

MTA 2025 Preliminary Budget

July Financial Plan 2025 – 2028



Volume 1
July 2024



Metropolitan Transportation Authority

OVERVIEW

MTA 2025 Preliminary Budget July Financial Plan 2025-2028 Volume 1

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

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

Volume 2 includes MTA-Consolidated detailed financial and position schedules as well as the narratives that support the baseline projections included in the 2025 Preliminary Budget and the Financial Plan for 2025 through 2028. Also included are the Agency sections which incorporate descriptions of Agency Programs with supporting baseline tables and required information related to the MTA Capital Program.

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I. Introduction

Executive Summary

The **2024 MTA July Financial Plan** (the “July Plan” or “Plan”), which includes the 2024 Mid-Year Forecast, the 2025 Preliminary Budget and a Financial Plan for the years 2025 to 2028, updates the 2024 February Financial Plan (the “July Plan”), which includes the 2024 Adopted Budget.

The July Plan

The July Plan remains balanced through 2026 with deficits of \$428 million in 2027 and \$469 million in 2028, compared with the February Plan which was balanced through 2027.

Changes from the February Plan primarily reflect Agency re-estimates and new needs, farebox and subsidy revenues and debt service actions. The two biggest changes from the February Plan are Subway and Bus farebox revenue, which is projected to be lower by \$811 million through 2027, and real estate transaction tax revenues, which are projected to be lower by \$790 million through 2027.

Projections for Commuter Railroad farebox revenue and toll revenue at B&T facilities, on the other hand, are favorable to the February Plan, with Commuter Railroad farebox revenue favorable by \$114 million through 2027 and B&T toll revenue favorable by \$209 million through 2027.

The pause in the Central Business District Tolling Program (CBDTP) is also expected to have an adverse impact on projected farebox revenue. MTA estimates that farebox revenue will be lower by \$30 million through the remainder of 2024 as anticipated shifts from vehicles to mass transit do not take place. Farebox revenue for 2025 through 2028 has not yet been lowered awaiting an outcome to the congestion pricing pause. Farebox revenue forecasts in 2025 and later will be adjusted accordingly when there is more clarity on the duration of the congestion pricing pause.

The Plan does not yet include impacts to operating expenses and debt service from the pause in congestion pricing under the assumption that either the congestion pricing pause will be lifted, or a replacement revenue stream will be provided in a timely manner. Such yet to be incorporated higher expenses during the financial plan period would be due to potential earlier bond issuance, reductions in in-house capital spending which could reduce capital reimbursement of in-house labor costs, delays in new rolling stock which could increase maintenance expenses, and unrealized savings from increased bus speeds due to reduced congestion which could result in less overtime spending from longer operator shifts.

Operating expenses remain under control. Even with \$156 million included in New Needs requests, operating expenses in the July Plan are \$226 million favorable compared with the February Plan. This favorable change includes subsidy increases to offset additional expenses necessary for the expansion of the Automated Camera Enforcement (ACE) program at NYCT and the expansion of the resident toll rebate programs at B&T.

Information on New Needs, which cover critical cybersecurity needs, fare evasion mitigation efforts, maintenance and service support, can be found in Volume 2 of this Plan.

The February Plan included operating efficiencies initiatives that are expected to generate \$1.88 billion through 2027 directly impacting MTA. The annually recurring saving target was increased from \$400 million to \$500 million in the 2023 July Financial Plan (July Financial Plan 2024-2027),

and this Plan continues to include unidentified savings targets totaling \$296 million for the 2025 to 2028 period, which will be identified in the upcoming November Plan

The Plan continues to reflect additional farebox and toll revenue from biennial 4 percent yield increases proposed for March 2025 and March 2027 in the February Plan.

The “Bottom Line”

The July Plan presents a balanced budget through 2026, with deficits of \$428 million in 2027 and \$469 million in 2028.

Risks to MTA’s Financial Future

Additional risks to the July Plan include:

Continued paid ridership recovery. Progress in reducing fare evasion is critical to balancing the financial plan. The potential cost for 5 percent lower recovery is estimated at \$325 million per year.

MTA operating efficiencies. Agencies have been implementing initiatives that achieve savings in excess of \$400 million annually. For 2025 through 2028, between \$70 million and \$75 million annually in savings actions still need to be identified and implemented.

Dedicated tax receipts. An economic slowdown or recession could have a significant impact on the level of dedicated tax receipts received by MTA. Real estate related tax receipts continue to decline related to fewer real estate transactions both in the residential and commercial markets.

