Metropolitan Transportation Authority

Audit Committee Meeting

January 2025

Committee Members

D. Jones, Chair
M. Fleischer
J. Ross Rizzo
L. Sorin

Audit Committee Meeting

Monday, 1/27/2025
1:30 - 2:30 PM ET

MTA Board Room - 20th Floor
2 Broadway

1. PUBLIC COMMENTS

2. APPROVAL OF MINUTES
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3. AUDIT COMMITTEE WORK PLAN
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4. QUARTERLY FINANCIAL STATEMENTS - 3rd QUARTER 2024
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5. ENTERPRISE RISK MANAGEMENT AND INTERNAL CONTROL GUIDELINES
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6. COMPLIANCE WITH THE INTERNAL CONTROL ACT

7. 2024 AUDIT PLAN STATUS AND 2025 AUDIT PLAN
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8. OPEN AUDIT RECOMMENDATIONS
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MINUTES OF MEETING
AUDIT COMMITTEE OF THE BOARD
MONDAY, OCTOBER 28, 2024 – 11:15 A.M.
RONAN BOARD ROOM – 20TH FLOOR
2 BROADWAY

The following were present:

Honorable:

David Jones	**Haeda Mihaltses**		
M. Murray - MTA	**K. Willens - MTA**	**K. Makrakis - Deloitte**	**D. Jurgens - MTA**
L. Kearse - MTA	**J. Patel - MTA**	**K. Chawla - Deloitte**	**P. Richardson - MTA**
	J. McGovern - MTA		**J. Beckford - MTA**
			N. Naimark - MTA

Also in attendance were:
P. Graves - MTA

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1. **PUBLIC COMMENTS PERIOD**

There were no public speakers.

2. **APPROVAL OF MINUTES**

Since there was no quorum, the Committee will vote to accept the minutes of the July 29, 2024 Audit Committee meeting at the next audit committee meeting.

3. **AUDIT COMMITTEE WORK PLAN**

The Auditor General (Monica Murray) noted that this is the fourth and final audit committee for 2024 and that the IT presentation will be moved to the full board before year-end. The proposed 2025 Work Plan is included in the committee materials for informational purposes and any proposed changes will be presented at the January meeting.

4. **INDEPENDENT ACCOUNTANT'S REVIEW REPORT – 2nd QUARTER 2024**

Kostas Makrakis, Lead Client Services Managing Director (Deloitte) presented to the Committee the results of their review of the MTA's Consolidated Financial Statements for the second quarter of 2024. Prior to the briefing, he introduced Komal Chawla, Senior Manager. The focus of his remarks are the MTA's interim consolidated financial statements as of and for the six-month period ended June 30, 2024. As a brief status, Deloitte completed the review of the financial statements and provided its comments to management which were addressed. They are currently in the process of completing the remaining review procedures needed to issue a review report (which they expect to issue in the coming weeks). A review of interim financial information consists primarily of analytical procedures and making inquiries of those responsible for financial and accounting matters. A review is substantially less in scope than an audit, the objective of which is to express an opinion on the financial information. Accordingly, Deloitte does not express an opinion on the financial information. Based on the review procedures performed at this time, they are not aware of any material modifications that need to be made to the interim consolidated financial statements in order for them to be in accordance with Generally Accepted Accounting Principles in the United States.

As the Audit Committee did not have a quorum, the Committee made a recommendation for submission of the second quarter 2024 MTA's Consolidated Financial Statements to the full board on Wednesday.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for the details.

5. APPOINTMENT OF EXTERNAL AUDITORS

In his opening remarks, the Audit Committee Chair (David Jones) stated that this is the third year of the external audit contract between the MTA and Deloitte awarded in October 2022. As part of the re-appointment process, the Committee requires the auditors to present to the Committee the results of the most recent inspection of the firm that was conducted by the PCAOB or the Public Company Accounting Oversight Board. Jones noted that the Board has a copy of the 2023 report that was issued May 2024.

Kostas Makrakis (Deloitte) then briefed the Committee on the PCAOB inspection, noting that the PCAOB was created by the United States Congress and the Sarbanes-Oxley Act to oversee the audit of US listed public companies. The term public refers to companies whose stock is traded on the Stock Exchange and not within the context of government public services companies. All PCAOB rules and standards must be approved by the Security and Exchange Commission (SEC). Makrakis noted that Deloitte is registered with the PCAOB and perform audits every year of companies whose stocks are registered with the SEC. Therefore, the PCAOB is required to inspect the working papers prepared by Deloitte in support of selected audits. The PCAOB reviews the work papers to determine whether Deloitte has followed the appropriate auditing standards, PCAOB rules, as well as internal Deloitte policies and procedures.

In May 2024, the PCAOB published its 2023 Inspection Report on Deloitte. The 2023 report covered 56 issuers and findings were identified in 12 of the inspected issuers (From 2019 through 2022, Deloitte had nine, seven, two, and six issuer audits). Of the 27 comments in the 2023 report, 17 were related to the sufficiency of audit procedures and 10 were not related to sufficiency of audit procedures. Most comments were related to internal controls which is not applicable to the MTA since Deloitte is not performing an integrated audit under PCAOB standards where they are required to express an opinion on the operating effectiveness of controls over financial reporting. Several other findings related to audit reports and critical audit matters which are also not relevant to the MTA since the identification and inclusion of critical audit matters are for PCAOB audit opinions. Another finding involved Form AP which is a form that the PCAOB requires to provide certain information on the engagement team. Makrakis then noted that the following PCAOB findings could be relevant to an MTA audit: (i) inventory risk assessment, (ii) insurance liabilities - which could be applicable for FMTAC, (iii) revenue recognition - insufficient testing of residual balances and testing of information prepared by the entity, and (iv) communication of misstatements to Audit Committees. With respect to communication to Audit Committees, Makrakis commented that he did not believe that this would be applicable to the MTA since Deloitte has a two-way channel of communication and formal communication with the MTA's Audit Committee. Makrakis then referenced the diagram on page #4 of Deloitte's Audit Service Plan which showed Deloitte's cumulative PCAOB inspection results over the past five years which demonstrates that Deloitte is a sustained leader in audit quality. The industry-leading inspection results gives Deloitte the confidence to execute high quality and consistent audit services. Makrakis noted that he has twice (the latest one being in 2020) been the subject of an PCAOB inspection with no comments.

Makrakis then briefed the Committee on Deloitte's peer review. Deloitte professionals are expected to act with integrity in accordance with high ethical standards and Deloitte participates in the AICPA's peer review program which requires independent evaluation every three years of those portions of its accounting and auditing practice that are not subject to PCAOB permanent inspection. This is done so that firms can meet their state licensing, federal regulatory, and AICPA membership requirements. MTA engagements can be selected as part of this peer review process. In 2023, Grant-Thornton completed the most recent triennial peer review of Deloitte's system of quality review for its accounting and auditing practice applicable to engagements not subject to PCAOB permanent inspection, and a report was issued with the peer review rating of "pass" - which is the highest rating that can be received. Makrakis then referenced Appendix E (page #21) of Audit Service Plan for a copy of Deloitte's Peer Review Report. In addition to the PCAOB and peer review system, partners and managing directors are required to go through a Deloitte internal inspection at least every four years. A Deloitte internal inspection team can select one of their engagements to assess whether the audit performed was in compliance. The ratings are: (i) compliance, (ii) compliant improvement needed, and (iii) non-compliant. Makrakis noted that he was subject to an internal inspection in June 2024 and that he received the highest rating of compliance.

In regard to Audit Committee Charter compliance, Deloitte met separately with David Jones (the Audit Committee Chair) on October 23 and with Jamey Barbas, the former MTA Audit Committee Chair, on July 19 related to the 2024 financial statements audits. Lastly, with respect to independence, in addition to the attest services performed for the MTA, Deloitte also provides the MTA with energy consulting services. This consists of fuel supply management support, electricity supply management support, and clean fuel electric vehicle and new technology support. The contract for these services covers the period from March 2022 to May 2025. This work went through several layers of review at Deloitte and was deemed to be permissible and non-independence impairing work under AICPA and Governmental Accountability Office rule sets. Also, the MTA Accounting Department has a subscription service with a Deloitte accounting research tool covering the period from August 2022 to August 2025 for $1,800. This subscription allows the MTA Accounting Department access to technical accounting literature and this service is allowable as both an AICPA and government accountability office independence rule set.

As the Audit Committee did not have a quorum, the Committee made a recommendation to the full board the reappointment of Deloitte as the MTA's independent auditor,

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for the details.

6. AUDIT APPROACH PLAN/COORDINATION WITH EXTERNAL AUDITOR

In his opening remarks, the Audit Committee Chair (David Jones) stated that Kostas Makrakis (Deloitte) will tell the Committee about Deloitte's audit approach to the 2024 year-end audits of the MTA financial statements. Makrakis will also discuss any new or proposed changes in accounting principles, regulations or financial reporting practices and its impact to the financial statements.

In his opening remarks, Makrakis stated that Deloitte is extremely proud of its long-standing relationship with the MTA as the leading public transportation authority in the US and the highly talented team of Deloitte professionals dedicated to serving the MTA. Deloitte's professionals have a deep knowledge of the MTA's business, how the MTA team operates and its organizational culture. In presenting Deloitte's Audit Service Plan, he stated that the plan reflects their commitment to providing the MTA with high quality audits that strives to reduce the burden on MTA staff, increase effectiveness in the audit, and provide valuable insights. Its audit services is delivered with integrity, objectivity, and independence. The audit will address financial statement and internal control risk through targeted procedures that are responsive to the nature of the risk including changes in the authority, the business and the regulatory environment. This year Deloitte has enhanced its engagement team by including additional insurance industry experience professionals to serve MTA insurance companies. Also, for the second consecutive year, Deloitte will use its cutting-edge technology audit platform Omnia to transform the audit experience. With respect to significant risks and areas of focus, by default in all audits (not just MTA) there are two presumed significant risks: management override of controls and revenue recognition. The reason is because management at all times has the ability to override the internal controls. Other areas of audit focus are investments, capital assets (including construction work in progress), debt (including debt covenant compliance), pension, other post-employment benefits and liability from injuries to persons. From the Income Statement perspective, the focus includes: revenues (operating and non-operating), operating expenses, and going concern. The going concern accounting principle assumes that the MTA will continue to operate and meet its financial obligation for the foreseeable future – specifically, the 12 months from December 31, 2024.

Makrakis then referenced page #2 of the Audit Service Plan outlining the Deloitte leadership engagement team. The engagement team selected to serve the MTA represents the balance of local and national resources and industry experts. Overall, Deloitte strives to bring familiar faces emphasizing the importance of continuity to enhance the delivery of insights gained from the audit and the overall efficiency of its services. Makrakis then proceeded to discuss the team: Kevin Richards is an Advisory Partner and the Quality Control Reviewers are: (i) Tracey Guidry Cooley who is responsible for the quality of the financial statements and is the Deloitte national industry professional practice director for government public service sector, (ii) Elaine Reyes who is responsible for a quality review of the employee benefit plans, (iii) Sarah Anne Hughes who is the managing director for quality on Single Audits, and (iv) Dan Paone who is responsible for all insurance captives that Deloitte audits in the United States. The audit team will consist of the following: (i) Patricia Zurita who is responsible for MTA Headquarters and TBTA, (ii) Anuj Sharma who is responsible for NYC Transit, SIRTOA, and Bus, and (iii) Mike Tartaglia who is responsible for MNR and LIRR (it was noted that all three are recurring members of the audit team). Additionally, both Victoria Kaufmann and Ethan Chevrette will help with the insurance. For the 2024 audits, Deloitte will use the following specialist resources: (1) information technology specialist led by Lauren Brady to assist in testing relevant IT systems, (2) actuarial specialists from Deloitte consulting to assist in testing actuarial valuations of pension obligations, other post-employment benefits, and any of the estimated liability arising from injuries to persons, (3) data analytics specialists to assist in performing the procedures about journal entry cycle based testing and data analytics, and (4) valuation specialists related to GASB 87 leases and GASB 96 subscription based IT arrangements testing. Makrakis then referenced the statistics and graphs on page #3 of the Audit Service Plan noting that diversity, equity, and inclusion are important and that its US workforce data is: (i) 47% overall racial, and/or ethnic diversity, (ii) 31% of partners, principals and managing directors are racially and/or ethnically diverse, (iii) 45% female representation, and (iv) 30% female partner, principal and managing director representation. Deloitte is committed to ensuring that the MTA engagement team is composed of a diverse and professional team with the right mix of industry and other specialists. He then referenced the graph on page #3 showing the gender mix of Deloitte professionals working in the current year for the MTA noting a 52% male and 48% female mix. Deloitte will also utilize minority-owned, women-owned and service-disabled veteran owned firms as subcontractors for the 2024 MTA audits which represents 36% of Deloitte's total time.

In regards to Deloitte's responsibilities (page #7 of the Audit Service Plan), Makrakis noted that they have been engaged to perform audits of the consolidated financial statements of the MTA and its components as of and for the year ending December 31, 2024 in accordance with (i) the auditing standards generally accepted in the United States, (ii) the Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States and the audit agency of the United States Congress, Government Accountability Office, and (iii) the audit requirements of the US Code of Federal Regulations and audit requirements for federal awards, where applicable. Deloitte will plan and perform its audits to obtain reasonable assurance about whether the financial statements are free from material misstatement whether caused by error or fraud. With respect to materiality, Makrakis noted that this is the amount used by Deloitte as a basis for planning the scope of its audit of the MTA's financial statements and it's the amount of misstatement they judge to be material to the financial statements on which they are reporting. Also, Deloitte does not plan to adopt a control reliance strategy in the performance of the audits. In regards to internal audit, Deloitte does not plan to rely on the work of internal audits in a direct capacity. While they work closely with the internal audit function, they will not decrease its testing by relying on audit work performed by the MTA's internal audit department.

In regard to Risk Assessment, Makrakis referenced the "Pyramid" (page #8) in the Audit Service Plan that provides an illustrated view of Deloitte's risk-based audit approach noting management override and accounts such as construction work in progress, pension, cash and investments. He also referenced Appendix A which outlines their detailed procedures to be performed. With respect to the audit timeline, in September through December, Deloitte (i) establishes the audit scope, plan, and terms of the engagement, (ii) performs interim audit procedures related to the financial statements, and (iii) meets with the Audit Committee. During January through May, Deloitte will issue the financial statements for the MTA and its agencies and audit procedures are performed for the MTA benefit plans during April through June. In May and June they perform audit procedures for the Single Audit and then communicate with the Audit Committee regarding the results of the audits. In July, the management recommendation letter is issued and they meet with the Audit Committee. Makrakis noted that the management letter will be shared well in advance with the Audit Committee so that the members have time to review and provide constructive feedback.

Makrakis then referenced Appendix D which is a summary of reports to be issued. In February, the report on the TBTA operating surplus agreed upon procedures report will be issued. In May, the following financial statements will be issued: MTA consolidated, FMTAC, LIRR, Metro-North, MTA Bus, NYC Transit, SIRTOA and TBTA. Additionally, in May they will issue the National Transit Database report for LIRR, Metro-North, MTA Bus, NYC Transit, and SIRTOA. In July, the following reports will be issued: Single Audit, the Data Collection Form and the MTA Inspector General's agreed upon procedure report. Deloitte will then conclude their work with issuance of the MTA pension plans which includes the MTA Defined Benefit Pension Plan, the LIRR Plan for Additional Pensions, and the Metro-North Cash Balance Plan.

