability adjustments of \$316.0 million. After including cash adjustments of \$244.2 million, the projected net cash deficit is \$788.2 million, of which \$497.3 million represents the MTA share and \$291.0 million the CDOT share. Total Reimbursable expense projections of \$336.8 million are fully offset by capital reimbursements. Total end-of-year authorized positions are projected at 7,139 and include 6,521 Non-Reimbursable positions and 618 Reimbursable positions.

2021 Final Proposed Budget-Baseline

The 2021 Final Proposed Non-Reimbursable budget reflects revenues totaling \$450.7 million. Farebox Revenue of \$405.5 million reflects ridership growth based on McKinsey's analysis, which projects a gradual return to pre-pandemic levels by 2023. Other Operating Revenue of \$45.3 million reflects GCT net retail revenues, advertising, and outlying station & parking revenue. Total Operating Expense projections of \$1,727.6 million consist of labor costs of \$999.2 million, non-labor costs of \$406.0 million and non-cash liability adjustments of \$322.4 million. After including cash adjustments of \$237.6 million, the projected net cash deficit is \$1,039.2 million, of which \$774.9 million represents the MTA share and \$264.3 million the CDOT share. Total Reimbursable expense projections of \$302.4 million are fully offset by capital reimbursements. Total end-of-year authorized positions are projected at 7,362 and include 6,666 Non-Reimbursable positions and 696 Reimbursable positions.

Impact on Funding: The 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan for 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation: It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024 for MTA Metro-North Railroad.

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$756.680	\$262.801	\$405.474	\$643.688	\$783.671	\$789.475
Other Operating Revenue	57.200	360.063	45.259	61.942	65.817	74.649
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$813.879	\$622.864	\$450.733	\$705.630	\$849.487	\$864.124
Operating Expense						
<u>Labor:</u>						
Payroll	\$536.089	\$540.858	\$563.181	\$585.836	\$598.740	\$613.603
Overtime	99.482	93.319	97.157	100.225	102.305	104.471
Health and Welfare	109.252	114.180	119.921	125.228	127.825	131.955
OPEB Current Payments	38.132	40.000	37.000	38.000	39.000	39.000
Pension	110.010	129.849	123.068	122.597	123.509	121.853
Other Fringe Benefits	126.786	126.675	131.940	136.668	139.395	142.503
Reimbursable Overhead	(77.956)	(66.414)	(73.098)	(65.909)	(64.987)	(67.016)
Total Labor Expenses	\$941.796	\$978.467	\$999.169	\$1,042.645	\$1,065.787	\$1,086.371
<u>Non-Labor:</u>						
Electric Power	\$70.393	\$51.257	\$71.026	\$67.893	\$68.426	\$68.754
Fuel	19.266	10.664	20.234	20.381	20.105	19.838
Insurance	16.410	17.248	20.716	23.384	27.039	31.644
Claims	2.603	1.000	1.000	1.000	1.000	1.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	113.545	117.133	121.938	123.314	126.321	128.292
Professional Services Contracts	41.245	41.916	46.789	43.699	41.830	43.313
Materials and Supplies	107.389	102.422	105.393	109.710	106.423	103.897
Other Business Expenses	26.569	19.126	18.872	23.062	26.449	26.818
Total Non-Labor Expenses	\$397.421	\$360.765	\$405.970	\$412.444	\$417.593	\$423.556
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$1,339.216	\$1,339.232	\$1,405.139	\$1,455.089	\$1,483.380	\$1,509.927
Depreciation	\$241.596	\$246.507	\$246.507	\$246.507	\$246.507	\$246.507
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	112.232	69.446	69.657	62.653	62.050	64.850
GASB 68 Pension Expense Adjustment	(3.699)	(3.930)	2.270	2.200	17.510	(13.000)
Environmental Remediation	3.050	4.000	4.000	4.000	4.000	4.000
Total Expenses	\$1,692.395	\$1,655.254	\$1,727.573	\$1,770.448	\$1,813.446	\$1,812.283
Net Surplus/(Deficit)	(\$878.516)	(\$1,032.390)	(\$1,276.839)	(\$1,064.819)	(\$963.959)	(\$948.159)
Cash Conversion Adjustments						
Depreciation	\$241.596	\$246.507	\$246.507	\$246.507	\$246.507	\$246.507
Operating/Capital	(66.275)	(37.145)	(76.771)	(29.663)	(13.629)	(23.405)
Other Cash Adjustments	85.870	34.788	67.892	56.386	71.949	45.695
Total Cash Conversion Adjustments	\$261.191	\$244.150	\$237.628	\$273.230	\$304.827	\$268.797
Net Cash Surplus/(Deficit)	(\$617.325)	(\$788.240)	(\$1,039.211)	(\$791.589)	(\$659.132)	(\$679.362)

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<i>MNR - MTA</i>	<i>142.322</i>	<i>127.035</i>	<i>138.003</i>	<i>131.566</i>	<i>135.199</i>	<i>135.907</i>
<i>MNR - CDOT</i>	<i>110.812</i>	<i>167.675</i>	<i>150.791</i>	<i>89.006</i>	<i>91.557</i>	<i>97.660</i>
<i>MNR - Other</i>	<i>27.308</i>	<i>42.051</i>	<i>13.569</i>	<i>17.045</i>	<i>13.311</i>	<i>14.342</i>
Capital and Other Reimbursements	280.442	336.760	302.363	237.617	240.067	247.909
Total Revenues	\$280.442	\$336.760	\$302.363	\$237.617	\$240.067	\$247.909
Operating Expense						
Labor:						
Payroll	\$52.604	\$48.259	\$53.565	\$55.187	\$56.995	\$58.745
Overtime	30.415	24.726	29.757	32.492	34.106	35.838
Health and Welfare	17.811	16.193	18.600	19.466	20.181	20.928
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	13.103	12.449	14.709	15.401	15.982	16.560
Other Fringe Benefits	14.226	12.241	13.990	14.647	15.194	15.754
Reimbursable Overhead	73.566	64.626	70.720	65.342	64.405	66.480
Total Labor Expenses	\$201.726	\$178.494	\$201.342	\$202.535	\$206.862	\$214.306
Non-Labor:						
Electric Power	\$0.338	(\$0.097)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.001	0.000	0.000	0.000	0.000	0.000
Insurance	3.220	1.071	0.000	0.000	0.000	0.000
Claims	0.005	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	30.171	41.747	10.059	14.218	14.680	14.574
Professional Services Contracts	22.365	61.072	31.174	4.041	4.140	4.242
Materials and Supplies	22.270	54.221	59.397	16.822	14.385	14.786
Other Business Expenses	0.347	0.252	0.391	0.000	0.000	0.000
Total Non-Labor Expenses	\$78.717	\$158.266	\$101.021	\$35.082	\$33.205	\$33.603
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$280.442	\$336.760	\$302.363	\$237.617	\$240.067	\$247.909
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$756.680	\$262.801	\$405.474	\$643.688	\$783.671	\$789.475
Other Operating Revenue	57.200	360.063	45.259	61.942	65.817	74.649
MNR - MTA	142.322	127.035	138.003	131.566	135.199	135.907
MNR - CDOT	110.812	167.675	150.791	89.006	91.557	97.660
MNR - Other	<u>27.308</u>	<u>42.051</u>	<u>13.569</u>	<u>17.045</u>	<u>13.311</u>	<u>14.342</u>
Capital and Other Reimbursements	280.442	336.760	302.363	237.617	240.067	247.909
Total Revenues	\$1,094.322	\$959.624	\$753.097	\$943.247	\$1,089.555	\$1,112.033
Operating Expense						
<u>Labor:</u>						
Payroll	\$588.693	\$589.117	\$616.746	\$641.023	\$655.735	\$672.348
Overtime	129.897	118.045	126.914	132.718	136.411	140.309
Health and Welfare	127.063	130.373	138.521	144.694	148.006	152.884
OPEB Current Payments	38.132	40.000	37.000	38.000	39.000	39.000
Pension	123.114	142.298	137.777	137.997	139.491	138.414
Other Fringe Benefits	141.013	138.916	145.930	151.315	154.590	158.258
Reimbursable Overhead	(4.390)	(1.788)	(2.378)	(0.567)	(0.583)	(0.535)
Total Labor Expenses	\$1,143.521	\$1,156.961	\$1,200.511	\$1,245.180	\$1,272.650	\$1,300.677
<u>Non-Labor:</u>						
Electric Power	\$70.731	\$51.160	\$71.026	\$67.893	\$68.426	\$68.754
Fuel	19.267	10.664	20.234	20.381	20.105	19.838
Insurance	19.630	18.319	20.716	23.384	27.039	31.644
Claims	2.608	1.000	1.000	1.000	1.000	1.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	143.716	158.880	131.997	137.532	141.001	142.866
Professional Services Contracts	63.610	102.988	77.963	47.741	45.970	47.555
Materials and Supplies	129.659	156.643	164.790	126.532	120.808	118.684
Other Business Expenses	26.916	19.378	19.264	23.062	26.449	26.818
Total Non-Labor Expenses	\$476.137	\$519.031	\$506.991	\$447.525	\$450.798	\$457.159
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$1,619.658	\$1,675.992	\$1,707.502	\$1,692.705	\$1,723.447	\$1,757.836
Depreciation	\$241.596	\$246.507	\$246.507	\$246.507	\$246.507	\$246.507
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	112.232	69.446	69.657	62.653	62.050	64.850
GASB 68 Pension Expense Adjustment	(3.699)	(3.930)	2.270	2.200	17.510	(13.000)
Environmental Remediation	3.050	4.000	4.000	4.000	4.000	4.000
Total Expenses	\$1,972.837	\$1,992.015	\$2,029.936	\$2,008.065	\$2,053.513	\$2,060.192
Net Surplus/(Deficit)	(\$878.516)	(\$1,032.390)	(\$1,276.839)	(\$1,064.819)	(\$963.959)	(\$948.159)
Cash Conversion Adjustments						
Depreciation	\$241.596	\$246.507	\$246.507	\$246.507	\$246.507	\$246.507
Operating/Capital	(66.275)	(37.145)	(76.771)	(29.663)	(13.629)	(23.405)
Other Cash Adjustments	85.870	34.788	67.892	56.386	71.949	45.695
Total Cash Conversion Adjustments	\$261.191	\$244.150	\$237.628	\$273.230	\$304.827	\$268.797
Net Cash Surplus/(Deficit)	(\$617.325)	(\$788.240)	(\$1,039.211)	(\$791.589)	(\$659.132)	(\$679.362)

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$743.736	\$256.599	\$395.990	\$626.822	\$766.469	\$772.004
Other Operating Revenue	107.667	385.038	79.832	88.975	93.475	97.581
MNR - MTA	163.462	130.853	142.040	130.401	134.963	135.330
MNR - CDOT	102.833	167.675	150.791	89.006	91.557	97.660
MNR - Other	<u>30.741</u>	<u>42.051</u>	<u>13.569</u>	<u>17.045</u>	<u>13.311</u>	<u>14.342</u>
Capital and Other Reimbursements	297.036	340.579	306.400	236.452	239.831	247.332
Total Receipts	\$1,148.439	\$982.216	\$782.221	\$952.249	\$1,099.775	\$1,116.917
Expenditures						
Labor:						
Payroll	\$592.343	\$599.591	\$620.216	\$637.675	\$651.813	\$662.907
Overtime	129.609	121.314	128.986	132.147	136.631	139.312
Health and Welfare	145.031	142.374	150.692	156.718	160.258	165.411
OPEB Current Payments	38.382	40.000	37.000	38.000	39.000	39.000
Pension	126.554	142.354	137.833	137.694	139.175	138.076
Other Fringe Benefits	144.228	137.519	142.914	146.741	150.112	152.448
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,176.147	\$1,183.152	\$1,217.640	\$1,248.975	\$1,276.989	\$1,297.154
Non-Labor:						
Electric Power	\$76.454	\$53.041	\$72.952	\$69.864	\$70.444	\$70.820
Fuel	18.221	10.164	19.725	19.861	19.575	19.298
Insurance	20.609	20.223	21.397	25.382	28.333	33.259
Claims	24.849	1.146	3.266	1.146	1.146	1.146
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	178.554	182.556	170.995	158.043	145.713	147.498
Professional Services Contracts	80.861	101.484	90.138	47.763	45.993	47.578
Materials and Supplies	152.582	162.681	178.694	130.226	124.214	119.535
Other Business Expenses	37.487	56.010	46.625	42.579	46.499	59.992
Total Non-Labor Expenditures	\$589.617	\$587.304	\$603.792	\$494.863	\$481.918	\$499.125
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$1,765.764	\$1,770.456	\$1,821.433	\$1,743.839	\$1,758.907	\$1,796.279
Net Cash Balance	(\$617.325)	(\$788.240)	(\$1,039.211)	(\$791.589)	(\$659.132)	(\$679.362)
Subsidies						
MTA	\$413.967	\$497.253	\$774.889	\$589.713	\$492.421	\$510.722
CDOT	<u>145.782</u>	<u>290.988</u>	<u>264.322</u>	<u>201.876</u>	<u>166.711</u>	<u>168.641</u>
Total Subsidies	\$559.749	\$788.240	\$1,039.211	\$791.589	\$659.132	\$679.362