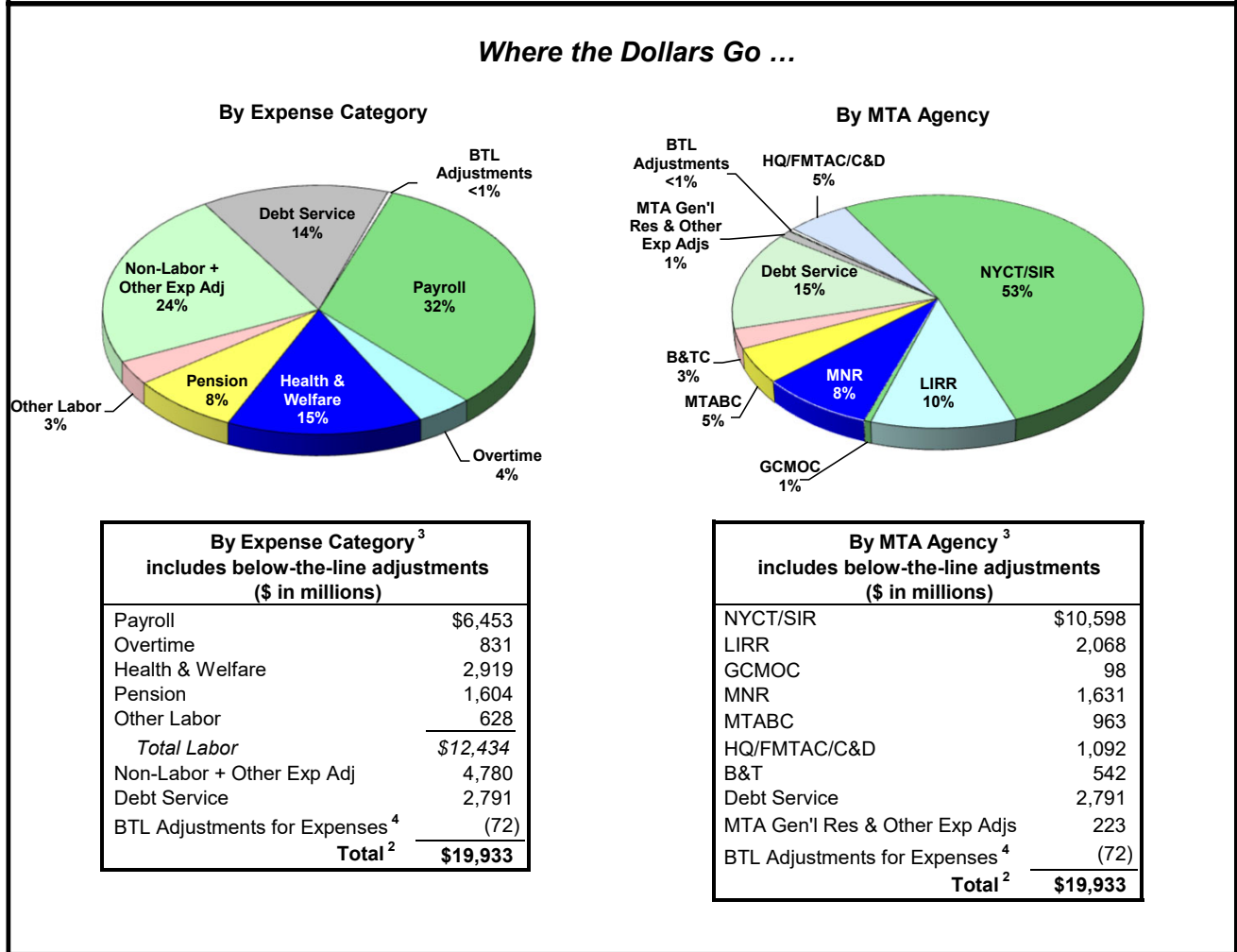
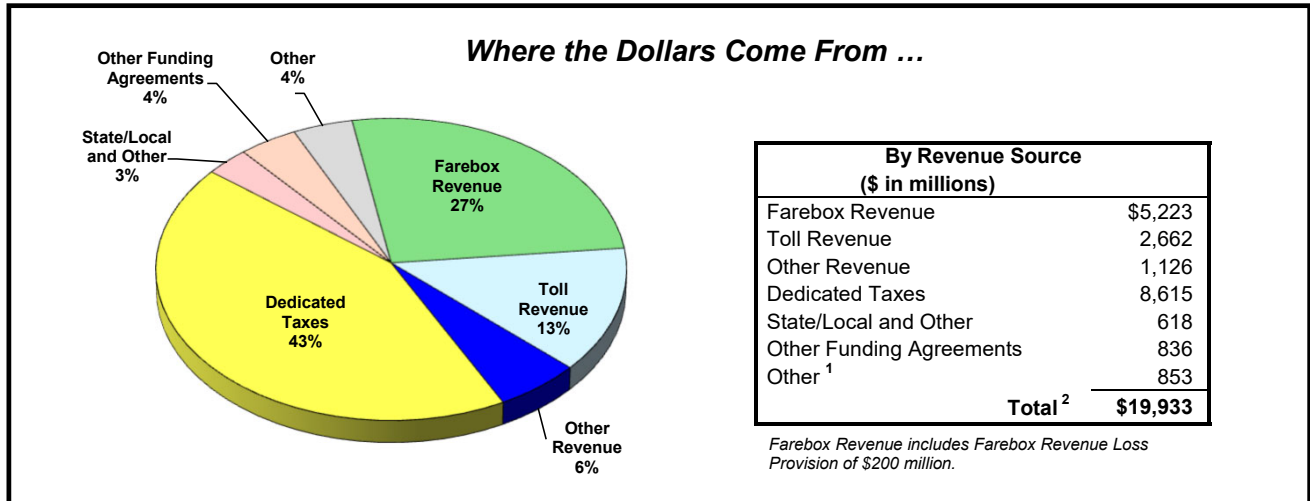
Casino license and gaming tax revenues. The approval, awarding, and commencement of operations of downstate casinos is uncertain in both outcome and timing, which risks the \$500 million assumed to be received by MTA in 2026 and 2027, and the \$600 million assumed for 2028.

Central Business District Tolling Program (“Congestion Pricing”). As discussed above, the Plan does not yet include impacts to operating expenses and debt service from the pause in congestion pricing under the assumption that either the congestion pricing pause will be lifted or a replacement revenue stream will be provided in a timely manner.

Approval and funding for 2025-2029 Capital Program. MTA is required by state law to submit its next five-year capital program to the Capital Program Review Board by October 1, 2024. Funding of the capital program is needed for MTA to continue its investment in critical state of good repair projects for safe and reliable service. Securing substantial new federal, state and city funding will be required. Over-reliance on MTA debt as a capital funding source could increase debt service costs beyond what is included in the financial plan and put pressure on fares and/or service levels.

II. MTA Consolidated Financial Plan

MTA 2025 Preliminary Budget
Baseline Revenues and Expenses After Below-the-Line (BTL) Adjustments
Non-Reimbursable