Kamal Chawla, Audit & Assurance Senior Manager, Deloitte, then briefed the Audit Committee on the scope and timing of the employee benefit plan audits which primarily cover six plans: (i) MTA Defined Benefit Pension Plan, (ii) Metro-North Commuter Railroad Company Cash Plan, (iii) MTA Deferred Compensation Plan, (iv) MaBSTOA Pension Plan, (v) LIRR Company Plan for Additional Pension, and (vi) the MTA Retiree Welfare Benefit Plan. The primary purpose of these audits is to obtain reasonable assurance about whether they are free from material misstatements whether caused by error or fraud. The one significant risk (as well as fraud risk), which is consistent with the audit of the MTA consolidated financial statements, is management override of controls, and Deloitte will perform substantive procedures to address this risk. In addition, Deloitte does not plan to adopt any controlled reliance strategy, meaning that they will not test the operating effectiveness of the controls and will just perform and evaluate the design and implementation of the controls. With respect to the timing of the audits, Deloitte will perform its audit procedures during March through June and the audit reports will be issued in July. During the course of the year (specifically around January, May and July), they will have regular communications with management and members of the Audit Committee.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for the details.

7. AUDIT COMMITTEE CHARTER

The Audit Committee Chair (David Jones) noted that the Committee had been provided with a copy of the Charter so it may review and provide any comments or recommendations to revise the Charter prior to the meeting. The Committee reviewed and assessed the Charter, and based on their review (recognizing that they don't have a quorum) there were no proposed changes to the Charter.

8. OPEN AUDIT RECOMMENDATIONS

The Chief Compliance Officer (Lamond Kearse) briefed the Committee on the implementation status of prior audit recommendations. Kearse noted that since the last report to the Committee, there have been 115 new audit recommendations created and 126 have been closed. There are also an additional 83 remediation plans that have been implemented and awaiting concurrence on their closure. This would result in over 200 remediation plans in total that are either closed or pending closure. As of today, there are 23 high-priority remediation plans that are currently past due. Of those 23, five have been given revised implementation dates and Corporate Compliance continues to monitor all remediation plans across the MTA.

Refer to the video recording of the meeting, produced by the MTA and maintained in MTA records for the details.

9. ANNUAL AUDIT COMMITTEE ACTIVITY REPORT

Audit Committee Chair David Jones noted the four-page report that covered the activities of the Audit Committee during the 12-month period ended July 31, 2024, and indicated that a draft had been previously circulated among the Committee members for review and comment.

A motion was made and seconded to approve the year-end Activity Report for submission to the full Board.

10. MOTION TO ADJOURN

The Committee returned to regular session, at which time a motion was made and seconded to adjourn the meeting.

MTA Board Meeting – October 30, 2024

The Audit Committee Chair (David Jones) indicated that the Audit Committee met on Monday (October 28, 2024) and reports that there are two items for Board approval:

(i) Appointment of the External Auditors,
(ii) Second Quarter 2024 MTA Consolidated Financial Statements

The Audit Committee discussed and accepted these agenda items; however a quorum of members was not present. Today, these items were moved for approval:

A motion was made and seconded by members of the Board to accept these items.

Respectfully submitted,

Monica Murray
Auditor General

Metropolitan Transportation Authority

2025 AUDIT COMMITTEE WORK PLAN

I. **RECURRING AGENDA ITEMS**	**Responsibility**
Each Meeting:	
Approval of Minutes	Committee Chair & Members
Audit Work Plan	Committee Chair & Members
As Appropriate:	
Pre-Approval of Audit and Non-Auditing Services	Committee Chair & Members
Follow-Up Items	Auditor General
Status of Audit Activities	Auditor General/MTA IG/ CCO/CFO/ Controllers/External Auditor/
Executive Sessions	Committee Chair & Members

II. SPECIFIC AGENDA ITEMS

January 2025

Quarterly Financial Statements – 3rd Quarter 2024	External Auditor
Enterprise Risk Management Update and Internal Control Guidelines	Chief Compliance Officer
Compliance with the Internal Control Act	Chief Compliance Officer
2024 Audit Plan Status Report	Auditor General
2025 Audit Plan	Auditor General
Open Audit Recommendations	Chief Compliance Officer

May 2025

2024 Audited Financial Statements	External Auditor/CFO
Management's Review of Consolidated Financial Statements	Deputy Chief, Controller's Office
Investment Compliance Report	External Auditor
Open Audit Recommendations	Chief Compliance Officer
Contingent Liabilities/Third Party Lawsuits (Executive Session)	General Counsels/External Auditor

July 2025

Quarterly Financial Statements – 1st Quarter 2025	External Auditor
Pension Audits (2024)	External Auditor/Deputy Chief, Controller
Management's Review of Pension Audits	Deputy Chief, Controller's Office
Single Audit Report	External Auditor/CFOs

Management Letter Reports	External Auditor/CFOs/Controllers
Review of MTA/IG's Office (FY 2024)	External Auditor
Enterprise Risk Management Update	Chief Compliance Officer
Ethics and Compliance Program	Chief Compliance Officer
Financial Interest Reports	Chief Compliance Officer
MTAAS 2025 Audit Plan Status Report	Auditor General
Information Technology Report	Chief Technology Officer
Open Audit Recommendations	Chief Compliance Officer

<u>October 2025</u>

Quarterly Financial Statements – 2nd Quarter 2025	External Auditor
Appointment of External Auditors	Committee Chair & Members
Audit Approach Plans/Coordination	External Auditor
Review of Audit Committee Charter	CCO and Committee Chair
Security of Sensitive Data & Systems (Executive Session)	Chief Technology Officer
Open Audit Recommendations	Chief Compliance Officer
Annual Audit Committee Report	Committee Chair

2025 AUDIT COMMITTEE WORK PLAN

I. RECURRING AGENDA ITEMS

Each Meeting
Approval of Minutes
Approval of the official proceedings of the previous month's Committee meeting.

Audit Work Plan
A monthly update of any edits and/or changes in the work plan.

As Appropriate
Pre-Approval of Audit and Non-Auditing Services
As appropriate, all auditing services and non-audit services to be performed by external auditors will be presented to and pre-approved by the Committee.

Follow-Up Items
Communications to the Committee of the current status of selected open issues, concerns or matters previously brought to the Committee's attention or requested by the Committee.

Status of Audit Activities
As appropriate, representatives of MTA's public accounting firm or agency management will discuss with the Committee significant audit findings/issues, the status of on-going audits, and the actions taken by agency management to implement audit recommendations.

Executive Sessions
Executive Sessions will be scheduled to provide direct access to the Committee, as appropriate.

II. SPECIFIC AGENDA ITEMS

JANUARY 2025

Quarterly Financial Statements - 3rd Quarter 2024
Representatives of the MTA public accounting firm, in conjunction with appropriate agency management, will discuss the interim financial statement that was prepared for the third quarter of 2024.

Enterprise Risk Management Update and Internal Control Guidelines
These MTA-wide guidelines, which were adopted by the Board in 2011 pursuant to Public Authority Law Section 2931, are required to be reviewed by the Committee annually. The MTA Chief Compliance Officer will brief the Committee on the agency compliance with these guidelines and answer any questions and offer additional comments, as appropriate. The MTA Chief Compliance Officer will also brief the Committee on the status of agency compliance with the ERM guidelines and any new or emerging risk.

Compliance with the Internal Control Act
The Committee will be briefed by the MTA Chief Compliance Officer on the results of the All-Agency Internal Control Reports issued to the NYS Division of the Budget as required by the Government Accountability, Audit and Internal Control Act.

MTAAS 2024/2025 Audit Plans

i. 2024 Audit Plan Status
A briefing by Audit Services that will include a status of the work completed, a summary of the more significant audit findings, and a discussion of the other major activities performed by the department in 2024.

ii 2025 Audit Plan
A discussion by Audit Services of the areas scheduled to be reviewed in 2025 as well as the guidelines and policies that were used to assess audit risk and their application in the development of the audit work plan.

Open Audit Recommendations
The MTA Chief Compliance Officer will report to the Committee on the status of audit recommendations previously accepted by their respective agency.

MAY 2025

2024 Financial Statements
The MTA public accounting firm will review the results and conclusions of their examination of the 2024 Financial Statements. The CFO/Deputy Chief, Controller's Office will be available to the Committee to answer any questions regarding the submission of their audit representation letters to the external audit firm.

Management's Review of MTA Consolidated Financial Statements
The Deputy Chief, Controller's Office will present a management's review of the 2024 MTA consolidated financial statements, including changes in capital, net assets, other assets and operating revenues and expenses.

Investment Compliance Report
Representatives of the MTA's public accounting firm will provide a review of MTA's compliance with the guidelines governing investment practices.

Open Audit Recommendations
The MTA Chief Compliance Officer will report to the Committee on the status of audit recommendations previously accepted by their respective agency.

Contingent Liabilities and Status of Third-Party Lawsuits
The General Counsels from each agency, along with representatives from the independent accounting firm, will review in Executive Session the status of major litigation that may have a material effect on the financial position of their agency, or for which a contingency has been or will be established and/or disclosed in a footnote to the financial statements. In addition, the Committee will be briefed on the status of third-party lawsuits for which there has been minimal or sporadic case activity.

JULY 2025

Quarterly Financial Statements – 1st Quarter 2025
Representatives of MTA's public accounting firm, in conjunction with appropriate agency management, will discuss the interim financial statement that was prepared for the first quarter of 2025.

Pension Audits

i Management's Review of MTA-Managed/Controlled Pension Plan Financial Statements
The Deputy Chief, Controller's Office will present a management's review of the 2024 MTA-managed and controlled Pension Plan financial statements, including changes in the plan's net position, the required supplementary information and any new GASB statements or statutory regulations affecting the financial statements.

ii Audit of the Pension Plans Financial Statements
Representatives of the MTA public accounting firm will provide the results of their audits of the pension plans that are managed and controlled by MTA HQ, Long Island Rail Road, Metro-North and NYC Transit.

Single Audit Report
Representatives of MTA's public accounting firm will provide the results of their Federal-and State-mandated single audits of MTA and NYC Transit.

Management Letter Reports
Reports will be made by the MTA's public accounting firm on the recommendations made in the auditors' Management Letter for improving the accounting and internal control systems of the MTA and its agencies. The report will also include management's response to each Management Letter comment. The response will describe the plan of action and timeframe to address each comment. In addition, the report will contain a follow-up of prior years' open recommendations conducted by the MTA's public accounting firm.

Review of the MTA Inspector General's Office
Representatives of MTA's public accounting firm will provide the results of their 2024 "agreed-upon" review procedures on the MTA/IG's operating expenses to ensure compliance with applicable policies and procedures.

Enterprise Risk Management Update
These MTA-wide guidelines, which were adopted by the Board in 2011 pursuant to Public Authority Law Section 2931, are required to be reviewed by the Committee annually. The MTA Chief Compliance Officer will brief the Committee on the agency compliance with these guidelines and answer any questions and offer additional comments, as appropriate. The MTA Chief Compliance Officer will also brief the Committee on the status of agency compliance with the ERM guidelines and any new or emerging risk.

Ethics and Compliance Program
The MTA Chief Compliance Officer will brief the Committee (i) on the status of agency compliance with the ERM guidelines and any new or emerging risk and (ii) selected aspects of the MTA Ethics and Compliance Program.

Financial Interest Reports
The MTA Chief Compliance Officer will brief the Committee on the agencies' compliance with the State Law regarding the filing of Financial Disclosure Statements, including any known conflicts of interest.

MTAAS 2025 Audit Plan Status Report
A briefing by Audit Services that will include a status of the work completed as compared to the audits planned for the year, a summary of the more significant audit findings, results of audit follow-up, and a discussion of the other major activities performed by the department.

Information Technology Report
The MTA Chief Technology Officer will brief the Committee on the activities of the MTA IT for the past year, including its accomplishments, strategies and plans for the current year.

Open Audit Recommendations
The MTA Chief Compliance Officer will report to the Committee on the status of audit recommendations previously accepted by their respective agency.

OCTOBER 2025

Quarterly Financial Statements – 2nd Quarter 2025
Representatives of MTA's public accounting firm, in conjunction with appropriate agency management, will discuss the interim financial statement that was prepared for the second quarter of 2025.

Appointment of External Auditors
The Audit Committee will review the appointment of the independent auditor for MTA HQ and all the agencies. As part of this process, the Auditor General has reviewed and provided to the Committee, and will retain on file, the latest report of the firm's most recent internal quality control review.

Audit Approach Plans/Coordination
Representatives of MTA's public accounting firm will review their audit approach for their 2025 engagement. This review will describe the process used to assess inherent and internal control risks, the extent of the auditor's coverage, the timing and nature of the procedures to be performed, and the types of statements to be issued. In addition, the impact of new or proposed changes in accounting principles, regulations, or financial reporting practices will be discussed.

Review of Audit Committee Charter
The Committee Chair will report that the Committee has reviewed and assessed the adequacy of the Audit Committee Charter and, based on that review, will recommend any changes. The review will also show if the Committee's performance in 2025 adequately complied with the roles and responsibilities outlined in its Charter (i.e. monitoring and overseeing the conduct of MTA's financial reporting process; application of accounting principles; engagement of outside auditors; MTA's internal controls; and other matters relative to legal, regulatory and ethical compliance at the MTA).

Security of Sensitive Data & Systems
The MTA Chief Technology Officer will make a presentation to the Committee on the security of sensitive data and systems at the MTA.

Open Audit Recommendations

The MTA Chief Compliance Officer will report to the Committee on the status of audit recommendations previously accepted by their respective agency.

Annual Audit Committee Report

As a non-agenda information item, the Audit Committee will be provided with a draft report which outlines the Audit Committee's activities for the 12 months ended July 2024. This report is prepared in compliance with the Audit Committee's Charter. After Committee review and approval, the Committee Chair will present the report to the full MTA Board.

DRAFT

Metropolitan Transportation Authority

(A Component Unit of the State of New York)

Independent Auditor’s Review Report

Interim Financial Statements as of and
for the Nine-Month Period Ended September 30, 2024

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(A Component Unit of the State of New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS OF SEPTEMBER 30, 2024 AND DECEMBER 31, 2023 AND FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023

($ In Millions, except as noted)

FINANCIAL REPORTING ENTITY

The Metropolitan Transportation Authority ("MTA" or "MTA Group") was established under the New York Public Authorities Law and is a public benefit corporation and a component unit of the State of New York whose mission is to continue, develop, and improve public transportation and to develop and implement a unified public transportation policy in the New York metropolitan area. The financial reporting entity consists of subsidiaries and affiliates, considered component units of the MTA, because the Board of the MTA serves as the overall governing body of these related entities.

The Reporting entity includes the MTA agencies and Fiduciary Funds:

(1) the MTA is comprised of the following:

- Metropolitan Transportation Authority Headquarters ("MTAHQ") provides support in budget, cash management, finance, legal, real estate, treasury, risk and insurance management, and other services to the related groups listed below.
- The Long Island Rail Road Company ("MTA Long Island Rail Road") provides passenger transportation between New York City ("NYC") and Long Island.
- Metro-North Commuter Railroad Company ("MTA Metro-North Railroad") provides passenger transportation between NYC and the suburban communities in Westchester, Dutchess, Putnam, Orange, and Rockland counties in New York State ("NYS") and New Haven and Fairfield counties in Connecticut.
- Staten Island Rapid Transit Operating Authority ("MTA Staten Island Railway") provides passenger transportation on Staten Island.
- First Mutual Transportation Assurance Company ("FMTAC") provides primary insurance coverage for certain losses, some of which are reinsured, and assumes reinsurance coverage for certain other losses.
- MTA Construction and Development Company ("MTA Construction and Development"), formerly called MTA Capital Construction Company, provides oversight for the planning, design and construction of current and future major MTA system-wide expansion projects.
- MTA Bus Company ("MTA Bus") operates certain bus routes in areas previously served by private bus operators pursuant to franchises granted by the City of New York.
- New York City Transit Authority ("MTA New York City Transit") and its subsidiary, Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), provide subway and public bus service within the five boroughs of New York City.
- Triborough Bridge and Tunnel Authority ("MTA Bridges and Tunnels") operates seven toll bridges, two tunnels, and the Battery Parking Garage, all within the five boroughs of New York City.
- MTA Grand Central Madison Operating Company ("MTA GCMOC") operates and maintains the infrastructure and structures supporting Long Island Rail Road access into Grand Central Terminal.
- MTAHQ, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Staten Island Railway, FMTAC, MTA Construction and Development, MTA Bus, MTA New York City Transit, MTA Bridges and Tunnels, and MTA GCMOC collectively are referred to herein as MTA. MTA Long Island Rail Road and MTA Metro-North Railroad are referred to collectively as the Commuter Railroads.

