

Exhibit Book
Finance Committee Meeting
4/21/2021

Table of Contents:

BudgetWatch - Page 2

Annual Report of Variable Rate Debt Presentation - Page 20

BudgetWatch

April 2021 Flash Report

This BudgetWatch reflects preliminary operating results through March and subsidies received through April, with results measured against the Adopted Budget.

Overall Latest Condition (reporting on operations through March and subsidies through April):

Overall, preliminary results to date are favorable. Passenger revenues through March were favorable by \$264 million (97%), reflecting higher ridership against the budget which is based on the McKinsey “worst case” scenario. Through the first three months of the year, farebox revenue has been closer to the midpoint range between the “worst case” and “best case” McKinsey scenarios. As noted in the February Financial Plan, MTA used the “worst case” to minimize down-side risk with the hope of better results. Toll revenue through March was \$173 million (70%) favorable due to higher-than-budgeted traffic volume. Passenger and toll revenues, however, remain significantly below pre-pandemic levels and compared with the first quarter of 2019 (stay-at-home orders that went into effect in mid-March 2020 prevent a valid comparison with 2020), with passenger revenues down \$521 million (63%) and toll revenue down \$32 million (7%). MTA continues to analyze monthly passenger and toll revenue levels and will revise forecasts accordingly in the July Plan.

Operating expenses through March were favorable by \$258 million (7%). About seventy percent of the favorable variance is timing related, with the remainder mostly attributable to continuing, but loosened, hiring restrictions, lower electric power and fuel consumption and rates, favorable prescription drug and health & welfare rates at NYCT, and lower paratransit service contract expenses due to trip usage. Overtime spending is \$6 million (3%) unfavorable through March and is attributable to the impact of significant snowfall in February and vacancy/absentee coverage at NYCT. Debt service was favorable for the month and YTD due to the timing of debt issuance, lower than budgeted variable rates, and remarketing of debt from variable rate to fixed rate mode.

Overall subsidy receipts through April were \$311 million (24%) favorable on the strength of the real estate transaction taxes, the Payroll Mobility Tax and MMTOA. Year-to-date, real estate transaction taxes were \$124 million (61%) favorable, mostly from the MRT which was \$103 million (107%) favorable – primarily in the suburban counties – while the Urban Tax was \$21 million (20%) favorable. Payroll Mobility Tax receipts were favorable by \$139 million (32%), while MMTOA was \$61 million favorable, reflecting an additional \$61 million in April from the prior State Fiscal Year that the MTA had recognized as a shortfall in the February Financial Plan. MTA Aid was \$8 million (16%) favorable and the For-Hire Vehicle Surcharge was \$35 million (40%) unfavorable. The Mansion and Internet Marketplace Sales Taxes were a combined \$36 million (21%) favorable; these two taxes are now being recommitted to the 2020-2024 Capital Program, not the operating budget as assumed in the February Financial Plan, and the net effect of this action is a \$211 million decrease in budgeted operating subsidies through April.

Passenger and Toll Revenues

	YTD March 2021 (\$ in millions)				Month of March 2021 (\$ in millions)			
	Actual	Adopted Budget	Diff	%Diff	Actual	Adopted Budget	Diff	%Diff
NYCT:								
Subway	\$302.1	\$152.6	\$149.4	97.9%	\$116.1	\$53.8	\$62.3	115.7%
Bus	118.7	40.2	78.5	195.4%	45.0	14.2	30.8	217.4%
Other	<u>9.6</u>	<u>6.6</u>	<u>3.0</u>	<u>45.0%</u>	<u>3.7</u>	<u>2.3</u>	<u>1.4</u>	<u>61.4%</u>
NYCT	\$430.4	\$199.5	\$231.0	115.8%	\$164.9	\$70.3	\$94.5	134.4%
MTA Bus	26.9	9.8	17.0	173.0%	10.1	3.4	6.7	195.9%
LIRR	44.3	31.8	12.5	39.3%	16.7	11.1	5.6	50.9%
MNR	<u>34.4</u>	<u>30.5</u>	<u>3.9</u>	<u>12.9%</u>	<u>13.3</u>	<u>10.5</u>	<u>2.7</u>	<u>25.9%</u>
Sub-total	\$536.0	\$271.6	\$264.4	97.4%	\$204.9	\$95.3	\$109.6	115.0%
B&T	<u>419.6</u>	<u>247.1</u>	<u>172.5</u>	<u>69.8%</u>	<u>164.1</u>	<u>92.4</u>	<u>71.7</u>	<u>77.6%</u>
Total	\$955.6	\$518.7	\$436.9	84.2%	\$369.1	\$187.7	\$181.3	96.6%

Passenger and toll revenues for the month and year-to-date were better than budget for all Agencies. Weather, which can adversely impact ridership and traffic volume during winter months, saw slightly cooler temperatures than normal in March, while precipitation—and snowfall in particular—was below the normal level for the month. The budget, against which actuals are measured, is based on the preliminary “worst case” scenario developed by the consulting firm McKinsey & Co. for the November 2020 financial plan, and MTA was clear in hoping results would exceed the “worst case” scenario. Monthly results will continue to be analyzed, and forecasts will be adjusted accordingly in the July Plan.

Total Operating Expenses before Non-Cash Liability Adjustments

	YTD March 2021 (\$ in millions)				Month of March 2021 (\$ in millions)			
	Adopted		Diff	% Diff	Adopted		Diff	% Diff
	Actual	Budget			Actual	Budget		
NYCT	\$2,103.8	\$2,211.3	\$107.5	4.9%	\$740.2	\$744.2	\$3.9	0.5%
MTA Bus	198.4	226.2	27.9	12.3%	69.1	79.0	9.9	12.5%
LIRR	349.9	418.2	68.2	16.3%	108.6	137.9	29.3	21.2%
MNR	313.4	321.2	7.8	2.4%	112.5	105.8	(6.7)	-6.3%
B&T	98.7	114.4	15.8	13.8%	35.6	41.0	5.4	13.2%
MTA HQ	176.8	205.2	28.3	13.8%	71.9	79.8	8.0	10.0%
MTA C&D	<u>21.2</u>	<u>23.6</u>	<u>2.5</u>	<u>10.5%</u>	<u>6.1</u>	<u>9.9</u>	<u>3.8</u>	<u>38.3%</u>
Total	\$3,262.1	\$3,520.1	\$257.9	7.3%	\$1,143.9	\$1,197.5	\$53.6	4.5%

Preliminary expenses for March were favorable by \$53.6 million, or 4.5%. The LIRR variance mainly reflects the timing of maintenance contracts, professional services, material usage, as well as vacant positions and higher reimbursable overhead due to the timing of capital project activity. The MTA Bus variance reflects the favorable timing of maintenance work, material usage and professional services, including interagency billing and the roll-out of bus technologies, as well as claims expenses, and other fringe benefits. The B&T variance mainly reflects timing and lower spending for E-ZPass customer service center expenses, major maintenance and painting, vacancies and overtime. The variance at NYCT primarily reflects favorable prescription drug and health & welfare/OPEB rates, lower paratransit service contracts and electric power costs, as well as vacant positions, partially offset by higher overtime and lower reimbursable overhead credits. The MTA HQ variance largely reflects vacancy-related savings, the timing of maintenance, repairs and professional services, and lower overtime. The favorable variance at MTA C&D reflects the timing of recoveries from other agencies. At MNR, the unfavorable variance primarily reflects quarterly material inventory adjustments as well as higher health & welfare/OPEB and electric power costs, partially offset by the favorable timing of rolling stock maintenance work and lower costs for overtime and procured services.

Year-to-date expenses were favorable by \$257.9 million, or 7.3%, and mainly reflect the factors noted for the month. Additionally, MNR was favorable due to the timing of rolling stock maintenance and other maintenance contracts, and lower costs for procured services and overtime, partially offset by lower reimbursable overhead and higher health & welfare/OPEB expenses.

Overtime

	YTD March 2021 (\$ in millions)				Month of March 2021 (\$ in millions)			
	Adopted		Diff	% Diff	Adopted		Diff	% Diff
	Actual	Budget			Actual	Budget		
NYCT	\$155.8	\$138.6	(\$17.1)	-12.4%	\$54.6	\$47.0	(\$7.6)	-16.3%
MTA Bus	20.6	25.3	4.6	18.4%	7.3	8.5	1.2	14.0%
LIRR	31.3	32.3	1.0	3.1%	9.6	10.9	1.3	11.8%
MNR	18.9	21.2	2.2	10.5%	5.4	6.5	1.2	17.8%
B&T	3.3	4.6	1.3	28.2%	1.0	1.2	0.2	19.5%
MTA HQ	5.7	7.4	1.7	23.3%	2.1	2.4	0.3	11.9%
MTA C&D	<u>0.0</u>	<u>0.0</u>	<u>(0.0)</u>	<u>N/A</u>	<u>0.0</u>	<u>0.0</u>	<u>(0.0)</u>	<u>N/A</u>
Total	\$235.6	\$229.4	(\$6.2)	-2.7%	\$80.0	\$76.5	(\$3.5)	-4.5%

Overtime costs for the month of March were higher than budget due to unfavorable results at NYCT largely reflecting the timing of overtime expenses from the previous month and vacancy/absentee coverage. The LIRR was favorable primarily due to lower maintenance requirements, tightened management procedures, and weather-related overtime, partially offset by vacancy/absentee coverage. MTA Bus was favorable mainly due to lower unscheduled service overtime and lower maintenance requirements. MNR's favorable results reflect lower than planned weather events in Maintenance of Way as well as lower overtime in Transportation due to operating on a reduced service schedule. At MTA HQ, lower costs are primarily due to revised deployment assumptions for the MTAPD. The favorable variance at B&T reflects management efficiencies, improved scheduling and deployment practices, and rescheduled maintenance.

YTD Overtime expenses were \$6.2 million, or 2.7%, higher than the budget primarily due to higher overtime expenses at NYCT primarily reflecting weather-related overtime and vacancy/absentee coverage. Partially offsetting these results were favorable YTD variances at MTA Bus, MNR, MTA HQ, B&T and the LIRR, largely reflecting a continuation of the same drivers noted for the month.

Debt Service

Debt Service for the month of March was \$246.3 million, which was \$7.0 million or 2.8% favorable due to the timing of debt issuance, lower than budgeted variable rates, and remarketing of debt from variable rate to fixed rate mode. Year-to-Date Debt Service expenses were \$727.8 million, which were \$27.5 million or 3.6% favorable primarily due to the same factors noted for the month.

State Dedicated Taxes and Fees

	YTD April 2021 (\$ in millions)				Month of April 2021 (\$ in millions)			
	Adopted				Adopted			
	Actual	Budget	Diff	%Diff	Actual	Budget	Diff	%Diff
MMTOA	\$391.0	\$329.7	\$61.3	18.6%	\$61.3	\$0.0	61.3	100.0%
PBT	204.0	191.4	12.5	6.6%	93.6	57.2	36.5	63.8%
PMT ¹	578.2	438.8	139.4	31.8%	156.6	110.4	46.2	41.9%
MTA Aid ²	61.1	52.7	8.4	15.9%	0.0	0.0	0.0	0.0%
FHV ³	<u>55.2</u>	<u>90.2</u>	<u>(35.0)</u>	<u>-38.8%</u>	<u>14.9</u>	<u>22.4</u>	<u>(7.5)</u>	<u>-33.6%</u>
Total	\$1,289.5	\$1,102.8	\$186.6	16.9%	\$326.4	\$190.0	\$136.5	71.8%

MMTOA YTD receipts were \$61.3 million (18.6%) over budget due to the State making an additional payment in April, of that exact amount, from its 2020-21 Enacted Budget (prior year), that the MTA had already recognized as a shortfall and did not include in the revenue estimates in the February Plan. PBT receipts were \$36.5 million (63.8%) favorable in April, and \$12.5 million (6.6%) favorable year-to-date. March Payroll Mobility Tax (PMT) receipts were \$46.2 million (41.9%) favorable, and year-to-date collections were favorable by \$139.4 million (31.8%). MTA Aid receipts, which are transferred quarterly, were not due in April; YTD receipts were \$8.4 million (15.9%) favorable. FHV receipts for April were unfavorable by \$7.5 million (33.6%) and through April receipts were unfavorable by \$35.0 million (38.8%).

Real Estate Transaction Taxes

	YTD March 2021 (\$ in millions)				Month of March 2021 (\$ in millions)			
	Adopted				Adopted			
	Actual	Budget	Diff	%Diff	Actual	Budget	Diff	%Diff
MRT	\$199.0	\$96.0	\$103.0	107.2%	\$57.4	\$24.0	\$33.4	139.2%
NYC Urban Tax	<u>127.7</u>	<u>106.5</u>	<u>21.2</u>	<u>19.9%</u>	<u>28.3</u>	<u>26.6</u>	<u>1.6</u>	<u>6.2%</u>
Total	\$326.6	\$202.5	\$124.1	61.3%	\$85.7	\$50.6	\$35.0	69.2%

¹ PMT replacement funds, expected to total \$272.9 million in 2021, are excluded from the results reported in this table.

² MTA Aid includes the License Fee, Vehicle Registration Fee, Taxi Fee and Automobile Rental Fee.

³ For-Hire Vehicle Surcharge.

Total real estate transaction taxes for April, which reflect transaction activity during the month of March, were \$35.0 million (69.2%) favorable to the Adopted Budget, with the YTD variance favorable by \$124.1 million (61.3%).

When compared with last year through April, real estate taxes were \$59.4 million (15.4%) lower; the Urban Tax was off last year's level by \$109.6 million, or 46.2%, while MRT was favorable compared with last year by \$50.2 million, or 33.7%.

Regional Mortgage Recording Tax⁴ receipts for April were \$33.4 million, or 139.2%, favorable; MRT-1 was favorable by \$18.9 million, and MRT-2 receipts were favorable by \$14.5 million. YTD MRT receipts were favorable by \$103.0 million (107.2%), with MRT-1 receipts \$56.6 million favorable and MRT-2 receipts \$46.4 million favorable.

New York City Urban Tax⁵ receipts for April were \$1.6 million, or 6.2%, unfavorable, and YTD Urban Tax receipts were \$21.2 million (19.9%) favorable. For April, the Real Property Transfer Tax (RPTT) portion of the Urban Tax was unfavorable by \$1.5 million, or 9.3%, while the MRT portion of the Urban Tax was \$3.2 million or 31.4% favorable. YTD, RPTT receipts were \$15.8 million (23.9%) favorable, while the MRT portion of the Urban Tax was \$5.4 million (13.3%) favorable.