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

- 1 Includes cash adjustments and prior-year carryover.
- 2 Totals may not add due to rounding.
- 3 Expenses exclude Non-Cash Liabilities.
- 4 The "BTL Adjustments for Expenses" reflect unidentified MTA Operating Efficiencies that cannot be segmented by expense category or by Agency.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
MTA Consolidated Accrued Statement of Operations By Category
(\$ in millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
<u>Non-Reimbursable</u>						
Operating Revenues						
Farebox Revenue	\$4,658	\$5,061	\$5,276	\$5,426	\$5,585	\$5,566
Toll Revenue	2,419	2,576	2,581	2,585	2,588	2,591
Other Revenue	881	999	996	1,035	1,077	1,121
Capital and Other Reimbursements	0	0	0	0	0	0
Total Revenues	\$7,958	\$8,637	\$8,853	\$9,046	\$9,249	\$9,279
Operating Expenses						
<u>Labor:</u>						
Payroll	\$5,820	\$6,310	\$6,453	\$6,620	\$6,768	\$6,928
Overtime	1,152	856	831	852	872	885
Health and Welfare	1,581	1,843	1,977	2,115	2,261	2,430
OPEB Current Payments	827	870	942	1,023	1,111	1,208
Pension	1,363	1,439	1,604	1,673	1,745	1,791
Other Fringe Benefits	1,059	1,084	1,118	1,173	1,236	1,292
Reimbursable Overhead	(474)	(476)	(491)	(501)	(487)	(490)
Total Labor Expenses	\$11,328	\$11,927	\$12,434	\$12,955	\$13,507	\$14,044
<u>Non-Labor:</u>						
Electric Power	\$510	\$555	\$598	\$634	\$640	\$670
Fuel	226	216	227	226	223	227
Insurance	32	19	15	16	20	31
Claims	394	399	426	439	453	467
Paratransit Service Contracts	517	582	606	639	672	718
Maintenance and Other Operating Contracts	908	1,083	969	945	976	1,018
Professional Services Contracts	631	789	729	768	793	748
Materials and Supplies	641	685	666	716	806	870
Other Business Expenses	314	333	330	338	353	354
Total Non-Labor Expenses	\$4,174	\$4,660	\$4,567	\$4,719	\$4,937	\$5,103
<u>Other Expense Adjustments:</u>						
Other	(\$16)	\$19	\$13	\$14	\$14	\$14
General Reserve	185	195	200	205	220	225
Total Other Expense Adjustments	\$169	\$214	\$213	\$219	\$234	\$239
Total Expenses Before Non-Cash Liability Adjs.	\$15,671	\$16,802	\$17,214	\$17,893	\$18,678	\$19,386
Depreciation	\$3,549	\$3,583	\$3,595	\$3,626	\$3,662	\$3,702
GASB 75 OPEB Expense Adjustment	591	764	774	790	800	816
GASB 68 Pension Expense Adjustment	170	(253)	(216)	(266)	(196)	(422)
GASB 87 Lease Adjustment	20	19	16	12	12	12
GASB 96 SBITA Adjustment	(2)	(3)	(3)	(3)	(3)	(3)
Environmental Remediation	51	6	6	6	6	6
Total Expenses After Non-Cash Liability Adjs.	\$20,049	\$20,917	\$21,386	\$22,057	\$22,959	\$23,498
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$4,378)	(\$4,116)	(\$4,172)	(\$4,164)	(\$4,281)	(\$4,112)
Debt Service	2,631	2,666	2,791	2,986	3,344	3,469
Total Expenses with Debt Service	\$18,302	\$19,467	\$20,005	\$20,879	\$22,022	\$22,855
Dedicated Taxes & State and Local Subsidies	\$8,887	\$9,799	\$10,081	\$11,064	\$11,487	\$11,799
Net Surplus/(Deficit) After Subsidies and Debt Service	(\$1,457)	(\$1,032)	(\$1,071)	(\$770)	(\$1,286)	(\$1,777)
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	1,457	949	853	396	444	866
Cash Balance Before Prior-Year Carryover	\$0	(\$83)	(\$219)	(\$374)	(\$842)	(\$911)
Below the Line Adjustments	\$0	\$83	\$219	\$374	\$414	\$442
Prior Year Carryover Balance	0	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	(\$428)	(\$469)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
Plan Adjustments
(\$ in millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
Cash Balance Before Prior-Year Carryover	\$0	(\$83)	(\$219)	(\$374)	(\$842)	(\$911)
Fare and Toll Increases:						
<i>Fare/Toll Increase, March 2025 (4% Yield)</i>		<i>0</i>	<i>228</i>	<i>301</i>	<i>308</i>	<i>308</i>
<i>Subsidy Impacts - Fare/Toll Increase, March 2025</i>		<i>0</i>	<i>(11)</i>	<i>(9)</i>	<i>(8)</i>	<i>(9)</i>
<i>Fare/Toll Increase - March 2027 (4% Yield)</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>275</i>	<i>320</i>
<i>Subsidy Impacts - Fare/Toll Increase, March 2027</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>(13)</i>	<i>(10)</i>
Subtotal:		\$0	\$217	\$291	\$562	\$610
MTA Initiatives:						
<i>MTA Operating Efficiencies</i>		<i>0</i>	<i>72</i>	<i>70</i>	<i>75</i>	<i>78</i>
Subtotal:		\$0	\$72	\$70	\$75	\$78
Management and Policy Actions:						
<i>Penn Station Access</i>		<i>0</i>	<i>(1)</i>	<i>(8)</i>	<i>(22)</i>	<i>(45)</i>
<i>Farebox Revenue Loss Provision</i>		<i>(137)</i>	<i>(200)</i>	<i>(200)</i>	<i>(200)</i>	<i>(200)</i>
Subtotal:		(\$137)	(\$201)	(\$208)	(\$222)	(\$245)
MTA Re-estimates:						
<i>CBDTP Farebox Loss</i>		<i>(30)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Subtotal:		(\$30)	\$0	\$0	\$0	\$0
Other:						
<i>FEMA COVID Reimbursement</i>		<i>250</i>	<i>130</i>	<i>220</i>	<i>0</i>	<i>0</i>
Subtotal:		\$250	\$130	\$220	\$0	\$0
TOTAL ADJUSTMENTS		\$83	\$219	\$374	\$414	\$442
<i>Prior Year Carryover Balance</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Net Cash Surplus/(Deficit)	\$0	\$0	\$0	\$0	(\$428)	(\$469)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$4,640	\$5,049	\$5,262	\$5,412	\$5,570	\$5,551
Other Revenue	2,154	1,271	1,218	1,109	1,096	1,140
Capital and Other Reimbursements	1,876	2,710	2,350	2,400	2,388	2,354
Total Receipts	\$8,671	\$9,030	\$8,831	\$8,922	\$9,053	\$9,046
Expenditures						
Labor:						
Payroll	\$6,392	\$7,029	\$7,256	\$7,265	\$7,380	\$7,535
Overtime	1,381	1,061	1,030	1,054	1,068	1,085
Health and Welfare	1,601	1,953	2,046	2,185	2,332	2,501
OPEB Current Payments	814	858	929	1,009	1,096	1,192
Pension	2,062	1,500	1,083	1,767	1,840	1,887
Other Fringe Benefits	1,069	1,119	1,134	1,160	1,193	1,232
Contribution to GASB Fund	0	0	0	0	0	0
Reimbursable Overhead	0	0	0	0	0	0
Total Labor Expenditures	\$13,319	\$13,519	\$13,479	\$14,440	\$14,909	\$15,432
Non-Labor:						
Electric Power	\$513	\$574	\$607	\$640	\$646	\$676
Fuel	229	214	225	224	221	225
Insurance	4	54	14	12	15	28
Claims	296	333	335	334	339	348
Paratransit Service Contracts	510	580	604	637	670	716
Maintenance and Other Operating Contracts	776	1,134	903	860	880	920
Professional Services Contracts	652	1,010	811	865	916	813
Materials and Supplies	759	842	793	830	900	970
Other Business Expenses	275	300	298	326	334	336
Total Non-Labor Expenditures	\$4,014	\$5,042	\$4,591	\$4,728	\$4,923	\$5,033
Other Expenditure Adjustments:						
Other	\$171	\$155	\$122	\$130	\$114	\$91
General Reserve	185	195	200	205	220	225
Total Other Expenditure Adjustments	\$356	\$350	\$322	\$335	\$334	\$316
Total Expenditures	\$17,689	\$18,911	\$18,392	\$19,503	\$20,167	\$20,781
Net Cash Balance before Subsidies and Debt Service	(\$9,018)	(\$9,881)	(\$9,561)	(\$10,582)	(\$11,113)	(\$11,735)
Dedicated Taxes & State and Local Subsidies	\$10,961	\$11,816	\$11,363	\$12,352	\$12,723	\$13,331
Debt Service	(1,943)	(2,019)	(2,020)	(2,144)	(2,452)	(2,507)
Cash Balance Before Prior-Year Carryover	\$0	(\$83)	(\$219)	(\$374)	(\$842)	(\$911)
Adjustments	\$0	\$83	\$219	\$374	\$414	\$442
Prior-Year Carryover Balance	0	0	0	0	0	0
Net Cash Balance	\$0	\$0	\$0	\$0	(\$428)	(\$469)