The MTA provides transportation services in the New York metropolitan area, operations of seven bridges and two tunnels within New York City and primary insurance coverage to the MTA related entities. The MTA engages in Business-Type Activities. The financial results of the MTA are reported as consolidated financial statements.

(2) The Fiduciary Funds are comprised of Pension and Other Employee Benefit Trust Funds:

- Pension Trust Funds:
  - MTA Defined Benefit Pension Plan
  - The Long Island Rail Road Company Plan for Additional Pensions ("Additional Plan")
  - Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA Plan")
  - Metro-North Commuter Railroad Cash Balance Plan ("MNR Cash Balance Plan")
- Other Employee Benefit Trust Funds
  - MTA Other Postemployment Benefits Plan ("OPEB Plan")

OVERVIEW OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Introduction

This report consists of: Management's Discussion and Analysis ("MD&A"), Consolidated Interim Financial Statements, Fiduciary Funds Financial Statements, Notes to the Consolidated Interim Financial Statements, Required Supplementary Information, Supplementary Information - Combining Fiduciary Fund Financial Statements, and Supplementary Information.

Management's Discussion and Analysis

This MD&A provides a narrative overview and analysis of the financial activities of the Metropolitan Transportation Authority and its consolidated subsidiaries and affiliates (the "MTA" or "MTA Group") as of September 30, 2024 and December 31, 2023 and for the nine-month periods ended September 30, 2024 and 2023. For financial reporting purposes, the subsidiaries and affiliates of the MTA are blended component units. This management discussion and analysis is intended to serve as an introduction to the MTA Group's consolidated interim financial statements. It provides an assessment of how the MTA Group's position has improved or deteriorated and identifies the factors that, in management's view, significantly affected the MTA Group's overall financial position. It may contain opinions, assumptions, or conclusions by the MTA Group's management that must be read in conjunction with, and should not be considered a replacement for, the consolidated interim financial statements.

The Consolidated Interim Financial Statements

The Consolidated Interim Statements of Net Position provide information about the nature and amounts of resources with present service capacity that the MTA Group presently controls (assets), consumption of net assets by the MTA Group that is applicable to a future reporting period (deferred outflow of resources), present obligations to sacrifice resources that the MTA Group has little or no discretion to avoid (liabilities), and acquisition of net assets by the MTA Group that is applicable to a future reporting period (deferred inflow of resources) with the difference between assets/deferred outflow of resources and liabilities/deferred inflow of resources being reported as net position.

The Consolidated Interim Statements of Revenues, Expenses and Changes in Net Position provide information about the MTA's changes in net position for the period then ended and accounts for all of the period's revenues and expenses, measures the success of the MTA Group's operations during the year and can be used to determine how the MTA has funded its costs.

The Consolidated Interim Statements of Cash Flows provide information about the MTA Group's cash receipts, cash payments and net changes in cash resulting from operations, noncapital financing, capital and related financing, and investing activities.

The Fiduciary Funds Financial Statements

Fiduciary funds are used to account for resources held in a trustee capacity for the benefit of parties outside of a government entity. Fiduciary funds are not reported in the MTA's consolidated financial statements because the resources of those funds are not available to support the MTA's own programs. The MTA's fiduciary funds are collectively reported as Pension and Other Employee Benefit Trust Funds.

The Statements of Fiduciary Net Position presents financial information about the assets, liabilities, and the fiduciary net position held in trust of the fiduciary funds of the MTA.

The Statements of Changes in Fiduciary Net Position presents fiduciary activities of the fiduciary funds as additions and deductions to the fiduciary net position.

Notes to the Consolidated Interim Financial Statements

The notes provide information that is essential to understanding the consolidated interim financial statements, such as the MTA Group's accounting methods and policies, details of cash and investments, employee benefits, long-term debt, lease transactions, future commitments and contingencies of the MTA Group, and information about other events or developing situations that could materially affect the MTA Group's financial position.

Required Supplementary Information

The required supplementary information provides information about the changes in the net pension liability and net other postemployment benefits ("OPEB") liability, employer contributions for the OPEB and pension plans, actuarial assumptions used to calculate the net pension liability and net OPEB liability, historical trends, and other required supplementary information related to the MTA Group's cost-sharing multiple-employer defined benefit pension plans.

Supplementary Information - Combining Fiduciary Funds Financial Statements

The supplementary information combining fiduciary funds financial statements includes the combining statements of fiduciary net position and the combining statements of changes in fiduciary net position which provides financial information on each fiduciary fund in which the MTA is functioning as a trustee for another party. The MTA's fiduciary funds are categorized as Pension and Other Employee Benefit Trust Funds.

Supplementary Information

The supplementary information provides a series of reconciliations between the MTA Group's financial plan and the consolidated statements of revenues, expenses and changes in net position.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The following sections discuss the significant changes in the MTA Group's financial position as of September 30, 2024 and December 31, 2023 and for the nine-month periods ended September 30, 2024 and 2023. An analysis of major economic factors and industry trends that have contributed to these changes is provided. It should be noted that for purposes of the MD&A, the information contained within the summaries of the consolidated interim financial statements and the various exhibits presented were derived from the MTA Group's consolidated interim financial statements.

Total Assets and Deferred Outflows of Resources, Distinguishing Between Capital Assets, Other Assets and Deferred Outflows of Resources

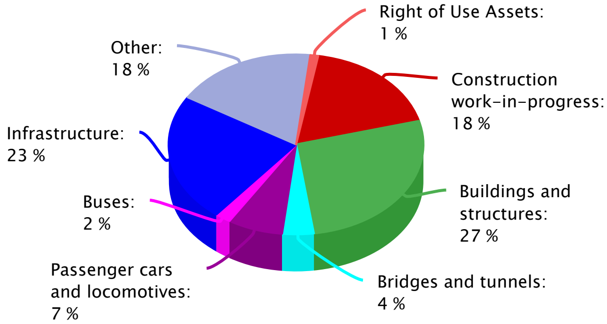
Capital assets include, but are not limited to: bridges, structures, tunnels, construction of buildings and the acquisition of buses, equipment, passenger cars, locomotives, right-of-use assets for leases on building, office space, storage space, equipment and vehicles and intangible right-to-use assets for subscription-based information technology arrangements (SBITAs).

Other assets include, but are not limited to: cash, restricted and unrestricted investments, State and regional mass transit taxes receivables, and receivables from New York State. This also includes the receivable from leases of MTA's land, building, station concession, equipment, and right-of-way to third parties.

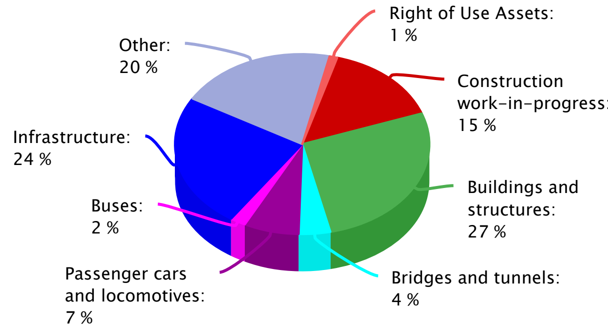
Deferred outflows of resources reflect: changes in fair values of hedging derivative instruments that are determined to be effective, unamortized loss on debt refunding and deferred outflows from pension and OPEB.

(In millions)	September 30, 2024	December 31, 2023	Increase / (Decrease)
Capital assets — net (see Note 6)	$ 92,416	$ 90,553	$ 1,863
Other assets	18,940	15,676	3,264
Total Assets	111,356	106,229	5,127
Deferred outflows of resources	9,655	9,672	(17)
Total assets and deferred outflows of resources	$ 121,011	$ 115,901	$ 5,110

Capital Assets, Net – September 30, 2024



Capital Assets, Net – December 31, 2023



Significant Changes in Assets and Deferred Outflows of Resources Include:

September 30, 2024 versus December 31, 2023

- Net capital assets increased by $1,863, or 2.1%. This change includes:
  - A net increase in construction in progress of $2,427.
  - An increase in buildings and structures of $746.
  - An increase in infrastructure of $522.
  - An increase in passenger cars and locomotives of $406
  - An increase in other capital assets of $388.
  - An increase in buses of $95.
  - An increase in right-of-use assets of $46.
  - An increase in bridges and tunnels of $13.
  - These increases were offset by an increase in accumulated depreciation and amortization of $2,672 and $108, respectively.

  See Note 6 to the MTA's Consolidated Interim Financial Statements for further information. Some of the more significant projects contributing to the increase were:

  - Continued network expansion work for Penn Station Access.
  - Infrastructure work including:
    - Repairs and improvements of structural retrofits at the Robert F Kennedy Bridge and rehabilitation of the lower level suspended span at the Verrazzano-Narrows Bridge and various other structural improvements at MTA Bridge and Tunnels' facilities.
    - Improvements to MTA Long Island Railroad's interlocking expansion for a new parallel route east of Jamaica Station, Amtrak Territory repairs in and around Penn Station, signal replacements, various right-of-way enhancements and upgrades of radio communications.
    - Continued improvements to MTA Metro-North Railroad tracks and structures, specifically, Park Avenue Viaduct replacement and reconstruction of the Grand Central Terminal Trainshed, power rehabilitation of substations, and security.
    - Subway and bus real-time customer information and communications systems.
    - Continued mainline track and fiber optic cable replacements and various structural rehabilitations and repairs at New York City Transit (NYCT) train stations.
    - Continued Automated Camera Enforcement (ACE) and Automated Bus Lane Enforcement (ABLE) on NYCT buses.
    - Ongoing work by MTA New York City Transit to make stations fully accessible and structurally reconfigured in accordance with the Americans with Disability Act ("ADA") standards.

- Other assets increased by $3,264, or 20.8%. The major items contributing to this change include:
  - An increase in investments of $3,185, primarily due to funds received from the FTA for preventive maintenance of transit services, and new bond issuances.
  - A net increase in various current and non-current receivables of $79, mainly due to accruals and timing of receipts of federal and state subsidies.
- Deferred outflows of resources decreased by $17, or 0.2%, primarily attributed to decreases in the amortization of loss on debt refunding of $24 and deferred outflows related to pensions of $18 offset by increases in the fair value of derivative instruments of $25 as a result of market movements.

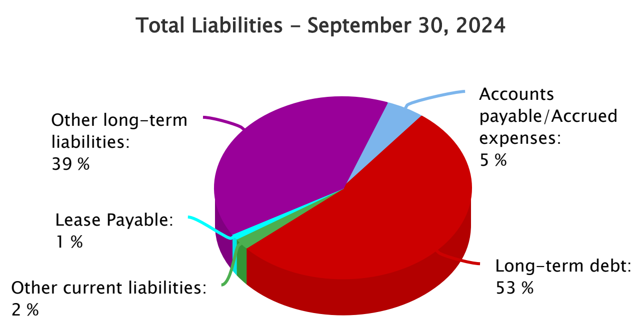
Total Liabilities and Deferred Inflows of Resources, Distinguishing Between Current Liabilities, Non-Current Liabilities and Deferred Inflows of Resources

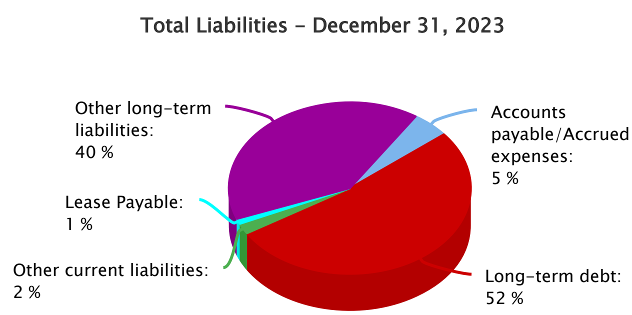
Current liabilities include: accounts payable, accrued expenses, current portion of long-term debt, pollution remediation liabilities, unredeemed fares and tolls, the current portion of long-term lease liability, and other current liabilities.

Non-current liabilities include: long-term debt, claims for injuries to persons, post-employment benefits, long-term lease liability, and other non-current liabilities.

Deferred inflows of resources reflect unamortized gains on debt refunding and deferred inflows related to leases, pensions, and OPEB.

(In millions)	September 30, 2024	December 31, 2023	Increase / (Decrease)
Current liabilities	$ 9,091	$ 9,350	$ (259)
Non-current liabilities	86,034	83,228	2,806
Total liabilities	95,125	92,578	2,547
Deferred inflows of resources	6,043	6,076	(33)
Total liabilities and deferred inflows of resources	$ 101,168	$ 98,654	$ 2,514





Significant Changes in Liabilities and Deferred Inflows of Resources Include:

September 30, 2024 versus December 31, 2023

- Current liabilities decreased by $259, or 2.8%. The decrease was primarily due to:
  - A decrease in capital accruals of $543.
  - A decrease in unearned revenue of $444 due to timing of New York State's funding towards the MTA Capital Program and processing of capital payments.
  - A decrease in accrued expenses of $128.
  - A net decrease in other current liabilities of $48.

  Offsetting the decreases were:
  - An increase in accrued interest of $502, primarily due to additional bond issuances and a longer accrual period.
  - An increase in accounts payable due to vendors of $355 due to the timing of invoice processing and purchasing activity.

- A net increase of $45 in employee related accruals.
- An increase in fuel hedge liability of $2.

- Non-current liabilities increased by $2,806, or 3.4%. This increase was mainly due to:
  - An increase in the non-current portion of long-term debt of $2,549, as a result of bond issuances totaling $6,349, which were offset by bond refundings and retirements of $3,649 and unamortized premium and discount of $151.
  - An increase of $259 in estimated liability arising from injuries to persons.
  - A net increase in other liabilities of $24.

  Offsetting the increases was a decrease in lease payable of $26.
- Deferred inflows of resources decreased by $33, or 0.5%.

Total Net Position, Distinguishing Between Net Investment in Capital Assets, Restricted Amounts, and Unrestricted Amounts

(In millions)	September 30, 2024	December 31, 2023	Increase / (Decrease)
Net investment in capital assets	$ 40,891	$ 41,333	$ (442)
Restricted for debt service	1,529	876	653
Restricted for claims	305	275	30
Restricted for other purposes	2,549	2,443	106
Unrestricted	(25,431)	(27,680)	2,249
Total Net Position	$ 19,843	$ 17,247	$ 2,596

Significant Changes in Net Position Include:

September 30, 2024 versus December 31, 2023

On September 30, 2024, total net position increased by $2,596, or 15.1%, when compared with December 31, 2023. This change is a result of net non-operating revenues of $8,094, appropriations, grants and other receipts externally restricted for capital projects of $2,919, which was offset by operating losses of $8,417.

The net investment in capital assets decreased by $442, or 1.1%. Funds restricted for debt service, claims and other purposes increased by $789, or 22.0% in the aggregate, mainly due to scheduled debt service payments. Unrestricted net position increased by $2,249, or 8.1%.