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$12.944)	(\$6.202)	(\$9.484)	(\$16.866)	(\$17.202)	(\$17.471)
Other Operating Revenue	50.467	24.975	34.572	27.033	27.658	22.932
<i>MNR - MTA</i>	<i>21.140</i>	<i>3.818</i>	<i>4.037</i>	<i>(1.164)</i>	<i>(0.236)</i>	<i>(0.578)</i>
<i>MNR - CDOT</i>	<i>(7.979)</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
<i>MNR - Other</i>	<i>3.433</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
Total Capital and Other Reimbursements	\$16.594	\$3.818	\$4.037	(\$1.164)	(\$0.236)	(\$0.578)
Total Receipts	\$54.117	\$22.591	\$29.125	\$9.003	\$10.220	\$4.884
Expenditures						
<u>Labor:</u>						
Payroll	(\$3.650)	(\$10.474)	(\$3.470)	\$3.348	\$3.921	\$9.441
Overtime	0.288	(3.269)	(2.072)	0.570	(0.219)	0.997
Health and Welfare	(17.968)	(12.001)	(12.171)	(12.024)	(12.251)	(12.527)
OPEB Current Payments	(0.250)	0.000	0.000	0.000	0.000	0.000
Pension	(3.440)	(0.055)	(0.055)	0.303	0.316	0.338
Other Fringe Benefits	(3.215)	1.396	3.016	4.575	4.477	5.810
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(4.390)	(1.788)	(2.378)	(0.567)	(0.583)	(0.535)
Total Labor Expenditures	(\$32.626)	(\$26.190)	(\$17.129)	(\$3.795)	(\$4.339)	\$3.523
<u>Non-Labor:</u>						
Electric Power	(\$5.723)	(\$1.881)	(1.926)	(\$1.971)	(\$2.018)	(\$2.066)
Fuel	1.046	0.499	0.509	0.520	0.530	0.541
Insurance	(0.979)	(1.903)	(0.681)	(1.998)	(1.295)	(1.615)
Claims	(22.241)	(0.146)	(2.266)	(0.146)	(0.146)	(0.146)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(34.838)	(23.676)	(38.998)	(20.511)	(4.713)	(4.632)
Professional Services Contracts	(17.251)	1.504	(12.175)	(0.022)	(0.023)	(0.023)
Materials and Supplies	(22.923)	(6.038)	(13.904)	(3.693)	(3.406)	(0.852)
Other Business Expenses	(10.571)	(36.633)	(27.361)	(19.517)	(20.050)	(33.173)
Total Non-Labor Expenditures	(\$113.480)	(\$68.273)	(\$96.801)	(\$47.338)	(\$31.120)	(\$41.966)
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	(\$146.106)	(\$94.464)	(\$113.931)	(\$51.133)	(\$35.459)	(\$38.443)
Total Cash Conversion Adjustments before Depreciation	(\$91.988)	(\$71.872)	(\$84.806)	(\$42.130)	(\$25.240)	(\$33.559)
Depreciation	\$241.596	\$246.507	\$246.507	\$246.507	\$246.507	\$246.507
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	112.232	69.446	69.657	62.653	62.050	64.850
GASB 68 Pension Expense Adjustment	(3.699)	(3.930)	2.270	2.200	17.510	(13.000)
Environmental Remediation	3.050	4.000	4.000	4.000	4.000	4.000
Total Cash Conversion Adjustments	\$261.191	\$244.150	\$237.628	\$273.230	\$304.827	\$268.797

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Ridership (Utilization) and Revenue
(in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
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RIDERSHIP

<i>Harlem Line Ridership - Commutation</i>	16.462	5.287	8.773	13.912	16.917	17.040
<i>Harlem Line Ridership - Non-Commutation</i>	<u>10.905</u>	<u>3.957</u>	<u>5.811</u>	<u>9.215</u>	<u>11.206</u>	<u>11.287</u>
Total Harlem Line	27.367	9.244	14.584	23.127	28.123	28.328
<i>Hudson Line Ridership - Commutation</i>	9.442	3.001	4.988	7.924	9.648	9.739
<i>Hudson Line Ridership - Non-Commutation</i>	<u>7.937</u>	<u>2.768</u>	<u>4.193</u>	<u>6.661</u>	<u>8.110</u>	<u>8.187</u>
Total Hudson Line	17.379	5.768	9.181	14.585	17.758	17.926
<i>New Haven Line Ridership - Commutation</i>	21.805	6.795	11.466	18.156	22.087	22.282
<i>New Haven Line Ridership - Non-Commutation</i>	<u>18.430</u>	<u>6.264</u>	<u>9.691</u>	<u>15.346</u>	<u>18.668</u>	<u>18.833</u>
Total New Haven Line	40.235	13.058	21.157	33.502	40.755	41.115
Total Commutation Ridership	47.709	15.082	25.227	39.992	48.652	49.061
Total Non-Commutation Ridership	<u>37.272</u>	<u>12.989</u>	<u>19.695</u>	<u>31.222</u>	<u>37.984</u>	<u>38.308</u>
Total East of Hudson Ridership	84.980	28.071	44.922	71.214	86.636	87.369
West of Hudson Ridership	1.614	0.607	0.848	1.363	1.669	1.682
Total Ridership	86.594	28.678	45.770	72.576	88.305	89.051

FAREBOX REVENUE

<i>Harlem Line - Commutation Revenue</i>	113.095	42.053	61.058	96.963	117.970	118.639
<i>Harlem Line - Non-Commutation Revenue</i>	<u>103.713</u>	<u>35.345</u>	<u>55.993</u>	<u>88.919</u>	<u>108.183</u>	<u>108.797</u>
Total Harlem Line Revenue	\$216.808	\$77.399	\$117.051	\$185.882	\$226.153	\$227.436
<i>Hudson Line - Commutation Revenue</i>	75.283	28.025	40.398	64.270	78.303	78.971
<i>Hudson Line - Non-Commutation Revenue</i>	<u>92.242</u>	<u>31.471</u>	<u>49.498</u>	<u>78.748</u>	<u>95.942</u>	<u>96.761</u>
Total Hudson Line Revenue	\$167.525	\$59.496	\$89.896	\$143.018	\$174.246	\$175.732
<i>New Haven Line - Commutation Revenue</i>	157.947	56.827	84.255	133.518	162.525	163.814
<i>New Haven Line - Non-Commutation Revenue</i>	<u>199.830</u>	<u>63.627</u>	<u>106.596</u>	<u>168.922</u>	<u>205.622</u>	<u>207.253</u>
Total New Haven Line Revenue	\$357.777	\$120.454	\$190.851	\$302.440	\$368.147	\$371.067
Total Commutation Revenue	\$346.326	\$126.905	\$185.711	\$294.750	\$358.799	\$361.425
Total Non-Commutation Revenue	<u>395.785</u>	<u>130.443</u>	<u>212.087</u>	<u>336.589</u>	<u>409.747</u>	<u>412.810</u>
Total East of Hudson Revenue	\$742.111	\$257.348	\$397.797	\$631.339	\$768.546	\$774.235
West of Hudson Revenue	\$14.569	\$5.452	\$7.677	\$12.349	\$15.125	\$15.240
Total Farebox Revenue	\$756.680	\$262.801	\$405.474	\$643.688	\$783.671	\$789.475

Notes: West of Hudson total ridership is both Pascack Valley and Port Jervis lines.

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2019 Actual	2020 November Forecast	2021 Final Proposed Budget	2022	2023	2024
Administration						
President	3	3	3	3	3	3
Labor Relations	12	12	12	12	12	12
Safety	53	75	85	85	85	85
Security	19	23	23	23	23	23
Office of the Executive VP	7	8	8	8	8	8
Corporate & Public Affairs	15	15	15	15	15	15
Customer Service	56	47	47	47	47	47
Legal	11	9	9	9	9	9
Claims	6	6	6	6	6	6
Environmental Compliance & Svce	0	0	0	0	0	0
VP Human Resources	34	40	40	40	40	40
Training	83	95	95	95	95	95
Employee Relations & Diversity	4	4	4	4	4	4
VP Planning	2	2	2	2	2	2
Operations Planning & Analysis	20	23	23	19	19	19
Capital Planning & Programming	10	10	10	10	10	10
Long Range Planning	5	5	5	4	4	4
VP Finance & Info Systems	0	0	0	0	0	0
Controller	68	67	67	67	67	67
Information Technology & Project Mgmt	0	0	0	0	0	0
Budget	18	17	17	17	17	17
Procurement & Material Management	22	28	28	28	28	28
Total Administration	446	489	499	494	494	494
Operations						
Operations Support	72	77	77	77	77	77
Rolling Stock & EAM	0	29	29	29	29	29
Transportation	1,685	1,686	1,695	1,695	1,695	1,695
Customer Service	367	447	447	447	447	447
Metro-North West	31	44	44	44	44	44
Total Operations	2,155	2,283	2,292	2,292	2,292	2,292
Maintenance						
Maintenance of Equipment	1,608	1,804	1,989	1,989	1,989	1,989
Maintenance of Way	2,113	2,330	2,349	2,334	2,346	2,346
Procurement & Material Management	117	134	134	134	134	134
Total Maintenance	3,837	4,268	4,472	4,457	4,469	4,469
Engineering/Capital						
Construction Management	34	29	29	29	29	29
Engineering & Design	84	70	70	70	70	70
Total Engineering/Capital	118	99	99	99	99	99
Total Positions	6,556	7,139	7,362	7,342	7,354	7,354
<i>Non-Reimbursable</i>	6,079	6,521	6,666	6,655	6,662	6,658
<i>Reimbursable</i>	477	618	696	687	692	696
<i>Total Full-Time</i>	6,556	7,138	7,361	7,341	7,353	7,353
<i>Total Full-Time-Equivalents</i>		1	1	1	1	1

MTA METRO-NORTH RAILROAD
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	153	162	162	160	160	160
Professional/Technical/Clerical	293	327	337	334	334	334
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	446	489	499	494	494	494
Operations						
Managers/Supervisors	248	270	270	270	270	270
Professional/Technical/Clerical	210	245	245	245	245	245
Operational Hourlies	1,696	1,768	1,777	1,777	1,777	1,777
Total Operations Headcount	2,155	2,283	2,292	2,292	2,292	2,292
Maintenance						
Managers/Supervisors	640	695	706	708	708	708
Professional/Technical/Clerical	463	542	579	582	582	582
Operational Hourlies	2,734	3,031	3,187	3,167	3,179	3,179
Total Maintenance Headcount	3,837	4,268	4,472	4,457	4,469	4,469
Engineering / Capital						
Managers/Supervisors	41	46	46	46	46	46
Professional/Technical/Clerical	77	53	53	53	53	53
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	118	99	99	99	99	99
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	1,082	1,173	1,184	1,184	1,184	1,184
Professional/Technical/ Clerical	1,044	1,167	1,214	1,214	1,214	1,214
Operational Hourlies	4,430	4,799	4,964	4,944	4,956	4,956
Total Positions	6,556	7,139	7,362	7,342	7,354	7,354

MTA Headquarters

Staff Summary

<p>Subject MTA HQ 2021 Budget and 2021-2024 Financial Plan Adoption</p> <p>Department Chief Financial Officer <i>[Signature]</i></p> <p>Department Head Name Robert E. Foran, Chief Financial Officer</p> <p>Department Head Signature</p> <p>Project Manager/Division Head <i>[Signature]</i> Andrew A Ritchel</p>	<p>Date December 1, 2020</p> <p>Vendor Name</p> <p>Contract Number</p> <p>Contract Manager Name</p> <p>Table of Contents Ref #</p>
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Board Action						Internal Approvals			
Order	To	Date	Approval	Info	Other	Order	Approval	Order	Approval
1	Board	12/16/20	X			1	Legal <i>[Signature]</i>		

Purpose:

To secure MTA Board adoption of the MTA Headquarters 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion:

The 2021 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to maintain current MTA Headquarters’ operations, which includes Policy and Oversight, Consolidated Functions, the Business Service Center (BSC), and MTA Security and Police. MTA Headquarters supports the significant actions being taken by MTA leadership which focus on responding to and mitigating the spread of COVID-19. Headquarters also supports All-Agency initiatives and is leading the effort of streamlining operations and maximizing efficiencies by providing support for the MTA Transformation and the centralization of certain administrative functions.

In addition to the above, Headquarters continues to support high priority initiatives which began in previous plans and focus on increasing efficiencies, safety, communications, and improving the customer experience:

- LIRR/MNR grade crossing initiatives and other safety management projects;
- Development and roll-out of the One Metro New York (OMNY) fare payment system;
- Upgrade, installation and expansion of attendance and timekeeping systems;
- Increased customer communication initiatives;
- Digital advertising and communications;
- Information Technology (MTA IT) initiatives and upgrades to support business and Agency needs; and
- Central Business District Tolling.

MTA Headquarters has identified and begun implementing a program of significant Additional Savings Actions, which include reduced reliance on outside consultants and contractors, reduced non-service-related expenses, and reduced overtime. These reductions provide savings throughout the Plan period and are captured and presented as part of MTA Consolidated materials; savings will be reflected in Agency financials in the February Plan.

2020 November Forecast – Baseline:

The 2020 November Forecast baseline deficit of \$948.2 million in the November Financial Plan includes non-reimbursable operating revenues of \$60.2 million and expenses before depreciation and other post-employment benefits of \$940.9 million, consisting of \$454.1 million in labor expenses and \$486.8 million in non-labor expenses. End-of-year non-reimbursable positions are projected to be 3,232 positions.

Total reimbursable expenses are projected to be \$171.8 million consisting of labor expenses of \$73.4 million and non-labor expenses of \$98.4 million. End-of-year reimbursable positions are projected to be 97 positions.

Cash adjustments are projected at \$45.9 million with a baseline cash deficit of \$902.3 million. Total end-of-year positions are projected to be 3,329.

2021 Final Proposed Budget – Baseline:

The 2021 Final Proposed Budget baseline deficit of \$1,049.5 million in the November Financial Plan includes non-reimbursable operating revenues of \$64.4 million and expenses before depreciation and non-cash items of \$1,015.6 million, consisting of \$514.0 million in labor expenses and \$501.6 million in non-labor expenses. End-of-year non-reimbursable positions are projected to be 3,305 positions.

Total reimbursable expenses are projected to be \$147.7 million, with reimbursable labor expenses of \$74.6 million and non-labor expenses of \$73.1 million. End-of-year reimbursable positions are projected to be 97 positions.

Cash adjustments are projected at \$259.9 million with a baseline cash deficit of \$789.6 million. Total end-of-year positions are projected to be 3,402.

Impact on Funding:

The 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan for 2021-2024 for MTA Headquarters.