Capital Lockbox Funding Sources

	YTD April 2021 (\$ in millions)				Month of April 2021 (\$ in millions)			
	Actual	Adopted Budget	Diff	% Diff	Actual	Adopted Budget	Diff	% Diff
Mansion Tax ⁶	\$81.3	\$61.9	\$19.4	31.3%	\$15.9	\$15.5	\$0.4	2.4%
Internet Sales Tax ⁷	129.4	112.9	16.5	14.6%	31.6	28.2	3.4	11.9%
Total	\$210.7	\$174.9	\$35.9	20.5%	\$47.5	\$43.7	\$3.7	8.6%

April Mansion Tax receipts were close to the target, and year-to-date receipts were favorable by \$19.4 million (31.3%). Internet Sales Tax receipts were \$3.4 million (11.9%) favorable in April, and year-to-date receipts were \$16.5 million (14.6%) favorable. The 2020-2021 New York State Enacted Budget amended Public Authorities Law 553-j, to allow the MTA to use monies in the Capital Lockbox funds in 2020 and 2021 to offset decreases in revenue or increases in operating costs due "in whole or in part" to the State emergency disaster caused by COVID-19. The law stipulates that if Capital Lockbox funds are used for operations, the MTA will need to repay to the lockbox any amount used for operating purposes if sufficient funds are received from the federal government or from insurance due to COVID-19, but only after first re-paying any COVID-19 related public or private borrowings, draws on lines of credit, issuances of revenue anticipation notes, internal loans or OPEB Trust. To date, receipts from the Mansion Tax and the Internet Sales Tax remain in the lockbox and have not been used for operating budget needs.

⁴ Mortgage Recording Taxes consist of two separate taxes on mortgages recorded in the twelve-county region: MRT-1 is a tax on all mortgages, while MRT-2 is also imposed on residential real estate structures containing up to six dwelling units.

⁵ New York City Urban Taxes are imposed on commercial property and apartment building transactions within New York City. The MRT component is imposed on mortgages exceeding \$500,000, and the Real Property Transfer Tax component is imposed on transfers exceeding \$500,000.

⁶ The Real Property Transfer Tax Surcharge (the "Mansion Tax") is an increase in the transfer tax on the sale of residential properties valued at \$25 million or more in New York City.

⁷ Internet Marketplace Sales Tax receipts are captured through the elimination of the tax loophole that previously exempted third-party internet marketplace providers from collecting and remitting New York sales taxes on transactions conducted on their sites.

Real Estate Transaction Taxes Receipts (\$ in millions)

Adopted Budget vs. Actual Receipts

2021 Adopted Budget	2021	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD Apr
MRT-1	\$201.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$16.8	\$67.3
MRT-2	86.3	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	28.8
Total MRT	\$288.0	\$24.0	\$96.0											
RPTT	\$197.8	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$65.9
MRT	121.6	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	10.1	40.5
Total Urban Tax - NYCT 90% share	\$319.5	\$26.6	\$106.5											
Total Real Estate Taxes	\$607.5	\$50.6	\$202.5											

2021 Monthly Actuals	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD Apr
MRT-1	\$32.2	\$29.9	\$26.1	\$33.8									\$121.9
MRT-2	18.9	18.1	16.5	20.1									73.6
Total MRT	\$51.0	\$47.9	\$42.6	\$53.9									\$195.5
RPTT	\$22.7	\$28.4	\$15.7	\$14.9									\$81.7
MRT	13.4	10.9	8.2	13.3									45.9
Total Urban Tax - NYCT 90% share	\$36.2	\$39.3	\$23.9	\$28.3									\$127.7
Total Real Estate Taxes	\$87.2	\$87.2	\$66.5	\$82.2									\$323.2

Variances	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD Apr
MRT-1	\$15.3	\$13.0	\$9.3	\$17.0									\$54.7
MRT-2	11.7	10.9	9.3	12.9									44.8
Total MRT	\$27.0	\$23.9	\$18.6	\$29.9									\$99.5
RPTT	\$6.2	\$11.9	(\$0.8)	(\$1.5)									\$15.8
MRT	3.3	0.8	(1.9)	3.2									5.4
Total Urban Tax - NYCT 90% share	\$9.5	\$12.7	(\$2.7)	\$1.6									\$21.2
Total Real Estate Taxes	\$36.6	\$36.6	\$15.9	\$31.6									\$120.6
MRT-1	91.3%	77.5%	55.1%	101.3%									81.3%
MRT-2	162.5%	151.2%	130.0%	179.3%									155.8%
Total MRT	112.6%	99.6%	77.6%	124.7%									103.6%
RPTT	37.9%	72.3%	-5.1%	-9.3%									23.9%
MRT	32.6%	7.7%	-18.6%	31.4%									13.3%
Total Urban Tax - NYCT 90% share	35.8%	47.7%	-10.2%	6.2%									19.9%
Total Real Estate Taxes	72.2%	72.3%	31.4%	62.3%									59.6%

Real Estate Transaction Taxes Receipts (\$ in millions)

2021 Receipts vs. 2020 Receipts

2020 Monthly Actuals	<u>2020 Act</u>	<u>Jan-20</u>	<u>Feb-20</u>	<u>Mar-20</u>	<u>Apr-20</u>	<u>May-20</u>	<u>Jun-20</u>	<u>Jul-20</u>	<u>Aug-20</u>	<u>Sep-20</u>	<u>Oct-20</u>	<u>Nov-20</u>	<u>Dec-20</u>	<u>YTD Apr</u>
MRT-1	\$332.0	\$36.5	\$31.5	\$19.2	\$20.7	\$26.8	\$22.8	\$34.7	\$28.8	\$28.0	\$29.3	\$30.1	\$23.8	\$107.9
MRT-2	135.6	12.7	10.6	8.5	9.0	10.1	10.1	11.0	13.3	14.0	12.1	13.0	11.1	40.9
Total MRT	\$467.6	\$49.2	\$42.1	\$27.7	\$29.7	\$36.8	\$32.9	\$45.7	\$42.1	\$41.9	\$41.4	\$43.1	\$34.9	\$148.8
RPTT	\$407.6	\$36.3	\$71.4	\$28.0	\$20.4	\$24.3	\$40.5	\$44.2	\$29.6	\$17.5	\$29.7	\$30.9	\$34.8	\$156.1
MRT	233.8	24.2	30.7	12.3	14.0	21.1	15.3	24.7	17.1	16.8	21.0	20.9	15.7	81.2
Total Urban Tax - NYCT 90% share	\$641.3	\$60.5	\$102.1	\$40.3	\$34.3	\$45.4	\$55.8	\$68.9	\$46.7	\$34.3	\$50.7	\$51.9	\$50.5	\$237.3
Total Real Estate Taxes	\$1,108.9	\$109.7	\$144.2	\$68.0	\$64.1	\$82.3	\$88.7	\$114.5	\$88.8	\$76.2	\$92.1	\$95.0	\$85.3	\$386.0

2021 Monthly Actuals	<u>Jan-21</u>	<u>Feb-21</u>	<u>Mar-21</u>	<u>Apr-21</u>	<u>May-21</u>	<u>Jun-21</u>	<u>Jul-21</u>	<u>Aug-21</u>	<u>Sep-21</u>	<u>Oct-21</u>	<u>Nov-21</u>	<u>Dec-21</u>	<u>YTD Apr</u>
MRT-1	\$32.2	\$29.9	\$26.1	\$33.8									\$121.9
MRT-2	18.9	18.1	16.5	20.1									73.6
Total MRT	\$51.0	\$47.9	\$42.6	\$53.9									\$195.5
RPTT	\$22.7	\$28.4	\$15.7	\$14.9									\$81.7
MRT	13.4	10.9	8.2	13.3									45.9
Total Urban Tax - NYCT 90% share	\$36.2	\$39.3	\$23.9	\$28.3									\$127.7
Total Real Estate Taxes	\$87.2	\$87.2	\$66.5	\$82.2									\$323.2

Variances	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>YTD Apr</u>
MRT-1	(\$4.3)	(\$1.7)	\$6.9	\$13.1									\$14.0
MRT-2	6.1	7.5	8.0	11.1									32.7
Total MRT	\$1.8	\$5.8	\$14.9	\$24.2									\$46.7
RPTT	(\$13.6)	(\$43.0)	(\$12.3)	(\$5.4)									(\$74.3)
MRT	(10.7)	(19.8)	(4.1)	(0.6)									(35.3)
Total Urban Tax - NYCT 90% share	(\$24.3)	(\$62.8)	(\$16.4)	(\$6.1)									(\$109.6)
Total Real Estate Taxes	(\$22.5)	(\$57.0)	(\$1.5)	\$18.1									(\$62.9)
MRT-1	-11.9%	-5.3%	35.9%	63.5%									13.0%
MRT-2	48.2%	70.7%	93.9%	122.4%									80.0%
Total MRT	3.7%	13.8%	53.8%	81.4%									31.4%
RPTT	-37.4%	-60.2%	-44.0%	-26.6%									-47.6%
MRT	-44.4%	-64.5%	-33.1%	-4.6%									-43.4%
Total Urban Tax - NYCT 90% share	-40.2%	-61.5%	-40.7%	-17.7%									-46.2%
Total Real Estate Taxes	-20.5%	-39.5%	-2.2%	28.3%									-16.3%

BUDGETWATCH

Regional Economy Report

New York City Employment

Sectors with Year-over-Year Employment Gains

- None

Sectors with Year-over-Year Employment Losses

- Construction, Mining, Natural Resources
- Financial Activities
- Information
- Manufacturing
- Professional & Business Service
- Transportation, Utilities
- Education & Health Services
- Government
- Leisure & Hospitality
- Other Service
- Trade

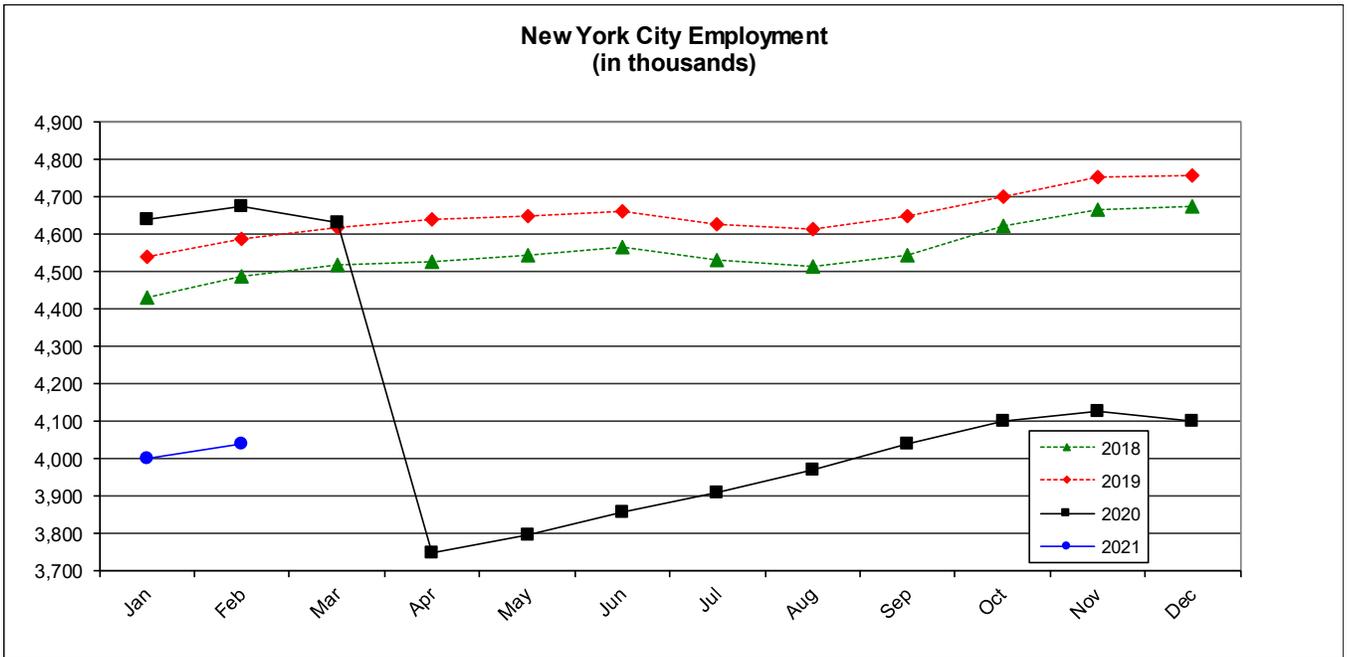
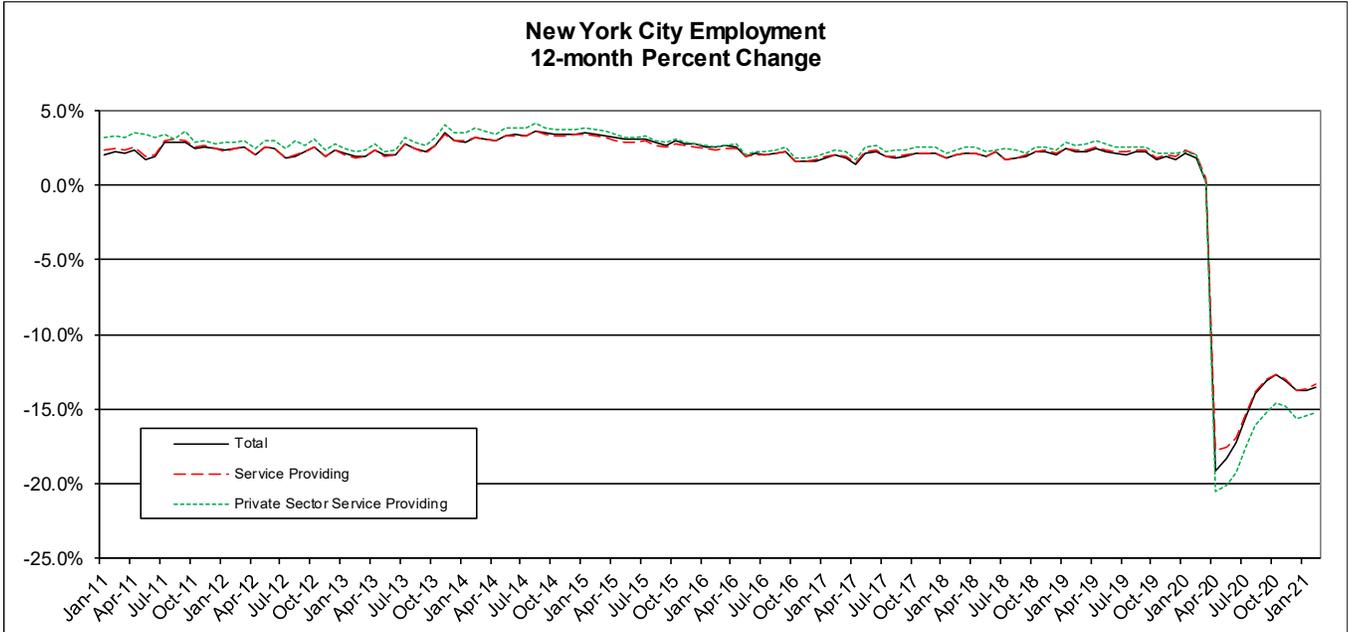
New York City Employment (in thousands)				Feb-21 versus			
	Prelim Feb-21	Revised Jan-21	Feb-20	Jan-21		Feb-20	
				Net	Pct	Net	Pct
Total Employment	4,040.3	4,002.4	4,675.0	37.9	0.9%	(634.7)	-13.6%
Goods Producing	183.9	185.8	223.2	(1.9)	-1.0%	(39.3)	-17.6%
Construction, Mining, Nat Res	131.2	133.6	157.9	(2.4)	-1.8%	(26.7)	-16.9%
Manufacturing	52.7	52.2	65.3	0.5	1.0%	(12.6)	-19.3%
Service Providing	3,856.4	3,816.6	4,451.8	39.8	1.0%	(595.4)	-13.4%
Transportation, Utilities	120.1	121.6	149.5	(1.5)	-1.2%	(29.4)	-19.7%
Trade	402.0	404.2	478.4	(2.2)	-0.5%	(76.4)	-16.0%
Information	207.1	202.3	226.8	4.8	2.4%	(19.7)	-8.7%
Financial Activities	461.1	461.9	484.6	(0.8)	-0.2%	(23.5)	-4.8%
Professional & Business Svcs	693.8	688.7	774.3	5.1	0.7%	(80.5)	-10.4%
Education & Health Svcs	1,016.0	1,000.4	1,095.6	15.6	1.6%	(79.6)	-7.3%
Leisure & Hospitality	219.2	205.9	456.7	13.3	6.5%	(237.5)	-52.0%
Other Services	153.9	153.8	194.8	0.1	0.1%	(40.9)	-21.0%
Government	583.2	577.8	591.1	5.4	0.9%	(7.9)	-1.3%