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METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025-2028
MTA Consolidated July Financial Plan Compared with February Financial Plan
Cash Reconciliation after Below-the-Line Adjustments
(\$ in millions)

	Favorable/(Unfavorable)			
	2024	2025	2026	2027
FEBRUARY FINANCIAL PLAN 2024-2027				
NET CASH SURPLUS/(DEFICIT)	(\$0)	(\$0)	(\$0)	(\$0)
Agency Baseline Re-estimates	(\$316)	\$66	(\$30)	(\$29)
Farebox Revenue	(42)	26	28	33
Toll Revenue	50	52	53	54
NYCT Fare Media Liability	32	32	31	13
Paratransit ¹	(51)	(11)	3	16
Electric Power and Fuel	113	82	44	55
Health & Welfare (including retirees)	(11)	(9)	(5)	(3)
Pensions	(30)	(37)	(42)	(51)
Pensions Prepayment	(41)	81	-	-
Re-examination of Budgetary Needs and Impacts	126	209	203	205
ACE Program Expansion ²	(3)	(61)	(88)	(105)
Resident Toll Rebate Program Expansion ³	(22)	(22)	(22)	(22)
Fare Media Card Surcharge and Fees	(27)	(24)	(30)	(40)
Timing	(136)	(49)	(22)	2
Other Baseline Re-estimates ⁴	(274)	(204)	(183)	(184)
New Needs/Investments	(\$57)	(\$48)	(\$26)	(\$26)
Information Technology	(11)	(15)	(16)	(16)
Maintenance and Service Support	(8)	(9)	(7)	(8)
Fare Evasion Mitigation Efforts	(35)	(16)	-	-
All Other New Needs	(3)	(7)	(2)	(2)
B&T Adjustments	\$28	\$31	\$34	\$34
B&T Net Baseline Impacts ⁵	28	31	34	34
MTA Adjustments	(\$5)	\$0	\$0	\$0
General Reserve	(5)	-	-	-
Debt Service (Cash)	\$77	\$66	(\$15)	\$27
Subsidies (Cash)	\$339	\$266	\$224	(\$233)
Metropolitan Mass Transportation Operating Assist (MMTOA)	9	159	159	99
Petroleum Business Tax (PBT) Receipts	29	(21)	(21)	(21)
Real Estate Taxes	(340)	(273)	(178)	1
MTA Aid	(9)	(10)	(10)	(10)
For-Hire Vehicle (FHV) Surcharge	10	4	(2)	(3)
Automated Camera Enforcement (ACE)	3	52	75	89
Peer-to-Peer Car Sharing Trip Tax	1	1	1	1
Station Maintenance	2	2	(0)	(0)
Other Subsidy Adjustments:	411	229	117	(418)
<i>Forward Energy Contracts Program - Gain/(Loss)</i>	(7)	(3)	(0)	-
<i>Committed to Capital Program Contributions</i>	109	232	65	1
<i>Other Local Subsidy Resources</i>	549	-	52	(419)
<i>Other Local Subsidy to Cover Debt Service Prepayment</i>	(240)	-	-	-
City Subsidy for MTA Bus	(2)	(2)	16	(32)
City Subsidy for Staten Island Railway	3	(4)	(8)	(7)
CDOT Subsidy for Metro-North Railroad	8	(10)	(23)	(30)
B&T Surplus Transfer	213	138	97	98
Subtotal Changes before Below-the-Line Adjustments	\$66	\$381	\$188	(\$227)

Continued on Page 2

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025-2028
MTA Consolidated July Financial Plan Compared with February Financial Plan
Cash Reconciliation after Below-the-Line Adjustments
(\$ in millions)

Continued from Page 1

	Favorable/(Unfavorable)			
	2024	2025	2026	2027
Below-the-Line (BTL) Adjustments	(\$66)	(\$381)	(\$188)	(\$201)
Fare and Toll Increases:	-	(68)	(6)	(7)
<i>Fare/Toll Increase - March 2025 (4% Yield)</i>	-	(71)	(4)	(4)
<i>Subsidy Impacts - Fare/Toll Increase, March 2025</i>	-	3	(1)	(0)
<i>Fare/Toll Increase - March 2027 (4% Yield)</i>	-	-	-	(2)
<i>Subsidy Impacts - Fare/Toll Increase, March 2027</i>	-	-	-	(0)
Management and Policy Actions:	(36)	(193)	(186)	(194)
<i>Penn Station Access</i>	1	7	14	23
<i>Reimbursement from OPEB Trust</i>	-	-	-	(17)
<i>Farebox Revenue Loss Provision</i>	(37)	(200)	(200)	(200)
MTA Re-estimates:	(30)	-	-	-
<i>CBDTP Pause - Farebox Revenue Loss</i>	(30)	-	-	-
Other:	-	(120)	3	-
<i>FEMA COVID Reimbursement</i>	-	(120)	3	-
Prior Year Carryover	\$0	\$0	\$0	\$0
JULY FINANCIAL PLAN 2025-2028	\$0	\$0	\$0	(\$428)
NET CASH SURPLUS/(DEFICIT)				

¹ Includes Paratransit revenue, Paratransit expenses and Urban Tax for Paratransit.

² Additional expenses related to the expansion of the ACE program are covered by additional revenue from fines, which are captured in the Subsidies section of the Financial Plan.

³ Revenues are from the OBTA reserve account which were released to the operating budget after the Governor and State Legislature approved the use of the funds for the toll rebate programs.

⁴ Includes OTPS and reimbursable adjustments, operating capital and cash adjustments.