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	46.319	45.573	47.761	50.350	52.787	54.913
Advertising	0.000	0.000	0.000	0.000	0.000	0.000
Other	<u>3.944</u>	<u>14.652</u>	<u>16.678</u>	<u>16.814</u>	<u>16.442</u>	<u>6.462</u>
Other Operating Revenue	50.264	60.225	64.439	67.164	69.230	61.375
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$50.264	\$60.225	\$64.439	\$67.164	\$69.230	\$61.375
Operating Expense						
<u>Labor:</u>						
Payroll	\$276.305	\$289.962	\$328.823	\$342.139	\$355.399	\$368.742
Overtime	25.393	33.713	30.162	21.750	20.823	20.950
Health and Welfare	53.183	60.536	73.130	76.261	79.827	84.922
OPEB Current Payments	17.552	18.911	19.460	20.259	21.089	21.953
Pension	62.928	78.077	86.666	92.223	99.111	103.637
Other Fringe Benefits	27.662	30.687	37.696	38.664	40.256	41.918
Reimbursable Overhead	(40.800)	(57.781)	(61.904)	(62.949)	(63.920)	(65.002)
Total Labor Expenses	\$422.223	\$454.104	\$514.034	\$528.346	\$552.585	\$577.121
<u>Non-Labor:</u>						
Electric Power	\$5.073	\$6.842	\$7.060	\$6.883	\$7.304	\$7.210
Fuel	0.721	0.966	1.284	1.271	1.456	1.437
Insurance	1.856	2.204	2.521	2.933	3.283	3.765
Claims	0.963	2.142	2.356	2.592	2.592	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	85.962	95.981	103.941	90.679	90.677	91.310
Professional Services Contracts	116.270	340.698	358.790	313.238	269.351	264.845
Materials and Supplies	0.535	0.927	0.680	0.688	0.704	0.717
<u>Other Business Expenses</u>						
MTA Internal Subsidy	12.354	12.851	12.851	12.851	12.851	12.851
Other	<u>7.907</u>	<u>24.145</u>	<u>12.081</u>	<u>10.695</u>	<u>10.682</u>	<u>10.808</u>
Other Business Expenses	20.261	36.996	24.932	23.546	23.533	23.659
Total Non-Labor Expenses	\$231.641	\$486.756	\$501.563	\$441.830	\$398.898	\$395.534
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$653.864	\$940.860	\$1,015.597	\$970.176	\$951.483	\$972.655
Depreciation	\$31.225	\$20.690	\$45.532	\$45.526	\$45.526	\$45.526
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	33.765	42.373	52.894	62.781	71.916	74.096
GASB 68 Pension Expense Adjustment	6.097	4.466	(0.113)	6.068	12.019	1.092
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$724.951	\$1,008.389	\$1,113.911	\$1,084.550	\$1,080.944	\$1,093.368
Net Surplus/(Deficit)	(\$674.688)	(\$948.163)	(\$1,049.472)	(\$1,017.386)	(\$1,011.714)	(\$1,031.993)

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	164.045	171.788	147.703	150.489	152.736	153.200
Total Revenues	\$164.045	\$171.788	\$147.703	\$150.489	\$152.736	\$153.200
Operating Expense						
Labor:						
Payroll	\$4.923	\$5.629	\$6.939	\$7.078	\$7.219	\$7.364
Overtime	4.691	7.775	2.727	2.681	2.681	2.681
Health and Welfare	0.780	0.978	1.398	1.462	1.529	1.652
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.628	0.688	0.890	0.924	0.961	0.998
Other Fringe Benefits	0.420	0.498	0.744	0.768	0.791	0.814
Reimbursable Overhead	40.800	57.781	61.904	62.949	63.920	65.002
Total Labor Expenses	\$52.243	\$73.350	\$74.602	\$75.862	\$77.101	\$78.512
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.001	0.001	0.001
Professional Services Contracts	111.711	98.405	73.050	74.574	75.579	74.633
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses						
MTA Internal Subsidy	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.091	0.033	0.050	0.052	0.055	0.055
Other Business Expenses	0.091	0.033	0.050	0.052	0.055	0.055
Total Non-Labor Expenses	\$111.803	\$98.438	\$73.101	\$74.627	\$75.634	\$74.689
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$164.045	\$171.788	\$147.703	\$150.489	\$152.736	\$153.200
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	46.319	45.573	47.761	50.350	52.787	54.913
Advertising	0.000	0.000	0.000	0.000	0.000	0.000
Other	<u>3.944</u>	<u>14.652</u>	<u>16.678</u>	<u>16.814</u>	<u>16.442</u>	<u>6.462</u>
Other Operating Revenue	50.264	60.225	64.439	67.164	69.230	61.375
Capital and Other Reimbursements	164.045	171.788	147.703	150.489	152.736	153.200
Total Revenues	\$214.309	\$232.014	\$212.142	\$217.653	\$221.965	\$214.576
Operating Expense						
<u>Labor:</u>						
Payroll	\$281.229	\$295.590	\$335.762	\$349.217	\$362.618	\$376.106
Overtime	30.084	41.488	32.889	24.431	23.504	23.631
Health and Welfare	53.963	61.515	74.529	77.723	81.356	86.574
OPEB Current Payments	17.552	18.911	19.460	20.259	21.089	21.953
Pension	63.556	78.765	87.557	93.147	100.072	104.636
Other Fringe Benefits	28.082	31.185	38.440	39.432	41.047	42.732
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$474.466	\$527.454	\$588.637	\$604.208	\$629.686	\$655.633
<u>Non-Labor:</u>						
Electric Power	\$5.073	\$6.842	\$7.060	\$6.883	\$7.304	\$7.210
Fuel	0.721	0.966	1.284	1.271	1.456	1.437
Insurance	1.856	2.204	2.521	2.933	3.283	3.765
Claims	0.963	2.142	2.356	2.592	2.592	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	85.962	95.981	103.941	90.680	90.678	91.311
Professional Services Contracts	227.981	439.103	431.840	387.812	344.929	339.477
Materials and Supplies	0.535	0.927	0.680	0.688	0.704	0.717
<u>Other Business Expenses</u>						
MTA Internal Subsidy	12.354	12.851	12.851	12.851	12.851	12.851
Other	<u>7.998</u>	<u>24.178</u>	<u>12.132</u>	<u>10.748</u>	<u>10.737</u>	<u>10.863</u>
Other Business Expenses	20.352	37.029	24.983	23.599	23.588	23.714
Total Non-Labor Expenses	\$343.444	\$585.194	\$574.664	\$516.457	\$474.533	\$470.223
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$817.909	\$1,112.648	\$1,163.300	\$1,120.665	\$1,104.219	\$1,125.855
Depreciation	\$31.225	\$20.690	\$45.532	\$45.526	\$45.526	\$45.526
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	33.765	42.373	52.894	62.781	71.916	74.096
GASB 68 Pension Expense Adjustment	6.097	4.466	(0.113)	6.068	12.019	1.092
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$888.996	\$1,180.177	\$1,261.614	\$1,235.040	\$1,233.680	\$1,246.568
Net Surplus/(Deficit)	(\$674.688)	(\$948.163)	(\$1,049.472)	(\$1,017.386)	(\$1,011.714)	(\$1,031.993)

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
<i>Rental Income</i>	44.456	45.002	47.761	50.350	52.787	54.913
<i>Advertising Revenue</i>	149.866	77.744	136.421	139.732	142.962	217.208
<i>Other Revenue</i>	<u>(3.851)</u>	<u>15.435</u>	<u>141.670</u>	<u>16.814</u>	<u>16.442</u>	<u>6.462</u>
Other Operating Revenue	190.471	138.180	325.852	206.896	212.192	278.583
Capital and Other Reimbursements	162.196	171.788	147.703	150.489	152.736	153.200
Total Receipts	\$352.667	\$309.968	\$473.555	\$357.385	\$364.927	\$431.784
Expenditures						
<i>Labor:</i>						
Payroll	\$274.634	\$290.090	\$329.262	\$342.717	\$356.118	\$369.606
Overtime	30.065	41.488	32.889	24.431	23.504	23.631
Health and Welfare	54.924	61.515	74.529	77.723	81.356	86.574
OPEB Current Payments	18.248	23.398	23.560	24.259	25.089	25.953
Pension	61.490	81.990	87.945	93.542	100.471	105.038
Other Fringe Benefits	27.302	31.185	38.440	39.432	41.047	42.732
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$466.663	\$529.666	\$586.625	\$602.103	\$627.585	\$653.535
<i>Non-Labor:</i>						
Electric Power	\$5.276	\$7.167	\$7.060	\$6.883	\$7.304	\$7.210
Fuel	0.944	1.079	1.380	1.271	1.456	1.437
Insurance	1.214	2.059	2.489	2.901	3.251	3.733
Claims	0.422	1.999	2.356	2.592	2.592	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	82.502	94.547	100.841	87.480	87.478	88.111
Professional Services Contracts	230.546	439.074	424.028	382.512	339.629	334.177
Materials and Supplies	0.004	0.596	0.680	0.688	0.704	0.717
<i>Other Business Expenses:</i>						
<i>MTA Internal Subsidy</i>	12.354	12.851	12.851	12.851	12.851	12.851
<i>Other</i>	<u>9.917</u>	<u>25.003</u>	<u>11.552</u>	<u>10.148</u>	<u>10.137</u>	<u>10.263</u>
Other Business Expenses	22.271	37.854	24.403	22.999	22.988	23.114
Total Non-Labor Expenditures	\$343.178	\$584.376	\$563.236	\$507.326	\$465.401	\$461.091
<i>Other Expenditure Adjustments:</i>						
Operating Capital	77.346	98.230	113.250	64.755	35.032	28.611
Total Other Expense Adjustments	\$77.346	\$98.230	\$113.250	\$64.755	\$35.032	\$28.611
Total Expenditures	\$887.188	\$1,212.271	\$1,263.111	\$1,174.184	\$1,128.018	\$1,143.237
Net Cash Balance	(\$534.521)	(\$902.303)	(\$789.556)	(\$816.798)	(\$763.091)	(\$711.453)

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Rent and Utilities</i>	(1.863)	(0.572)	0.000	0.000	0.000	0.000
<i>Advertising</i>	149.866	77.744	136.421	139.732	142.962	217.208
<i>Other Revenue</i>	<u>(7.795)</u>	<u>0.783</u>	<u>124.992</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Other Operating Revenue	140.208	77.955	261.413	139.732	142.962	217.208
Capital and Other Reimbursements	(1.850)	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$138.358	\$77.955	\$261.413	\$139.732	\$142.962	\$217.208
Expenditures						
Labor:						
Payroll	\$6.595	\$5.500	\$6.500	\$6.500	\$6.500	\$6.500
Overtime	0.020	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(0.961)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	(0.696)	(4.487)	(4.100)	(4.000)	(4.000)	(4.000)
Pension	2.065	(3.225)	(0.388)	(0.395)	(0.399)	(0.402)
Other Fringe Benefits	0.780	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$7.803	(\$2.212)	\$2.012	\$2.105	\$2.101	\$2.098
Non-Labor:						
Electric Power	(\$0.203)	(\$0.325)	0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.223)	(0.113)	(0.096)	0.000	0.000	0.000
Insurance	0.642	0.145	0.032	0.032	0.032	0.032
Claims	0.541	0.143	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.461	1.435	3.100	3.200	3.200	3.200
Professional Services Contracts	(2.565)	0.028	7.811	5.300	5.300	5.300
Materials and Supplies	0.531	0.331	0.000	0.000	0.000	0.000
<i>Other Business Expenses</i>						
<i>MTA Internal Subsidy</i>	0.000	0.000	0.000	0.000	0.000	0.000
<i>Other Business Expenses</i>	<u>(1.918)</u>	<u>(0.825)</u>	<u>0.580</u>	<u>0.600</u>	<u>0.600</u>	<u>0.600</u>
Total Other Business Expenses	(1.918)	(0.825)	0.580	0.600	0.600	0.600
Total Non-Labor Expenditures	\$0.265	\$0.818	\$11.427	\$9.132	\$9.132	\$9.132
Other Expenditure Adjustments:						
Operating Capital	(77.346)	(98.230)	(113.250)	(64.755)	(35.032)	(28.611)
Total Other Expenditure Adjustments	(\$77.346)	(\$98.230)	(\$113.250)	(\$64.755)	(\$35.032)	(\$28.611)
Total Expenditures	(\$69.279)	(\$99.623)	(\$99.811)	(\$53.518)	(\$23.799)	(\$17.381)
Total Cash Conversion Adjustments before Depreciation	\$69.080	(\$21.669)	\$161.602	\$86.214	\$119.163	\$199.827
Depreciation	\$31.225	\$20.690	\$45.532	\$45.526	\$45.526	\$45.526
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	33.765	42.373	52.894	62.781	71.916	74.096
GASB 68 Pension Expense Adjustment	6.097	4.466	(0.113)	6.068	12.019	1.092
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$140.167	\$45.861	\$259.916	\$200.588	\$248.624	\$320.540

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2019 Actual	2020 November Forecast	2021	2022	2023	2024
Office of Chairman and CEO	7	6	4	4	4	4
Transformation Management Office	1	50	50	50	50	49
Enterprise Asset Management	7	7	7	7	7	7
Agency Operations & Initiative	1	1	1	1	1	1
Office of Counselor to the Chairman	1	1	1	1	1	1
Office of Chief of Staff	1	3	3	3	3	3
Federal Affairs	1	1	1	1	1	1
Government and Community Affairs	4	4	4	4	4	4
Permanent Citizens Advisory Committee (PCAC)	5	5	5	5	5	5
Corporate Account	19	0	0	0	0	0
Auditor General						
MTA Audit	54	60	60	60	60	60
Chief Financial Officer						
Office of Chief Financial Officer	5	7	7	7	7	7
Comptroller's Office	16	17	17	17	17	17
Management & Budget	14	15	15	15	15	15
Director of Finance	6	6	6	6	6	6
Treasury	16	16	16	16	16	16
Capital Program Funding	10	11	11	11	11	11
Risk and Insurance Management	18	21	21	21	21	21
Construction Oversight	5	5	5	5	5	5
Strategic Initiatives	3	3	3	3	3	3
	93	101	101	101	101	101
Chief Safety Officer						
Office of Safety	8	12	12	12	12	12
Environmental, Sustainability & Compliance	4	4	4	4	4	4
MTA Arts & Design	10	10	10	10	10	10
Occupational Health & Safety	27	45	45	45	45	45
	49	71	71	71	71	71
Chief People Officer						
Human Resources	21	25	25	25	25	25
Office of Labor Relations	10	10	10	10	10	10
Pensions	51	57	57	57	57	57
	82	92	92	92	92	92
Chief Procurement Officer						
MTA Procurement	66	76	76	76	76	76
Chief Technology Officer						
MTA Information Technology	929	962	956	956	956	956
Chief Operating Officer						
Office of the COO	1	7	7	7	7	7
New Fare Payment System	20	24	24	24	24	24
	21	31	31	31	31	31
General Counsel						
Office of General Counsel	46	49	49	49	49	49
Compliance	9	9	9	9	9	9
Records Management	1	1	1	1	1	1
	56	59	59	59	59	59
Chief Diversity Officer						
Office of Diversity	1	1	1	1	1	1
MWDBE/ DBE Contract Integrity	13	13	13	13	13	13
Office of Civil Rights	7	9	9	9	9	9