Preliminary February 2021 employment in New York City reflects the continued impact of the COVID pandemic on employment levels, with a loss of 634,700 jobs (13.6%) when compared to last February's employment level. February marks the twelfth consecutive month in which employment has declined over its level from one year earlier, after 119 consecutive months of increases ended with declines in March 2020. Decreases were significant across all sectors, but hardest hit were Leisure & Hospitality, down 237,500 jobs (52.0%), and Professional & Business Services, down 80,500 jobs (10.4%).

Employment in New York City's service-providing sectors decreased by 595,400 jobs (13.4%) over the February 2020 level; back in February, 2020 before the impact of the pandemic began, year-over-year growth totaled 78,200 jobs (1.8%). Private-sector service-providing employment in New York City decreased by 587,500 jobs (15.2%), the twelfth consecutive month of year-to-year decline after 120 consecutive months of increases ended in February, 2020.

BUDGETWATCH

Regional Economy Report



BUDGETWATCH

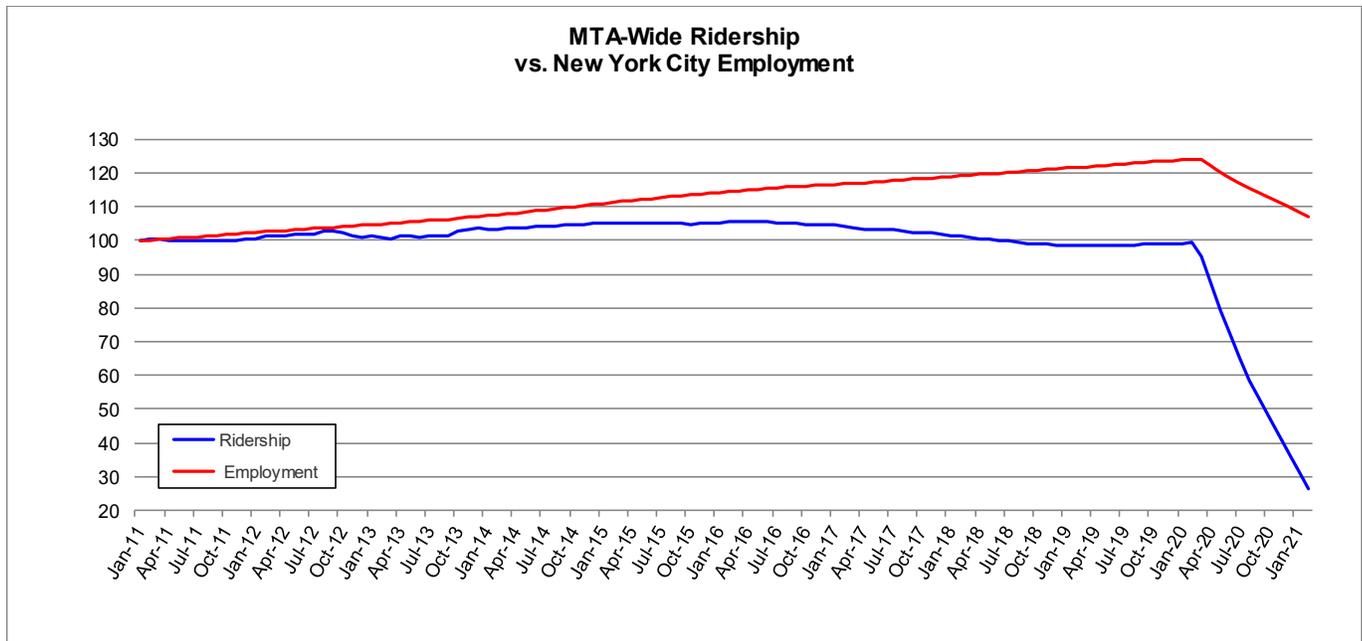
Regional Economy Report

In February 2021, seasonally adjusted New York City employment of 4.08 million was lower than in February 2020 by 626,400 jobs (13.3%); February seasonally adjusted employment was 1,600 jobs greater than last month, a 0.04% increase; nine out of the past ten months have experienced monthly increases since employment bottomed in April, 2020.



Ridership and Employment

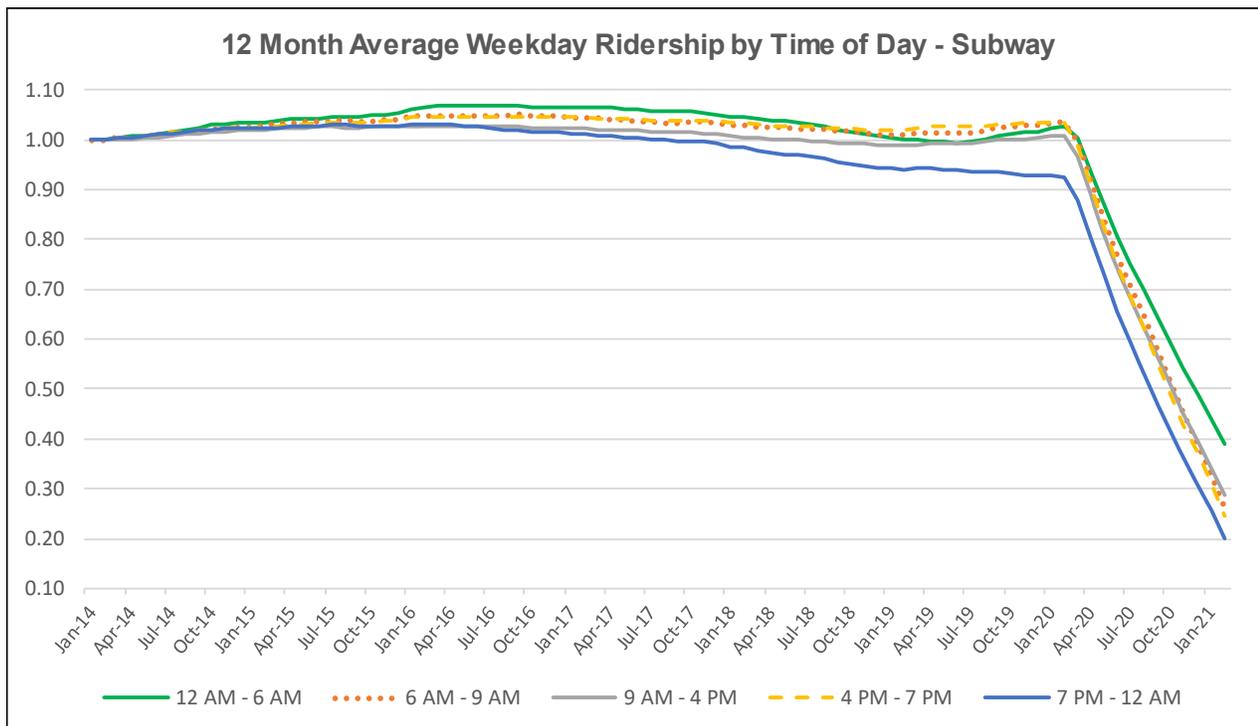
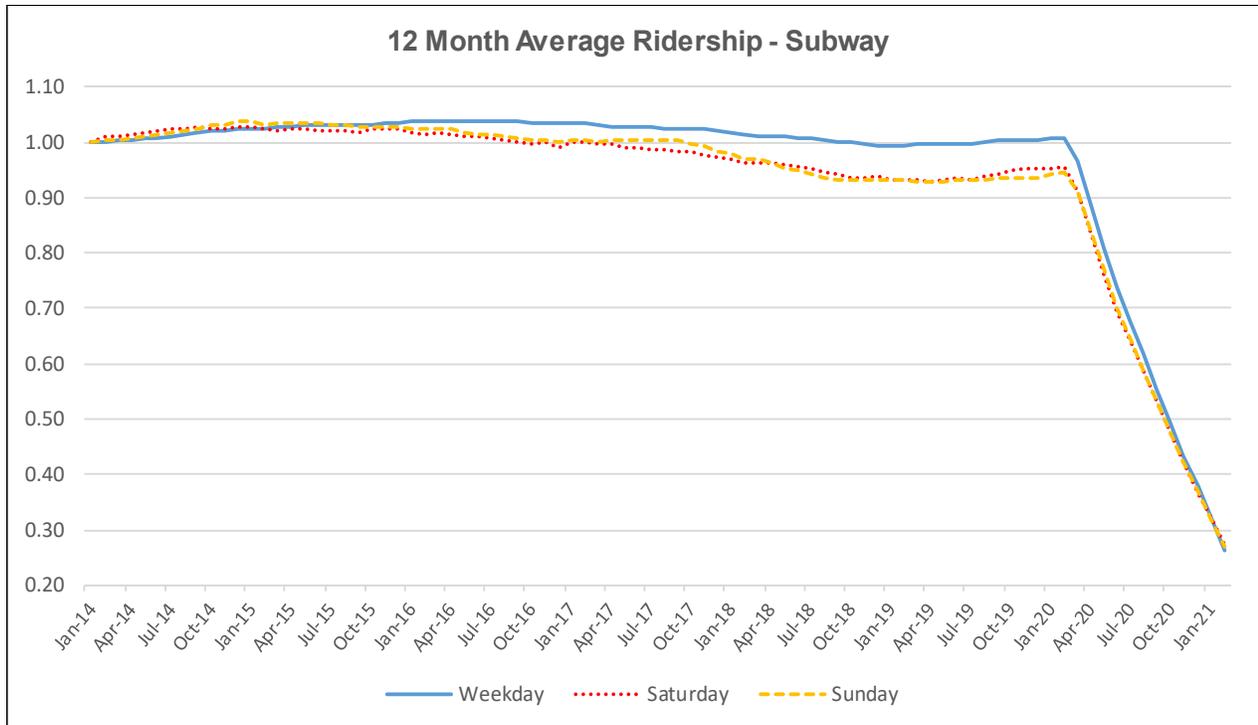
Beginning in January 2011, the twelve-month average for employment increased by 24.1% through February 2020, while the 12-month average MTA-wide ridership fell by 0.7%. Over the past eleven months, however, the impact of the COVID pandemic has altered the trajectories of both, with employment standing at just 7.2% above the January 2011 level, while MTA-wide ridership is 73.6% below its January 2011 level.