⁵ While B&T Operating Surplus Transfer is captured as a subsidy, B&T's baseline impacts are captured in individual reconciliation categories in the Agency Baseline Adjustments above. To avoid duplication, B&T's baseline impacts are eliminated within this line. Included within this B&T Net Baseline Impacts are reversals for higher toll revenue and favorable OTPS adjustments which are captured above.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025 - 2028
Consolidated Subsidies

Cash Basis
(\$ in Millions)

	Actual 2023	Mid-Year Forecast 2024	Preliminary Budget 2025	2026	2027	2028
MMTOA, PBT, Real Estate Taxes and Other						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$2,838.5	\$3,000.0	\$3,150.0	\$3,150.0	\$3,150.0	\$3,213.0
Petroleum Business Tax (PBT)	574.9	644.7	594.7	594.7	594.7	594.7
Mortgage Recording Tax (MRT)	359.4	313.4	381.8	466.0	569.6	589.7
<i>MRT Transfer to Suburban Counties</i>	<i>(18.0)</i>	<i>(11.4)</i>	<i>(11.0)</i>	<i>(12.7)</i>	<i>(14.8)</i>	<i>(17.1)</i>
<i>MTA Bus Debt Service</i>	<i>(12.3)</i>	<i>(12.3)</i>	<i>(12.6)</i>	<i>(14.5)</i>	<i>(13.6)</i>	<i>(12.3)</i>
Urban Tax	<u>382.0</u>	<u>313.9</u>	<u>384.1</u>	<u>471.0</u>	<u>578.9</u>	<u>598.4</u>
	\$4,124.5	\$4,248.4	\$4,487.1	\$4,654.6	\$4,864.9	\$4,966.5
PMT and MTA Aid						
Payroll Mobility Tax (PMT)	\$2,232.9	\$3,020.5	\$3,150.1	\$3,277.7	\$3,403.7	\$3,530.8
Payroll Mobility Tax Replacement Funds	244.3	244.3	244.3	244.3	244.3	244.3
MTA Aid	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>	<u>273.6</u>
	\$2,750.8	\$3,538.4	\$3,668.0	\$3,795.6	\$3,921.6	\$4,048.7
For-Hire Vehicle (FHV) Surcharge						
Subway Action Plan Account	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0
Outerborough Transportation Account (OBTA) Transfer to Operating	22.2	22.2	22.2	22.2	22.2	22.2
General Transportation Account	<u>0.0</u>	<u>12.5</u>	<u>18.7</u>	<u>24.6</u>	<u>25.6</u>	<u>26.6</u>
	\$322.2	\$334.7	\$340.9	\$346.8	\$347.8	\$348.8
Automated Camera Enforcement (ACE)						
	\$9.2	\$48.6	\$93.0	\$113.2	\$127.7	\$86.1
Peer-to-Peer Car Sharing Trip Tax						
	\$1.1	\$1.1	\$1.1	\$1.2	\$1.2	\$1.2
Capital Program Funding from Lockbox Revenues						
Central Business District Tolling Program (CBDTP)	\$0.0	\$0.0	\$1,000.0	\$1,000.0	\$1,000.0	\$1,000.0
Real Property Transfer Tax Surcharge (Mansion Tax)	345.1	320.6	332.8	335.7	335.8	339.9
Internet Marketplace Tax -NYS	154.2	155.7	157.3	158.8	160.4	162.0
Internet Marketplace Tax - NYC	<u>174.7</u>	<u>176.5</u>	<u>178.2</u>	<u>180.0</u>	<u>181.8</u>	<u>183.6</u>
Subtotal:	673.9	652.8	1,668.3	1,674.5	1,678.0	1,685.6
<i>Less: Debt Service on Lockbox Bonds</i>	<i>(80.4)</i>	<i>(201.5)</i>	<i>(425.9)</i>	<i>(642.0)</i>	<i>(963.4)</i>	<i>(1,170.0)</i>
<i>Less: Lockbox Allocated to PAYGO / CBDTP Expenses</i>	<i>(593.5)</i>	<i>(451.2)</i>	<i>(1,242.3)</i>	<i>(1,032.5)</i>	<i>(714.6)</i>	<i>(515.6)</i>
	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State and Local Subsidies						
State Operating Assistance	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	192.7	187.9	187.9	187.9	187.9	187.9
Station Maintenance	198.2	205.5	208.2	210.6	215.2	220.2
State General Fund Subsidy	<u>150.0</u>	<u>150.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$728.8	\$731.4	\$584.1	\$586.5	\$591.1	\$596.0
Casino License and Gaming Tax Revenues						
	\$0.0	\$0.0	\$0.0	\$500.0	\$500.0	\$600.0
Investment Income						
	\$86.2	\$61.4	\$36.3	\$15.9	\$14.3	\$14.3
Other Subsidy Adjustments						
NYCT Charge Back of MTA Bus Debt Service	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)
Forward Energy Contracts Program - Gain/(Loss)	12.6	(5.3)	(2.4)	(0.3)	0.0	0.0
Committed to Capital Program Contributions	(114.1)	0.0	0.0	0.0	0.0	0.0
Other Local Subsidy Resources	964.3	768.8	0.0	52.3	50.0	224.3
Other Local Subsidy to Cover Debt Service Prepayment	0.0	(240.1)	0.0	0.0	0.0	0.0
Reimbursement from OPEB Trust	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>250.0</u>
	\$851.3	\$511.8	(\$13.9)	\$40.5	\$38.5	\$462.8
Subtotal: Taxes & State and Local Subsidies	\$8,874.1	\$9,475.8	\$9,196.7	\$10,054.2	\$10,406.9	\$11,124.3
Other Funding Agreements						
City Subsidy for MTA Bus Company	\$524.8	\$519.3	\$519.5	\$723.1	\$802.1	\$769.0
City Subsidy for Staten Island Railway	36.5	44.6	51.0	70.0	69.9	70.8
CDOT Subsidy for Metro-North Railroad	<u>269.1</u>	<u>275.7</u>	<u>282.9</u>	<u>283.1</u>	<u>286.3</u>	<u>288.5</u>
	\$830.4	\$839.6	\$853.4	\$1,076.2	\$1,158.3	\$1,128.3
Subtotal, including Other Funding Agreements	\$9,704.5	\$10,315.3	\$10,050.0	\$11,130.4	\$11,565.3	\$12,252.6
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$1,256.2</u>	<u>\$1,501.1</u>	<u>\$1,312.8</u>	<u>\$1,221.5</u>	<u>\$1,157.6</u>	<u>\$1,078.3</u>
	\$1,256.2	\$1,501.1	\$1,312.8	\$1,221.5	\$1,157.6	\$1,078.3
TOTAL SUBSIDIES	\$10,960.8	\$11,816.5	\$11,362.8	\$12,351.9	\$12,722.8	\$13,330.9