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2019 Actual	2020 November Forecast	2021	2022	2023	2024
	21	23	23	23	23	23
Chief Communications Officer						
Corp. Affairs and Comm.	1	2	2	2	2	2
External Communication	13	18	18	18	18	18
Market Research	3	4	4	4	4	4
Marketing	6	6	6	6	6	6
	23	30	30	30	30	30
Chief Development Officer (MTA C&D)						
Office of Capital Programs	1	1	1	1	1	1
Capital Program Management	10	11	11	11	11	11
Dir. Of Facilities and Support	4	4	4	4	4	4
Office Services	13	13	13	13	13	13
Transit Oriented Development	7	7	7	7	7	7
Real Estate Operations	30	33	33	33	33	33
Deputy CDO, Planning	3	3	3	3	3	3
Spec. Project Develop/Planning	6	6	6	6	6	6
Transit Advertising & Media	2	3	3	3	3	3
GCT Development	2	2	2	2	2	2
	78	83	83	83	83	83
Transit Museum						
Transit Museum Operations	7	8	8	8	8	8
Retail Operations	4	4	4	4	4	4
	11	12	12	12	12	12
Business Service Center	281	288	288	288	288	288
Public Safety	846	1,363	1,444	1,444	1,444	1,444
Baseline Total Positions	2,657	3,329	3,402	3,402	3,402	3,401
<i>Non-Reimbursable</i>	2,564	3,232	3,305	3,305	3,305	3,304
<i>Reimbursable</i>	93	97	97	97	97	97
<i>Full-Time</i>	2,657	3,329	3,402	3,402	3,402	3,401
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

MTA HEADQUARTERS
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	481	608	608	608	608	607
Professional/Technical/Clerical	1,330	1,358	1,350	1,350	1,350	1,350
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	1,811	1,966	1,958	1,958	1,958	1,957
Operations						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Operations Headcount	0	0	0	0	0	0
Maintenance						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Maintenance Headcount	0	0	0	0	0	0
Engineering / Capital						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	0	0	0	0	0	0
Public Safety						
Managers/Supervisors	157	245	245	245	245	245
Professional/Technical/Clerical	57	61	61	61	61	61
Operational Hourlies	632	1,057	1,138	1,138	1,138	1,138
Total Public Safety Headcount	846	1,363	1,444	1,444	1,444	1,444
Total Positions						
Managers/Supervisors	638	853	853	853	853	852
Professional/Technical/ Clerical	1,387	1,419	1,411	1,411	1,411	1,411
Operational Hourlies	632	1,057	1,138	1,138	1,138	1,138
Total Positions	2,657	3,329	3,402	3,402	3,402	3,401

Inspector General

Staff Summary

Subject: MTA IG 2021 Budget and 2021-2024 Financial Plan Adoption
Department MTA Inspector General
Department Head Name Carolyn Pokorny
Department Head Signature <i>Carolyn Pokorny</i>
Project Manager/Division Head

Date December 4, 2020
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/16/20	X		
2	Board	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval

Purpose:

To secure MTA Board adoption of the MTA Inspector General's 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion:

The 2021 Final Proposed Budget provides adequate funding and resources to maintain the MTA Inspector General's operations.

2020 November Forecast - Baseline

Total Capital and Other Reimbursements are projected to be \$16.3 million. Total reimbursable labor expenses are \$11.2 million and non-labor expenses are \$5.1 million.

2021 Final Proposed Budget - Baseline

Total Capital and Other Reimbursements are projected to be \$17.0 million. Total reimbursable labor expenses are \$13.3 million and non-labor expenses are \$3.7 million.

Impact on Funding

The 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024 for the MTA Inspector General.

MTA INSPECTOR GENERAL
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	12.229	16.334	16.994	17.430	17.902	18.275
Total Revenues	\$12.229	\$16.334	\$16.994	\$17.430	\$17.902	\$18.275
Operating Expense						
<i>Labor:</i>						
Payroll	\$7.418	\$8.589	\$9.657	\$9.851	\$10.048	\$10.195
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.736	1.227	1.863	1.958	2.043	2.185
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.896	0.825	0.972	1.013	1.056	1.081
Other Fringe Benefits	0.530	0.592	0.812	0.832	0.855	0.863
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$9.580	\$11.233	\$13.305	\$13.653	\$14.002	\$14.324
<i>Non-Labor:</i>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.018	0.032	0.039	0.038	0.045	0.045
Insurance	0.034	0.027	0.034	0.040	0.047	0.056
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.348	2.229	3.177	3.250	3.346	3.351
Professional Services Contracts	1.116	2.643	0.309	0.317	0.326	0.362
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.132	0.171	0.130	0.132	0.136	0.136
Total Non-Labor Expenses	\$2.649	\$5.101	\$3.689	\$3.777	\$3.900	\$3.950
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$12.229	\$16.334	\$16.994	\$17.430	\$17.902	\$18.275
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	12.229	16.334	16.994	17.430	17.902	18.275
Total Receipts	\$12.229	\$16.334	\$16.994	\$17.430	\$17.902	\$18.275
Expenditures						
<u>Labor:</u>						
Payroll	\$7.418	\$8.589	\$9.657	\$9.851	\$10.048	\$10.195
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.736	1.227	1.863	1.958	2.043	2.185
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.896	0.825	0.972	1.013	1.056	1.081
Other Fringe Benefits	0.530	0.592	0.812	0.832	0.855	0.863
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$9.580	\$11.233	\$13.305	\$13.653	\$14.002	\$14.324
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.018	0.032	0.039	0.038	0.045	0.045
Insurance	0.034	0.027	0.034	0.040	0.047	0.056
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.348	2.229	3.177	3.250	3.346	3.351
Professional Services Contracts	1.116	2.643	0.309	0.317	0.326	0.362
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.132	0.171	0.130	0.132	0.136	0.136
Total Non-Labor Expenditures	\$2.649	\$5.101	\$3.689	\$3.777	\$3.900	\$3.950
<u>Other Expenditure Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$12.229	\$16.334	\$16.994	\$17.430	\$17.902	\$18.275
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2021 - 2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents

FUNCTION/DEPARTMENT	2019 Actual	2020 November Forecast	2021 Final Proposed Budget	2022	2023	2024
Administration						
Office of the Inspector General	78	76	96	96	96	96
Total Administration	78	76	96	96	96	96
Baseline Total Positions	78	76	96	96	96	96
Non-Reimbursable	-	-	-	-	-	-
Reimbursable	78	76	96	96	96	96
Total	78	76	96	96	96	96
Total Full-Time	78	76	96	96	96	96
Total Full-Time Equivalents	-	-	-	-	-	-

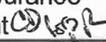
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**First Mutual Transportation Assurance Co.
(FMTAC)**

Subject FMTAC 2021 Budget and 2021-2024 Financial Plan Adoption
Department Risk and Insurance Management
Department Head Name Robert Foran, Chief Financial Officer
Department Head Signature 
Project Manager Name Phyllis Rachmuth, Director Risk and Insurance Mgmt.

Date December 4, 2020
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref # N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/16/20	X		
2	Board	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Risk and Insurance Management 		
2	Legal 		

Purpose:
To secure MTA Board adoption of the First Mutual Transportation Assurance Company's (FMTAC) 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion:
FMTAC generates a net cash deficit of zero and has no impact on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

The 2021 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient resources to address the challenges related to insurance and risk management of the MTA. This is accomplished by maximizing the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries.

2020 November Forecast-Baseline
Total operating revenues are projected at \$39.0 million. Total operating expenses are projected to be \$1.0 million, resulting in a \$38.0 million net surplus.

2021 Final Proposed Budget-Baseline
Total operating revenues are projected at \$40.0 million. Total operating expenses are projected to be \$5.3 million, resulting in a \$34.7 million net surplus.

Impact of Funding:
The 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:
It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024 for the MTA First Mutual Transportation Assurance Company.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY

November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	24.665	24.000	24.617	25.072	25.448	25.883
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	22.441	15.000	15.385	15.670	15.905	16.177
Total Revenues	\$47.106	\$39.000	\$40.002	\$40.742	\$41.353	\$42.060
Operating Expense						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(128.623)	(115.694)	(120.373)	(129.084)	(141.899)	(159.063)
Claims	146.434	108.704	117.485	126.821	136.086	143.789
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	16.736	8.000	8.160	8.323	8.490	8.659
Total Non-Labor Expenses	\$34.547	\$1.010	\$5.272	\$6.060	\$2.677	(\$6.615)
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$34.547	\$1.010	\$5.272	\$6.060	\$2.677	(\$6.615)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$34.547	\$1.010	\$5.272	\$6.060	\$2.677	(\$6.615)
Net Surplus/(Deficit)	\$12.559	\$37.990	\$34.730	\$34.682	\$38.676	\$48.675

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Other Operating Revenue	\$24.665	\$24.000	\$24.617	\$25.072	\$25.448	\$25.883
Investment Income	22.441	15.000	15.385	15.670	15.905	16.177
Total Receipts	\$47.106	\$39.000	\$40.002	\$40.742	\$41.353	\$42.060
Expenditures						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(128.623)	(115.694)	(120.373)	(129.084)	(141.899)	(159.063)
Claims	146.434	94.041	101.637	109.343	116.961	123.218
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	16.736	8.000	8.160	8.323	8.490	8.659
Total Non-Labor Expenditures	\$34.547	(\$13.653)	(\$10.576)	(\$11.418)	(\$16.448)	(\$27.186)
Other Expenditure Adjustments:						
Other	\$12.559	\$52.653	\$50.578	\$52.160	\$57.801	\$69.246
Total Other Expense Adjustments	\$12.559	\$52.653	\$50.578	\$52.160	\$57.801	\$69.246
Total Expenditures	\$47.106	\$39.000	\$40.002	\$40.742	\$41.353	\$42.060
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Electric Power	\$0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	14.663	15.848	17.478	19.125	20.571
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.000	\$14.663	\$15.848	\$17.478	\$19.125	\$20.571
Other Expenditure Adjustments:						
Other Expense Adjustments	(\$12.559)	(\$52.653)	(\$50.578)	(\$52.160)	(\$57.801)	(\$69.246)
Total Other Expenditure Adjustments	(\$12.559)	(\$52.653)	(\$50.578)	(\$52.160)	(\$57.801)	(\$69.246)
Total Expenditures	(\$12.559)	(\$37.990)	(\$34.730)	(\$34.682)	(\$38.676)	(\$48.675)
Total Cash Conversion Adjustments before Depreciation	(\$12.559)	(\$37.990)	(\$34.730)	(\$34.682)	(\$38.676)	(\$48.675)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	(\$12.559)	(\$37.990)	(\$34.730)	(\$34.682)	(\$38.676)	(\$48.675)

New York City Transit

Staff Summary

Subject NYCT 2021 Budget and 2021-2024 Financial Plan Adoption
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature
Project Manager Name

Date December 2, 2020
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	TA Committec	12/16/20	X		
2	Finance Committee	12/16/20	X		
3	MTA Board	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB - Director		
2	CFO		
3	President		
4			

Purpose

To secure MTA Board adoption of MTA New York City Transit’s 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion

The COVID-19 pandemic has significantly reduced business activity and personal travel in the NYC region resulting in drastic transit ridership declines. In addition, the high cost of intensive daily cleaning and disinfecting of agency fleets and facilities is assumed to continue for the duration of the plan period, adding significantly to the overall baseline agency operating costs. Finally, while aid from the federal CARES Act covered a portion of the 2020 operating deficit, no additional aid has been approved. Consequently, without new federal action to appropriate additional funding for Transit operations, the Agency faces enormous operating deficits in the immediate future.

November Financial Plan Highlights are summarized as follows:

- Total COVID-19 Impact and Response (July and November Plans combined) is a net unfavorable \$5.1 billion over the 2020-2024 financial plan period. This figure is comprised of reduced operating revenue of \$6.3 billion and COVID-related incremental expenses of \$1.6 billion for a combined total of \$7.9 billion. Receipts from the CARES Act, totaling \$2.8 billion in 2020, helped cover the net cost of operating essential service during the early months of the pandemic.
- Health & Welfare and OPEB Current expenses are favorable by \$29 million in 2020 due to the delayed receipt of 2019 prescription drug credits, with \$63.5 million of favorability for 2021 through 2024, mainly due to lower projected NYSHIP premium rates.
- Recognition of the likely adoption of Juneteenth as a new state holiday is adding \$95 million in costs over the plan period, reflecting overtime backfill requirements.

Baseline Ridership

The November 2020 Financial Plan ridership projection estimates subway and bus ridership for 2020 will be 65 percent below the Adopted Budget. Actuals through August are included with the forecast period unchanged from the July Plan. The projection assumes that ridership will recover from 23 percent of normal ridership in the 4th quarter of 2020 and reaching 100% of Adopted budget ridership in February 2023. Paratransit trip projections reflect a more rapid recovery to baseline than the McKinsey scenario at just 37 percent below the Adopted budget in 2020, 16 percent below in 2021, and with return to full baseline ridership in 2022.

COVID Preventive Measures

To facilitate safe usage of the transit system, significant protocols have been established including daily intensive cleaning and disinfecting of the subway cars, bus fleet, and subway stations. Hand sanitizer dispensers have been installed at subway stations, protective barriers have been installed on buses, rules for mask wearing are being enforced system-wide, and maintaining social distance has been strongly and repeatedly stressed.

Budget Reduction Program (Combined July/November Plans)

The overall change in the Budget Reduction Program (BRP) was minor, but several changes, mainly Paratransit BRPs, were made to reflect current agency plans. The combined plan includes BRP actions that total \$46.9 million in 2020, \$31.4 million in 2021, \$18.7 million in 2022, \$22.0 million in 2023 and \$23.1 million in 2024.

Additional Savings Actions

MTA New York City Transit has identified and begun implementing a program of significant Additional Savings Actions, which include reduced reliance on outside consultants and contractors, reduce non-service-related expenses, and reduce overtime. These reductions provide savings throughout the Plan period and are captured and presented as part of MTA Consolidated materials; savings will be reflected in Agency financials in the February Plan.

2020 November Forecast-Baseline

Total operating revenues are projected at \$5.008 billion, including \$1.777 billion of farebox revenues. Total operating expenses are projected to be \$8.999 billion, consisting of labor costs of \$7.078 billion and non-labor expenses of \$1.921 billion. Non-cash depreciation expense is projected at \$1.928 billion, GASB 75 other post-employment benefit expenses are projected at \$1.345 billion, and GASB 68 pension expenses are projected as a credit of \$0.303 billion. After including favorable cash adjustments of \$3.320 billion, the projected net cash deficit is \$3.642 billion. Projected reimbursable expenses of \$1.061 billion are fully offset by capital reimbursements. Total end-of-year positions are projected at 49,140, including 44,077 non-reimbursable positions and 5,063 reimbursable positions.

2021 Final Proposed Budget-Baseline

Total operating revenues are projected at \$2.891 billion, including farebox revenues of \$2.376 billion. Total operating expenses are projected to be \$9.423 billion, consisting of labor costs of \$7.281 billion and non-labor expenses of \$2.142 billion. Non-cash depreciation expense is projected at \$1.978 billion, GASB 75 other post-employment benefit expenses are projected at \$1.472 billion, and GASB 68 pension expenses are projected as a credit of \$0.309 billion. After including favorable cash adjustments of \$3.370 billion, the projected net cash deficit is \$6.304 billion. Projected reimbursable expenses of \$1.240 billion are fully offset by capital reimbursements. Total end-of-year positions are projected at 48,703 including 44,008 non-reimbursable positions and 4,695 reimbursable positions.