BUDGETWATCH

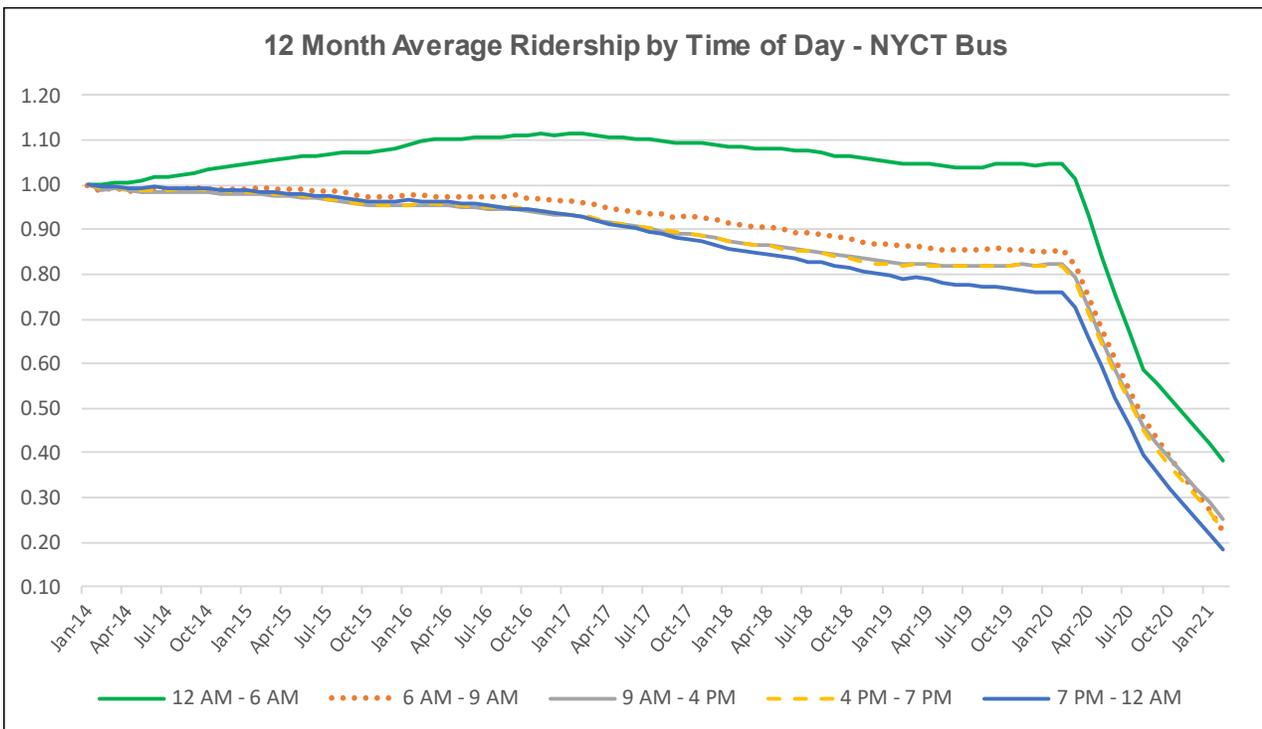
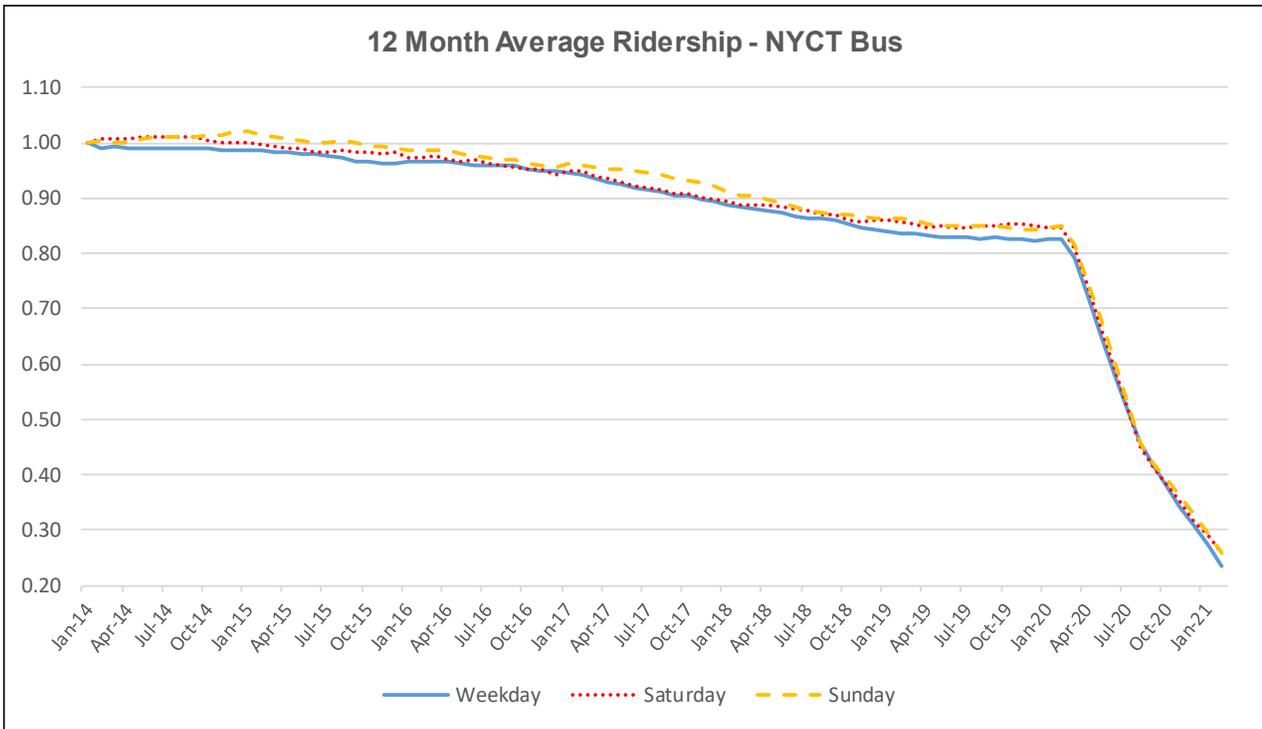
Regional Economy Report

The following ridership and vehicular traffic trend graphs depict 12-month averages; for example, the January 2014 data point is the average of February 2013 to January 2014, and the February 2014 data point is the average of March 2013 to February 2014, providing a visual representation of trends over time. Further, data have been standardized to 1.0, allowing for an easier comparison of trends on a single graph.



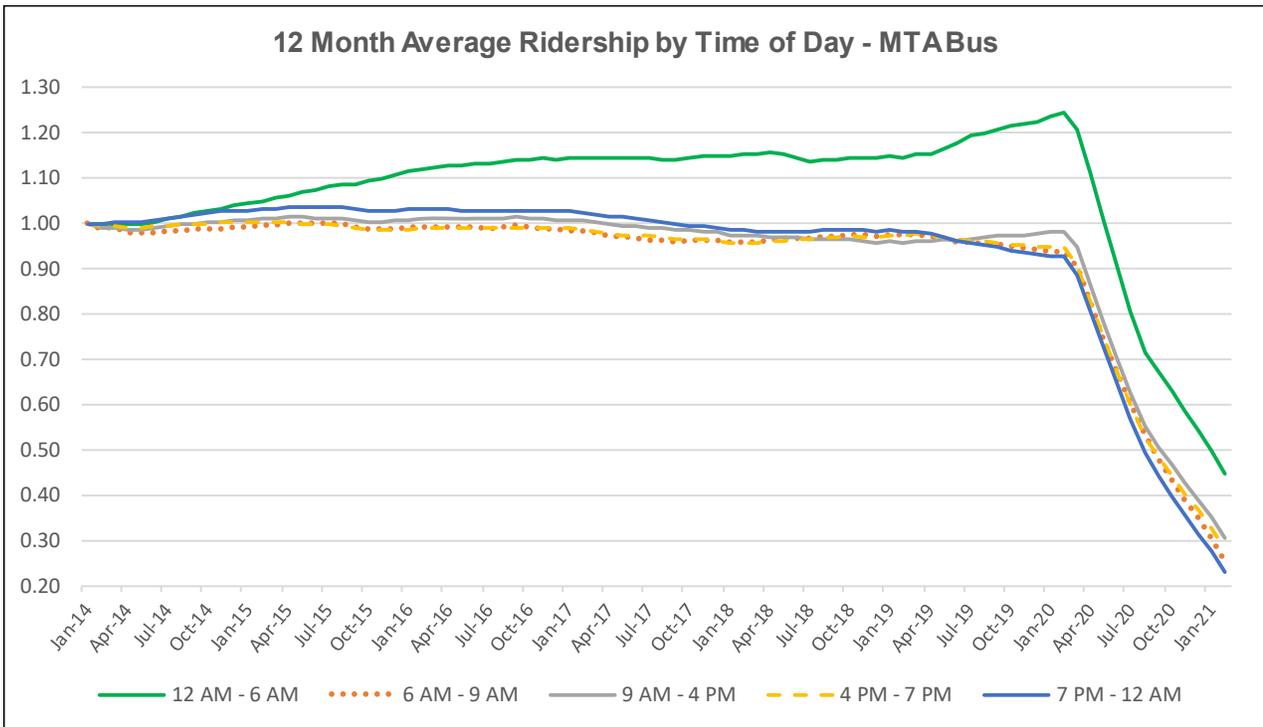
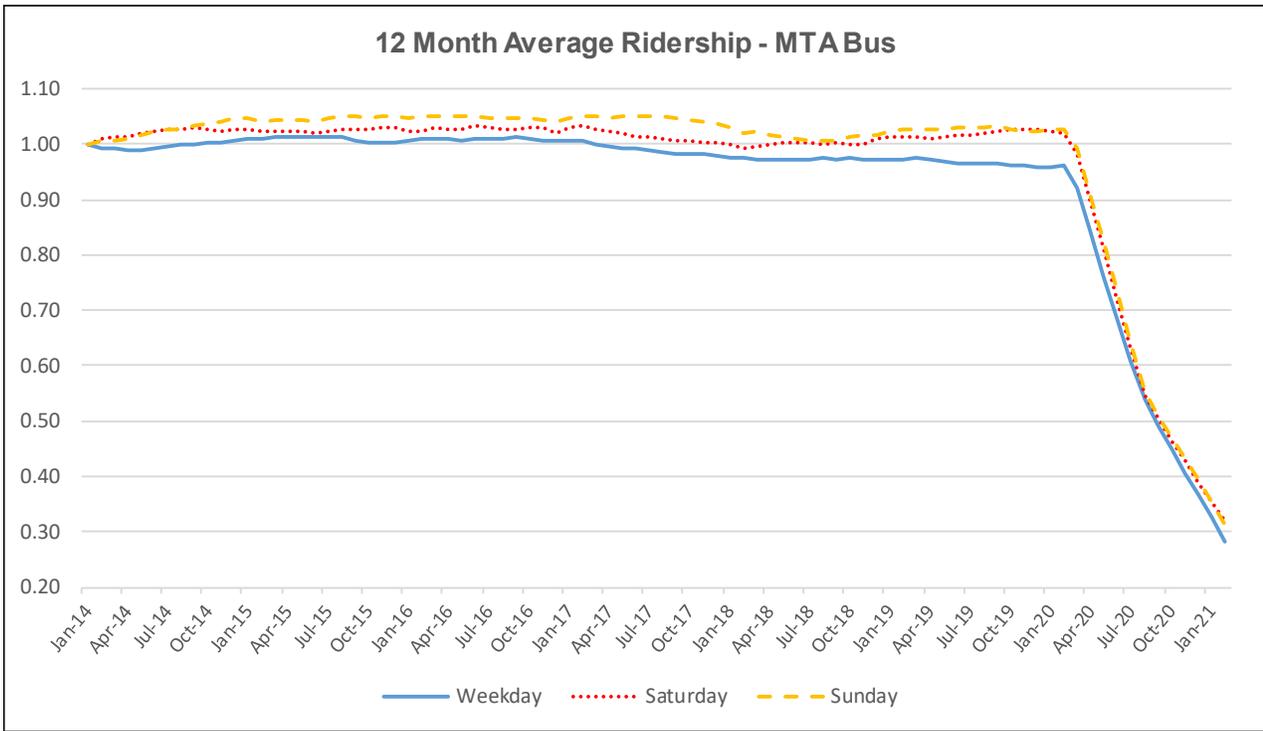
BUDGETWATCH

Regional Economy Report



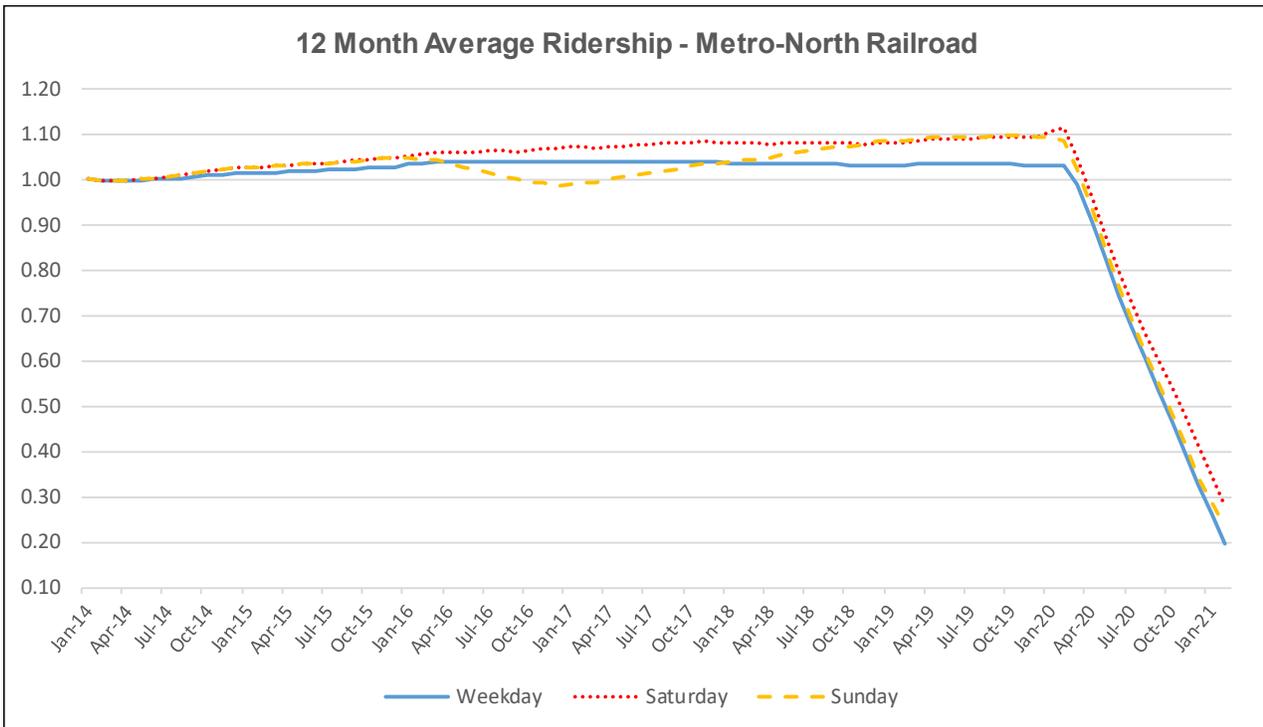
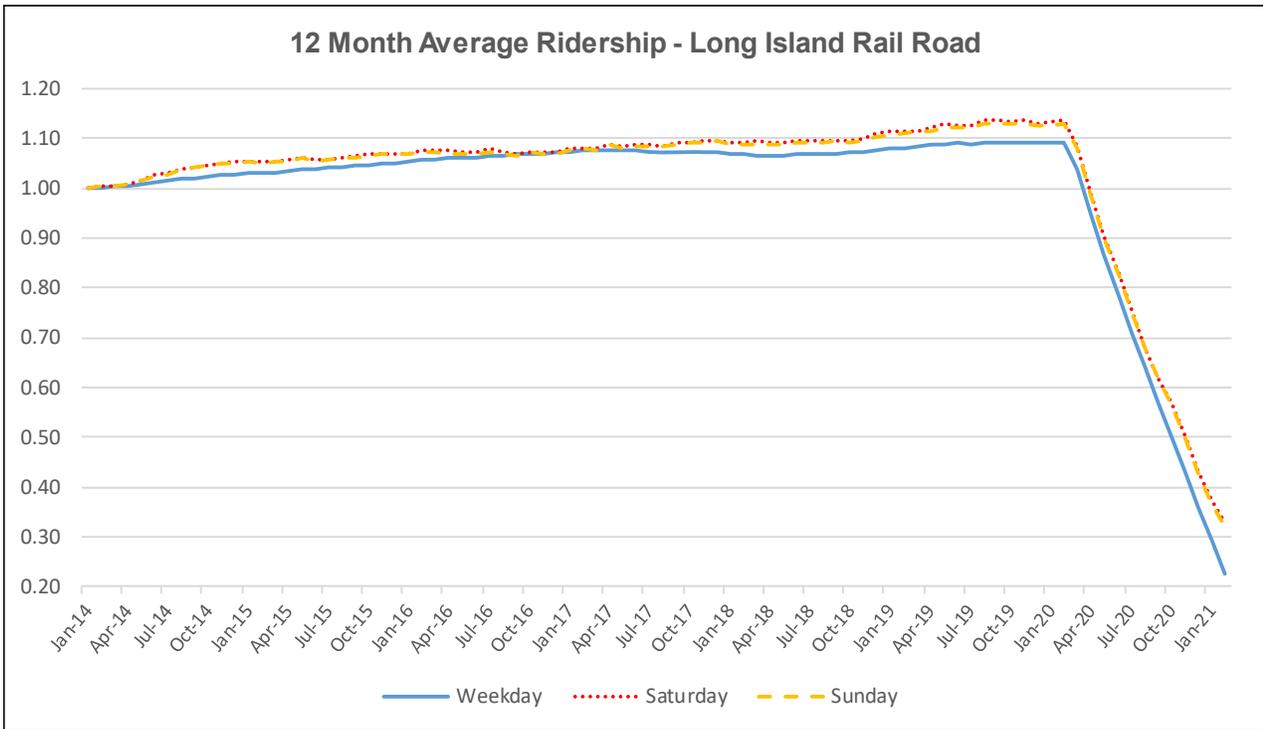
BUDGETWATCH