Condensed Consolidated Interim Statement of Revenues, Expenses and Changes in Net Position

(In millions)	Nine-Month Period Ended September 30, 2024	2023	Increase / (Decrease)
Operating revenues			
Passenger and tolls	$ 5,561	$ 5,222	$ 339
Other	696	557	139
Total operating revenues	6,257	5,779	478
Non-operating revenues			
Grants, appropriations and taxes	6,189	5,303	886
Other	3,334	1,048	2,286
Total non-operating revenues	9,523	6,351	3,172
Total revenues	15,780	12,130	3,650
Operating expenses			
Salaries and wages	5,346	5,257	89
Retirement and other employee benefits	2,708	2,629	79
Postemployment benefits other than pensions	648	609	39
Depreciation and amortization	2,899	2,649	250
Other expenses	3,073	2,921	152
Total operating expenses	14,674	14,065	609
Non-operating expenses			
Interest on long-term debt	1,425	1,355	70
Other net non-operating expenses	4	4	-
Total non-operating expenses	1,429	1,359	70
Total expenses	16,103	15,424	679
Income (loss) before appropriations, grants and other receipts externally restricted for capital projects	(323)	(3,294)	2,971
Appropriations, grants and other receipts externally restricted for capital projects	2,919	2,271	648
Change in net position	2,596	(1,023)	3,619
Net position, beginning of period	17,247	16,917	330
Net position, end of period	$ 19,843	$ 15,894	$ 3,949

Revenues and Expenses, by Major Source:

Period ended September 30, 2024 versus 2023

- Total operating revenues increased by $478, or 8.3%. The increase was mainly due to increased ridership on trains and subways, as well as increased tolls from vehicle crossings. Fare and toll revenue had increases of $243 and $96, respectively. Other operating revenues increased by $139 when compared with the same period in 2023 due to higher advertising revenues and higher paratransit reimbursement subsidy.
- Total non-operating revenues increased by $3,172, or 49.9%.
  - Grants, appropriations, and taxes increased by $886 primarily due to increases in Payroll Mobility Tax subsidies of $856 as a result of a rate change from 0.34% to 0.60% for New York City payrolls greater than $437,000, Mass Transportation Operating Assistance subsidies of $75 and New York City Assistance Fund of $10. These increases were offset by decreases in Urban Tax subsidies of $22, Mortgage Recording Tax subsidies of $15, Mansion Tax of $15, Internet Sales Tax of $2 and MTA Aid Trust subsidies of $1.
  - Other non-operating revenues increased by $2,286, primarily due to an increase of $2,276 in FTA reimbursement for preventive maintenance funds for NYCT, an increase in other net non-operating expenses of $19 and an increase of $13 for station maintenance, operation and use assessments.. Offsetting these increases were decreases in operating subsidies recoverable of $13 for station maintenance, operation and use assessments. Offsetting these increases were decreases in operating subsidies recoverable of $13 from Connecticut Department of Transportation and $9 from NYC.
- Labor costs increased by $207, or 2.4% due to a $89 increase in salaries and wages and a net increase of $118 in employee benefits, including post-retirement benefits.
- Non-labor operating costs increased by $402, or 7.2%. The variance was primarily due to:
  - An increase in depreciation and amortization of $250 primarily due to assets placed into service.

- An increase in maintenance and other operating contracts of $77.
- An increase in claims of $71.
- An increase in paratransit service contracts of $68.
- An increase in other operating expenses of $24.
- An increase in materials and supplies of $2.

These increases were offset by the following:

- A decrease in professional service contracts of $56.
- A decrease in insurance of $16.
- A decrease in fuel of $11.
- A decrease in pollution remediation projects of $7.

- Total net non-operating expenses increased by $70, or 5.2%, primarily due to an increase in interest on long-term debt as a result of higher long-term debt balances..
- Appropriations, grants and other receipts externally restricted for capital projects increased by $648, or 28.5% mainly due to timing of requisitioning for Federal and State grants.

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS AND IMPORTANT ECONOMIC CONDITIONS

Economic Conditions

Metropolitan New York is the most transit-intensive region in the United States, and a financially sound and reliable transportation system is critical to the region's economic well-being. The MTA consists of urban subway and bus systems, suburban rail systems, and bridge and tunnel facilities, all of which are affected by a myriad of economic forces. To achieve maximum efficiency and success in its operations, the MTA must identify economic trends and continually implement strategies to adapt to changing economic conditions.

Preliminary MTA system-wide ridership for third quarter 2024 remained below the pre-pandemic level, with paid ridership down 208 million trips (-48.5%) below 2019 third quarter ridership. Third quarter 2024 rose above paid ridership during the third quarter of 2023 by 10 million (2.4%). For the third quarter of 2024 compared with the third quarter of 2023, MTA New York City Transit subway paid ridership increased by 9.6 million trips (3.4%), MTA New York City Transit bus paid ridership decreased by 4 million trips (-4.8%), MTA Long Island Rail Road paid ridership increased by 2.7 million trips (15.8%), MTA Metro-North Railroad paid ridership increased by 1.9 million trips (13%), MTA Bus paid ridership decreased by 99 thousand trips (-0.5%), and MTA Staten Island Railway paid ridership increased by 30 thousand trips (6%). Paid vehicle traffic at MTA Bridges and Tunnels facilities for the third quarter of 2024 was above 2019 levels by 1.1 million crossings (1.3%), and B&T traffic in the third quarter, compared with the third quarter of 2023, was up 359 thousand crossings (0.4%).

The Central Business District Tolling Program (CBDTP) was established by State legislation in 2019 to manage traffic congestion in Manhattan and provide $15 billion in capital funding for the MTA 2020-2024 Capital Program. On June 5, 2024, Governor Hochul announced her intention to pause the implementation of CDBTP. Subsequently, on June 26, 2024, the MTA Board adopted a resolution recognizing the pause, extending the implementation of CDBTP until a tolling agreement among the project sponsors – B&T, the New York State Department of Transportation, and the New York City Department of Transportation – has been executed, and authorizing the president of TBTA to implement the CBDTP after the tolling agreement has been executed.

Seasonally adjusted non-agricultural employment in New York City for the third quarter was higher in 2024 than in 2023 by 92.6 thousand jobs (1.9%). On a quarter-to-quarter basis, New York City employment gained 5.8 thousand jobs (0.1%), the seventeenth consecutive quarterly increase. These increases were preceded by the steep decline of 880.5 thousand jobs (18.8%) during the second quarter of 2020.

National economic growth, as measured by Real Gross Domestic Product ("RGDP"), increased at an annualized rate of 2.8% in the third quarter of 2024, according to the most recent estimate released by the Bureau of Economic Analysis; in the second quarter of 2024, the revised RGDP increased 3.0 percent. The increase in real GDP primarily reflected increases in consumer spending, exports, and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased. The increase in consumer spending reflected increases in both goods and services. Within goods, the leading contributors were other nondurable goods (led by prescription drugs) and motor vehicles and parts. Within services, the leading contributors were health care (led by outpatient services) as well as food services and accommodations. The increase in exports primarily reflected an increase in goods (led by capital goods, excluding automotive). The increase in federal government spending was led by defense spending. The increase in imports primarily reflected an increase in goods (led by capital goods, excluding automotive).

The New York City metropolitan area's price inflation rate, as measured by the Consumer Price Index for All Urban Consumers ("CPI-U"), was higher than the national average in the third quarter of 2024, with the metropolitan area index increasing 3.9% while the national index increased 2.6% when compared with the third quarter of 2023. Regional prices for energy products increased 1.5%, and national prices for energy products fell 3.3%. In the metropolitan area, the CPI-U exclusive of energy products increased by 4.0%, while nationally, inflation exclusive of energy products increased 3.1%. The New York Harbor spot price for conventional gasoline decreased by 18.8% from an average price of $2.82 per gallon to an average price of $2.29 per gallon between the third quarters of 2023 and 2024.

In its announcement on November 7, 2024, the Federal Open Market Committee ("FOMC") lowered its target for the Federal Funds rate at the 4.5% to 4.75% range. The Federal Funds rate target had been in the 0.00% to 0.25% range from March 15, 2020 through March 16, 2022, when the FOMC increased the target to the 0.25% to 0.50% range. The target was further increased to the 0.75% to 1.00% range on May 4, 2022, to the 1.50% to 1.75% range on June 15, 2022, to the 2.25% to 2.50% range on July 27, 2022, to the 3.00% to 3.25% range on September 21, 2022, to the 3.75% to 4.00% range on November 2,2022, to the 4.25% to 4.50% range on December 14, 2022, to the 4.5% to 4.75% range on February 1, 2023, to the 5.00% to 5.25% range on May 3, 2023, to 5.25% to 5.50% range on July 26, 2023, decreased the range to 4.75% to 5% on September 18, 2024 and most recently decreased the range to 4.5% to 4.75% range on November 7, 2024. In considering additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The Committee will continue reducing its holdings of Treasury securities and agency debt and agency mortgage-backed securities. The Committee is strongly committed to supporting maximum employment and returning inflation to its 2 percent objective. The influence of the Federal Reserve's monetary policy on the mortgage market is a matter of interest to the MTA, since variability of mortgage rates can affect real estate transactions and thereby impact receipts from the Mortgage Recording Taxes ("MRT") and the Urban Taxes, two important sources of MTA revenue. While real estate transaction activity initially was severely impacted by social distancing and the economic disruption caused by the COVID-19 pandemic, demand for suburban residential real estate, along with mortgage rates that were historically low until recently, significantly strengthened mortgage activity and refinancing of existing mortgages. The FOMC, in an effort to bring post-pandemic inflation under control, gradually increased the Federal Funds target rate starting in March 2022, and as a consequence mortgage origination and refinancing activity began slowing. The FOMC has begun the process of lowering the Federal Funds rate and we will monitor its effects on mortgage origination and refinancing to make future assessments of potentials for increased collections. MRT collections in the third quarter of 2024 were lower than the third quarter of 2023 by $290 thousand (-0.3%). Average monthly receipts in the third quarter of 2024 were $31.5 (-56.6%) lower than the monthly average for 2006, just prior to the steep decline in Mortgage Recording Tax revenues during the Great Recession. MTA's Urban Tax receipts during the third quarter of 2024-which are derived from commercial real estate transactions and mortgage recording activity within New York City and can vary significantly from quarter to quarter based on the timing of exceptionally high-priced transactions-were $1.2 (-1.1%) lower than receipts during the third quarter of 2023. Average monthly receipts in the third quarter of 2024 were $43 (-58.5%) lower than the monthly average for 2007, just prior to the steep decline in Urban Tax revenues during the Great Recession.

Results of Operations

MTA Bridges and Tunnels – For the nine months ended September 30, 2024, operating revenue from tolls totaled $1,924.7, which was $102.1, or 5.6%, higher than the nine months of 2023. Paid traffic for the third quarter of 2024 totaled 252.5 million crossings, which was 1.7 million, or 0.7 % above the third quarter of 2023. The continued increase in traffic volumes is due to the improvement in the regional economy.

MTA New York City Transit – For the nine months ended September 30, 2024, revenue from fares was $2,566, an increase of $121, or 5.0%, compared to September 30, 2023. For the same comparative period, total operating expenses were higher by $161, or 1.8%, totaling $9,002 for the nine months ended September 30, 2024.

MTA Long Island Rail Road – Total operating revenue for the nine months ended September 30, 2024 was $508, which was higher by $69, or 15.63%, compared to nine months ended September 30, 2023. For the same comparative period, operating expenses were higher by $96, or 5.5%, totaling $1,845 for the nine months ended September 30, 2024.

MTA Metro-North Railroad – For the nine months ended September 30, 2024, operating revenues totaled $486, an increase of $51, or 11.8%, compared to September 30, 2023. During the same period, operating expenses increased by $111, or 8.2%, to $1,468. For the nine months ended September 30, 2024, fare revenue increased by 13.4% to $457 compared to September 30, 2023. Passenger fares accounted for 92.72% and 95.28% of operating revenues in 2024 and 2023, respectively. The remaining revenue represents collection of rental income from stores in and around passenger stations and revenue generated from advertising.

The MTA receives the equivalent of four quarters of Metropolitan Mass Transportation Operating Assistance ("MMTOA") receipts each year, with the state advancing the first quarter of each succeeding calendar year's receipts in the fourth quarter of the current year. This results in little or no Metropolitan Mass Transportation Operating Assistance receipts being received during the first quarter of each calendar year. The MTA has made other provisions to provide for cash liquidity during this period. During April 2024, the State appropriated $2.99 billion in MMTOA funds. There has been no change in the timing of the State's payment of, or MTA's receipt of, Dedicated Mass Transportation Trust Fund ("MTTF") receipts, which MTA anticipates will be sufficient to make monthly principal and interest deposits into the Debt Service Fund for the Dedicated Tax Fund Bonds. The total MRT for the period ended September 30, 2024 was $254 compared to $269 at September 30, 2023.

Capital Programs

At September 30, 2024, $26,212 had been committed and $8,639 had been expended for the 2020-2024 MTA Bridges and Tunnels Capital Program, $30,803 had been committed and $25,736 had been expended for the combined 2015-2019 MTA Capital Programs and the 2015-2019 MTA Bridges and Tunnels Capital Program, and $29,598 had been committed and $28,066 had been expended for the combined 2010-2014 MTA Capital Programs and the 2010-2014 MTA Bridges and Tunnels Capital Program, and $24,107 had been committed and $23,991 had been expended for the combined 2005-2009 MTA Capital Programs and the 2005-2009 MTA Bridges and Tunnels Capital Program.

The MTA Group has ongoing capital programs, which except for MTA Bridges and Tunnels are subject to the approval of the Metropolitan Transportation Authority Capital Program Review Board ("CPRB"), and are designed to improve public transportation in the New York Metropolitan area.

2020-2024 Capital Program – Capital programs totaling $54,799 covering the years 2020-2024 for: (1) the commuter railroad operations of the MTA conducted by MTA Long Island Rail Road and MTA Metro-North Railroad (the "2020-2024 Commuter Capital Program"), (2) the transit system operated by MTA New York City Transit and its subsidiary, MaBSTOA, the MTA Bus Company, and the rail system operated by MTA Staten Island Railway (the "2020-2024 Transit Capital Program") were originally approved by the MTA Board on September 25, 2019. The capital programs were subsequently submitted to the Capital Program Review Board ("CPRB") on October 1, 2019 and approved on January 1, 2020. The capital program for the toll bridges and tunnels operated by MTA Bridges and Tunnels (the "2020-2024 MTA Bridges and Tunnels Capital Program") was approved by the MTA Board on September 25, 2019 and was not subject to CPRB approval. On December 15, 2021, the MTA Board approved an amendment to increase the 2020-2024 Capital Program by $535 million to support the Penn Station Access project. On July 27, 2022 the MTA Board approved an amendment to increase the 2020-2024 Capital Program by $108 million to reflect addition of new projects, additional support for existing projects and changes to existing project budgets. The capital programs were subsequently submitted to the CPRB on August 1, 2022 and approved on August 30, 2022. On June 27, 2023, the MTA Board approved an amendment primarily to reflect $678 million in budget transfers from the core agencies to support Network Expansion's Penn Station Access project. The amendment to the capital programs was subsequently submitted to the CPRB, and deemed approved on July 31, 2023. The revised 2020-2024 MTA Bridges and Tunnels Capital Program totaling $3,327 as last approved by the MTA Board on July 27, 2022, remains unchanged and is not subject to CPRB approval.