Impact on Funding

The 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan for 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan for 2021-2024 for MTA New York City Transit and the related authorization to draw down Transit Adjudication Bureau (TAB) receipts and interest consistent with this Final Proposed Budget.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable</u>						
Operating Revenue						
<i>Farebox Revenue:</i>						
Subway	\$3,570.257	\$1,434.051	\$1,850.525	\$2,954.897	\$3,589.467	\$3,615.327
Bus	935.856	296.013	474.478	759.771	924.493	931.580
Paratransit	23.324	5.699	10.890	21.861	27.955	29.414
Fare Media Liability	<u>64.321</u>	<u>40.935</u>	<u>40.244</u>	<u>64.357</u>	<u>78.336</u>	<u>78.500</u>
Farebox Revenue	\$4,593.758	\$1,776.698	\$2,376.137	\$3,800.886	\$4,620.252	\$4,654.821
<i>Other Operating Revenue:</i>						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	213.471	188.135	256.320	300.263	319.440	342.152
Other	<u>169.730</u>	<u>2,958.811</u>	<u>174.453</u>	<u>181.036</u>	<u>185.734</u>	<u>248.667</u>
Other Operating Revenue	\$467.216	\$3,230.962	\$514.789	\$565.315	\$589.190	\$674.835
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$5,060.974	\$5,007.660	\$2,890.927	\$4,366.201	\$5,209.442	\$5,329.656
Operating Expense						
<i>Labor:</i>						
Payroll	\$3,481.965	\$3,537.147	\$3,622.128	\$3,729.468	\$3,808.852	\$3,904.997
Overtime	<u>600.251</u>	<u>620.390</u>	<u>680.911</u>	<u>695.500</u>	<u>716.010</u>	<u>731.009</u>
Total Salaries and Wages	\$4,082.216	\$4,157.537	\$4,303.038	\$4,424.967	\$4,524.862	\$4,636.006
Health and Welfare	943.786	976.822	1,074.905	1,148.982	1,220.863	1,304.910
OPEB Current Payments	498.040	514.019	586.473	643.675	705.440	772.804
Pension	1,069.101	1,034.300	981.380	988.604	977.843	975.790
Other Fringe Benefits	<u>458.038</u>	<u>597.566</u>	<u>604.446</u>	<u>639.305</u>	<u>669.506</u>	<u>698.975</u>
Total Fringe Benefits	\$2,968.965	\$3,122.707	\$3,247.204	\$3,420.567	\$3,573.653	\$3,752.479
Reimbursable Overhead	(294.137)	(202.067)	(269.528)	(254.946)	(255.385)	(259.095)
Total Labor Expenses	\$6,757.044	\$7,078.177	\$7,280.714	\$7,590.588	\$7,843.129	\$8,129.390
<i>Non-Labor:</i>						
Electric Power	\$278.381	\$249.875	\$300.776	\$302.647	\$309.502	\$319.915
Fuel	106.662	72.382	91.448	94.665	97.351	99.804
Insurance	69.825	74.836	81.267	97.569	108.875	127.624
Claims	254.856	195.636	221.849	222.082	225.810	230.373
Paratransit Service Contracts	476.888	359.331	438.446	519.390	554.708	591.619
Maintenance and Other Operating Contracts	283.971	372.655	388.087	383.589	407.826	415.034
Professional Services Contracts	191.372	174.925	171.245	171.891	174.613	174.946
Materials and Supplies	341.877	330.504	360.468	387.926	384.267	370.430
Other Business Expenses	98.100	90.768	88.687	89.440	90.012	90.481
Total Non-Labor Expenses	\$2,101.932	\$1,920.911	\$2,142.273	\$2,269.198	\$2,352.964	\$2,420.225
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$8,858.976	\$8,999.088	\$9,422.987	\$9,859.786	\$10,196.093	\$10,549.615
Depreciation	\$1,994.253	\$1,928.062	\$1,978.062	\$2,029.359	\$2,081.986	\$2,135.977
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	579.584	1,345.800	1,472.300	1,557.000	1,643.300	1,699.300
GASB 68 Pension Expense Adjustment	(27.261)	(303.171)	(308.944)	(308.944)	(308.944)	(308.944)
Environmental Remediation	27.548	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,433.099	\$11,969.779	\$12,564.405	\$13,137.200	\$13,612.435	\$14,075.948
Net Surplus/(Deficit)	(\$6,372.125)	(\$6,962.118)	(\$9,673.478)	(\$8,770.999)	(\$8,402.993)	(\$8,746.293)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	1,375.409	1,061.355	1,239.585	1,201.210	1,199.741	1,216.192
Total Revenues	\$1,375.409	\$1,061.355	\$1,239.585	\$1,201.210	\$1,199.741	\$1,216.192
Operating Expense						
Labor:						
Payroll	\$476.013	\$415.191	\$488.304	\$473.736	\$471.082	\$477.332
Overtime	<u>190.816</u>	<u>107.278</u>	<u>122.398</u>	<u>124.039</u>	<u>126.464</u>	<u>129.062</u>
Total Salaries and Wages	\$666.829	\$522.469	\$610.702	\$597.775	\$597.545	\$606.394
Health and Welfare	24.412	22.083	27.418	28.417	29.227	30.505
OPEB Current Payments	11.154	13.839	14.695	15.499	16.240	17.016
Pension	45.131	34.351	26.755	25.506	23.391	22.851
Other Fringe Benefits	<u>206.756</u>	<u>161.906</u>	<u>191.661</u>	<u>185.721</u>	<u>184.824</u>	<u>187.203</u>
Total Fringe Benefits	\$287.454	\$232.179	\$260.529	\$255.143	\$253.683	\$257.575
Reimbursable Overhead	294.137	202.067	269.528	254.946	255.385	259.095
Total Labor Expenses	\$1,248.420	\$956.715	\$1,140.759	\$1,107.863	\$1,106.614	\$1,123.064
Non-Labor:						
Electric Power	\$0.337	\$0.252	\$0.252	\$0.252	\$0.252	\$0.252
Fuel	0.000	0.017	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.096	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	46.147	47.093	38.006	33.082	32.862	32.863
Professional Services Contracts	22.995	17.653	9.627	9.627	9.627	9.627
Materials and Supplies	59.738	37.854	51.422	50.868	50.868	50.868
Other Business Expenses	(2.324)	1.770	(0.482)	(0.482)	(0.482)	(0.482)
Total Non-Labor Expenses	\$126.989	\$104.640	\$98.825	\$93.347	\$93.127	\$93.128
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$1,375.409	\$1,061.355	\$1,239.585	\$1,201.210	\$1,199.741	\$1,216.192
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA NEW YORK CITY TRANSIT
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
<i>Farebox Revenue:</i>						
Subway	\$3,570.257	\$1,434.051	\$1,850.525	\$2,954.897	\$3,589.467	\$3,615.327
Bus	935.856	296.013	474.478	759.771	924.493	931.580
Paratransit	23.324	5.699	10.890	21.861	27.955	29.414
Fare Media Liability	<u>64.321</u>	<u>40.935</u>	<u>40.244</u>	<u>64.357</u>	<u>78.336</u>	<u>78.500</u>
Farebox Revenue	\$4,593.758	\$1,776.698	\$2,376.137	\$3,800.886	\$4,620.252	\$4,654.821
<i>Other Operating Revenue:</i>						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	213.471	188.135	256.320	300.263	319.440	342.152
Other	<u>169.730</u>	<u>2,958.811</u>	<u>174.453</u>	<u>181.036</u>	<u>185.734</u>	<u>248.667</u>
Other Operating Revenue	\$467.216	\$3,230.962	\$514.789	\$565.315	\$589.190	\$674.835
Capital and Other Reimbursements	1,375.409	1,061.355	1,239.585	1,201.210	1,199.741	1,216.192
Total Revenues	\$6,436.384	\$6,069.015	\$4,130.511	\$5,567.411	\$6,409.183	\$6,545.848
Operating Expense						
<i>Labor:</i>						
Payroll	\$3,957.978	\$3,952.338	\$4,110.431	\$4,203.204	\$4,279.934	\$4,382.329
Overtime	<u>791.067</u>	<u>727.668</u>	<u>803.309</u>	<u>819.538</u>	<u>842.474</u>	<u>860.071</u>
Total Salaries and Wages	\$4,749.045	\$4,680.006	\$4,913.740	\$5,022.742	\$5,122.407	\$5,242.400
<i>Health and Welfare</i>	968.198	998.905	1,102.323	1,177.399	1,250.091	1,335.415
OPEB Current Payments	509.195	527.858	601.169	659.174	721.681	789.820
Pension	1,114.233	1,068.651	1,008.135	1,014.110	1,001.235	998.641
Other Fringe Benefits	<u>664.794</u>	<u>759.472</u>	<u>796.107</u>	<u>825.026</u>	<u>854.330</u>	<u>886.178</u>
Total Fringe Benefits	\$3,256.419	\$3,354.886	\$3,507.734	\$3,675.709	\$3,827.336	\$4,010.054
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$8,005.464	\$8,034.892	\$8,421.474	\$8,698.451	\$8,949.743	\$9,252.453
<i>Non-Labor:</i>						
Electric Power	\$278.719	\$250.127	\$301.028	\$302.899	\$309.754	\$320.167
Fuel	106.662	72.399	91.448	94.665	97.351	99.804
Insurance	69.825	74.836	81.267	97.569	108.875	127.624
Claims	254.953	195.636	221.849	222.082	225.810	230.373
Paratransit Service Contracts	476.888	359.331	438.446	519.390	554.708	591.619
Maintenance and Other Operating Contracts	330.118	419.748	426.094	416.671	440.688	447.897
Professional Services Contracts	214.367	192.578	180.872	181.518	184.240	184.573
Materials and Supplies	401.615	368.358	411.890	438.793	435.135	421.298
Other Business Expenses	95.775	92.538	88.206	88.958	89.531	89.999
Total Non-Labor Expenses	\$2,228.922	\$2,025.551	\$2,241.098	\$2,362.545	\$2,446.091	\$2,513.354
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$10,234.385	\$10,060.443	\$10,662.571	\$11,060.996	\$11,395.834	\$11,765.807
Depreciation	\$1,994.253	\$1,928.062	\$1,978.062	\$2,029.359	\$2,081.986	\$2,135.977
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	579.584	1,345.800	1,472.300	1,557.000	1,643.300	1,699.300
GASB 68 Pension Expense Adjustment	(27.261)	(303.171)	(308.944)	(308.944)	(308.944)	(308.944)
Environmental Remediation	27.548	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$12,808.509	\$13,031.134	\$13,803.989	\$14,338.410	\$14,812.176	\$15,292.140
Net Surplus/(Deficit)	(\$6,372.125)	(\$6,962.118)	(\$9,673.478)	(\$8,770.999)	(\$8,402.993)	(\$8,746.293)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$4,616.626	\$1,776.898	\$2,376.337	\$3,801.086	\$4,620.452	\$4,655.021
<i>Other Operating Revenue:</i>						
Fare Reimbursement	129.052	54.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	129.197	234.021	256.164	300.094	319.256	341.952
Other Revenue	102.576	2,892.860	60.648	64.471	66.479	67.107
Other Operating Revenue	360.825	3,180.897	400.829	448.581	469.751	493.075
Capital and Other Reimbursements	1,399.872	1,114.649	1,240.258	1,208.254	1,199.536	1,212.254
Total Receipts	\$6,377.323	\$6,072.444	\$4,017.424	\$5,457.921	\$6,289.739	\$6,360.349
Expenditures						
Labor:						
Payroll	\$3,929.902	\$3,925.645	\$4,105.509	\$4,165.649	\$4,241.507	\$4,351.063
Overtime	791.067	727.668	803.309	819.538	842.474	860.071
Total Salaries & Wages	\$4,720.969	\$4,653.313	\$4,908.818	\$4,985.187	\$5,083.981	\$5,211.134
Health and Welfare	939.726	990.407	1,091.298	1,165.547	1,237.350	1,321.718
OPEB Current Payments	509.195	527.858	601.169	659.174	721.681	789.820
Pension	1,111.052	1,068.651	1,008.135	1,014.110	1,001.235	998.641
Other Fringe Benefits	521.755	518.823	548.252	565.607	585.538	608.395
Total Fringe Benefits	\$3,081.728	\$3,105.739	\$3,248.854	\$3,404.439	\$3,545.804	\$3,718.574
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$7,802.697	\$7,759.051	\$8,157.672	\$8,389.627	\$8,629.785	\$8,929.708
Non-Labor:						
Electric Power	\$294.214	\$261.049	\$311.950	\$313.821	\$320.676	\$331.089
Fuel	108.146	72.399	91.448	94.665	97.351	99.804
Insurance	86.850	81.109	85.473	100.985	114.211	134.286
Claims	170.106	110.361	139.115	141.942	144.826	149.389
Paratransit Service Contracts	484.088	357.331	436.446	517.390	552.708	589.619
Maintenance and Other Operating Contracts	315.800	423.680	433.288	423.865	447.882	455.091
Professional Services Contracts	202.303	193.472	171.872	172.518	175.240	175.573
Materials and Supplies	427.770	363.858	405.535	437.293	433.635	419.798
Other Business Expenses	96.415	92.538	88.206	88.958	89.531	89.999
Total Non-Labor Expenditures	\$2,185.692	\$1,955.797	\$2,163.331	\$2,291.437	\$2,376.059	\$2,444.648
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$9,988.389	\$9,714.848	\$10,321.003	\$10,681.063	\$11,005.844	\$11,374.356
Net Cash Balance	(\$3,611.066)	(\$3,642.404)	(\$6,303.579)	(\$5,223.142)	(\$4,716.105)	(\$5,014.006)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$22.868	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200
<i>Other Operating Revenue:</i>						
Fare Reimbursement	45.036	(30.000)	0.000	0.000	0.000	0.000
Paratransit Reimbursement	(39.712)	45.886	(0.156)	(0.169)	(0.184)	(0.200)
Other Revenue	(111.716)	(65.951)	(113.805)	(116.565)	(119.255)	(181.560)
Other Operating Revenue	(\$106.391)	(\$50.065)	(\$113.961)	(\$116.734)	(\$119.439)	(\$181.760)
Capital and Other Reimbursements	24.463	53.294	0.673	7.044	(0.205)	(3.938)
Total Receipts	(\$59.061)	\$3.429	(\$113.087)	(\$109.490)	(\$119.445)	(\$185.498)
Expenditures						
<i>Labor:</i>						
Payroll	\$28.076	\$26.693	\$4.922	\$37.554	\$38.426	\$31.266
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Total Salaries and Wages	\$28.076	\$26.693	\$4.922	\$37.554	\$38.426	\$31.266
Health and Welfare	28.471	8.498	11.025	11.852	12.741	13.696
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	3.181	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	143.039	240.649	247.855	259.418	268.792	277.783
Total Fringe Benefits	\$174.691	\$249.147	\$258.880	\$271.270	\$281.532	\$291.479
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$202.767	\$275.840	\$263.802	\$308.824	\$319.958	\$322.746
<i>Non-Labor:</i>						
Electric Power	(\$15.495)	(\$10.922)	(10.922)	(\$10.922)	(\$10.922)	(\$10.922)
Fuel	(1.484)	0.000	0.000	0.000	0.000	0.000
Insurance	(17.025)	(6.273)	(4.206)	(3.416)	(5.336)	(6.662)
Claims	84.847	85.275	82.734	80.140	80.984	80.984
Paratransit Service Contracts	(7.200)	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	14.318	(3.932)	(7.194)	(7.194)	(7.194)	(7.194)
Professional Services Contracts	12.064	(0.894)	9.000	9.000	9.000	9.000
Materials and Supplies	(26.155)	4.500	6.355	1.500	1.500	1.500
Other Business Expenses	(0.640)	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$43.230	\$69.754	\$77.767	\$71.108	\$70.032	\$68.706
<i>Other Expenditure Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$245.996	\$345.594	\$341.569	\$379.932	\$389.990	\$391.452
Total Cash Conversion Adjustments before Depreciation	\$186.936	\$349.023	\$228.481	\$270.442	\$270.546	\$205.953
Depreciation	\$1,994.253	\$1,928.062	\$1,978.062	\$2,029.359	\$2,081.986	\$2,135.977
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	579.584	1,345.800	1,472.300	1,557.000	1,643.300	1,699.300
GASB 68 Pension Expense Adjustment	(27.261)	(303.171)	(308.944)	(308.944)	(308.944)	(308.944)
Environmental Remediation	27.548	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$2,761.059	\$3,319.714	\$3,369.899	\$3,547.857	\$3,686.887	\$3,732.286