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

	2024	2025	2026	2027
MMTOA, PBT, Real Estate Taxes and Other				
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$9.1	\$159.1	\$159.1	\$99.2
Petroleum Business Tax (PBT)	29.5	(20.5)	(20.5)	(20.5)
Mortgage Recording Tax (MRT)	(142.0)	(116.8)	(74.9)	0.0
MRT Transfer to Suburban Counties	0.1	2.0	1.8	1.1
Urban Tax	<u>(197.9)</u>	<u>(158.6)</u>	<u>(104.5)</u>	<u>0.0</u>
	(\$301.3)	(\$134.9)	(\$39.0)	\$79.8
PMT and MTA Aid				
Payroll Mobility Tax (PMT)	\$0.0	\$0.0	\$0.0	\$0.0
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0
MTA Aid	<u>(9.3)</u>	<u>(9.5)</u>	<u>(9.7)</u>	<u>(9.9)</u>
	(\$9.3)	(\$9.5)	(\$9.7)	(\$9.9)
For-Hire Vehicle (FHV) Surcharge				
Subway Action Plan Account	\$0.0	\$0.0	\$0.0	\$0.0
Outerborough Transportation Account (OBTA) Transfer to Operating	22.2	22.2	22.2	22.2
General Transportation Account	<u>(12.5)</u>	<u>(18.7)</u>	<u>(24.6)</u>	<u>(25.6)</u>
	\$9.7	\$3.5	(\$2.4)	(\$3.4)
Automated Camera Enforcement (ACE)				
	\$3.3	\$52.2	\$75.0	\$89.5
Peer-to-Peer Car Sharing Trip Tax				
	\$0.9	\$0.9	\$0.9	\$0.9
Capital Program Funding from Lockbox Revenues				
Central Business District Tolling Program (CBDTP)	(\$400.0)	\$0.0	\$0.0	\$0.0
Real Property Transfer Tax Surcharge (Mansion Tax)	0.0	0.0	0.0	0.0
Internet Marketplace Tax - NYS	0.0	0.0	0.0	0.0
Internet Marketplace Tax - NYC	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Subtotal:	(400.0)	0.0	0.0	0.0
Less: Debt Service on Lockbox Bonds	5.5	24.3	205.6	196.1
Less: Lockbox Allocated to PAYGO / CBDTP Expenses	<u>394.5</u>	<u>(24.3)</u>	<u>(205.6)</u>	<u>(196.1)</u>
	\$0.0	\$0.0	\$0.0	\$0.0
State and Local Subsidies				
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0
Station Maintenance	2.2	1.7	(0.2)	(0.3)
State General Fund Subsidy	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$2.2	\$1.7	(\$0.2)	(\$0.3)
Casino License and Gaming Tax Revenues				
	\$0.0	\$0.0	\$0.0	\$0.0
Investment Income				
	\$0.0	\$0.0	\$0.0	\$0.0
Other Subsidy Adjustments				
NYCT Charge Back of MTA Bus Debt Service	\$0.0	\$0.0	\$0.0	\$0.0
Forward Energy Contracts Program - Gain/(Loss)	(7.1)	(3.0)	(0.3)	0.0
Committed to Capital Program Contributions	108.8	231.8	64.6	0.8
Other Local Subsidy Resources	549.2	0.0	52.3	(419.0)
Other Local Subsidy to Cover Debt Service Prepayment	(240.1)	0.0	0.0	0.0
Reimbursement from OPEB Trust	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$410.9	\$228.9	\$116.6	(\$418.2)
Subtotal: Taxes & State and Local Subsidies	\$116.5	\$142.9	\$141.2	(\$261.5)
Other Funding Agreements				
City Subsidy for MTA Bus Company	(\$2.0)	(\$2.0)	\$16.1	(\$31.7)
City Subsidy for Staten Island Railway	3.1	(3.6)	(7.7)	(6.8)
CDOT Subsidy for Metro-North Railroad	<u>8.1</u>	<u>(9.9)</u>	<u>(22.8)</u>	<u>(30.2)</u>
	\$9.2	(\$15.5)	(\$14.4)	(\$68.7)
Subtotal, including Other Funding Agreements	\$125.6	\$127.4	\$126.8	(\$330.3)
Inter-agency Subsidy Transactions				
B&T Operating Surplus Transfer	<u>\$213.5</u>	<u>\$138.5</u>	<u>\$97.4</u>	<u>\$97.7</u>
	\$213.5	\$138.5	\$97.4	\$97.7
TOTAL SUBSIDIES	\$339.1	\$265.8	\$224.2	(\$232.6)

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2025-2028
Debt Affordability Statement after Below-the-Line Adjustments ⁽¹⁾
 \$ in millions