The last CPRB approved 2020-2024 Capital Programs provided $55,442 in capital expenditures. The combined funding sources for the 2020-2024 MTA Capital Programs and the 2020-2024 MTA Bridges and Tunnels Capital Program, include $15,000 in Central Business District tolling sources, $10,000 in new revenue sources, $7,393 in MTA bonds and PAYGO, $3,327 in MTA Bridges and Tunnels bonds, $13,073 in Federal funds, $3,101 in State of New York funding, $3,007 in City of New York funding, and $542 in other contributions.

2015-2019 Capital Program – Capital programs covering the years 2015-2019 for: (1) the commuter railroad operations of the MTA conducted by MTA Long Island Rail Road and MTA Metro-North Railroad (the "2015-2019 Commuter Capital Program"), (2) the transit system operated by MTA New York City Transit and its subsidiary, MaBSTOA, the MTA Bus Company, and the rail system operated by MTA Staten Island Railway (the "2015-2019 Transit Capital Program") were originally approved by the MTA Board in September 2014. The capital programs were subsequently submitted to the Capital Program Review Board ("CPRB") in October 2014. This plan was disapproved by the CPRB, without prejudice, in October 2014.The capital program for the toll bridges and tunnels operated by MTA Bridges and Tunnels (the "2015-2019 MTA Bridges and Tunnels Capital Program") was approved by the MTA Board in September 2014 and was not subject to CPRB approval.

On April 20, 2016, the MTA Board approved revised capital programs for the years covering 2015-2019. The revised capital programs provided for $29,456 in capital expenditures. On May 23, 2016, the CPRB approved the revised 2015-2019 Capital Programs for the Transit and Commuter systems as submitted. The revised 2015-2019 MTA Bridges and Tunnels Capital Program, was approved by the MTA Board on April 20, 2016. On February 23, 2017, the MTA Board approved a revision to the CPRB portion of the capital programs for the years covering 2015-2019, adding $119 transferred from prior capital programs to support additional investment projects. On March 30, 2017, the CPRB approved the revised 2015-2019 Capital Programs for the Transit and Commuter systems as submitted. On May 24, 2017, the MTA Board approved a full amendment to the 2015-2019 Capital Programs to reflect updated project estimates and rebalanced programs to address budgetary and funding needs of priority projects that include Second Avenue Subway Phase 2, MTA Long Island Rail Road regional mobility, station enhancement work, investments at Penn Station, and new Open Road Tolling at MTA Bridges and Tunnels. On July 31, 2017, the CPRB approved the revised 2015-2019 Capital Programs for the Transit and Commuter systems totaling $29,517, as submitted. The revised 2015-2019 MTA Bridges and Tunnels Capital Program totaling $2,940, as approved by the MTA Board in May 2017, was not subject to CPRB approval. On December 13, 2017, the MTA Board approved an amendment adding $349 to the 2015-2019 Capital Program for the Transit system in support of the NYC Subway Action Plan. On April 25, 2018, the MTA Board approved a full amendment to increase the 2015-2019 Capital Programs to $33,270 reflecting updated project cost estimates, emerging new needs across the agencies, and reallocation of funds within the East Side Access and Regional

Investment programs, among others. On May 31, 2018, the CPRB approved the revised 2015-2019 Capital Programs for the Transit and Commuter systems totaling $30,334, as submitted. The revised 2015-2019 MTA Bridges and Tunnels Capital Program totaling $2,936, as approved by the MTA Board in April 2018, was not subject to CPRB approval. On September 25, 2019, the MTA Board approved a full amendment to increase the 2015-2019 Capital Program to $33,913 reflecting updated project timing and cost estimates, new needs, and changing priorities. On February 21, 2020, the CPRB approved the revised 2015-2019 Capital Program for the Transit and Commuter systems totaling $30,977, as submitted. The revised 2015-2019 MTA Bridges and Tunnels Capital Program totaling $2,936, as approved by the MTA Board in September 2019, was not subject to CPRB approval. On June 27, 2023, the MTA Board approved an amendment to change the Program's funding mix to allow the MTA to best meet the funding requirements of the Second Avenue Subway Phase 2 project. This amendment does not change the Program's budget at $33,913, as last approved.

The last approved 2015-2019 Capital Programs provided $33,913 in capital expenditures, of which $16,742 relates to ongoing repairs of, and replacements to, the transit system operated by MTA New York City Transit and MaBSTOA and the rail system operated by MTA Staten Island Railway; $6,095 relates to ongoing repairs of, and replacements to, the commuter system operated by MTA Long Island Rail Road and MTA Metro-North Railroad; $7,520 relates to the expansion of existing rail networks for both the transit and commuter systems; $243 relates to Planning and Customer Service; $376 relates to MTA Bus Company initiatives; and $2,936 in capital expenditures for ongoing repairs of, and replacements to, MTA Bridges and Tunnels facilities.

The combined funding sources for the approved 2015-2019 MTA Capital Programs and the 2015-2019 MTA Bridges and Tunnels Capital Program, include $9,118 in MTA bonds, $2,942 in MTA Bridges and Tunnels dedicated funds, $9,064 in State of New York funding, $6,801 in Federal funds, $2,667 in City of New York funding, $2,145 in pay-as-you-go ("PAYGO") capital, $958 from asset sale/leases, and $217 from other sources.

2010-2014 Capital Program – Capital programs covering the years 2010-2014 for: (1) the commuter railroad operations of the MTA conducted by MTA Long Island Rail Road and MTA Metro-North Railroad (the "2010-2014 Commuter Capital Program"), (2) the transit system operated by MTA New York City Transit and its subsidiary, MaBSTOA, the MTA Bus Company, and the rail system operated by MTA Staten Island Railway (the "2010-2014 Transit Capital Program") were originally approved by the MTA Board in September 2009.The capital programs were subsequently submitted to the CPRB in October 2009.This plan was disapproved by the CPRB, without prejudice, in December 2009 allowing the State Legislature to review funding issues in their 2010 session. The capital program for the toll bridges and tunnels operated by MTA Bridges and Tunnels (the "2010-2014 MTA Bridges and Tunnels Capital Program") was approved by the MTA Board in September 2009 and was not subject to CPRB approval. The MTA Board approved the revised plan for the Transit and Commuter systems on April 28, 2010 and CPRB approval of the five- year program of projects was obtained on June 1, 2010. The approved CPRB program fully funded only the first two years (2010 and 2011) of the plan, with a commitment to come back to CPRB with a funding proposal for the last three years for the Transit and Commuter Programs. On December 21, 2011, the MTA Board approved an amendment to the 2010-2014 Capital Program for the Transit, Commuter, and Bridges and Tunnels systems that fund the last three years of the program through a combination of self-help (efficiency improvements and real estate initiatives), participation by our funding partners, and innovative and pragmatic financing arrangements. On March 27, 2012, the CPRB approved the amended 2010-2014 Capital Programs for the Transit and Commuter systems as submitted.

On December 19, 2012, the MTA Board approved an amendment to the 2010-2014 Capital Programs for the Transit, Commuter, and Bridges and Tunnels systems to add projects for the repair/restoration of MTA agency assets damaged as a result of Superstorm Sandy, which struck the region on October 29, 2012.On January 22, 2013, the CPRB deemed approved the amended 2010-2014 Capital Programs for the Transit and Commuter systems as submitted. On July 22, 2013, the MTA Board approved a further amendment to the 2010-2014 Capital Programs for the Transit, Commuter, and Bridges and Tunnels systems to include specific revisions to planned projects and to include new resilience/mitigation initiatives in response to Superstorm Sandy.

On August 27, 2013, the CPRB approved those amended 2010-2014 Capital Programs for the Transit and Commuter systems as submitted. On July 28, 2014, the MTA Board approved an amendment to select elements of the Disaster Recovery (Sandy) and MTA New York City Transit portions of the 2010-2014 Capital Programs, and a change in the funding plan. On September 3, 2014, the CPRB approved the amended 2010-2014 Capital Programs for the Transit and Commuter systems as submitted.

In May 2017, the MTA Board approved an amendment to the 2010-2014 Capital Programs to reflect scope transfers and consolidation between the approved capital programs, and to reflect reductions to the MTA Superstorm Sandy capital projects to match current funding assumptions. This amendment, which provided $29,237 in capital expenditures for the Transit and Commuter systems, was deemed approved by the CPRB as submitted on July 31, 2017.The amended 2010-2014 MTA Bridges and Tunnels Capital Program, which provided $2,784 in capital expenditures, was not subject to CPRB approval. On September 25, 2019, the MTA Board approved an amendment to decrease the 2010-2014 Capital Programs to $31,704 reflecting administrative budget adjustments and updated project cost and timing assumptions. On February 21, 2020, the CPRB approved the revised 2010-2014 Capital Programs for the Transit and Commuter systems totaling $28,917, as submitted. The revised 2010-2014 MTA Bridges and Tunnels Capital Program totaling $2,787, as approved by the MTA Board in September 2019, was not subject to CPRB approval.

The last approved 2010-2014 MTA Capital provided $31,704 in capital expenditures, of which $11,365 relates to ongoing repairs of, and replacements to, the transit system operated by MTA New York City Transit and MaBSTOA and the rail system operated by MTA Staten Island Railway; $3,924 relates to ongoing repairs of, and replacements to, the commuter system operated by MTA Long Island Rail Road and MTA Metro-North Railroad; $5,861 relates to the expansion of existing rail networks for both the transit and commuter systems to be managed by MTA Capital Construction; $254 relates to a multi-faceted security program including MTA Police Department; $223 relates to MTA Interagency; $297 relates to MTA Bus Company initiatives; $2,022 relates to the ongoing repairs of, and replacements to, MTA Bridges and Tunnels facilities; and $7,757 relates to Superstorm Sandy recovery/mitigation capital expenditures.

The combined funding sources for the CPRB-approved 2010-2014 MTA Capital Programs and 2010-2014 MTA Bridges and Tunnels Capital Program include $11,635 in MTA Bonds, $2,025 in MTA Bridges and Tunnels dedicated funds, $7,376 in Federal Funds, $132 in MTA Bus Federal and City Match, $719 from City Capital Funds, and $1,442 from other sources. Also included is $770 in State Assistance funds added to re-establish a traditional funding partnership. The funding strategy for Superstorm Sandy repair and restoration assumes the receipt of $6,698 in insurance and federal reimbursement proceeds (including interim borrowing by MTA to cover delays in the receipt of such proceeds), $18 in pay-as-you-go capital, supplemented, to the extent necessary, by external borrowing of up to $889 in additional MTA and MTA Bridges and Tunnels bonds.

2005-2009 Capital Program – Capital programs covering the years 2005-2009 for: (1) the commuter railroad operations of the MTA conducted by MTA Long Island Rail Road and MTA Metro-North Railroad (the “2005-2009 Commuter Capital Program”), (2) the transit system operated by MTA New York City Transit and its subsidiary, MaBSTOA, the MTA Bus Company, and the rail system operated by MTA Staten Island Railway (the “2005-2009 Transit Capital Program”) were originally approved by the MTA Board in April 2005 and subsequently by the CPRB in July 2005.The capital program for the toll bridges and tunnels operated by MTA Bridges and Tunnels (the “2005-2009 MTA Bridges and Tunnels Capital Program”) was approved by the MTA Board in April 2005 and was not subject to CPRB approval. The 2005-2009 amended Commuter Capital Program and the 2005-2009 Transit Capital program (collectively, the “2005-2009 MTA Capital Programs”) were last amended by the MTA Board in July 2008.This latest 2005-2009 MTA Capital Program amendment was resubmitted to the CPRB for approval in July 2008, and was approved in August 2009.

As last amended by the MTA Board, the 2005-2009 MTA Capital Programs and the 2005-2009 MTA Bridges and Tunnels Capital Program, provided for $24,353 in capital expenditures. By March 31, 2024, the 2005-2009 MTA Capital Programs budget increased by $634 primarily due to the receipt of new American Recovery and Reinvestment Act (“ARRA”) funds and additional New York City Capital funds for MTA Capital Construction work still underway. Of the $24,353 provided in capital expenditures, $11,515 relates to ongoing repairs of, and replacements to the transit system operated by MTA New York City Transit and MaBSTOA and the rail system operated by MTA Staten Island Railway; $3,723 relates to ongoing repairs of, and replacements to, the commuter system operated by MTA Long Island Rail Road and MTA Metro-North Railroad; $166 relates to certain interagency projects; $7,671 relates generally to the expansion of existing rail networks for both the transit and commuter systems to be managed by the MTA Capital Construction Company (including the East Side Access, Second Avenue Subway and No.7 subway line) and a security program throughout MTA’s transit network; $1,127 relates to the ongoing repairs of, and replacements to, bridge and tunnel facilities operated by MTA Bridges and Tunnels; and $152 relates to capital projects for the MTA Bus.

The combined funding sources for the MTA Board-approved 2005-2009 MTA Capital Programs and 2005-2009 MTA Bridges and Tunnels Capital Program include $11,189 in MTA and MTA Bridges and Tunnels Bonds (including funds for LaGuardia Airport initiative), $1,450 in New York State general obligation bonds approved by the voters in the November 2005 election, $7,776 in Federal Funds, $2,823 in City Capital Funds, and $1,114 from other sources.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The 2024 MTA July Financial Plan

The 2024 MTA July Financial Plan (the “July” or “Plan”), which includes 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 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.

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

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.

More detailed information on the July Financial Plan can be found in the MTA Preliminary Budget - July Financial Plan 2025-2028 at www.MTA.info.

Tropical Storm Sandy Update

The total allocation of emergency relief funding from the Federal Transit Administration ("FTA") to MTA in connection with Superstorm Sandy to date is $5.83 billion, including $1.599 billion allocated on September 22, 2014, through a competitive resiliency program. A total of $5.81 billion in FTA Emergency Relief Funding has been executed: seven repair/local priority resiliency grants totaling $4.55 billion and seventeen competitive resiliency grants totaling $1.26 billion. As of September 30, 2024, MTA has drawn down a total of $4.40 billion in grant reimbursement for eligible operating and capital expenses. The balance of funds to be drawn down from all twenty-four grants is available to MTA for reimbursement of eligible expenses as requisitions are submitted by MTA and approved by FTA. Additional requisitions are in process. At MTA and Amtrak's request, in April 2018, FTA transferred $13.5 million of MTA's emergency relief allocation to the Federal Railroad Administration ("FRA") to allow Amtrak to execute a portion of MTA Long Island Rail Road's Competitive Resilience scope.

Labor Update

In 2023, the MTA Board approved a 36-month labor agreement between the New York City Transit Authority, the Manhattan and Bronx Surface Transit Operating Authority, MTA Bus Company and approximately 37,000 hourly operating employees represented by the Transport Workers Union, Local 100. Spanning the 36-month period, from May 16, 2023 through May 15, 2026, the agreement provides general wage increases of 3.0% for 2023, 3.0% for 2024, and 3.5% for 2025 (9.8%, in total). It also provides an Essential Worker cash bonus of $3,000 in the first contract year and a supplemental Essential Worker cash bonus of $1,000 in the second year, along with the enhancement of certain other employee benefits. Among important savings measures, the agreement institutes TWU Enhanced Retiree Benefits coverage (Medicare Advantage Plan), by which all post-65 Medicare eligible retirees and their eligible dependents will be placed into an alternative health plan. The net economic value of the agreement has informed the MTA's financial assumptions for growth in labor costs for nearly all represented bargaining units, and it is expected that most of the MTA's 67,000 represented employees will reach future settlements that are consistent with these expectations.

In the third quarter of 2024, labor negotiations continued with unsettled bargaining groups, and one new labor agreement was ratified by the MTA Board. The ensuing paragraphs will highlight the terms of this labor agreement and will be described in the overall status of collective bargaining at MTA agencies through September 30, 2024.