MTA NEW YORK CITY TRANSIT
November Financial Plan 2021 - 2024
Ridership (Utilization) and Revenue
(in millions)

	Actual	November	Final			
	2019	Forecast	Proposed	2022	2023	2024
		2020	Budget			
			2021			

RIDERSHIP

Subway	1,697.787	614.393	865.171	1,381.913	1,679.036	1,690.823
Bus	557.037	165.820	276.936	442.989	538.783	542.689
Paratransit	10.918	7.329	10.194	12.592	13.222	13.883
Total Ridership	2,265.742	787.542	1,152.300	1,837.494	2,231.041	2,247.394

FAREBOX REVENUE (Excluding fare media liability)

Subway	\$3,570.257	\$1,434.051	\$1,850.525	\$2,954.897	\$3,589.467	\$3,615.327
Bus	935.856	296.013	474.478	759.771	924.493	931.580
Paratransit	23.324	5.699	10.890	21.861	27.955	29.414
Total Revenue	\$4,529.437	\$1,735.763	\$2,335.893	\$3,736.529	\$4,541.915	\$4,576.321

NEW YORK CITY TRANSIT
November Financial Plan 2021-2024
Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	<u>Pos.</u>	<u>2020</u>	<u>Pos.</u>	<u>2021</u>	<u>Pos.</u>	<u>2022</u>	<u>Pos.</u>	<u>2023</u>	<u>Pos.</u>	<u>2024</u>
Administration										
Administrative Savings (July Plan)	4	0.455	4	0.502	4	0.502	4	0.502	4	0.502
<i>Subtotal Administration</i>	4	0.455	4	0.502	4	\$0.502	4	\$0.502	4	\$0.502
Customer Convenience/Amenities										
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
Adverse Weather Overtime Savings (July Plan)	-	19.128	-	-	-	-	-	-	-	-
<i>Subtotal Maintenance</i>	-	19.128	-	0.000	-	0.000	-	0.000	-	0.000
Revenue Enhancement										
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety										
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
<i>Subtotal Security</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service										
Paratransit Efficiencies (July Plan)	-	27.338	-	23.934	-	9.350	-	12.016	-	12.148
Paratransit Enhanced Broker Contract (Nov Plan)	-	-	-	7.000	-	8.820	-	9.446	-	10.478
<i>Subtotal Service</i>	-	27.338	-	30.934	-	18.170	-	21.462	-	22.626
Service Support										
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Total BRPs	4	\$46.921	4	\$31.436	4	\$18.672	4	\$21.964	4	\$23.128

MTA New York City Transit
November Financial Plan 2021 - 2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2019 Actual	2020 November Estimate	2021 Final Proposed Budget	2022	2023	2024
Administration						
Office of the President	25	25	25	25	25	25
Law	261	281	281	281	281	281
Office of the EVP	12	14	14	14	14	14
Human Resources	210	218	218	218	218	218
Office of Management and Budget	36	41	41	41	40	40
Capital Planning & Budget	28	37	36	36	36	36
Strategy & Customer Experience	189	188	186	185	183	183
Non-Departmental	-	-	-	-	-	-
Labor Relations	81	84	84	84	84	84
Office of People & Business Transformation	14	18	18	18	18	18
Materiel	218	235	223	217	211	211
Controller	105	114	113	112	111	111
Total Administration	1,179	1,255	1,239	1,231	1,221	1,221
Operations						
Subways Service Delivery	8,562	8,198	8,139	8,098	8,034	8,034
Subways Operation Support /Admin	436	406	406	406	406	406
Subways Stations	2,579	2,603	2,420	2,420	2,420	2,420
Subtotal - Subways	11,577	11,207	10,965	10,924	10,860	10,860
Buses	11,139	11,050	11,081	11,081	11,081	11,081
Paratransit	185	214	214	214	214	214
Operations Planning	342	386	384	383	381	381
Revenue Control	593	641	641	641	641	641
Non-Departmental	-	-	-	-	-	-
Total Operations	23,836	23,498	23,285	23,243	23,177	23,177
Maintenance						
Subways Operation Support /Admin	107	118	109	108	103	103
Subways Engineering	326	358	335	332	300	300
Subways Car Equipment	4,963	4,799	4,777	4,851	4,705	4,793
Subways Infrastructure	1,966	1,881	1,881	1,839	1,803	1,803
Subways Elevator & Escalators	475	476	490	485	485	485
Subways Stations	3,464	3,476	3,477	3,456	3,455	3,455
Subways Track	3,051	3,164	3,145	3,145	3,145	3,145
Subways Power	671	686	624	610	610	610
Subways Signals	1,658	1,698	1,685	1,667	1,665	1,665
Subways Electronics Maintenance	1,545	1,620	1,576	1,519	1,510	1,510
Subtotal - Subways	18,226	18,276	18,099	18,012	17,781	17,869
Buses	3,560	3,484	3,444	3,421	3,432	3,454
Supply Logistics	554	548	548	548	548	548
System Safety	83	93	92	91	90	90
Non-Departmental	(1)	(116)	(4)	39	89	89
Total Maintenance	22,422	22,285	22,179	22,111	21,940	22,050
Engineering/Capital						
Capital Program Management	1,244	1,450	1,361	1,342	1,323	1,323
Total Engineering/Capital	1,244	1,450	1,361	1,342	1,323	1,323
Public Safety						
Security	632	652	639	639	639	639
Total Public Safety	632	652	639	639	639	639
Total Baseline Positions	49,313	49,140	48,703	48,566	48,300	48,410
Non-Reimbursable	45,148	44,077	44,008	44,129	44,043	44,153
Reimbursable	4,165	5,063	4,695	4,437	4,257	4,257
Total Full-Time	49,137	48,950	48,513	48,376	48,110	48,220
Total Full-Time Equivalents	176	190	190	190	190	190

MTA NEW YORK CITY TRANSIT
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	399	438	429	426	421	421
Professional/Technical/Clerical	748	785	778	773	768	768
Operational Hourlies	32	32	32	32	32	32
Total Administration Headcount	1,179	1,255	1,239	1,231	1,221	1,221
Operations						
Managers/Supervisors	2,743	2,819	2,814	2,811	2,792	2,792
Professional/Technical/Clerical	508	581	579	578	576	576
Operational Hourlies	20,585	20,098	19,892	19,854	19,809	19,809
Total Operations Headcount	23,836	23,498	23,285	23,243	23,177	23,177
Maintenance						
Managers/Supervisors	3,973	3,952	3,951	3,925	3,895	3,906
Professional/Technical/Clerical	926	1,065	1,001	959	945	945
Operational Hourlies	17,523	17,268	17,227	17,227	17,100	17,199
Total Maintenance Headcount	22,422	22,285	22,179	22,111	21,940	22,050
Engineering / Capital						
Managers/Supervisors	308	364	331	317	303	303
Professional/Technical/Clerical	934	1,084	1,028	1,023	1,018	1,018
Operational Hourlies	2	2	2	2	2	2
Total Engineering Headcount	1,244	1,450	1,361	1,342	1,323	1,323
Public Safety						
Managers/Supervisors	257	270	269	269	269	269
Professional/Technical/Clerical	32	41	41	41	41	41
Operational Hourlies	343	341	329	329	329	329
Total Public Safety Headcount	632	652	639	639	639	639
Total Positions						
Managers/Supervisors	7,680	7,843	7,794	7,748	7,680	7,691
Professional/Technical/ Clerical	3,148	3,556	3,427	3,374	3,348	3,348
Operational Hourlies	38,485	37,741	37,482	37,444	37,272	37,371
Total Positions	49,313	49,140	48,703	48,566	48,300	48,410

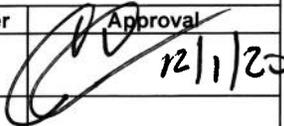
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MTA Bus Company

Subject MTA Bus 2021 Budget and 2021-2024 Financial Plan Adoption
Department Finance
Department Head Name Craig Cipriano
Department Head Signature 
Project Manager Name Daniel Hom, Acting

Date December 2, 2020
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	NYCT/MTA Bus	12/16/20			
2	Finance Committee	12/16/20	X		
3	MTA Board	12/16/20	X		

Internal Approvals			
Order	Approval	Order	Approval
1	President	X	 12/1/20

Purpose

To secure MTA Board adoption of MTA Bus Company's 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion

The 2021 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to support MTA Bus Company's planned service levels, as well as MTA's commitment to provide safe, secure, reliable, and cost-efficient transportation service to the metropolitan New York region. The baseline projections that follow for MTA Bus Company exclude certain items that are captured "below-the-line" in the MTA Consolidated Financial Plan, including fare increases and other MTA policy actions. The MTA is reimbursed by the City of New York for the operating deficits of MTA Bus Company (MTABC).

The 2021 Final Proposed Budget includes funding for new and enhanced investments as follows:

Key Programmatic Initiatives

- Juneteenth Holiday - New York State Executive Order recognized Juneteenth (June 19th), commemorating the end of slavery in the United States, as an official public holiday for state employees.

Additional Savings Action

MTA Bus Company has identified and begun implementing a program of significant Additional Savings Actions, which include reduced reliance on outside consultants and contractors, reduced non-service-related expenses, and reduced overtime. These reductions provide savings throughout the Plan period and are captured and presented as part of MTA Consolidated materials; savings will be reflected in Agency financials in the February Plan.

2020 November Forecast - Baseline

Total operating revenues are budgeted at \$426.6 million, including farebox revenues of \$73.2 million. Total non-reimbursable expenses before depreciation and GASB adjustments are budgeted to be \$887.5 million in 2020, consisting of labor costs of \$638.0 million and non-labor expenses of \$249.5 million. Non-cash depreciation expense is projected at \$54.3 million, GASB 75 OPEB expense adjustment is projected at \$58.1 million and GASB 68 Pension expense adjustment is projected at \$50.9 million. Projected reimbursable expenses of \$5.6 million are fully offset by capital reimbursements. The projected net cash deficit is \$435.9 million after Cash Flow Adjustments.

Total end-of-year positions are projected at 3,920 consisting of 3,882 non-reimbursable positions and 38 reimbursable positions.

2021 Final Proposed Budget - Baseline

Total operating revenues are budgeted at \$136.1 million, including farebox revenues of \$114.9 million. Total non-reimbursable expenses before depreciation and GASB adjustments are budgeted to be \$919.0 million in 2021, consisting of labor costs of \$659.5 million and non-labor expenses of \$259.4 million. Non-cash depreciation expense is projected at \$54.8 million, GASB 75 OPEB expense adjustment is projected at \$69.9 million and GASB 68 Pension expense adjustment is projected at \$44.0 million. Projected reimbursable expenses of \$5.6 million are fully offset by capital reimbursements.

The projected net cash deficit is \$772.6 million after Cash Flow Adjustments.

Total end-of-year positions are projected at 3,894 consisting of 3,856 non-reimbursable positions and 38 reimbursable positions.

Impact on Funding

The 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024 for MTA Bus Company.