Forecasted Debt Service and Borrowing Schedule	Notes	2023 ACTL	2024	2025	2026	2027	2028
Combined MTA/TBTA Forecasted Debt Service Schedule	1, 2, 3	\$2,631.4	\$2,665.9	\$2,791.4	\$2,986.0	\$3,344.1	\$3,468.6
Forecasted New Long-Term Bonds Issued	4	-	1,525.0	502.0	557.0	2,760.9	423.8
Forecasted Debt Service by Credit ⁹	Notes	2023 ACTL	2024	2025	2026	2027	2028
Transportation Revenue Bonds							
Pledged Revenues	5	\$14,224.2	\$15,857.2	\$16,117.1	\$16,626.1	\$16,835.0	\$16,900.2
Debt Service	10	1,364.3	1,174.1	1,176.1	1,227.2	1,340.8	1,340.9
Debt Service as a % of Pledged Revenues		10%	7%	7%	7%	8%	8%
Dedicated Tax Fund Bonds							
Pledged Revenues	6	\$574.9	\$644.7	\$594.7	\$594.7	\$594.7	\$594.7
Debt Service	10	229.7	264.5	292.5	291.5	341.9	372.3
Debt Service as a % of Pledged Revenues		40%	41%	49%	49%	57%	63%
Payroll Mobility Tax Bonds							
Pledged Revenues	7	\$2,506.6	\$3,294.2	\$3,423.7	\$3,551.3	\$3,677.3	\$3,804.4
Debt Service	10	358.7	599.1	574.6	649.7	795.1	821.7
Debt Service as a % of Pledged Revenues		14%	18%	17%	18%	22%	22%
Triborough Bridge and Tunnel Authority General Revenue Bonds							
Pledged Revenues	8	\$1,949.0	\$2,065.3	\$2,043.3	\$2,027.9	\$2,015.9	\$2,002.7
Debt Service	10	604.5	600.7	720.2	814.6	864.3	924.9
Debt Service as a % of Total Pledged Revenues		31%	29%	35%	40%	43%	46%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds							
Pledged Revenues	9	\$1,344.4	\$1,464.5	\$1,323.1	\$1,213.3	\$1,151.6	\$1,077.8
Debt Service	10	73.9	18.3	16.0	-	-	7.5
Debt Service as a % of Total Pledged Revenues		5%	1%	1%	0%	0%	1%
Triborough Bridge and Tunnel Authority 2nd Subordinate Revenue Bonds							
Pledged Revenues	11	\$1,270.6	\$1,446.2	\$1,307.1	\$1,213.3	\$1,151.6	\$1,070.3
Debt Service	10	-	5.6	8.0	-	-	-
Debt Service as a % of Total Pledged Revenues		0%	0%	1%	0%	0%	0%
2 Broadway Certificates of Participation							
Lease Payments		\$0.3	\$3.6	\$3.9	\$3.0	\$2.1	\$1.2
Cumulative Debt Service (Excluding State Service Contract Bonds)	Notes	2023 ACTL	2024	2025	2026	2027	2028
Total Debt Service before Below-the-Line Adjustments:	1, 2, 3	\$2,631.4	\$2,665.9	\$2,791.4	\$2,986.0	\$3,344.1	\$3,468.6
Fare and Toll Revenues before Below-the-Line Adjustments		\$7,077.2	\$7,637.7	\$7,856.9	\$8,010.7	\$8,172.8	\$8,157.8
Total Debt Service as a % of Fare/Toll Revenue		37.2%	34.9%	35.5%	37.3%	40.9%	42.5%
Operating Revenues (including Fare/Toll Revenues) and Subsidies		\$16,845.4	\$18,435.7	\$18,933.8	\$20,109.6	\$20,735.9	\$21,077.5
Total Debt Service as a % of Operating Revenues and Subsidies		15.6%	14.5%	14.7%	14.8%	16.1%	16.5%
Non-Reimbursable Exp with Debt Service without Non-Cash Liabilities		\$18,302.1	\$19,467.5	\$20,005.0	\$20,879.1	\$22,022.4	\$22,854.9
Total Debt Service as % of Non-reimbursable Expenses		14.4%	13.7%	14.0%	14.3%	15.2%	15.2%
Total Debt Service <u>after</u> Below the Line Adjustments:	12	\$2,631.4	\$2,665.9	\$2,791.4	\$2,986.0	\$3,344.1	\$3,468.6
Fare and Toll Revenues after Below the Line Adjustments	12	\$7,077.2	\$7,637.7	\$8,085.0	\$8,311.7	\$8,755.7	\$8,785.7
<i>Total Debt Service as a % of Fare and Toll Revenue after BTL Adjustments</i>		<i>37.2%</i>	<i>34.9%</i>	<i>34.5%</i>	<i>35.9%</i>	<i>38.2%</i>	<i>39.5%</i>
Operating Revenues and Subsidies after Below the Line Adjustments	12	\$16,845.4	\$18,518.8	\$19,080.8	\$20,421.1	\$21,097.5	\$21,487.1
<i>Total Debt Service as a % of Operating Rev/Subsidies after BTL Adjs.</i>		<i>15.6%</i>	<i>14.4%</i>	<i>14.6%</i>	<i>14.6%</i>	<i>15.9%</i>	<i>16.1%</i>
Non-reimbursable Exp with DS after Below the Line Adjustments	12	\$18,302.1	\$19,467.5	\$19,933.4	\$20,816.7	\$21,969.7	\$22,822.1
<i>Total Debt Service as a % of Non-Reimbursable Exp after BTL Adjs.</i>		<i>14.4%</i>	<i>13.7%</i>	<i>14.0%</i>	<i>14.3%</i>	<i>15.2%</i>	<i>15.2%</i>

Notes on the following page are integral to this table.

- ¹ Floating rate notes assumed at the variable rate assumption plus the current fixed spread to maturity.
- ² Synthetic fixed-rate debt assumed at swap rate; floating rate notes assumed at swap rate plus the current fixed spread to maturity.
- ³ All debt service numbers reduced by Build America Bonds (BAB) subsidy.
- ⁴ All bonds to be issued assume 30-year level debt service with the principal amortized over the life of the bonds, with the following exceptions: PMT Bonds for MTA Bond funded portion of the 2020-24 capital program, which are 30-year bonds, amortized on a level debt service basis over 20 years, from year 11 to year 30.
- ⁵ Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies; funds contributed to the General Transportation Account of the NYC Transportation Assistance Fund; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds, and the Payroll Mobility Tax Obligation Resolution Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.
- ⁶ Dedicated Tax Fund pledged revenues as shown above consist generally of the following: petroleum business tax, motor fuel tax and motor vehicle fees deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; in addition, while not reflected in the DTF pledged revenue figures above, the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Transportation Operating Assistance Account for the benefit of the MTA are also pledged. After the payment of debt service on the MTA Dedicated Tax Fund Bonds, these subsidies are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and SIRTQA.
- ⁷ Payroll Mobility Tax Obligations pledged revenues consist of Payroll Mobility Tax and Aid Trust Account Receipts.
- ⁸ Triborough Bridge and Tunnel Authority General Revenue Bond pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels. Pledged revenues secure TBTA General Revenue Bonds after the payment of TBTA operating and maintenance expenses, including certain reserves.
- ⁹ Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue Bonds.
- ¹⁰ A debt service schedule for each credit is attached as addendum hereto, net of investment income.
- ¹¹ Triborough Bridge and Tunnel Authority Second Subordinate (2nd SUB) Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue and Subordinate Revenue Bonds.
- ¹² These totals incorporate the Plan's Below-the-Line Adjustments.

Note: Does not include debt service to be paid by CBDTP Lockbox.

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III. Plan Adjustments

Plan Adjustments

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

Fare and Toll Increases

Fare/Toll Increase, March 2025 (4% Yield) – An increase in fares and tolls, yielding a 4 percent overall increase in farebox and toll revenues, is assumed for implementation in March 2025 and is projected to generate \$301 million in 2026, the first full year after implementation. From the assumed 2025 fare and toll increase, consolidated farebox and toll revenues are expected to increase by \$228 million in 2025, \$301 million in 2026 and \$308 million in both 2027 and 2028. Factoring in subsidy impacts for MTA Bus, SIR and B&T (10 percent of all B&T surplus toll revenues are delayed for distribution to NYCT and the Commuter Railroads, per MTA Board policy, until B&T results are audited), the net increase to the MTA is \$217 million in 2025, \$291 million in 2026, \$300 million in 2027 and \$299 million in 2028. Compared with the February Plan, net projections are unfavorable by \$68 million in 2025, \$6 million in 2026 and \$4 million in 2027.

Fare/Toll Increase, March 2027 (4% Yield) – An increase in fares and tolls, yielding a 4% overall increase in farebox and toll revenues, is assumed for implementation in March 2027 and is projected to generate a \$320 million in 2028 the first full year after implementation. From the assumed 2027 fare and toll increase, consolidated farebox and toll revenues are expected to increase by \$275 million in 2027 and \$320 million in 2028. Factoring in the subsidy impacts for MTA Bus, SIR and B&T, the net increase to the MTA is \$262 million in 2027 and \$310 million in 2028. Compared with the February Plan, the 2027 projection is unfavorable by \$3 million.