MTA Long Island Rail Road – At the end of the third quarter of 2024, MTA Long Island Rail Road has approximately 7,532 employees. Approximately 6,782 of these employees are represented by 8 different unions in 16 bargaining units. The railroad has settled agreements with all its bargaining groups along the lines of the 2019-2023 TWU agreement. On June 15, 2023, these agreements became amendable and, shortly afterwards, LIRR commenced labor negotiations towards successor agreements.

In December 2024, the MTA Board approved an agreement with the Sheet Metal, Air, Rail and Transportation Workers, Transportation Division (SMART-TD), covering approximately 2,943 members in 4 bargaining units with titles in Maintenance of Way, Maintenance of Equipment and Train Service; in March, the Board ratified an identical agreement, this time between the railroad and SMART's Yardmasters unit (covering 47 Yardmasters and Assistant Yardmasters). In the second quarter, two additional agreements, both with provisions identical to the SMART agreement, were enacted: in April, an agreement with the Sheet Metal Workers International Association (approximately 132 members) was approved; and in June, an agreement with the National Conference of Firemen and Oilers (approximately 82 members) was passed by the Board.

All of the agreements reached so far at Long Island Rail Road for the 2023-2026 period contain the same provisions. Running from June 16, 2023 through August 15, 2026 (38 months), they provide wage increases of 3.0%, 3.0% and 3.50%, effective each June 16, with no $3000 Bonus. The final increase (3.5%) is 0.25% higher than Financial Plan expectations, but actually matches the corresponding wage increase in the TWU agreement. The additional cost, compared with the Financial Plan, is partly offset by a 2-month extension of the contract period. The other important contract provisions are an increase in new hire employee health care contributions from 2% to 3% of straight-time wages; and the conversion of the existing dental and vision plan to a new plan with the same coverage provided to LIRR managers. With the passage of this agreement, LIRR now has effective agreements with more than 45% of its represented workforce for the 2023-2026 period.

MTA Metro-North Railroad – As of September 30, 2024, MTA Metro-North Railroad employs approximately 6,372 people. Among these are approximately 5,436 employees represented by ten different unions.

During the third quarter, Metro-North Railroad reached an agreement with the International Brotherhood of Electrical Workers – Supervisors (IBEW-S), covering approximately 97 members who supervise Electricians, Mechanics and Communications Specialists. The contract with IBEW-S had become amendable on June 2, 2019. The new agreement, which runs from June 2, 2019 through August 2, 2023, includes the same series of wage increases present in every other Board-ratified railroad agreement for the 2019-2023 contract period; and like all those agreements, it includes a 2-month contract extension.

Collective bargaining efforts with IBEW-S over the past several years were partly predicated on a directive in the 2017-2019 Memorandum of Understanding with IBEW-S that committed the parties, if an agreement had not been reached by the start of the 2019 round of collective bargaining, to continue discussions on the responsibilities and work rules for members in the bargaining unit. While the parties have had extensive and productive discussions, they require additional discussions to reach a full and final understanding on these matters. As such, the 2019-2023 MOU includes a side letter by which the parties agree to meet to resolve outstanding labor issues in the Power Department and to refine the application of various work rules in the collective bargaining agreement to support MNR safety-critical operations, improve efficiency and productivity, and to attract and retain qualified personnel in all positions represented by IBEW-S.

No other labor agreements were reached at Metro-North during the third quarter, but negotiations continued with those unions whose terms have recently become amendable. Agreements with most of MNR's largest unions–including the Transportation Communications Union, the International Association of Machinists, the International Brotherhood of Teamsters, the Sheet Metal Workers International Association, and the American Railway and Airway Supervisors Association in Maintenance of Equipment–became amendable in the third quarter of 2023; and, as several others also became amendable in the final quarter of 2023 and in the first quarter of 2024, as of September 30, all of the railroad's represented employees looking forward to new agreements for the 2023-2026 period.

The railroad has also been engaged in mediation with approximately 820 members of the International Brotherhood of Electrical Workers, representing Mechanics, Electricians and Communications Specialists, and other titles[1]. The MTA remains committed to achieving a negotiated resolution of the disputes with these labor unions and to settling new contract terms for the 2021-2023 period with approximately 1,500 members of the Association of Commuter Rail Employees.

MTA Headquarters – As of September 30, 2024, MTA Headquarters employs approximately 5,478 people, of whom 3,584 are union members[1]. In the third quarter, no new agreements were reached, with most existing agreements having recently expired. Both agreements with the MTA Police unions – the Police Benevolent Association (with more than 1,100 members) and the Commanding Officers Association (with 26 members) – expired on April 15, 2024; and all three bargaining units of the Transportation Communications Union, which cover IT titles, Business Service Center titles and Procurement titles expired earlier this year (with the BSC and Procurement titles having expired on May 31, 2024; and the IT titles on February 29, 2024).

MTA New York City Transit/Manhattan and Bronx Surface Transit Operating Authority – As of September 30, 2024, MTA New York City Transit and MaBSTOA employs approximately 47,886 people, 46,487 of whom are represented by 14 unions with 23 bargaining units.

As described above, in July 2023, the MTA Board ratified a memorandum of understanding that covers approximately 37,000 hourly operating employees at NYCT, MaBSTOA and MTA Bus Company. The currently effective agreement will run through May 15, 2026. Aside from the hourly Operating employees represented by TWU Local 100, other bargaining units within TWU Local 100 attained effective agreements in the second quarter of 2024, and these will run through November 30,2026. During the second quarter, an agreement with more than 800 members of the United Transit Leadership Organization was also ratified by the MTA Board, , and it will run through December 31, 2024.[3]

In September, the MTA Board ratified a new agreement between NYCT/MaBSTOA and the membership of the Organization of Staff Analysts (OSA). Like previous agreements with this bargaining unit, which consists of 55 members, it follows the economic provisions of New York City's agreement with its OSA membership. It has the same term length, running from May 1, 2021 through October 31, 2026 – a period of 66 months; and it includes other economic provisions that entail a net cost, relative to the base, that match the City's agreement.

As of September 30, 2024, approximately 80% of represented employees at NYCT/MaBSTOA are covered under effective labor agreements.

MTA Bus Company – As of September 30, 2024, MTA Bus Company has 3,979 employees, approximately 3,825 of whom are represented by five different unions (now including the United Transit Leadership Organization) and six bargaining units. The largest of these is TWU Local 100, whose more than 2,000 members were co-parties to the agreement approved by the MTA Board in July 2023 and whose current agreement will run through May 15, 2026. In June, the MTA Bus Company also entered into an agreement with its TWU Local 100 bargaining unit that represents Administrative, Professional and Technical titles.

In the third quarter, no new labor agreements were reached with MTA Bus Company's unsettled unions.

MTA Bridges and Tunnels – As of September 30, 2024, MTA Bridges and Tunnels (the Triboro Bridge and Tunnel Authority, or TBTA) has 851 employees, approximately 621 of whom are represented by three different labor unions (four bargaining units). During the third quarter, the Authority's agreement with AFSCME DC 37 Local 1931 (representing mostly Maintainers and a small number of City Custodial Assistants) expired, and its membership of more than 300 will be seeking new terms going forward. The agreement with the Bridge and Tunnel Officers Benevolent Association (BTOBA), representing approximately 240 active members, has also expired. Agreements with the Superior Officers Benevolent Association (representing around 100 active employees) and with AFSCME DC 37 Local 1655 (with an active membership of around 20) remain in effect until November 2026.

MTA Staten Island Railway – As of September 30, 2024, MTA Staten Island Railway had 379 employees, approximately 361 of whom are represented by five different unions (six bargaining units). No new labor agreements have been reached this year, and by the end of the third quarter, all agreements (which covered the 2019-2023 period) have expired. Going forward, the unions will therefore be looking for new agreement terms.

[1] The IBEW Supervisors had also been part of this mediation prior to the newly reached agreement.

[2] This number includes "matrixed" employees who work at MTA Headquarters but are on the payroll of another agency.

[3] The UTLO agreement was a multi-agency agreement: aside from the approximately 800 members at NYCT, the new agreement will cover an additional 132 members, with 84% of these at MTA Bus company and the remainder working at SIRTOA and MTA HQ.

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(A Component Unit of the State of New York)

CONSOLIDATED INTERIM STATEMENT OF NET POSITION AS OF SEPTEMBER 30, 2024 AND CONSOLIDATED STATEMENT OF NET POSITION AS OF DECEMBER 31, 2023

($ In millions)

	Business-Type Activities	
	September 30, 2024	**December 31, 2023**
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS		
CURRENT ASSETS:		
Cash unrestricted (Note 3)	$ 822	$ 782
Cash restricted (Note 3)	711	806
Unrestricted investments (Note 3)	7,330	6,143
Restricted investments (Note 3)	3,611	2,610
Restricted investments held under financed purchase obligations (Notes 3 and 10)	94	95
Receivables:		
Station maintenance, operation, and use assessments	103	149
State and regional mass transit taxes	364	364
Mortgage Recording Tax receivable	30	24
State and local operating assistance	40	5
Other receivable from New York City and New York State	186	158
Due from Build America Bonds	3	-
Receivable from federal and state government	351	203
Other	885	909
Less allowance for doubtful accounts	(549)	(498)
Total receivables — net	1,413	1,314
Materials and supplies	774	738
Prepaid expenses and other current assets (Note 2)	847	821
Total current assets	15,602	13,309
NON-CURRENT ASSETS:		
Capital assets (Note 6):		
Land and construction work-in-progress	16,593	14,166
Other capital assets (net of accumulated depreciation and amortization)	75,823	76,387
Unrestricted investments (Note 3)	1,486	451
Restricted investments (Note 3)	1,253	1,302
Restricted investments held under financed purchase obligations (Notes 3 and 10)	296	284
Other non-current receivables	287	306
Other non-current assets	16	24
Total non-current assets	95,754	92,920
TOTAL ASSETS	111,356	106,229
DEFERRED OUTFLOWS OF RESOURCES:		
Accumulated decreases in fair value of derivative instruments (Note 7)	133	108
Loss on debt refunding (Note 7)	374	398
Deferred outflows related to pensions (Note 4)	3,781	3,799
Deferred outflows related to OPEB (Note 5)	5,367	5,367
TOTAL DEFERRED OUTFLOWS OF RESOURCES	9,655	9,672
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 121,011	$ 115,901

See Independent Auditor's Review Report and notes to the basic interim financial statements. (Continued)

(A Component Unit of the State of New York)

CONSOLIDATED INTERIM STATEMENT OF NET POSITION AS OF SEPTEMBER 30, 2024 AND CONSOLIDATED STATEMENT OF NET POSITION AS OF DECEMBER 31, 2023

($ In millions)

	Business-Type Activities	
	September 30, 2024	**December 31, 2023**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
LIABILITIES:		
CURRENT LIABILITIES:		
Accounts payable	$ 926	$ 571
Accrued expenses:		
Interest	787	285
Salaries, wages and payroll taxes	463	467
Vacation and sick pay benefits	1,194	1,163
Current portion — retirement and death benefits	48	30
Current portion — estimated liability from injuries to persons (Note 12)	699	725
Capital accruals	121	664
Other Accrued expenses	673	801
Total accrued expenses	3,985	4,135
Current portion — loan payable (Note 7)	9	11
Current portion — long-term debt (Note 7)	2,658	2,678
Current portion — pollution remediation projects (Note 14)	40	40
Derivative fuel hedge liability (Note 16)	12	10
Unearned revenues	1,461	1,905
Total current liabilities	9,091	9,350
NON-CURRENT LIABILITIES:		
Net pension liability (Note 4)	8,335	8,335
Estimated liability arising from injuries to persons (Note 12)	5,288	5,029
Net OPEB liability (Note 5)	22,435	22,435
Loan payable (Note 7)	54	60
Long-term debt (Note 7)	47,661	45,112
Lease payable (Note 8)	874	900
Subscription-Based Information Technology Arrangements (Note 9)	86	98
Financed purchase (Note 10)	179	176
Pollution remediation projects (Note 14)	144	142
Contract retainage payable (Note 15)	482	449
Derivative liabilities (Note 7)	135	133
Other long-term liabilities (Note 15)	361	359
Total non-current liabilities	86,034	83,228
TOTAL LIABILITIES	95,125	92,578
DEFERRED INFLOWS OF RESOURCES:		
Gain on debt refunding	-	17
Deferred inflows related to leases (Note 8)	216	232
Deferred inflows related to pensions (Note 4)	429	429
Deferred inflows related to OPEB (Note 5)	5,398	5,398
TOTAL DEFERRED INFLOWS OF RESOURCES	6,043	6,076
NET POSITION:		
Net investment in capital assets	40,891	41,333
Restricted for debt service	1,529	876
Restricted for claims	305	275
Restricted for other purposes	2,549	2,443
Unrestricted	(25,431)	(27,680)
TOTAL NET POSITION	19,843	17,247
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 121,011	$ 115,901

See Independent Auditor's Review Report and notes to the basic interim financial statements. (Concluded)

(A Component Unit of the State of New York)

CONSOLIDATED INTERIM STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023

($ In millions)

	Business-Type Activities	
	September 30, 2024	**September 30, 2023**
OPERATING REVENUES:		
Fare revenue	$ 3,642	$ 3,399
Vehicle toll revenue	1,919	1,823
Rents, freight, and other revenue	696	557
Total operating revenues	6,257	5,779
OPERATING EXPENSES:		
Salaries and wages	5,346	5,257
Retirement and other employee benefits	2,708	2,629
Postemployment benefits other than pensions (Note 5)	648	609
Electric power	403	391
Fuel	156	167
Insurance	16	32
Claims	338	267
Paratransit service contracts	452	384
Maintenance and other operating contracts	619	542
Professional service contracts	378	434
Pollution remediation projects (Note 14)	7	14
Materials and supplies	492	490
Depreciation and amortization (Note 2 and Note 6)	2,899	2,649
Other	212	200
Total operating expenses	14,674	14,065
OPERATING INCOME (LOSS)	(8,417)	(8,286)
NON-OPERATING REVENUES (EXPENSES):		
Grants, appropriations and taxes:		
Tax-supported subsidies — NYS:		
Mass Transportation Trust Fund subsidies	463	462
Metropolitan Mass Transportation Operating Assistance subsidies	1,392	1,317
Payroll Mobility Tax subsidies	2,517	1,661
MTA Aid Trust Account subsidies	199	200
Internet sales tax subsidies	244	246
Tax-supported subsidies — NYC and Local:		
Mortgage Recording Tax subsidies	254	269
Urban Tax subsidies	281	303
Mansion Tax	244	259
Other subsidies:		
Operating Assistance - 18-B program	275	275
Build America Bond subsidy	43	43
New York City Assistance Fund	277	268
Total grants, appropriations and taxes	$ 6,189	$ 5,303

(A Component Unit of the State of New York)

CONSOLIDATED INTERIM STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023

($ In millions)

	Business-Type Activities	
	September 30, 2024	**September 30, 2023**
Connecticut Department of Transportation	181	194
Subsidies paid to Dutchess, Orange, and Rockland Counties	(4)	(4)
Interest on long-term debt (Note 2)	(1,425)	(1,355)
Station maintenance, operation and use assessments	160	147
Operating subsidies recoverable from NYC	426	435
Federal Transit Administration reimbursement related to ARPA and CRRSAA	2,305	29
Other net non-operating revenues	262	243
Net non-operating revenues	8,094	4,992
(LOSS) / GAIN BEFORE APPROPRIATIONS, GRANTS AND OTHER RECEIPTS EXTERNALLY RESTRICTED FOR CAPITAL PROJECTS	(323)	(3,294)
APPROPRIATIONS, GRANTS AND OTHER RECEIPTS EXTERNALLY RESTRICTED FOR CAPITAL PROJECTS	2,919	2,271
CHANGE IN NET POSITION	2,596	(1,023)
NET POSITION— Beginning of period	17,247	16,917
NET POSITION — End of period	$ 19,843	$ 15,894