Regional Economy Report



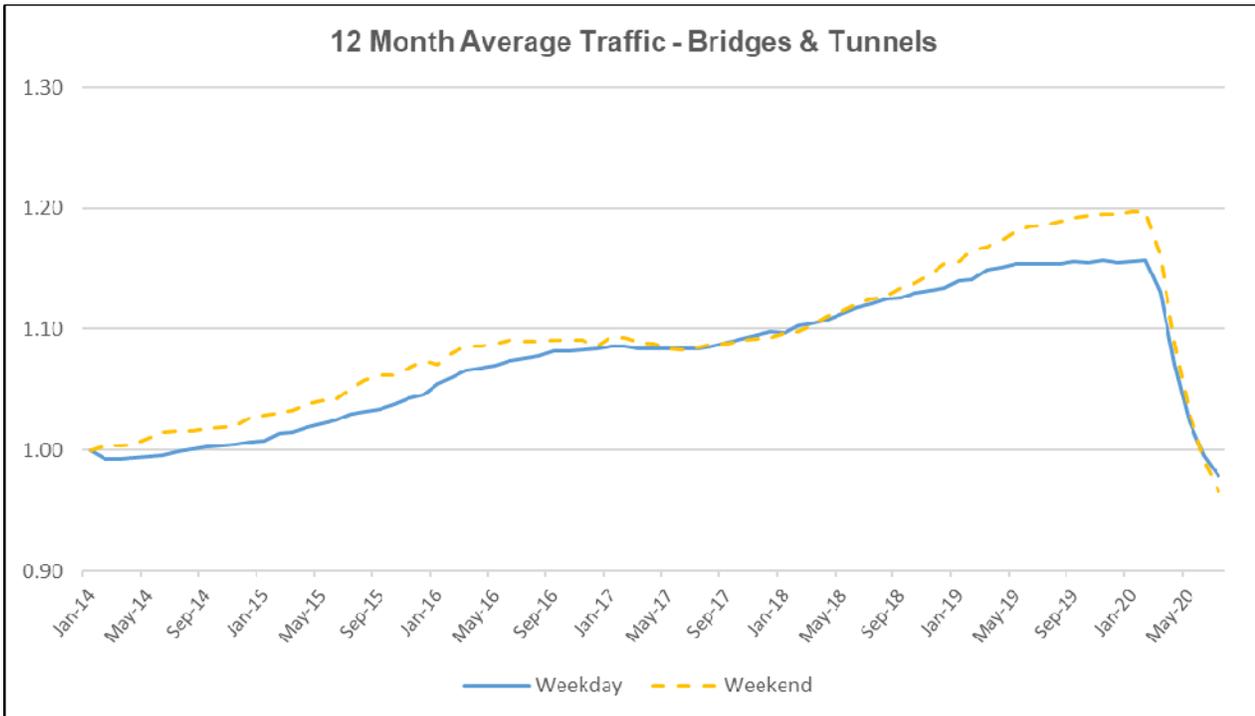
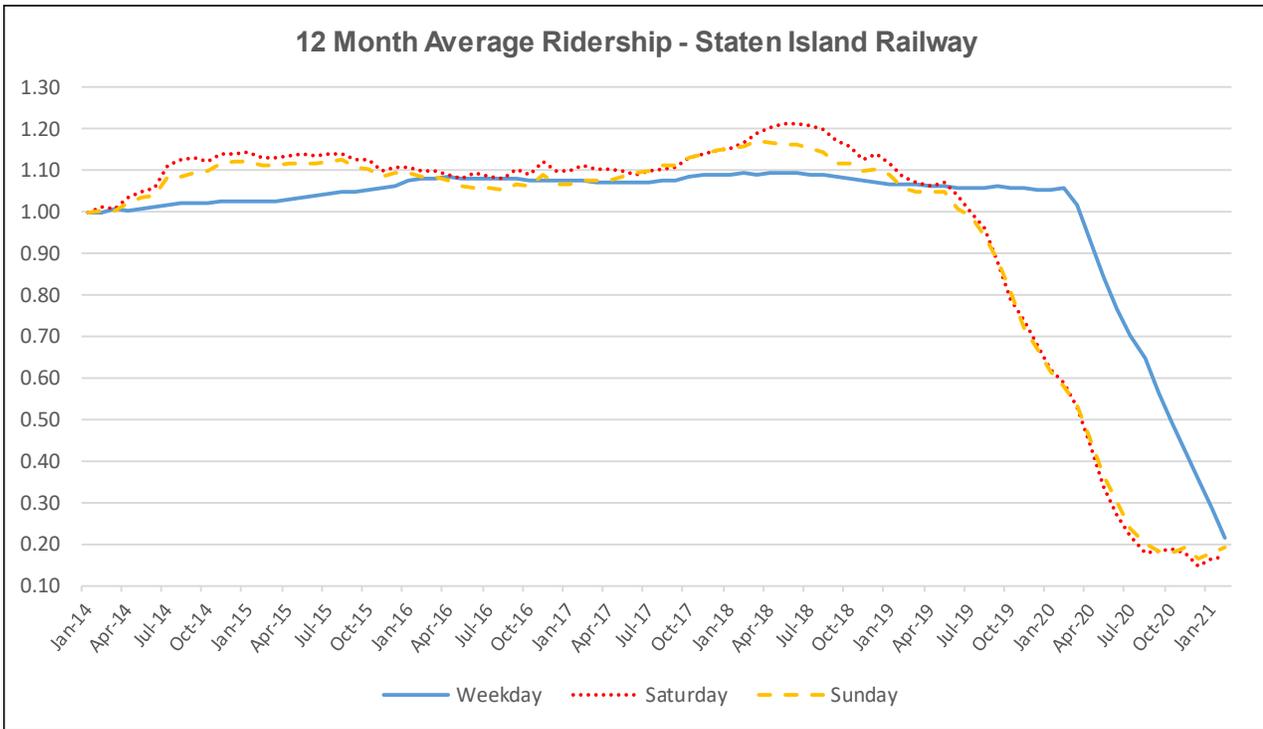
BUDGETWATCH

Regional Economy Report



BUDGETWATCH

Regional Economy Report



BUDGETWATCH

Regional Economy Report

Consumer Price Index

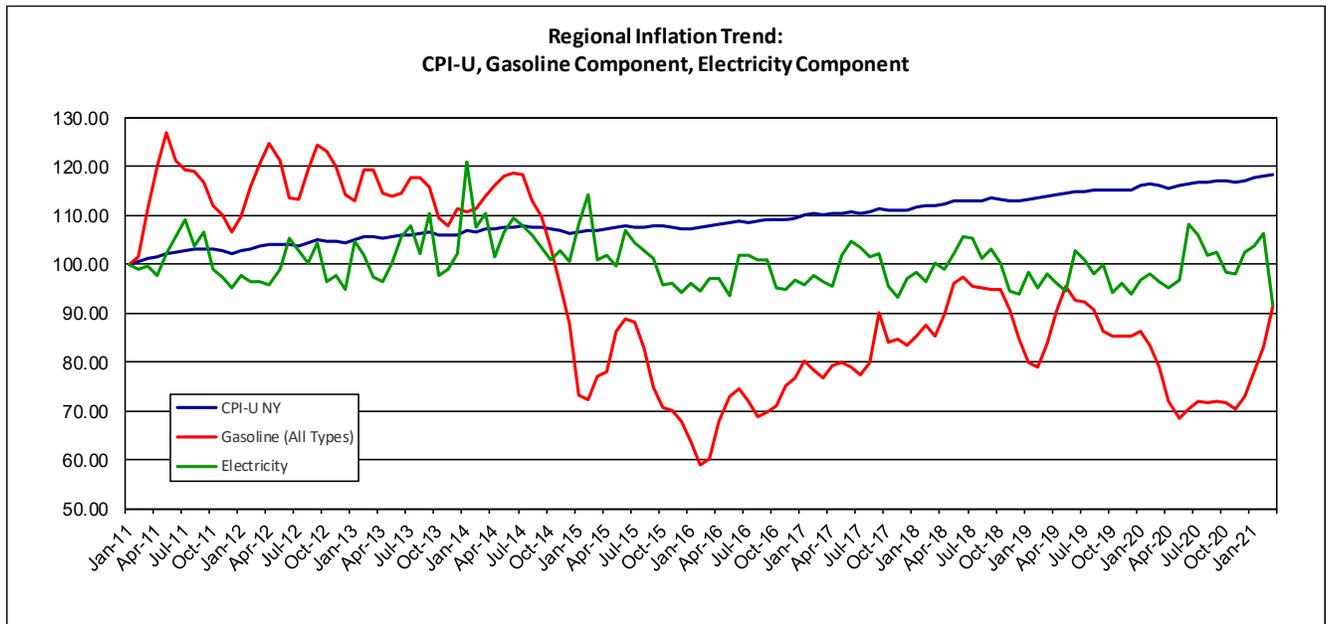
Goods Reporting Month-over-Month Price Increases

- Apparel
- Gasoline
- Food
- Transportation

Goods Reporting Month-over-Month Price Declines

- Electric
- Medical Care

	Mar-21 versus						
				Feb-21		Mar-20	
	Mar-21	Feb-21	Mar-20	Net	Pct	Net	Pct
Regional CPI-U	287.48	286.47	281.98	1.01	0.4%	5.51	2.0%
Medical Care Component	534.62	535.39	530.63	(0.77)	-0.1%	3.99	0.8%
Electricity Component	167.49	194.23	176.15	(26.73)	-13.8%	(8.66)	-4.9%
Gasoline (all grades) Component	226.86	206.57	195.95	20.29	9.8%	30.91	15.8%
National CPI-U	264.88	263.01	258.12	1.86	0.7%	6.76	2.6%

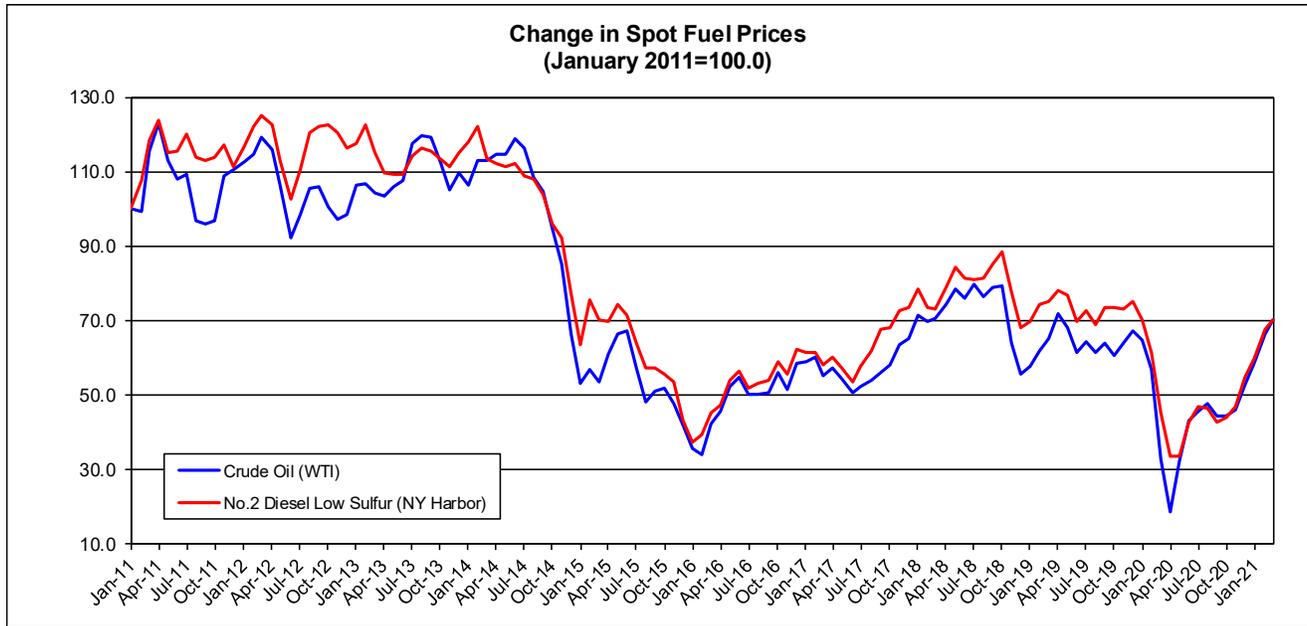


BUDGETWATCH

Regional Economy Report

Fuel Prices

Fuel - Spot Prices <i>NY Harbor, except Crude Oil (WTI)</i>	Latest Price:			Mar-21 versus		
	4/5/21	Mar-21	Feb-21	Mar-20	Feb-21	Mar-20
Crude Oil (\$/bbl)	58.73	62.33	59.04	29.21	5.6%	113.4%
Conventional Regular Gasoline (\$/gal)	1.94	1.99	1.76	0.89	12.8%	122.9%
Low Sulfur No.2 Diesel Fuel (\$/gal)	1.77	1.85	1.79	1.19	3.6%	55.7%
No.2 Heating Oil (\$/gal)	1.62	1.70	1.67	1.16	2.0%	47.4%