MTA BUS COMPANY
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$224.812	\$73.191	\$114.901	\$183.908	\$223.671	\$225.374
Other Operating Revenue	17.247	353.436	21.193	22.040	22.183	23.764
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$242.058	\$426.627	\$136.094	\$205.949	\$245.854	\$249.139
Operating Expense						
<u>Labor:</u>						
Payroll	\$304.850	\$291.580	\$293.373	\$314.016	\$305.530	\$306.002
Overtime	76.722	84.808	99.797	101.000	101.044	101.891
Health and Welfare	88.184	94.426	100.176	104.679	108.965	113.428
OPEB Current Payments	27.364	24.271	25.751	26.910	28.013	29.162
Pension	59.770	69.877	65.509	64.996	65.842	65.552
Other Fringe Benefits	60.889	73.899	75.827	78.731	77.898	78.029
Reimbursable Overhead	(2.652)	(0.897)	(0.906)	(0.935)	(0.932)	(0.930)
Total Labor Expenses	\$615.127	\$637.963	\$659.528	\$689.398	\$686.359	\$693.134
<u>Non-Labor:</u>						
Electric Power	\$1.843	\$1.519	\$1.677	\$1.672	\$1.720	\$1.780
Fuel	24.904	18.574	19.960	20.801	21.528	22.017
Insurance	4.614	5.809	7.035	8.733	10.084	12.078
Claims	78.784	74.245	76.099	77.992	79.909	81.829
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	31.166	43.035	48.557	44.841	42.660	43.803
Professional Services Contracts	28.241	46.176	41.367	42.379	41.895	41.965
Materials and Supplies	45.173	55.669	60.086	58.774	55.860	55.616
Other Business Expenses	3.835	4.510	4.647	5.015	5.097	5.131
Total Non-Labor Expenses	\$218.560	\$249.537	\$259.429	\$260.207	\$258.754	\$264.219
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$833.688	\$887.501	\$918.957	\$949.604	\$945.113	\$957.353
Depreciation	\$44.703	\$54.341	\$54.778	\$56.163	\$56.163	\$56.163
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	58.100	69.900	80.000	89.600	92.600
GASB 68 Pension Expense Adjustment	51.753	50.900	44.000	44.300	52.400	37.600
Environmental Remediation	1.664	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$931.807	\$1,050.842	\$1,087.635	\$1,130.067	\$1,143.276	\$1,143.716
Net Surplus/(Deficit)	(\$689.749)	(\$624.215)	(\$951.541)	(\$924.118)	(\$897.422)	(\$894.577)

MTA BUS COMPANY
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	6.071	5.554	5.644	5.823	5.815	5.809
Total Revenues	\$6.071	\$5.554	\$5.644	\$5.823	\$5.815	\$5.809
Operating Expense						
Labor:						
Payroll	\$3.518	\$2.268	\$2.230	\$2.301	\$2.297	\$2.294
Overtime	0.070	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	1.266	1.374	1.417	1.416	1.415
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.073	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	2.350	0.897	0.906	0.935	0.932	0.930
Total Labor Expenses	\$6.012	\$4.431	\$4.510	\$4.653	\$4.645	\$4.640
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.242	0.244	0.252	0.252	0.252
Professional Services Contracts	0.060	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.881	0.890	0.918	0.918	0.918
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.060	\$1.123	\$1.134	\$1.170	\$1.170	\$1.170
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$6.071	\$5.554	\$5.644	\$5.823	\$5.815	\$5.810
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$224.812	\$73.191	\$114.901	\$183.908	\$223.671	\$225.374
Other Operating Revenue	17.247	353.436	21.193	22.040	22.183	23.764
Capital and Other Reimbursements	6.071	5.554	5.644	5.823	5.815	5.809
Total Revenues	\$248.129	\$432.181	\$141.738	\$211.771	\$251.669	\$254.948
Operating Expense						
<u>Labor:</u>						
Payroll	\$308.368	\$293.848	\$295.603	\$316.317	\$307.827	\$308.296
Overtime	76.793	84.808	99.797	101.000	101.044	101.891
Health and Welfare	88.184	95.692	101.550	106.096	110.381	114.843
OPEB Current Payments	27.364	24.271	25.751	26.910	28.013	29.162
Pension	59.770	69.877	65.509	64.996	65.842	65.552
Other Fringe Benefits	60.962	73.899	75.827	78.731	77.898	78.029
Reimbursable Overhead	(0.302)	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$621.139	\$642.394	\$664.037	\$694.051	\$691.005	\$697.774
<u>Non-Labor:</u>						
Electric Power	\$1.843	\$1.519	\$1.677	\$1.672	\$1.720	\$1.780
Fuel	24.904	18.574	19.960	20.801	21.528	22.017
Insurance	4.614	5.809	7.035	8.733	10.084	12.078
Claims	78.784	74.245	76.099	77.992	79.909	81.829
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	31.166	43.277	48.801	45.093	42.912	44.055
Professional Services Contracts	28.301	46.176	41.367	42.379	41.895	41.965
Materials and Supplies	45.173	56.550	60.976	59.692	56.778	56.534
Other Business Expenses	3.835	4.510	4.647	5.015	5.097	5.131
Total Non-Labor Expenses	\$218.620	\$250.660	\$260.563	\$261.377	\$259.924	\$265.389
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$839.759	\$893.055	\$924.601	\$955.427	\$950.929	\$963.162
Depreciation	\$44.703	\$54.341	\$54.778	\$56.163	\$56.163	\$56.163
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	58.100	69.900	80.000	89.600	92.600
GASB 68 Pension Expense Adjustment	51.753	50.900	44.000	44.300	52.400	37.600
Environmental Remediation	1.664	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$937.878	\$1,056.396	\$1,093.279	\$1,135.890	\$1,149.091	\$1,149.525
Net Surplus/(Deficit)	(\$689.749)	(\$624.215)	(\$951.541)	(\$924.118)	(\$897.423)	(\$894.577)

MTA BUS COMPANY
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$226.465	\$73.191	\$114.901	\$183.908	\$223.671	\$225.374
Other Operating Revenue	15.282	353.436	21.193	22.040	22.183	23.764
Capital and Other Reimbursements	6.070	10.930	11.006	11.393	11.315	11.309
Total Receipts	\$247.817	\$437.557	\$147.100	\$217.341	\$257.168	\$260.448
Expenditures						
Labor:						
Payroll	\$304.565	\$295.386	\$295.197	\$315.898	\$307.408	\$307.877
Overtime	76.793	84.808	99.797	101.000	101.045	101.891
Health and Welfare	87.785	95.693	101.550	106.097	110.382	114.844
OPEB Current Payments	25.136	24.271	25.751	26.910	28.013	29.162
Pension	59.772	70.203	65.333	64.815	65.660	65.371
Other Fringe Benefits	58.511	58.722	60.648	63.547	62.714	62.845
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$612.562	\$629.082	\$648.276	\$678.267	\$675.221	\$681.990
Non-Labor:						
Electric Power	\$1.708	\$1.519	\$1.677	\$1.672	\$1.720	\$1.780
Fuel	24.661	17.151	19.961	20.802	21.529	22.017
Insurance	10.209	7.807	7.035	8.733	10.084	12.078
Claims	44.760	36.059	36.995	37.878	38.915	39.954
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	41.195	50.888	48.802	45.093	42.913	44.055
Professional Services Contracts	30.505	62.376	41.367	42.380	41.895	41.965
Materials and Supplies	46.480	63.808	60.976	59.692	56.777	56.534
Other Business Expenses	3.763	4.760	4.647	5.015	5.098	5.132
Total Non-Labor Expenditures	\$203.281	\$244.368	\$221.461	\$221.263	\$218.930	\$223.514
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$815.843	\$873.451	\$869.737	\$899.530	\$894.151	\$905.504
Net Cash Balance	(\$568.026)	(\$435.893)	(\$722.637)	(\$682.189)	(\$636.982)	(\$645.056)

MTA BUS COMPANY
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$1.653	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	(1.965)	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(0.001)	5.376	5.362	5.570	5.500	5.500
Total Receipts	(\$0.312)	\$5.376	\$5.362	\$5.570	\$5.500	\$5.500
Expenditures						
Labor:						
Payroll	\$3.803	(\$1.538)	\$0.406	\$0.419	\$0.419	\$0.419
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.399	(0.001)	0.000	(0.001)	(0.001)	(0.001)
OPEB Current Payments	2.228	0.000	0.000	0.000	0.000	0.000
Pension	(0.002)	(0.326)	0.176	0.181	0.181	0.181
Other Fringe Benefits	2.451	15.177	15.179	15.184	15.184	15.184
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(0.302)	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$8.577	\$13.312	\$15.761	\$15.784	\$15.784	\$15.784
Non-Labor:						
Electric Power	\$0.135	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.243	1.423	(0.001)	0.000	0.000	0.000
Insurance	(5.595)	(1.998)	0.000	0.000	0.000	0.000
Claims	34.024	38.186	39.105	40.114	40.994	41.875
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(10.029)	(7.611)	(0.001)	0.000	0.000	0.000
Professional Services Contracts	(2.204)	(16.200)	0.000	0.000	0.000	0.000
Materials and Supplies	(1.307)	(7.258)	0.000	0.001	0.001	0.001
Other Business Expenses	0.072	(0.250)	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$15.339	\$6.292	\$39.103	\$40.113	\$40.994	\$41.875
Other Expenditure Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$23.916	\$19.604	\$54.864	\$55.897	\$56.778	\$57.659
Total Cash Conversion Adjustments before Depreciation	\$23.603	\$24.980	\$60.226	\$61.467	\$62.278	\$63.159
Depreciation	\$44.703	\$54.341	\$54.778	\$56.163	\$56.163	\$56.163
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	0.000	58.100	69.900	80.000	89.600	92.600
GASB 68 Pension Expense Adjustment	51.753	50.900	44.000	44.300	52.400	37.600
Environmental Remediation	1.664	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$121.723	\$188.321	\$228.904	\$241.930	\$260.440	\$249.521

MTA BUS COMPANY
November Financial Plan 2021 - 2024
Ridership (Utilization) and Revenue
(in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
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RIDERSHIP

Fixed Route	120.432	36.594	60.968	97.687	118.870	119.733
Total Ridership	120.432	36.594	60.968	97.687	118.870	119.733

FAREBOX REVENUE

Fixed Route Farebox Revenue	\$224.812	\$73.191	\$114.901	\$183.908	\$223.671	\$225.374
Farebox Revenue	\$224.812	\$73.191	\$114.901	\$183.908	\$223.671	\$225.374

MTA BUS COMPANY
November Financial Plan 2021-2024
Total Positions by Function & Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Office of the EVP	3	3	3	3	3	3
Human Resources	17	17	17	17	17	17
Office of Management and Budget	12	14	14	14	14	14
Materiel	14	15	15	15	15	15
Controller	19	18	18	18	18	18
Office of the President	4	4	4	4	4	4
System Safety Administration	0	0	0	0	0	0
Law	21	20	20	20	20	20
Strategic Office	19	19	19	19	19	19
Non Departmental	0	3	4	9	3	3
Total Administration	109	113	114	119	113	113
Operations						
Buses	2,347	2,328	2,328	2,328	2,328	2,328
Office of the Executive Vice President, Regional	5	6	6	6	6	6
Safety & Training	35	68	68	68	68	68
Road Operations	142	141	141	141	141	141
Transportation Support	23	25	25	25	25	25
Operations Planning	33	34	34	34	33	33
Revenue Control	6	6	6	6	6	6
Total Operations	2,591	2,608	2,608	2,608	2,607	2,607
Maintenance						
Buses	737	731	731	731	731	731
Maintenance Support/CMF	235	233	208	333	225	225
Facilities	78	83	81	81	81	81
Supply Logistics	101	104	104	104	104	104
Total Maintenance	1,151	1,151	1,124	1,249	1,141	1,141
Engineering/Capital						
Capital Program Management	26	35	35	35	35	35
Public Safety						
Office of the Senior Vice President	12	13	13	13	13	13
Total Positions	3,889	3,920	3,894	4,024	3,909	3,909
Non-Reimbursable	3,853	3,882	3,856	3,986	3,871	3,871
Reimbursable	36	38	38	38	38	38
Total Full-Time	3,878	3,902	3,876	4,006	3,891	3,891
Total Full-Time Equivalents	11	18	18	18	18	18

MTA BUS COMPANY
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	43	46	46	46	46	46
Professional/Technical/Clerical	66	64	64	64	64	64
Operational Hourlies	0	3	4	9	3	3
Total Administration Headcount	109	113	114	119	113	113
Operations						
Managers/Supervisors	316	319	319	319	318	318
Professional/Technical/Clerical	48	45	45	45	45	45
Operational Hourlies	2,227	2,244	2,244	2,244	2,244	2,244
Total Operations Headcount	2,591	2,608	2,608	2,608	2,607	2,607
Maintenance						
Managers/Supervisors	238	241	241	241	241	241
Professional/Technical/Clerical	36	37	35	35	35	35
Operational Hourlies	877	873	848	973	865	865
Total Maintenance Headcount	1,151	1,151	1,124	1,249	1,141	1,141
Engineering / Capital						
Managers/Supervisors	15	21	21	21	21	21
Professional/Technical/Clerical	11	14	14	14	14	14
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	26	35	35	35	35	35
Public Safety						
Managers/Supervisors	6	8	8	8	8	8
Professional/Technical/Clerical	6	5	5	5	5	5
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	12	13	13	13	13	13
Total Positions						
Managers/Supervisors	618	635	635	635	634	634
Professional/Technical/ Clerical	167	165	163	163	163	163
Operational Hourlies	3,104	3,120	3,096	3,226	3,112	3,112
Total Positions	3,889	3,920	3,894	4,024	3,909	3,909

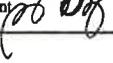
Staten Island Railway

Staff Summary

Subject SIR 2021 Budget and 2021 – 2024 Financial Plan Adoption
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature 
Project Manager Name

Date December 2, 2020
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	TA Committee	12/16/20			
2	Finance Committee	12/16/20			
3	MTA Board	12/16/20			

Internal Approvals			
Order	Approval	Order	Approval
1	OMB – Director 		
2	CFO 		
3	President 		

Purpose

To secure MTA Board adoption of MTA Staten Island Railway’s 2020 November Forecast, 2021 Final Proposed Budget, and the Four-Year Financial Plan for 2021-2024.

Discussion

The COVID-19 pandemic has significantly reduced business activity and personal travel in the NYC region resulting in drastic transit ridership declines. In addition, the high cost of intensive daily cleaning and disinfecting of agency fleets and facilities is expected to continue for the duration of the plan period, adding to the overall baseline agency operating costs.

The 2021 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to support MTA Staten Island Railway’s planned service levels, as well as MTA’s commitment to provide safe, reliable and efficient transportation service. The baseline projections that follow for MTA Staten Island Railway include several operational initiatives as summarized below. SIR projections do not include the estimated impacts from projected fare increases and MTA policy actions. These impacts are presented as part of MTA consolidated materials.

Operational Highlights:

1. The Plan includes a net unfavorable \$19.8 million in COVID-identified impacts over the five-year period comprised of reduced operating revenue of \$9.3 million and COVID-related incremental expenses of \$10.5 million. Receipts from the CARES Act, totaling \$23.3 million in 2020, helped cover the net cost of operating essential service through July 2020.
2. Currently, Staten Island Railway (SIR) does not have staff dedicated to training and must borrow New York City Transit (NYCT) track worker employees to conduct 377 classes annually on two shifts. With a dedicated staff of two instructors, SIR can perform more effective training for its MOW workforce.

3. Almost 90 percent of SIR's 28.6 miles of track and ties have exceeded its expected useful life. To prolong the longevity of track and ties that are not scheduled to be immediately replaced through the Capital Program, the Maintenance Spot Tie Replacement Program was initiated in 2020 with 20 positions to replace every third tie which will allow SIR to extend the life of the track and ties. The program was budgeted for just one year to provide for a progress review. Without an in-house repair Capital group to supplement capital contracts, as NYCT has, SIR is retaining the 20 non-reimbursable positions for 2021 to continue this track work.
4. Capital program work specifies 11 reimbursable positions (7 retained, 4 new) in 2021 for weekend shutdowns, including work train operators, flagmen, and pilots for on-track equipment in support of contractors performing capital work.