See Independent Auditor's Review Report and notes to the basic interim financial statements. (Concluded)

(A Component Unit of the State of New York)

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023

($ In millions)

	Business-Type Activities	
	September 30, 2024	**September 30, 2023**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Passenger receipts/tolls	$ 5,581	$ 5,224
Rents and other receipts	811	770
Payroll and related fringe benefits	(8,583)	(8,582)
Other operating expenses	(3,135)	(4,566)
Net cash used by operating activities	(5,326)	(7,154)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Grants, appropriations, and taxes	5,310	5,217
Operating subsidies from CDOT	162	196
Subsidies paid to Dutchess, Orange, and Rockland Counties	(10)	(17)
Federal Transit Administration reimbursement related to COVID-19	-	26
Other non-capital financing activities	7	-
Net cash provided by noncapital financing activities	5,469	5,422
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
MTA bond proceeds	2,318	-
MTA Bridges and Tunnels bond proceeds	3,852	4,082
MTA bonds refunded/reissued	(3,040)	(1,312)
MTA Bridges and Tunnels bonds refunded/reissued	(1,516)	(1,023)
MTA anticipation notes proceeds	500	-
MTA anticipation notes redeemed	-	(800)
Federal and local grants	4,616	1,781
Other capital financing activities	77	1,491
Payment for capital assets	(4,792)	(4,363)
Debt service payments	(1,322)	(1,034)
Internet and Mansion Tax	487	502
Receipts from leases	33	37
Payments related to leases	(69)	(64)
Net cash provided by / (used by) capital and related financing activities	1,144	(703)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of long-term securities	(2,946)	(7,149)
Sales or maturities of long-term securities	1,774	9,160
Net (purchases) sales or maturities of short-term securities	(379)	746
Earnings on investments	209	338
Net cash (used by) / provided by investing activities	(1,342)	3,095
NET (DECREASE) INCREASE IN CASH	(55)	660
CASH — Beginning of period	1,588	940
CASH — End of period	$ 1,533	$ 1,600

See Independent Auditor's Review Report and notes to the basic interim financial statements. (Continued)

(A Component Unit of the State of New York)

CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023

($ In millions)

	Business-Type Activities	
	September 30, 2024	**September 30, 2023**
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating loss (Note 2)	$ (8,417)	$ (8,286)
Depreciation and amortization	2,899	2,649
Net increase / (decrease) in payables, accrued expenses, and other liabilities	240	(69)
Net decrease in receivables	(26)	(747)
Net decrease in materials and supplies and prepaid expenses	(23)	(701)
NET CASH USED BY OPERATING ACTIVITIES	$ (5,327)	$ (7,154)
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES:		
Noncash investing activities:		
Interest expense includes amortization of net (premium) / discount (Note 2)	$ (244)	$ 130
Total Noncash investing activities	(244)	130
Noncash capital and related financing activities:		
Capital assets related liabilities	1,187	446
Interest expense for leases	45	35
Interest income from leases	5	6
Total Noncash capital and related financing activities	1,237	487
TOTAL NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES	$ 993	$ 617

See Independent Auditor’s Review Report and notes to the basic interim financial statements. (Concluded)

(A Component Unit of the State of New York)

STATEMENTS OF FIDUCIARY NET POSITION
PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

AS OF DECEMBER 31, 2023 AND 2022

($ In thousands)

	Fiduciary Activities	
	December 31, 2023	**December 31, 2022**
ASSETS:		
Cash	$10,625	$10,985
Receivables:		
Employee loans	28,016	26,521
Participant and union contributions	3	-
Investment securities sold	3,404	1,810
Accrued interest and dividends	20,988	6,011
Other receivables	6,664	2,680
Total receivables	59,075	37,022
Investments at fair value/NAV:	-	-
Equity securities	5,040,195	3,750,308
Fixed income securities	4,057,500	2,093,852
Other Alternative investments*	3,325,092	3,475,825
Total Investments at fair value/NAV	12,422,787	9,319,985
Total assets	$12,492,487	$9,367,992
LIABILITIES:		
Accounts payable and accrued liabilities	$6,665	$6,319
Payable for investment securities purchased	27,381	9,992
Accrued benefits payable	615	76
Accrued postretirement death benefits (PRDB) payable	5,720	5,719
Accrued 55/25 Additional Members Contribution (AMC) payable	1,504	2,527
Other liabilities	987	1,082
Total liabilities	42,872	25,715
NET POSITION:		
Restricted for pensions	11,075,711	9,330,542
Restricted for postemployment benefits other than pensions	1,373,904	11,735
Restricted for other employee benefits	-	-
Total net position	12,449,615	9,342,277
Total liabilities and net position	$12,492,487	$9,367,992

*Other Alternative investments include Opportunistic, Real assets, Real estate, Absolute return, Private equity and Short-term investment.

See Independent Auditor’s Review Report and notes to the basic interim financial statements.

(A Component Unit of the State of New York)

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

($ In thousands)

	Fiduciary Activities	
	December 31, 2023	**December 31, 2022**
ADDITIONS:		
Contributions:		
Employer contributions	$ 3,439,246	$ 1,418,340
Implicit rate subsidy contribution	62,445	57,989
Member contributions	63,744	60,069
Total contributions	3,565,435	1,536,398
Investment income:		
Net appreciation / depreciation in fair value of investments	1,092,168	(872,844)
Dividend income	110,796	126,737
Interest income	89,805	29,151
Less:		
Investment expenses	81,759	60,081
Investment income, net	1,211,010	(777,037)
Other additions:		
Total additions	4,776,445	759,361
DEDUCTIONS:		
Benefit payments and withdrawals	1,599,856	1,541,904
Implicit rate subsidy payments	62,445	57,989
Transfer to other plans	890	-
Administrative expenses	5,916	6,077
Total deductions	1,669,107	1,605,970
Net increase / (decrease) in fiduciary net position	3,107,338	(846,609)
NET POSITION:		
Restricted for Benefits:		
Beginning of year	9,342,277	10,188,886
End of year	$ 12,449,615	$ 9,342,277

See Independent Auditor's Review Report and notes to the basic interim financial statements.

(A Component Unit of the State of New York)

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024 AND DECEMBER 31, 2023 AND FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2024 AND 2023

($ In millions, except as noted)

1. BASIS OF PRESENTATION

Reporting Entity — The Metropolitan Transportation Authority ("MTA") was established in 1965, under Section 1263 of the New York Public Authorities Law, and is a public benefit corporation and a component unit of the State of New York ("NYS") whose mission is to continue, develop and improve public transportation and to develop and implement a unified public transportation policy in the New York metropolitan area.

These consolidated interim financial statements are of the Metropolitan Transportation Authority ("MTA"), including its related groups (collectively, the "MTA Group"), which are listed below. The Business-Type activities in these consolidated financial statements purport the operations of the MTA Group.

Metropolitan Transportation Authority and Related Groups (Component Units)

- Metropolitan Transportation Authority Headquarters ("MTAHQ") provides support in budget, cash management, finance, legal, real estate, treasury, risk and insurance management, and other services to the related groups listed below.
- The Long Island Rail Road Company ("MTA Long Island Rail Road") provides passenger transportation between New York City ("NYC") and Long Island.
- Metro-North Commuter Railroad Company ("MTA Metro-North Railroad") provides passenger transportation between NYC and the suburban communities in Westchester, Dutchess, Putnam, Orange, and Rockland counties in NYS and New Haven and Fairfield counties in Connecticut.
- Staten Island Rapid Transit Operating Authority ("MTA Staten Island Railway") provides passenger transportation on Staten Island.
- First Mutual Transportation Assurance Company ("FMTAC") provides primary insurance coverage for certain losses, some of which are reinsured, and assumes reinsurance coverage for certain other losses.
- MTA Construction and Development ("MTA Construction and Development") provides oversight for the planning, design and construction of current and future major MTA system-wide expansion projects.
- MTA Bus Company ("MTA Bus") operates certain bus routes in areas previously served by private bus operators pursuant to franchises granted by the City of New York.
- MTA Grand Central Madison Operating Company ("MTA GCMOC") operates and maintains the infrastructure and structures supporting Long Island Rail Road access into Grand Central Terminal.
- MTAHQ, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Staten Island Railway, FMTAC, MTA Capital Construction, MTA Bus, and MTA GCMOC collectively are referred to herein as MTA. MTA Long Island Rail Road and MTA Metro-North Railroad are referred to collectively as the Commuter Railroads.
- New York City Transit Authority ("MTA New York City Transit") and its subsidiary, Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), provide subway and public bus service within the five boroughs of New York City.
- Triborough Bridge and Tunnel Authority ("MTA Bridges and Tunnels") operates seven toll bridges, two tunnels, and the Battery Parking Garage, all within the five boroughs of New York City.

The subsidiaries and affiliates, considered component units of the MTA, are operationally and legally independent of the MTA. These related groups enjoy certain rights typically associated with separate legal status including, in some cases, the ability to issue debt. However, they are included in the MTA's consolidated financial statements as blended component units because of the MTA's financial accountability for these entities and they are under the direction of the MTA Board (a reference to "MTA Board" means the board of MTAHQ and/or the boards of the other MTA Group entities that apply in the specific context, all of which are comprised of the same persons). Under accounting principles generally accepted in the United States of America ("GAAP"), the MTA is required to include these related groups in its financial statements. While certain units are separate legal entities, they do have legal capital requirements and the revenues of all of the related groups of the MTA are used to support the organizations as a whole. The components do not constitute a separate accounting entity (fund) since there is no legal requirement to account for the activities of the components as discrete accounting entities.

Therefore, the MTA financial statements are presented on a consolidated basis with segment disclosure for each distinct operating activity. All of the component units publish separate annual financial statements, which are available by writing to the MTA Deputy Chief, Controller's Office, 2 Broadway, 15th Floor, New York, New York 10004.

Although the MTA Group collects fares for the transit and commuter service, they provide and receive revenues from other sources, such as the leasing out of real property assets, and the licensing of advertising. Such revenues, including anticipated revenues from fare increases, are not sufficient to cover all operating expenses associated with such services. Therefore, to maintain a balanced budget, the members of the MTA Group providing transit and commuter service rely on operating surpluses transferred from MTA Bridges and Tunnels, operating subsidies provided by NYS and certain local governmental entities in the MTA commuter district, and service reimbursements from certain local governmental entities in the MTA commuter district and from the State of Connecticut. Non-operating subsidies to the MTA Group for transit and commuter service for the period ended September 30, 2024 and 2023 totaled $6.2 billion and $5.3 billion, respectively.

Basis of Presentation - Fiduciary Funds – The fiduciary fund financial statements provide information about the funds that are used to report resources held in trust for retirees and beneficiaries covered by pension plans and other employee benefit trust funds of the MTA. Separate financial statements are presented for the fiduciary funds.

The following MTA fiduciary component units comprise the fiduciary activities of the MTA and are categorized within Pension and Other Employee Benefit Trust Funds.

- <u>Pension Trust Funds</u>
  - MTA Defined Benefit Plan
  - The Long Island Rail Road Company Plan for Additional Pensions ("Additional Plan")
  - Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA Plan")
  - Metro-North Commuter Railroad Company Cash Balance Plan ("MNR Cash Balance Plan")
- <u>Other Employee Benefit Trust Funds</u>
  - MTA Other Postemployment Benefits Plan ("OPEB" Plan)

These fiduciary statements of the fiduciary funds are prepared using the accrual basis of accounting and a measurement focus on the periodic determination of additions, deductions, and net position restricted for benefits. Both proprietary funds and fiduciary funds use the economic resources measurement focus. For reporting purposes, the financial results of the MNR Cash Balance Plan are not material and therefore not included in the fiduciary statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying consolidated interim financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The MTA applies Governmental Accounting Standards Board ("GASB") Codification of Governmental Accounting and Financial Reporting Standards ("GASB Codification") Section P80, Proprietary Accounting and Financial Reporting.

Accounting Standards Issued but Not Yet Adopted

GASB has issued the following pronouncements that may affect the future financial position, results of operations, cash flows, or financial presentation of the MTA upon implementation. Management has not yet evaluated the effect of implementation of these standards.

GASB Statement No.	GASB Accounting Standard	Required Year of Adoption
100	*Accounting Changes and Error Corrections*	2024
101	*Compensated Absences*	2024
102	*Certain Risk Disclosures*	2025
103	*Financial Reporting Model Improvements*	2026
104	*Disclosure of Certain Capital Assets*	2026

Use of Management Estimates — The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the fair value of investments, allowances for doubtful accounts, valuation of derivative instruments, incremental borrowing rate, arbitrage rebate liability, accrued expenses and other liabilities, depreciable lives of capital assets, estimated liability arising from injuries to persons, pension benefits and other postemployment benefits. Actual results could differ significantly from those estimates.

Principles of Consolidation — The consolidated interim financial statements consist of MTAHQ, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Staten Island Railway, GCMOC, FMTAC, MTA Bus, MTA Construction and Development, MTA New York City Transit (including its subsidiary MaBSTOA), and MTA Bridges and Tunnels for years presented in the financial statements. All related group transactions have been eliminated for consolidation purposes.

Net Position – Restricted and Unrestricted – When both restricted and unrestricted resources are available for use, the MTA normally uses restricted resources first, and then unrestricted resources as needed, unless there are legal requirements to the contrary. The MTA does not have a formal policy with respect to the order in which unrestricted resources are to be used, therefore, in accordance with GASB Statement No. 54, the MTA's unrestricted resources will be used in the following order: committed, assigned, and unassigned. Unrestricted net position may be designated for specific purposes by actions of management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

Investments — The MTA Group's investment policies comply with the New York State Comptroller's guidelines for such operating and capital policies. Those policies permit investments in, among others, obligations of the U.S. Treasury, its agencies and instrumentalities, and repurchase agreements secured by such obligations. FMTAC's investment policies comply with New York State Comptroller guidelines and New York State Department of Insurance guidelines.

Investments expected to be utilized within a year of March 31st have been classified as current assets in the consolidated interim financial statements.

In accordance with the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*, investments are recorded on the consolidated statements of net position at fair value, except for commercial paper, certificates of deposit, and repurchase agreements, which are recorded at amortized cost or contract value. All investment income, including changes in the fair value of investments, is reported as revenue on the consolidated statements of revenues, expenses and changes in net position. Fair values have been determined using quoted market values on September 30, 2024 and December 31, 2023.

Investment derivative contracts are reported at fair value using the income approach.

Materials and Supplies — Materials and supplies are valued at average cost, net of obsolescence reserve at September 30, 2024 and December 31, 2023 of $271 and $251, respectively.

Prepaid Expenses and Other Current Assets — Prepaid expenses and other current assets reflect advance payment of insurance premiums as well as 2024 and 2025 projected actuarially determined contributions of MTA-sponsored pension plans for the MTA Defined Benefit Pension Plan, LIRR Additional Pension Plan, and MaBSTOA Pension Plan.