BUDGETWATCH

Regional Economy Report

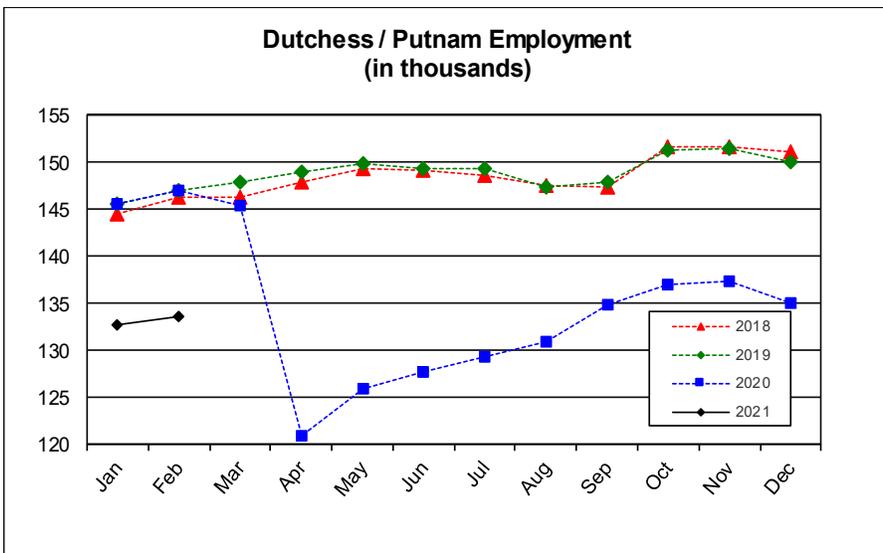
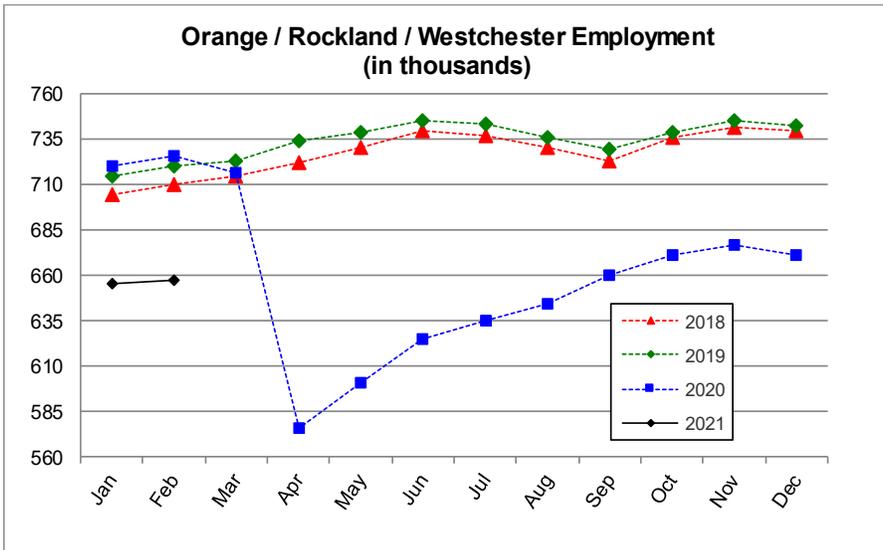
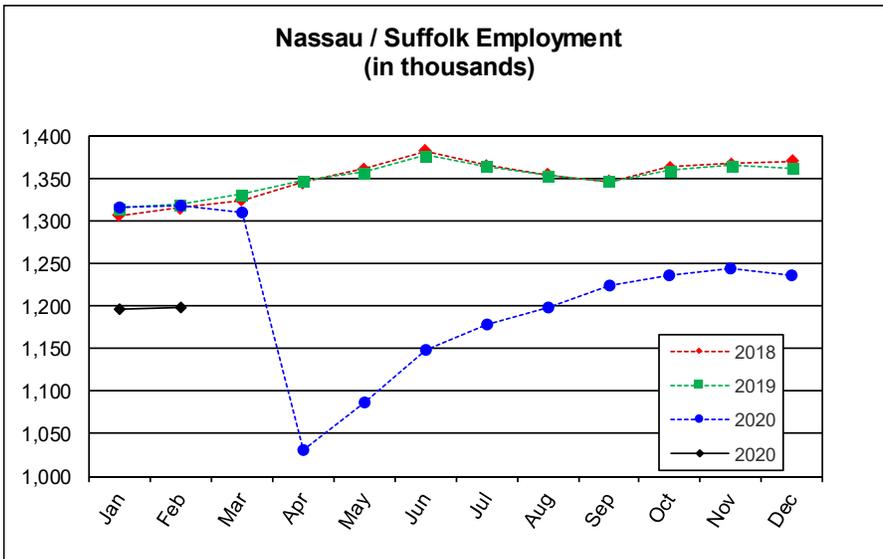
Nassau, Suffolk Employment (in thousands)				Feb-21 versus			
	Prelim	Revised	Feb-20	Jan-21		Feb-20	
	Feb-21	Jan-21		Net	Percent	Net	Percent
Total Employment	1,198.4	1,197.0	1,319.0	1.4	0.1%	-120.6	-9.1%
Goods Producing	134.4	138.3	148.8	-3.9	-2.8%	-14.4	-9.7%
Construction, Mining, Nat Res	68.9	73.0	79.1	-4.1	-5.6%	-10.2	-12.9%
Manufacturing	65.5	65.3	69.7	0.2	0.3%	-4.2	-6.0%
Service Providing	1,064.0	1,058.7	1,170.2	5.3	0.5%	-106.2	-9.1%
Transportation, Utilities	41.1	43.3	44.2	-2.2	-5.1%	-3.1	-7.0%
Trade	198.4	201.6	217.3	-3.2	-1.6%	-18.9	-8.7%
Information	13.7	13.6	15.9	0.1	0.7%	-2.2	-13.8%
Financial Activities	67.2	68.0	69.8	-0.8	-1.2%	-2.6	-3.7%
Professional & Business Svcs	154.6	152.2	163.3	2.4	1.6%	-8.7	-5.3%
Education & Health Svcs	262.5	256.5	283.6	6.0	2.3%	-21.1	-7.4%
Leisure & Hospitality	88.6	86.7	118.0	1.9	2.2%	-29.4	-24.9%
Other Services	47.1	47.2	59.0	-0.1	-0.2%	-11.9	-20.2%
Government	190.8	189.6	199.1	1.2	0.6%	-8.3	-4.2%

Orange, Rockland, Westchester Employment (in thousands)				Feb-21 versus			
	Prelim	Revised	Feb-20	Jan-21		Feb-20	
	Feb-21	Jan-21		Net	Percent	Net	Percent
Total Employment	656.8	655.7	725.5	1.1	0.2%	-68.7	-9.5%
Goods Producing	66.8	69.2	71.9	-2.4	-3.5%	-5.1	-7.1%
Construction, Mining, Nat Res	39.3	41.8	42.4	-2.5	-6.0%	-3.1	-7.3%
Manufacturing	27.5	27.4	29.5	0.1	0.4%	-2.0	-6.8%
Service Providing	590.0	586.5	653.6	3.5	0.6%	-63.6	-9.7%
Transportation, Utilities	22.4	22.7	26.3	-0.3	-1.3%	-3.9	-14.8%
Trade	104.9	105.8	110.0	-0.9	-0.9%	-5.1	-4.6%
Information	10.8	10.7	12.0	0.1	0.9%	-1.2	-10.0%
Financial Activities	33.9	34.1	37.4	-0.2	-0.6%	-3.5	-9.4%
Professional & Business Svcs	90.3	89.6	93.6	0.7	0.8%	-3.3	-3.5%
Education & Health Svcs	150.4	148.1	167.7	2.3	1.6%	-17.3	-10.3%
Leisure & Hospitality	46.2	45.8	62.0	0.4	0.9%	-15.8	-25.5%
Other Services	26.4	26.5	32.5	-0.1	-0.4%	-6.1	-18.8%
Government	104.7	103.2	112.1	1.5	1.5%	-7.4	-6.6%

Dutchess, Putnam Employment (in thousands)				Feb-21 versus			
	Prelim	Revised	Feb-20	Jan-21		Feb-20	
	Feb-21	Jan-21		Net	Percent	Net	Percent
Total Employment	133.6	132.7	147.1	0.9	0.7%	-13.5	-9.2%
Goods Producing	15.5	15.6	16.7	-0.1	-0.6%	-1.2	-7.2%
Construction, Mining, Nat Res	7.3	7.5	8.0	-0.2	-2.7%	-0.7	-8.8%
Manufacturing	8.2	8.1	8.7	0.1	1.2%	-0.5	-5.7%
Service Providing	118.1	117.1	130.4	1.0	0.9%	-12.3	-9.4%
Transportation, Utilities	3.8	3.9	4.0	-0.1	-2.6%	-0.2	-5.0%
Trade	18.6	18.7	19.6	-0.1	-0.5%	-1.0	-5.1%
Information	1.5	1.5	1.9	0.0	0.0%	-0.4	-21.1%
Financial Activities	4.7	4.8	5.0	-0.1	-2.1%	-0.3	-6.0%
Professional & Business Svcs	13.2	13.2	12.7	0.0	0.0%	0.5	3.9%
Education & Health Svcs	35.0	34.3	39.9	0.7	2.0%	-4.9	-12.3%
Leisure & Hospitality	10.7	10.6	14.2	0.1	0.9%	-3.5	-24.6%
Other Services	5.8	5.8	6.7	0.0	0.0%	-0.9	-13.4%
Government	0.0	0.0	26.5	0.0	#DIV/0!	-26.5	-100.0%

BUDGETWATCH

Regional Economy Report





Report to the Finance Committee Review of Variable Rate Debt

**MTA Finance Department
Patrick J. McCoy, Deputy Chief, Financial Services
April 21, 2021**



MTA's Variable Rate Debt Policy

- The Authority desires to achieve the lowest possible interest cost on its debt and maintain a prudent level of interest rate risk. Therefore, the following policy shall apply:

The Authority may issue Variable Rate Debt in such amounts as deemed necessary and/or beneficial by staff to provide funding for Approved Capital Programs or to refund existing obligations of the Authority. Upon such issuance, the principal amount of Variable Rate Debt outstanding shall not exceed 25% of the aggregate principal amount of all outstanding obligations of the Authority...

Notes:

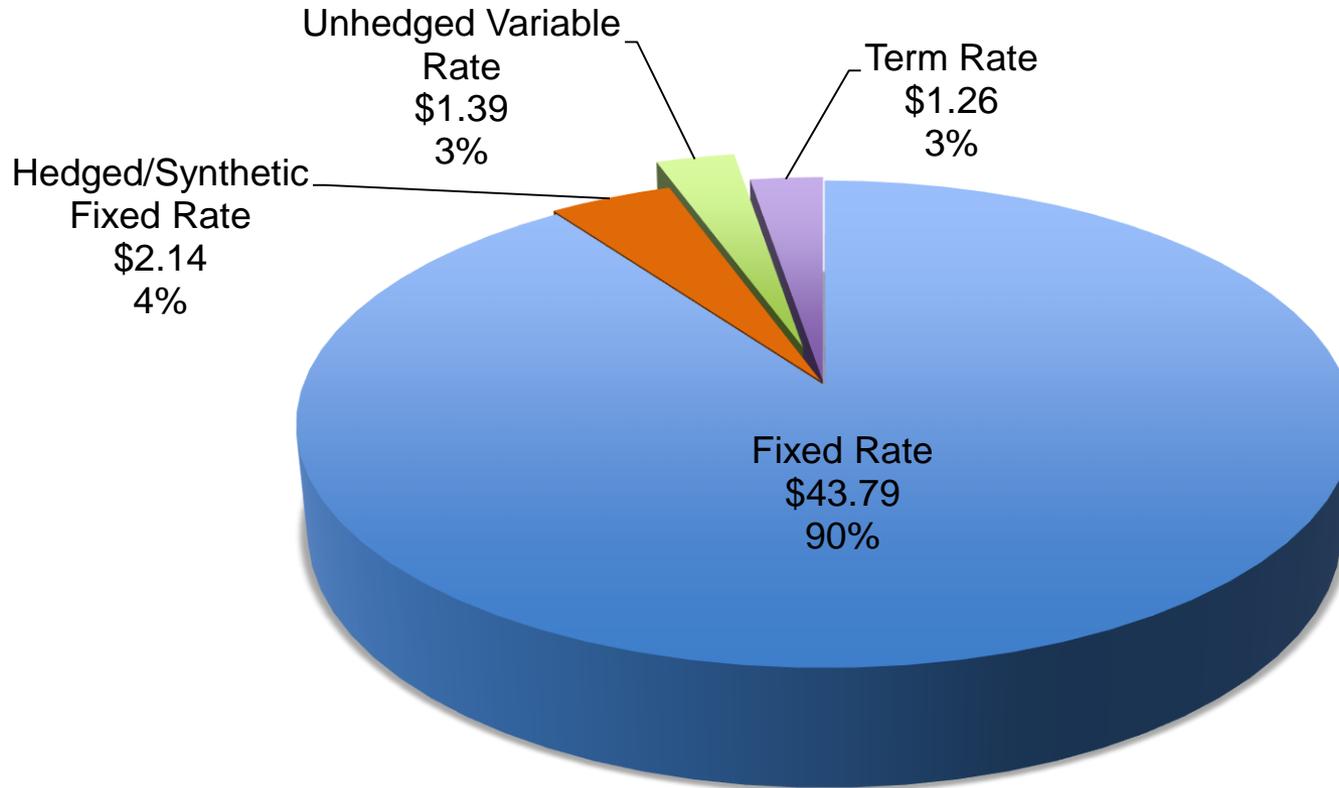
(1) MTA Board adopted the Variable Rate Policy on May 25, 2005

(2) Synthetic Fixed Rate presentation is scheduled to be presented to the Finance Committee in October 2021



Unhedged Variable Rate Debt is 3% of Total

\$ in billions



Notes:

- (1) Term Rate bonds have a fixed rate for a defined period (until the mandatory tender date) but do not have a fixed rate for the entire life of the bonds
- (2) Fixed Rate includes \$9.06 billion Bond Anticipation Notes
- (3) Excludes \$836.7 million Hudson Rail Yard Trust Obligations
- (4) Data is as of 3/31/2021.