2020 November Forecast-Baseline

Total operating revenues are projected at \$27.8 million, including farebox revenues of \$2.4 million. Total operating expenses are projected to be \$68.1 million, consisting of labor costs of \$52.1 million and non-labor expenses of \$16.1 million. Non-cash depreciation expense is projected at \$12.0 million, GASB 75 other post-employment benefit expenses are projected at \$5.5 million and GASB 68 pension expenses are projected as a credit of \$0.1 million. After including favorable cash adjustments of \$17.4 million, the projected net cash deficit is \$40.3 million. Projected reimbursable expenses of \$7.0 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 385, including 336 non-reimbursable positions and 49 reimbursable positions.

2021 Final Proposed Budget-Baseline

Total operating revenues are projected at \$5.8 million, including farebox revenues of \$3.4 million. Total operating expenses are projected to be \$66.0 million, consisting of labor costs of \$52.9 million and non-labor expenses of \$13.1 million. Non-cash depreciation expense is projected at \$12.0 million, GASB 75 other post-employment benefit expenses are projected at \$6.5 million, and GASB 68 pension expenses are projected as a credit of \$1.1 million. After including favorable cash adjustments of \$19.8 million, the projected net cash deficit is \$57.8 million. Projected reimbursable expenses of \$7.8 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 389, including 336 non-reimbursable positions and 53 reimbursable positions.

Impact on Funding

The 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan for 2021-2024, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the 2020 November Forecast, the 2021 Final Proposed Budget and the Four-Year Financial Plan for 2021-2024 for MTA Staten Island Railway.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$6.662	\$2.362	\$3.400	\$5.445	\$6.619	\$6.667
Other Operating Revenue	2.705	25.412	2.386	2.391	2.398	2.719
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$9.366	\$27.774	\$5.786	\$7.836	\$9.017	\$9.386
Operating Expense						
<u>Labor:</u>						
Payroll	\$25.234	\$26.545	\$27.322	\$26.243	\$26.740	\$27.754
Overtime	2.986	3.238	2.416	2.002	2.023	2.401
Health and Welfare	6.158	6.588	7.670	7.382	7.743	8.115
OPEB Current Payments	2.292	2.723	2.802	2.949	3.094	3.245
Pension	7.244	8.838	8.682	8.298	8.342	8.226
Other Fringe Benefits	5.002	5.048	5.077	5.341	5.414	5.888
Reimbursable Overhead	(2.300)	(0.903)	(1.077)	(0.766)	(0.782)	(0.460)
Total Labor Expenses	\$46.615	\$52.077	\$52.892	\$51.449	\$52.575	\$55.167
<u>Non-Labor:</u>						
Electric Power	\$3.655	\$3.292	\$3.906	\$3.827	\$4.323	\$4.409
Fuel	0.291	0.225	0.216	0.227	0.236	0.245
Insurance	1.022	1.012	1.350	1.691	1.870	2.208
Claims	1.486	0.990	0.993	0.995	0.986	0.998
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.938	3.565	2.220	2.222	2.293	2.377
Professional Services Contracts	0.893	1.742	2.657	2.517	2.534	2.554
Materials and Supplies	2.487	3.271	1.745	1.737	1.206	1.218
Other Business Expenses	0.236	1.955	0.031	0.024	0.022	0.027
Total Non-Labor Expenses	\$11.009	\$16.052	\$13.118	\$13.240	\$13.470	\$14.036
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$57.624	\$68.129	\$66.009	\$64.689	\$66.045	\$69.203
Depreciation	\$11.630	\$12.000	\$12.000	\$12.000	\$17.500	\$17.500
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	5.784	5.500	6.500	4.700	4.900	5.100
GASB 68 Pension Expense Adjustment	0.291	(0.100)	(1.100)	(1.100)	(1.200)	(1.200)
Environmental Remediation	(0.109)	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$75.220	\$85.529	\$83.409	\$80.289	\$87.245	\$90.603
Net Surplus/(Deficit)	(\$65.854)	(\$57.755)	(\$77.623)	(\$72.452)	(\$78.229)	(\$81.217)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	5.399	6.985	7.802	6.292	6.401	4.686
Total Revenues	\$5.399	\$6.985	\$7.802	\$6.292	\$6.401	\$4.686
Operating Expense						
Labor:						
Payroll	\$0.886	\$3.897	\$4.174	\$3.525	\$3.597	\$2.639
Overtime	1.580	0.900	1.110	0.900	0.900	0.900
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.004	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	1.285	1.441	1.101	1.123	0.687
Reimbursable Overhead	2.302	0.903	1.077	0.766	0.782	0.460
Total Labor Expenses	\$4.772	\$6.985	\$7.802	\$6.292	\$6.401	\$4.686
Non-Labor:						
Electric Power	\$0.005	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.026	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.595	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.627	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$5.399	\$6.985	\$7.802	\$6.292	\$6.401	\$4.686
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA STATEN ISLAND RAILWAY
November Financial Plan 2021 - 2024
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
<u>Non-Reimbursable / Reimbursable</u>						
Operating Revenue						
Farebox Revenue	\$6.662	\$2.362	\$3.400	\$5.445	\$6.619	\$6.667
Other Operating Revenue	2.705	25.412	2.386	2.391	2.398	2.719
Capital and Other Reimbursements	5.399	6.985	7.802	6.292	6.401	4.686
Total Revenues	\$14.765	\$34.759	\$13.588	\$14.129	\$15.418	\$14.072
Operating Expense						
<u>Labor:</u>						
Payroll	\$26.120	\$30.442	\$31.496	\$29.768	\$30.337	\$30.393
Overtime	4.566	4.138	3.526	2.902	2.923	3.301
Health and Welfare	6.158	6.588	7.670	7.382	7.743	8.115
OPEB Current Payments	2.296	2.723	2.802	2.949	3.094	3.245
Pension	7.244	8.838	8.682	8.298	8.342	8.226
Other Fringe Benefits	5.002	6.333	6.518	6.442	6.537	6.575
Reimbursable Overhead	0.002	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$51.387	\$59.062	\$60.693	\$57.741	\$58.976	\$59.853
<u>Non-Labor:</u>						
Electric Power	\$3.661	\$3.292	\$3.906	\$3.827	\$4.323	\$4.409
Fuel	0.291	0.225	0.216	0.227	0.236	0.245
Insurance	1.022	1.012	1.350	1.691	1.870	2.208
Claims	1.486	0.990	0.993	0.995	0.986	0.998
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.938	3.565	2.220	2.222	2.293	2.377
Professional Services Contracts	0.920	1.742	2.657	2.517	2.534	2.554
Materials and Supplies	3.082	3.271	1.745	1.737	1.206	1.218
Other Business Expenses	0.236	1.955	0.031	0.024	0.022	0.027
Total Non-Labor Expenses	\$11.635	\$16.052	\$13.118	\$13.240	\$13.470	\$14.036
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$63.022	\$75.114	\$73.811	\$70.981	\$72.447	\$73.889
Depreciation	\$11.630	\$12.000	\$12.000	\$12.000	\$17.500	\$17.500
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	5.784	5.500	6.500	4.700	4.900	5.100
GASB 68 Pension Expense Adjustment	0.291	(0.100)	(1.100)	(1.100)	(1.200)	(1.200)
Environmental Remediation	(0.109)	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$80.619	\$92.514	\$91.211	\$86.581	\$93.647	\$95.289
Net Surplus/(Deficit)	(\$65.854)	(\$57.755)	(\$77.623)	(\$72.452)	(\$78.229)	(\$81.217)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2021 - 2024
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$6.585	\$2.363	\$3.400	\$5.445	\$6.619	\$6.667
Other Operating Revenue	3.443	25.412	2.386	2.391	2.398	2.719
Capital and Other Reimbursements	5.469	6.984	7.802	6.293	6.401	4.686
Total Receipts	\$15.497	\$34.759	\$13.588	\$14.129	\$15.417	\$14.072
Expenditures						
Labor:						
Payroll	\$24.379	\$32.855	\$31.401	\$29.670	\$30.235	\$30.206
Overtime	4.059	4.138	3.526	2.902	2.923	3.301
Health and Welfare	8.515	6.588	7.670	7.382	7.743	8.115
OPEB Current Payments	0.870	2.723	2.802	2.949	3.094	3.245
Pension	7.202	8.838	8.682	8.298	8.342	8.226
Other Fringe Benefits	4.149	4.410	4.712	4.635	4.729	4.760
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$49.174	\$59.551	\$58.793	\$55.835	\$57.066	\$57.852
Non-Labor:						
Electric Power	\$3.590	\$3.292	\$3.906	\$3.827	\$4.323	\$4.409
Fuel	0.272	0.225	0.217	0.226	0.236	0.245
Insurance	1.248	1.012	1.350	1.691	1.870	2.208
Claims	0.004	0.490	0.493	0.495	0.486	0.499
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.690	3.565	2.220	2.222	2.293	2.377
Professional Services Contracts	0.748	1.742	2.657	2.517	2.534	2.554
Materials and Supplies	4.212	3.272	1.745	1.737	1.207	1.218
Other Business Expenses	0.155	1.955	0.032	0.025	0.022	0.027
Total Non-Labor Expenditures	\$10.917	\$15.553	\$12.620	\$12.740	\$12.971	\$13.537
Other Expenditure Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$60.091	\$75.105	\$71.412	\$68.576	\$70.038	\$71.389
Net Cash Balance	(\$44.594)	(\$40.346)	(\$57.824)	(\$54.446)	(\$54.620)	(\$57.317)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2021 - 2024
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$0.077)	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.738	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.070	(0.001)	0.000	0.001	0.000	0.000
Total Receipts	\$0.732	\$0.000	\$0.001	\$0.001	(\$0.001)	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$1.741	(\$2.413)	\$0.095	\$0.099	\$0.102	\$0.187
Overtime	0.507	0.001	0.000	0.000	0.000	0.000
Health and Welfare	(2.357)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	1.426	0.000	0.000	0.000	0.000	0.000
Pension	0.041	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.853	1.923	1.806	1.807	1.808	1.815
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.002	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$2.213	(\$0.490)	\$1.901	\$1.905	\$1.910	\$2.001
<u>Non-Labor:</u>						
Electric Power	\$0.071	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.020	0.000	(0.001)	0.001	0.000	0.000
Insurance	(0.226)	0.000	0.000	0.000	0.000	0.000
Claims	1.483	0.500	0.500	0.500	0.500	0.499
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.248	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.172	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	(1.130)	(0.001)	0.000	0.000	(0.001)	0.000
Other Business Expenses	0.081	0.000	(0.001)	(0.001)	0.000	0.000
Total Non-Labor Expenditures	\$0.718	\$0.499	\$0.498	\$0.500	\$0.499	\$0.499
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$2.932	\$0.009	\$2.399	\$2.406	\$2.409	\$2.501
Total Cash Conversion Adjustments before Depreciation	\$3.663	\$0.009	\$2.399	\$2.406	\$2.408	\$2.501
Depreciation	\$11.630	\$12.000	\$12.000	\$12.000	\$17.500	\$17.500
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 75 OPEB Expense Adjustment	5.784	5.500	6.500	4.700	4.900	5.100
GASB 68 Pension Expense Adjustment	0.291	(0.100)	(1.100)	(1.100)	(1.200)	(1.200)
Environmental Remediation	(0.109)	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$21.260	\$17.409	\$19.799	\$18.006	\$23.608	\$23.901

MTA STATEN ISLAND RAILWAY
November Financial Plan 2021 - 2024
Ridership (Utilization) and Revenue
(in millions)

	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
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RIDERSHIP

Fixed Route	4.300	1.483	2.180	3.491	4.245	4.273
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FAREBOX REVENUE

Fixed Route Farebox Revenue	\$6.662	\$2.362	\$3.400	\$5.445	\$6.619	\$6.667
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Farebox Revenue	\$6.662	\$2.362	\$3.400	\$5.445	\$6.619	\$6.667
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MTA STATEN ISLAND RAILWAY
November Financial Plan 2021-2024
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2019 Actual	2020 November Forecast	2021 Final Proposed Budget	2022	2023	2024
Administration						
Executive	7	13	13	13	13	13
General Office	9	11	11	11	11	11
Purchasing/Stores	4	6	6	6	6	6
Total Administration	20	30	30	30	30	30
Operations						
Transportation	121	130	133	123	123	123
Maintenance						
Mechanical	51	53	53	53	53	53
Electronic/Electrical	19	15	15	15	15	15
Power/Signals	28	32	32	28	28	28
Maintenance of Way	79	83	84	67	67	55
Infrastructure	30	26	26	26	26	26
Total Maintenance	207	209	210	189	189	177
Engineering/Capital						
Capital Project Support	9	16	16	16	16	16
Public Safety						
Police	-					
Baseline Total Positions						
	357	385	389	358	358	346
Non-Reimbursable	329	336	336	305	305	293
Reimbursable	28	49	53	53	53	53
Total Full-Time	357	385	389	358	358	346
Total Full-Time Equivalents						

MTA STATEN ISLAND RAILWAY
November Financial Plan 2021 - 2024
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2019	November Forecast 2020	Final Proposed Budget 2021	2022	2023	2024
Administration						
Managers/Supervisors	10	16	16	16	16	16
Professional/Technical/Clerical	10	12	12	12	12	12
Operational Hourlies	0	2	2	2	2	2
Total Administration Headcount	20	30	30	30	30	30
Operations						
Managers/Supervisors	8	11	11	11	11	11
Professional/Technical/Clerical	1	3	3	3	3	3
Operational Hourlies	112	116	119	109	109	109
Total Operations Headcount	121	130	133	123	123	123
Maintenance						
Managers/Supervisors	26	17	17	14	14	14
Professional/Technical/Clerical	7	6	6	6	6	6
Operational Hourlies	174	186	187	169	169	157
Total Maintenance Headcount	207	209	210	189	189	177
Engineering / Capital						
Managers/Supervisors	3	3	3	3	3	3
Professional/Technical/Clerical	0	4	4	4	4	4
Operational Hourlies	6	9	9	9	9	9
Total Engineering Headcount	9	16	16	16	16	16
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	47	47	47	44	44	44
Professional/Technical/ Clerical	18	25	25	25	25	25
Operational Hourlies	292	313	317	289	289	277
Total Positions	357	385	389	358	358	346