MTA Consolidated Utilization

MTA Agency Fare and Toll Revenue Projections, in millions
Including the Impact of Fare & Toll Yield Increases

		Mid-Year Forecast	Preliminary Budget	<u>2026</u>	<u>2027</u>	<u>2028</u>
		<u>2024</u>	<u>2025</u>			
Fare Revenue						
Long Island Rail Road	Baseline	\$621.6	\$640.7	\$658.6	\$673.7	\$675.7
	2025 Yield Increase	0.000	19.785	26.342	26.948	27.029
	2027 Yield Increase	0.000	0.000	0.000	23.958	28.110
		\$621.6	\$660.4	\$684.9	\$724.6	\$730.9
Metro-North Railroad ¹	Baseline	\$592.1	\$603.1	\$615.9	\$628.8	\$629.8
	2025 Yield Increase	0.000	11.125	14.375	14.720	14.748
	2027 Yield Increase	0.000	0.000	0.000	12.729	14.928
		\$592.1	\$614.3	\$630.3	\$656.2	\$659.5
MTA Bus Company ²	Baseline	\$186.6	\$196.2	\$202.9	\$208.1	\$207.7
	2025 Yield Increase	0.000	6.008	8.117	8.325	8.309
	2027 Yield Increase	0.000	0.000	0.000	7.380	8.641
		\$186.6	\$202.2	\$211.0	\$223.8	\$224.7
New York City Transit ³	Baseline	\$3,656.6	\$3,830.5	\$3,943.5	\$4,068.8	\$4,047.9
	2025 Yield Increase	0.000	110.369	148.504	154.229	153.870
	2027 Yield Increase	0.000	0.000	0.000	137.905	160.343
		\$3,656.6	\$3,940.9	\$4,092.0	\$4,360.9	\$4,362.1
Staten Island Railway ²	Baseline	\$4.615	\$4.968	\$5.116	\$5.296	\$5.3
	2025 Yield Increase	0.000	0.152	0.205	0.212	0.211
	2027 Yield Increase	0.000	0.000	0.000	0.187	0.220
		\$4.615	\$5.120	\$5.320	\$5.695	\$5.7
Total Farebox Revenue	Baseline	\$5,061.5	\$5,275.5	\$5,426.0	\$5,584.7	\$5,566.4
	2025 Yield Increase	0.000	147.439	197.542	204.433	204.167
	2027 Yield Increase	0.000	0.000	0.000	182.159	212.241
		\$5,061.5	\$5,423.0	\$5,623.5	\$5,971.3	\$5,982.8
Toll Revenue						
Bridges & Tunnels ⁴	Baseline	\$2,576.2	\$2,581.4	\$2,584.7	\$2,588.1	\$2,591.5
	2025 Yield Increase	0.000	80.689	103.389	103.524	103.658
	2027 Yield Increase	0.000	0.000	0.000	92.847	107.805
		\$2,576.2	\$2,662.1	\$2,688.1	\$2,784.5	\$2,802.9
TOTAL FARE & TOLL REVENUE						
	Baseline	\$7,637.7	\$7,856.9	\$8,010.7	\$8,172.8	\$8,157.8
	2025 Yield/d Increase	0.000	228.128	300.932	307.957	307.825
	2027 Yield/d Increase	0.000	0.000	0.000	275.006	320.046
		\$7,637.7	\$8,085.0	\$8,311.7	\$8,755.7	\$8,785.7

¹ Metro-North Railroad utilization figures include both East of Hudson and West of Hudson services.

² MTA Bus and Staten Island Railway revenues from fare increases are used to reduce NYC subsidies to MTA Bus and SIR.

³ New York City Transit utilization figures include Paratransit and Fare Media Liability.

⁴ Distribution of 10% of B&T surplus toll revenue is delayed to subsequent year per MTA Board resolution.

MTA Initiatives

MTA Operating Efficiencies – MTA operating Agencies have identified and incorporated into Agency baseline financial plans \$1.88 billion in total savings through 2027. Unidentified savings remaining below-the-line are expected to generate \$296 million for the 2025 to 2028 period, unchanged from the February Plan. These additional operating efficiencies will be identified in the upcoming November Plan.

Management and Policy Actions

Penn Station Access – This project is an extension of Metro-North Railroad’s New Haven Line to reach Penn Station with four new accessible stations in the Bronx. To allow for sufficient time to train new train crews, operations managers and maintenance staff, hiring is planned to start in 2026, a one-year delay from the February Plan, with service assumed to commence in 2028.

Farebox Revenue Loss Provision – Underlying Transit ridership data continue to track below the midpoint of the recovery scenarios, and fare evasion, particularly on buses, has had a significant impact on paid ridership. MTA has been responding to fare evasion with a multipronged approach consistent with the recommendations from the Blue Ribbon Commission on Fare Evasion. While these efforts are expected to reduce fare evasion, this Plan includes, below-the-line, an annual \$200 million Farebox Revenue Loss Provision. For 2024, the provision is \$137 million, acknowledging the \$63 million in lower fare revenue for the first four months of 2024 included in Agency financial plans. In the February Plan, a Farebox Revenue Loss Provision of \$100 million for 2024 was included below-the-line.

MTA Re-estimates

CBTDP Pause – Farebox Revenue Loss in 2024 – The Plan removes the additional farebox revenue assumed in 2024 from anticipated shifts from vehicles to mass transit if congestion pricing had commenced on June 30,2024. Farebox revenue for 2025 through 2028 has not yet been lowered, awaiting an outcome to the congestion pricing pause. Farebox revenue forecasts in 2025 and later will be adjusted accordingly when there is more clarity on the duration of the congestion pricing pause.

Other

FEMA COVID Reimbursement – MTA expects reimbursement of direct COVID-related expenses through the Federal Emergency Management Agency (FEMA) of \$250 million in 2024, \$130 million in 2025 and \$220 million in 2026. The \$600 million total is unfavorable to the \$717 million in the February Plan, with the reduced forecast due to a more conservative estimate of expenses incurred during the pandemic which will ultimately be reimbursed by FEMA. The February Plan assumed reimbursement of \$250 million in both 2024 and 2025, and \$217 million in 2026.

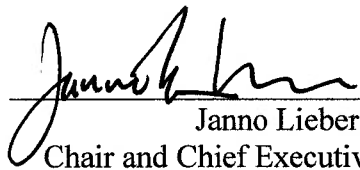
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IV. Appendix

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

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

Metropolitan Transportation Authority

By:  _____
Janno Lieber
Chair and Chief Executive Officer

Dated: 7.24.24

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V. Other

The MTA Budget Process

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

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

- Volume I summarizes the complete financial plan, including the baseline as well as policy items and other “below-the-line” items;
- Volume II includes detailed Agency information supporting baseline revenue, expense, cash and headcount projections. Also included is detailed information supporting actions taken to increase savings as well as individual Agency deficit reduction programs.

July Plan

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

November Plan

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

December Adopted Budget

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

February Plan

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