Types of Variable Rate Debt in MTA's Debt Portfolio

- **Variable Rate Demand Bonds (“VRDBs”), \$2.2 billion outstanding**
 - Interest rate is determined daily or weekly, depending on the interest rate mode; Remarketing Agent markets bonds tendered, and sets the interest rate on each reset date
 - Optional tenders are supported by bank letters of credit and standby bond purchase agreements
- **Floating Rate Notes (“FRNs”), \$1.3 billion outstanding**
 - Interest rate is determined based on a set spread to a floating index (SIFMA, LIBOR*, or SOFR)

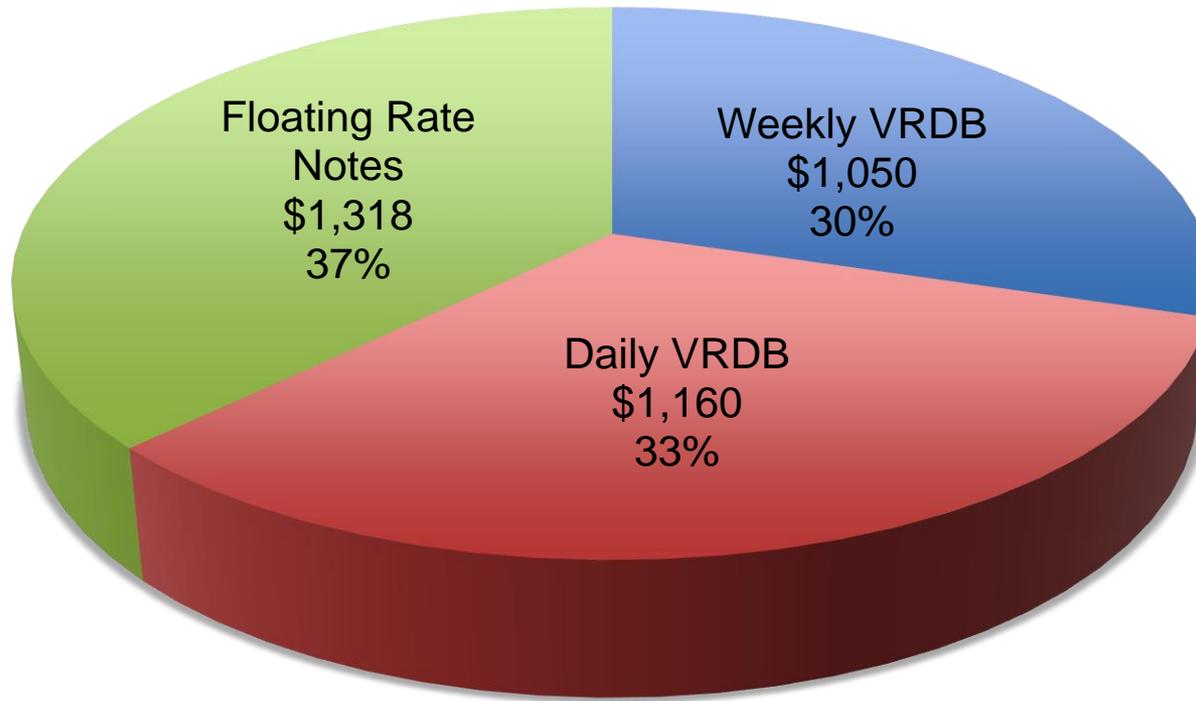
Note: Data is as of 3/31/2021.

* MTA will no longer use LIBOR as a reference rate in variable rate issuances.



Variable Rate and Synthetic Fixed Rate Debt Diversification

\$ in millions

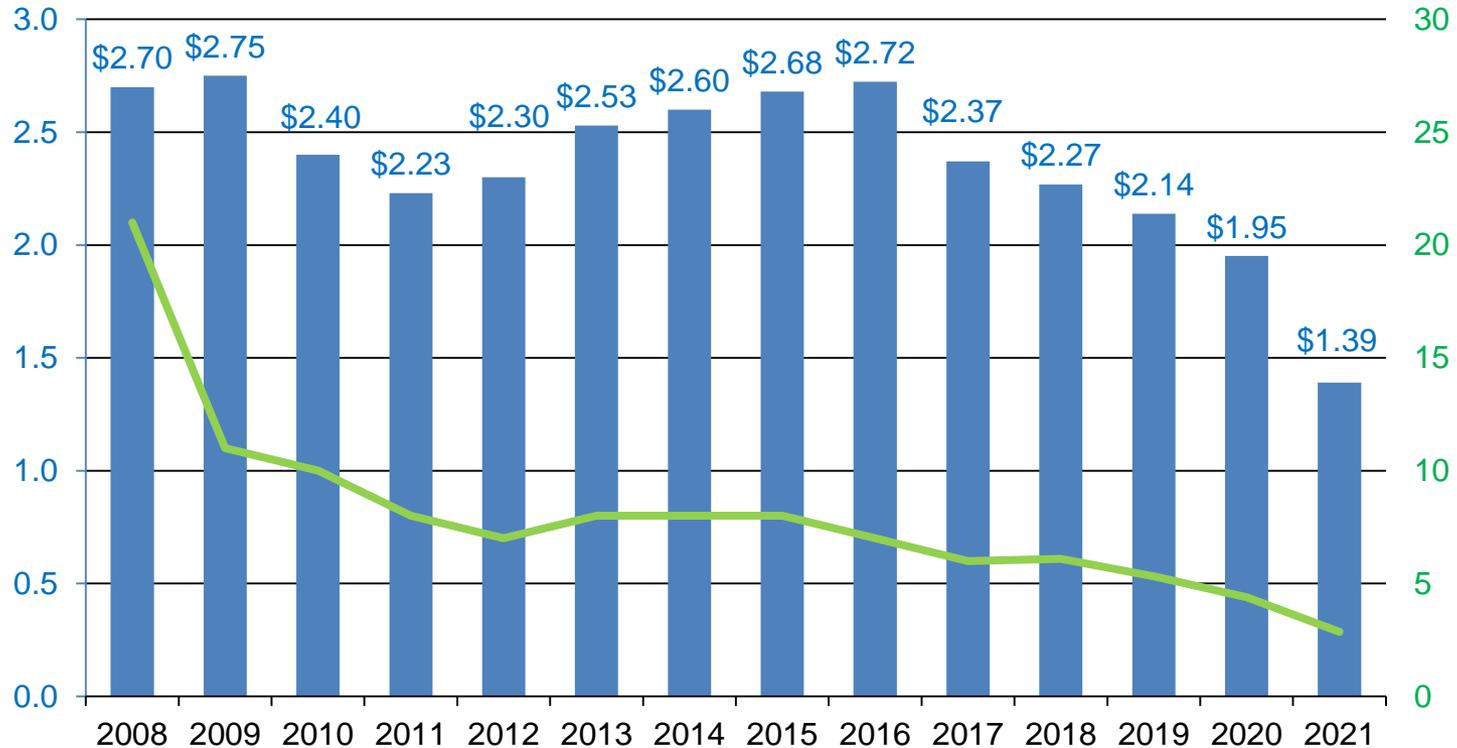




Unhedged Variable Rate Debt has Declined

\$ Billion Par Amount of
Unhedged Variable Rate Debt
Outstanding

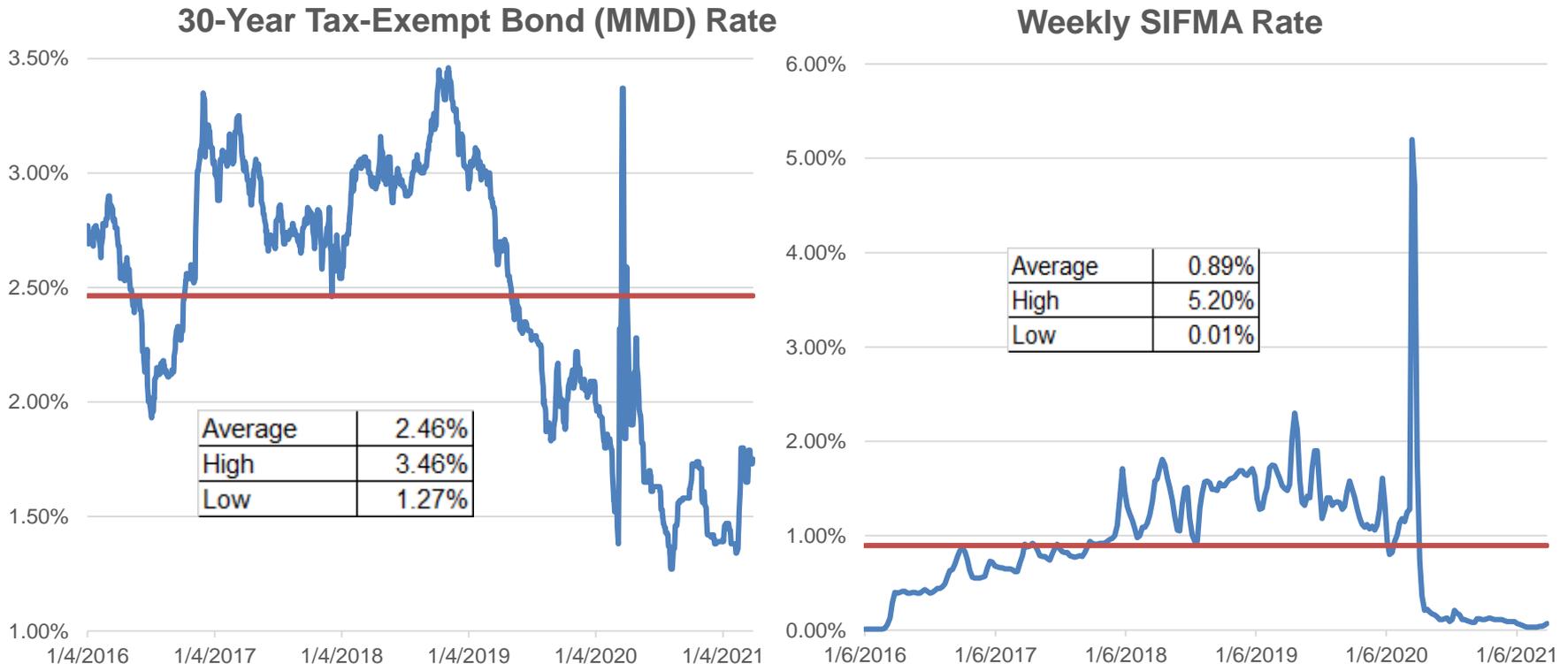
Unhedged Variable Rate
Debt % of Total Debt
Outstanding



Note: All totals are as of March 31 of their respective year.



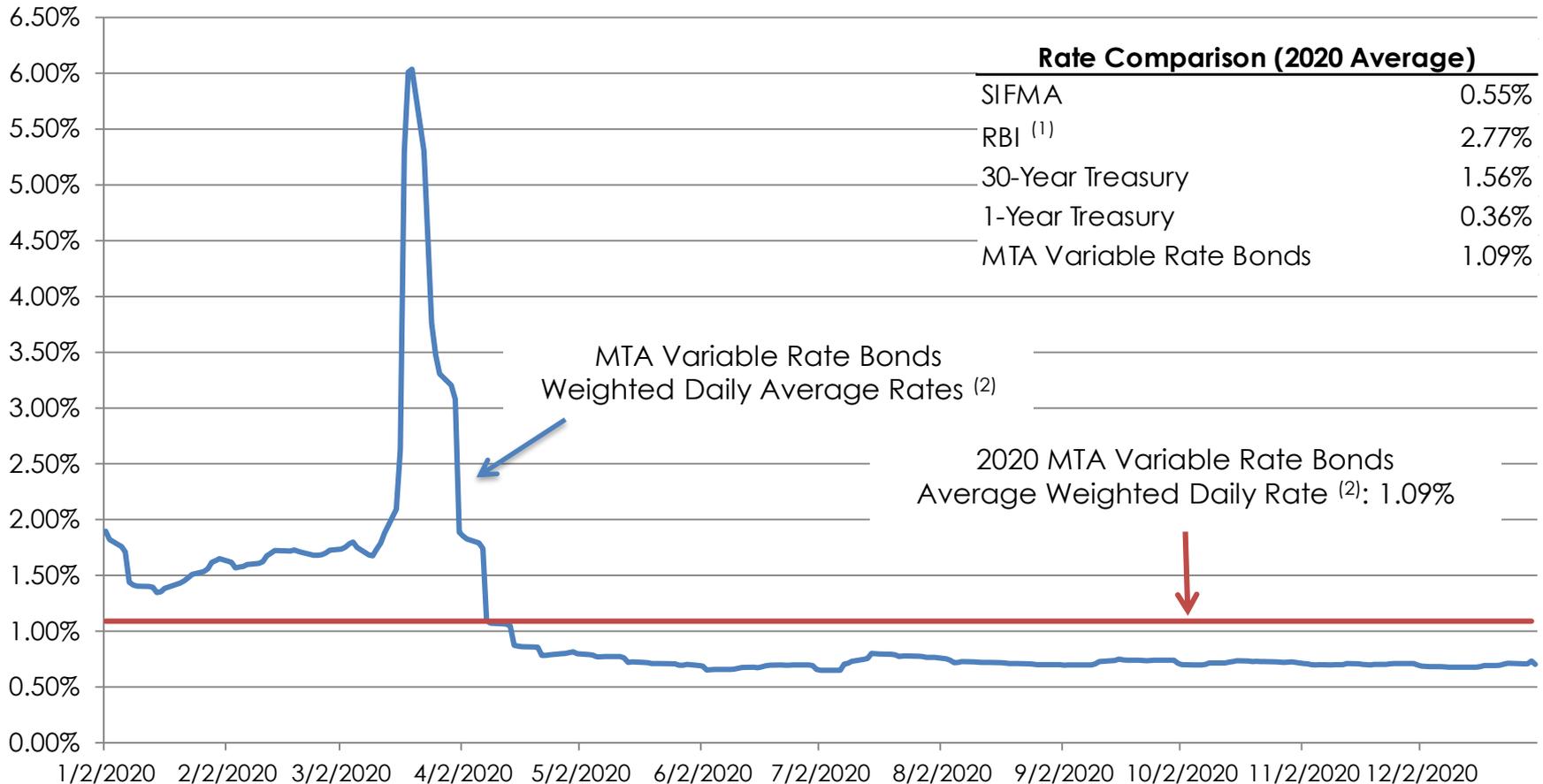
Tax-Exempt Bond Rate History



- Long-term tax-exempt bond rates (MMD) declined steadily since late-2018, increased significantly to 3.37% in mid-March 2020, reached an all-time low of 1.27% in mid-August 2020, and then trended upward to 1.75% on March 31 (Average since January 2016 is 2.46%)
- After resetting mostly in the 1% to 2% range since 2018, short-term rates spiked to 5.20% in mid-March 2020, and then declined significantly to 0.07% on March 31 (Average since January 2016 is 0.89%)



2020 Variable Rate Bonds Performance



Notes:

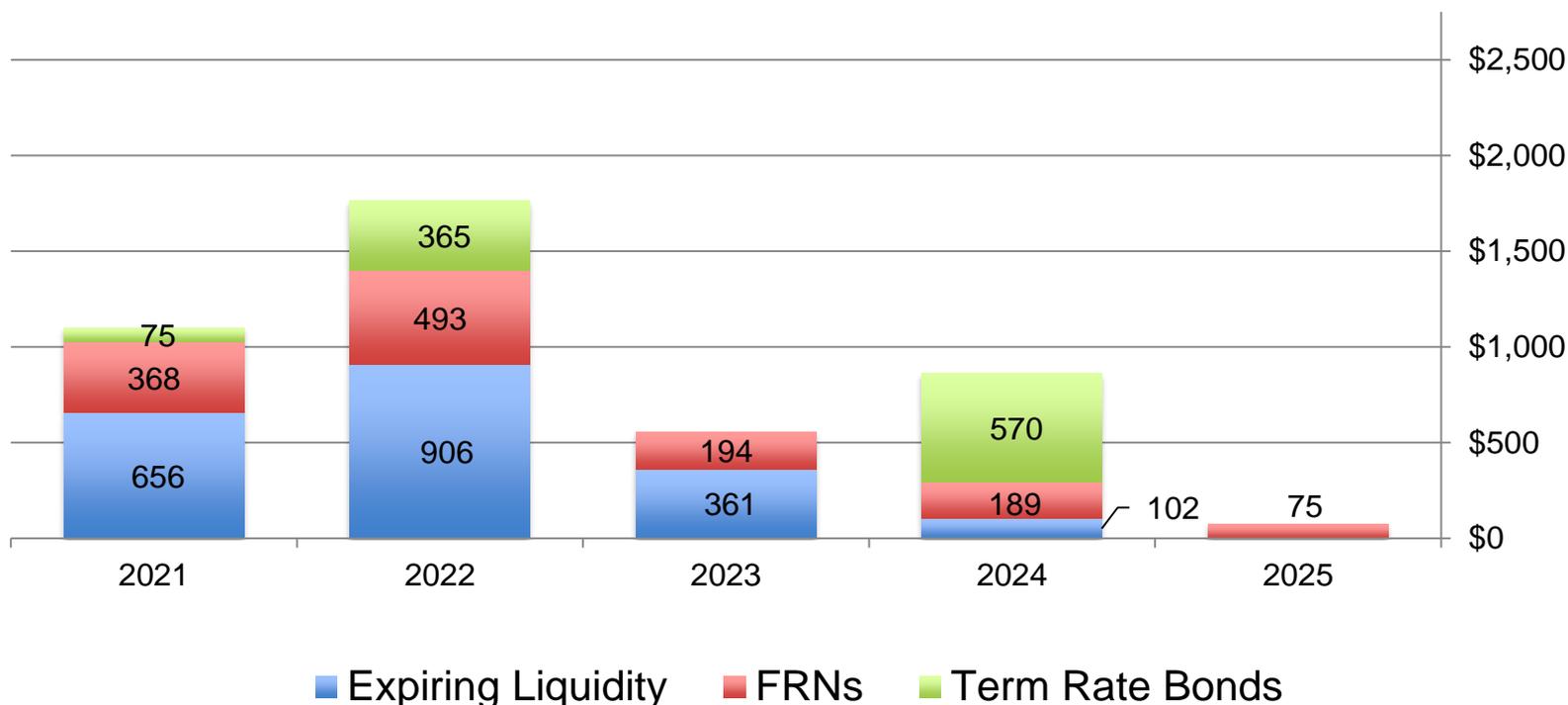
(1) Revenue Bond Index (RBI) is the average yield on 25 revenue bonds with 30-year maturities and that have an average rating that is equivalent to A1 for Moody's and A+ for S&P.

(2) Average rate is inclusive of remarketing and BOC fees.



Liquidity Expirations, FRN and Term Rate Bond Reset Dates by Year

\$ in millions



- **2021 Outlook:** \$656 million of VRDBs, \$368 million of FRNs and \$75 million of term rate bonds have tender dates remaining in 2021



Appendix

- 2021 VRDB, FRN, and Term Rate Bonds Tender Dates Schedule
- Remarketing Agents
- Credit/Liquidity Support Providers



Remaining 2021 VRDB, FRN, and Term Rate Bonds Tender Dates Schedule

Bond Series	Outstanding Par (\$ millions)	Mode	Credit/Liquidity Support Provider	Exp./Reset Date
TRB 2002D-2b	100.000	FRN	NA	4/1/2021
TRB 2020B-1	75.000	PUT	NA	4/1/2021
TRB 2002D-2a-2	50.000	FRN	NA	4/6/2021
TRB 2002G-1f	29.145	FRN	NA	7/1/2021
TRB 2005D-1	125.350	FRN	NA	7/1/2021
TRB 2005E-1	83.600	Weekly	PNC Bank National Association	8/20/2021
TRB 2005E-3	62.700	Weekly	PNC Bank National Association	8/20/2021
TRB 2015E-1	77.425	Daily	U.S. Bank National Association	8/20/2021
TRB 2015E-4	70.350	Weekly	PNC Bank National Association	9/3/2021
TBTA 2002F	144.835	Daily	Citibank, N.A.	10/29/2021
TRB 2002G-1g	29.125	Weekly	TD Bank, N.A.	11/1/2021
TRB 2012G-2	125.000	Weekly	TD Bank, N.A.	11/1/2021
TBTA 2008B-2	63.650	FRN	NA	11/15/2021
TRB 2005E-2	62.700	Weekly	Bank of America, N.A.	12/10/2021

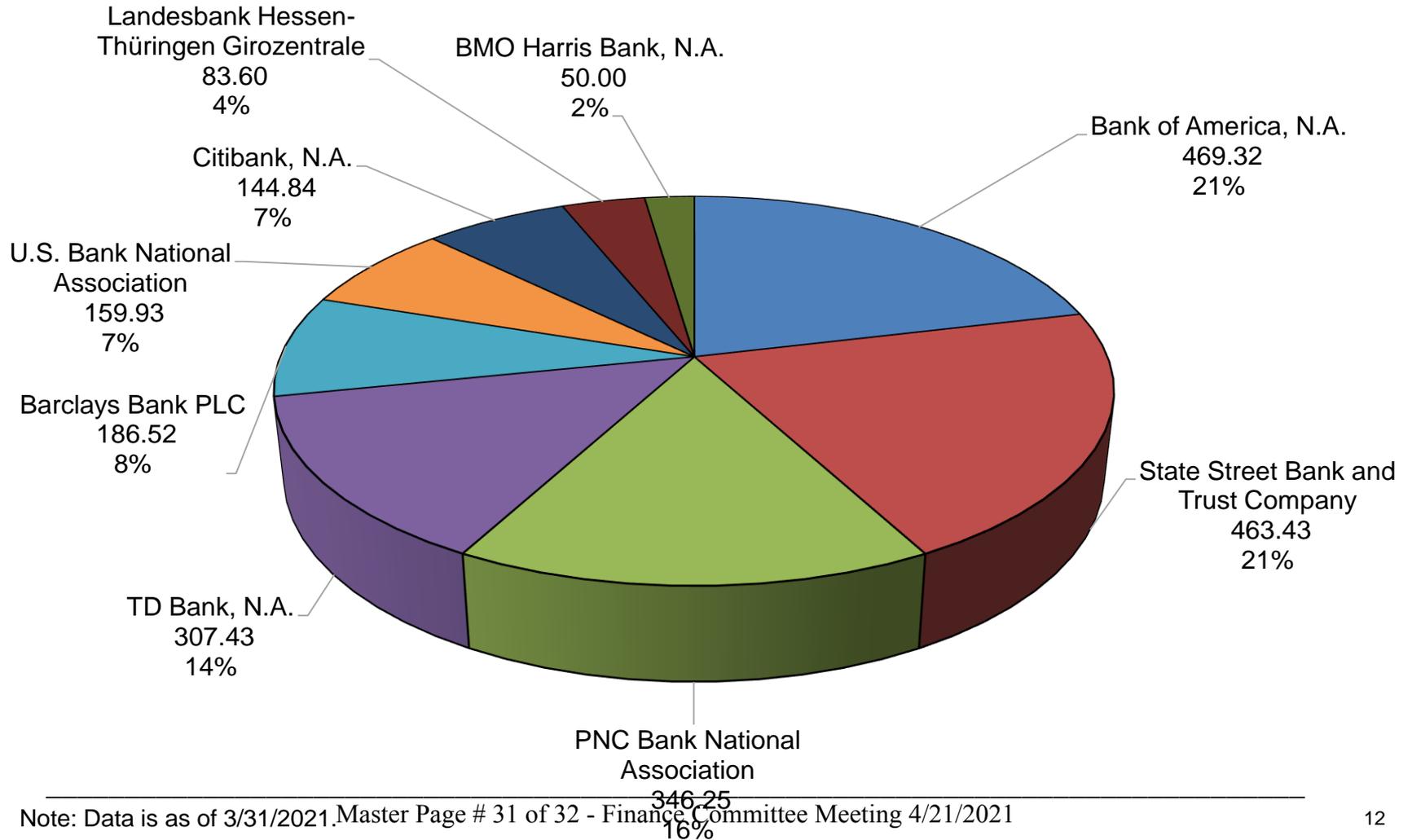
Note: Data is as of 3/31/2021.

Complete schedule is available at <https://www.mta.com/investor-confirmation-meeting> #36 on 3/31/2021



Variable Rate Demand Bonds Liquidity Providers

\$ in millions

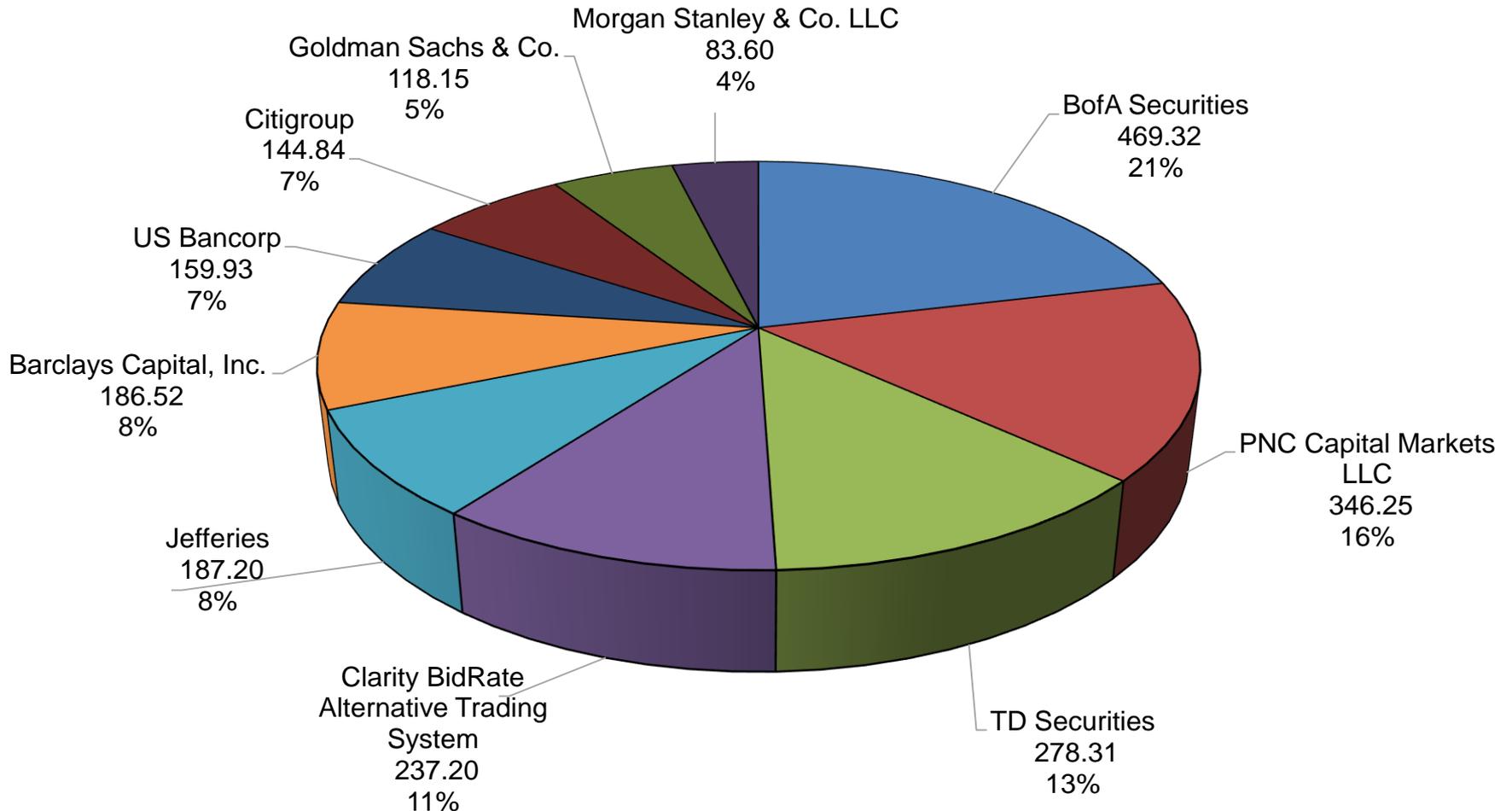


Note: Data is as of 3/31/2021. Master Page # 31 of 32 - Finance Committee Meeting 4/21/2021



Variable Rate Demand Bonds Remarketing Agents

\$ in millions



Note: Data is as of 3/31/2021. Master Page # 32 of 32 - Finance Committee Meeting 4/21/2021