Capital Assets — Properties and equipment are carried at cost and are depreciated on a straight-line basis over their estimated useful lives. Expenses for maintenance and repairs are charged to operations as incurred. Capital assets and improvements include all land, buildings, equipment, and infrastructure of the MTA having a minimum useful life of two years and having a cost of more than $25 thousand. Capital assets are stated at historical cost, or at estimated historical cost based on appraisals, or on other acceptable methods when historical cost is not available. GASB 87 leases are classified as right-to-use assets and measured at the present value of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. GASB 96 subscription-based information technology arrangements are classified as intangible right-to-use assets measured at the present value of subscription payments expected to be made during the subscription term, including any payments made before the commencement of the subscription term, and capitalizable implementations costs, less any incentives received. Accumulated depreciation and amortization are reported as reductions of capital and right-to-use assets. Depreciation is computed using the straight-line method based upon estimated useful lives of 25 to 50 years for buildings, 2 to 40 years for equipment, and 25 to 100 years for infrastructure. Right-to-use lease assets and leasehold improvements are amortized over the term of the lease or the life of the asset whichever is less. Right-to-use SBITA assets are amortized over the subscription term.

Leases – Per GASB Statement No. 87, certain lease agreements are classified as financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Lease receivables and liabilities are measured at the present value of payments expected to be made during the lease term, using an applicable discount rate stated or implicit in the lease and if not available, using incremental borrowing rate at the time of valuation. Lease assets and deferred inflows are amortized on a straight-line basis over the term of the lease.

Subscription-Based Information Technology Arrangements - GASB Statement No. 96, subscriptions to certain information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets) are recognized as an intangible right-to-use subscription asset with a corresponding subscription liability at the commencement of the subscription term. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the rate charged by the vendor, which may be implicit, or MTA's incremental borrowing rate if the interest rate is not readily determinable. The amortization of the subscription asset and discount on the subscription liability are both recognized as outflow of resources over the subscription term.

Operating and Non-operating Expenses — Operating and non-operating expenses are recognized in the accounting period in which the liability is incurred. All expenses related to operating the MTA (e.g., salaries, insurance, depreciation, lease and SBITA amortization, etc.) are reported as operating expenses. All other expenses (e.g. interest on long-term debt, interest on leases and SBITAs, subsidies paid to counties, etc.) are reported as non-operating expenses.

Pollution remediation projects —Pollution remediation costs have been expensed in accordance with the provisions of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (See Note 12). An operating expense provision and corresponding liability measured at current value using the expected cash flow method has been recognized for certain pollution remediation obligations, which previously may not have been required to be recognized, have been recognized earlier than in the past or are no longer able to be capitalized as a component of a capital project. Pollution remediation obligations occur when any one of the following obligating events takes place: the MTA is in violation of a pollution prevention-related permit or license; an imminent threat to public health due to pollution exists; the MTA is named by a regulator as a responsible or potentially responsible party to participate in remediation; the MTA voluntarily commences or legally obligates itself to commence remediation efforts; or the MTA is named or there is evidence to indicate that it will be named in a lawsuit that compels participation in remediation activities.

Operating Revenues — Passenger Revenue and Tolls — Revenues from the sale of tickets, tokens, electronic toll collection system, and farecards are recognized as income when tickets or farecards are used. Tickets are assumed to be used in the month of purchase, with the exception of advance purchases of monthly and weekly tickets. When the farecards expire, revenue is recorded for the unused value of the farecards.

MTA Bridges and Tunnel has two toll rebate programs at the Verrazano-Narrows Bridge: the Staten Island Resident (“SIR”) Rebate Program, available for residents of Staten Island participating in the SIR E-ZPass toll discount plan, and the Verrazano-Narrows Bridge Commercial Rebate Program (“VNB Commercial Rebate Program”), available for commercial vehicles making more than ten trips per month using the same New York Customer Service Center (“NYCSC”) E-ZPass account. The VNB Commercial Rebate Program and SIR Rebate Program are funded by the State and MTA.

Capital Financing — The MTA has ongoing programs on behalf of its subsidiaries and affiliates, subject to approval by the New York State Metropolitan Transportation Authority Capital Program Review Board (the “State Review Board”), which are intended to improve public transportation in the New York Metropolitan area.

The federal government has a contingent equity interest in assets acquired by the MTA with federal funds and upon disposal of such assets, the federal government may have a right to its share of the proceeds from the sale. This provision has not been a substantial impediment to the MTA’s operations.

American Rescue Plan Act (“ARPA”) — On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (“ARPA”). The $1.9 trillion package is intended to combat the COVID-19 pandemic, including the public health and economic impacts. The MTA received $6.2 billion in aid from ARPA in 2022 and 2023.

Non-operating Revenues

Operating Assistance — The MTA Group receives, subject to annual appropriation, New York State operating assistance funds that are recognized as revenue after the New York State budget is approved and adopted. Generally, funds received under the New York State operating assistance program are fully matched by contributions from New York City and the seven other counties within the MTA’s service area.

Mortgage Recording Taxes (“MRT”) — Under New York State law, the MTA receives capital and operating assistance through a Mortgage Recording Tax (“MRT-1”). MRT-1 is collected by New York City and the seven other counties within the MTA’s service area, at the rate of 0.25% of the debt secured by certain real estate mortgages. Effective September 2005, the rate was increased from 25 cents per 100 dollars of recorded mortgage to 30 cents per 100 dollars of recorded mortgage. The MTA also receives an additional Mortgage Recording Tax (“MRT-2”) of 0.25% of certain mortgages secured by real estate improved or to be improved by structures containing one to nine dwelling units in the MTA’s service area. MRT-1 and MRT-2 taxes are recognized as revenue based upon reported amounts of taxes collected.

- MRT-1 proceeds are initially used to pay MTAHQ’s operating expenses. Remaining funds, if any, are allocated 55% to certain transit operations and 45% to the commuter railroads operations. The commuter railroad portion is first used to fund the New York State Suburban Highway Transportation Fund in an amount not to exceed $20 annually (subject to the monies being returned under the conditions set forth in the governing statute if the Commuter Railroads are operating at a deficit).
- The first $5 of the MRT-2 proceeds is transferred to the MTA Dutchess, Orange, and Rockland (“DOR”) Fund ($1.5 each for Dutchess and Orange Counties and $2 for Rockland County). Additionally, the MTA must transfer to each County’s fund an amount equal to the product of (i) the percentage by which each respective County’s mortgage recording tax payments (both MRT-1 and MRT-2) to the MTA increased over such payments in 1989 and (ii) the base amount received by each county as described above. The counties do not receive any portion of the September

1, 2005 increase in MRT-1 from 25 cents per $100 of recorded mortgage to 30 cents. As of September 30, 2024, the MTA paid to Dutchess, Orange and Rockland Counties the 2023 excess amounts of MRT-1 and MRT-2 totaling $7.6.

- In addition, MTA New York City Transit receives operating assistance directly from New York City through a mortgage recording tax at the rate of 0.625% of the debt secured by certain real estate mortgages and through a property transfer tax at the rate of one percent of the assessed value (collectively referred to as "Urban Tax Subsidies") of certain properties.

Mobility Tax — In June of 2009, Chapter 25 of the New York State Laws of 2009 added Article 23, which establishes the Metropolitan Commuter Transportation Mobility Tax ("MCTMT"). The proceeds of this tax, administered by the New York State Tax Department, are to be distributed to the Metropolitan Transportation Authority. This tax is imposed on certain employers and self-employed individuals engaging in business within the metropolitan commuter transportation district which includes New York City, and the counties of Rockland, Nassau, Suffolk, Orange, Putnam, Dutchess, and Westchester. This Tax is imposed on certain employers that have payroll expenses within the Metropolitan Commuter Transportation District, to pay at a rate of 0.34% of an employer's payroll expenses for all covered employees for each calendar quarter. The employer is prohibited from deducting from wages or compensation of an employee any amount that represents all or any portion of the MCTMT. The effective date of this tax was March 1, 2009 for employers other than public school districts; September 1, 2009 for Public school districts and January 1, 2009 for individuals.

On May 3, 2023, New York Governor Kathy Hochul approved Senate Bill 4008 which, effective July 1, 2023, increases the top rate for the MCTMT from 0.34% to 0.60% for employees and individuals in certain New York counties and clarifies the application of the tax for limited partners.

Supplemental Aid — In 2009, several amendments to the existing tax law provided the MTA supplemental revenues to be deposited into the AID Trust Account of the Metropolitan Transportation Authority Financial Assistance Fund established pursuant to Section 92 of the State Finance law. These supplemental revenues relate to: 1) supplemental learner permit/ license fee in the Metropolitan Commuter Transportation District, 2) supplemental registration fee, 3) supplemental tax on every taxicab owner per taxicab ride on every ride that originated in New York City and terminates anywhere within the territorial boundaries of the Metropolitan Commuter Transportation District, and 4) supplemental tax on passenger car rental. This Supplemental Aid Tax is provided to the MTA in conjunction with the Mobility Tax.

Dedicated Taxes — Under New York State law, subject to annual appropriation, the MTA receives operating assistance through a portion of the Dedicated Mass Transportation Trust Fund ("MTTF") and Metropolitan Mass Transportation Operating Assistance Fund ("MMTOA"). The MTTF receipts consist of a portion of the revenues derived from certain business privilege taxes imposed by the State on petroleum businesses, a portion of the motor fuel tax on gasoline and diesel fuel, and a portion of certain motor vehicle fees, including registration and non-registration fees. Effective October 1, 2005, the State increased the amount of motor vehicle fees deposited into the MTTF for the benefit of the MTA. MTTF receipts are applied first to meet certain debt service requirements or obligations and second to the Transit System (defined as MTA New York City Transit and MaBSTOA), MTA Staten Island Railway and the Commuter Railroads to pay operating and capital costs. The MMTOA receipts are comprised of 0.375% regional sales tax, regional franchise tax surcharge, a portion of taxes on certain transportation and transmission companies, and an additional portion of the business privilege tax imposed on petroleum businesses. MMTOA receipts, to the extent that MTTF receipts are not sufficient to meet debt service requirements, will also be applied to certain debt service obligations, and secondly to operating and capital costs of the Transit System, and the Commuter Railroads.

The State Legislature enacts in an annual budget bill for each state fiscal year an appropriation to the MTA Dedicated Tax Fund for the then-current state fiscal year and an appropriation of the amounts projected by the Director of the Budget of the State to be deposited in the MTA Dedicated Tax Fund for the next succeeding state fiscal year. The assistance deposited into the MTTF is required by law to be allocated, after provision for debt service on Dedicated Tax Fund Bonds (See Note 7), 85% to certain transit operations (not including MTA Bus) and 15% to the commuter railroads operations. Revenues from this funding source are recognized based upon amounts of tax reported as collected by New York State, to the extent of the appropriation.

Build America Bond Subsidy — The MTA is receiving cash subsidy payments from the United States Treasury equal to 35% of the interest payable on the Series of Bonds issued as "Build America Bonds" and authorized by the Recovery Act. The Internal Revenue Code of 1986 imposes requirements that MTA must meet and continue to meet after the issuance in order to receive the cash subsidy payments. The interest on these bonds is fully subject to Federal income taxation to the bondholder.

Congestion Zone Surcharges – In April 2018, the approved 2018-2019 New York State Budget enacted legislation that provided additional sources of revenue, in the form of surcharges and fines, as defined by Article 29-C, Chapter 59 of the Tax Law, to address the financial needs of the MTA. Beginning on January 1, 2019, the legislation imposed the following:

- A surcharge of $2.75 on for-hire transportation trips provided by motor vehicles carrying passengers for hire (or $2.50 in the case of taxicabs that are subject to the $0.50 cents tax on hailed trips that are part of the MTA Aid Trust

Account Receipts), other than pool vehicles, ambulance and buses, on each trip that (1) originates and terminates south of and excluding 96th Street in New York City, in the Borough of Manhattan (the "Congestion Zone"), (2) originates anywhere in New York State and terminates within the Congestion Zone, (3) originates in the Congestion Zone and terminates anywhere in New York State, or (4) originates anywhere in New York State, enters into the Congestion Zone while in transit, and terminates anywhere in New York State.

- A surcharge of $0.75 cents for each person who both enters and exits a pool vehicle in New York State and who is picked up in, dropped off in, or travels through the Congestion Zone.

The Congestion Zone Surcharges do not apply to transportation services administered by or on behalf of MTA, including paratransit services.

The April 2018 legislation also created the New York City Transportation Assistance Fund, held by MTA. The fund consists of the three sub-accounts, the Subway Action Plan Account, the Outer Borough Transportation Account and the General Transportation Account.

- **Subway Action Plan Account** – Funds in this account may be used exclusively for funding the operating and capital costs, and debt service associated with the Subway Action Plan.
- **Outer Borough Transportation Account** - Funds in this account may be used exclusively for funding (1) the operating and capital costs of, and debt service associated with, the MTA facilities, equipment and services in the counties of Bronx, Kings, Queens and Richmond, and any projects improving transportation connections from such counties to Manhattan, or (2) a toll reduction program for any crossing under the jurisdiction of MTA or MTA Bridges and Tunnels.
- **General Transportation Account** - Funds in this account may be used exclusively for funding the operating and capital costs of MTA. In each case, funds may be used for various operations and capital needs or for debt service and reserve requirements.

Dedicated Revenues - In April 2019, the approved 2019-2020 New York State Budget enacted legislation that included new, dedicated revenue streams for the MTA. The additional sources of revenue include a Central Business District Tolling Program. The Central Business District Tolling Program will assess a toll for vehicles entering the Central Business District, defined as south of 60th Street in Manhattan, but will exclude vehicles traveling on the FDR Drive or the West Side Highway, which includes the Battery Park underpass and or any surface roadway portion of the Hugh L. Carey Tunnel that connects to West Street. On June 5, 2024, Governor Kathy Hochul announced her intention to indefinitely pause the implementation of the congestion pricing program.

The enacted State Budget also included provisions for a new Real Property Transfer Tax Surcharge (referred to as the "Mansion Tax") on high-priced residential property sales in New York City and an Internet Marketplace Sales Tax. The Mansion Tax went into effect on July 1, 2019 and increases the transfer tax on a sliding scale by a quarter percent starting at $2, with a combined top rate of 4.15%, on the sale of New York City residential properties valued at $25 or above. The Internet Marketplace Sales Tax went into effect on June 1, 2019 and requires internet marketplace providers to collect and remit sales tax from out of state retailers on their sites that have gross receipts exceeding $500,000 (dollars) and delivering more than one hundred sales into New York State in the previous four quarters. The sales tax will be collected at the normal rate of 4% plus local sales tax.

The proceeds from the Central Business District Tolling Program, the Internet Marketplace Sales Tax and the Real Property Transfer Tax Surcharge will be deposited into the MTA's Central Business District Tolling Program capital lock box and may only be used to support financing of the 2020-2024 Capital Program.

Operating Subsidies Recoverable from Connecticut Department of Transportation ("CDOT") — A portion of the deficit from operations relating to MTA Metro-North Railroad's New Haven line is recoverable from CDOT. Under the terms of a renewed Service Agreement, which began on January 1, 2015, and the 1998 resolution of an arbitration proceeding initiated by the State of Connecticut, CDOT pays 100.0% of the net operating deficit of MTA Metro-North Railroad's branch lines in Connecticut (New Canaan, Danbury, and Waterbury), 65.0% of the New Haven mainline operating deficit, and 54.3% of the Grand Central Terminal ("GCT") operating deficit. The New Haven line's share of the net operating deficit for the use of GCT is comprised of a fixed fee, calculated using several years as a base, with annual increases for inflation, and the actual cost of operating GCT's North End Access beginning in 1999. The Service Agreement also provides that CDOT pay 100% of the cost of non-movable capital assets located in Connecticut, 100% of movable capital assets to be used primarily on the branch lines and 65% of the cost of other movable capital assets allocated to the New Haven line. Remaining funding for New Haven line capital assets is provided by the MTA. Capital assets completely funded by CDOT are not reflected in these financial statements, as ownership is retained by CDOT. The Service Agreement provides that final billings for each year be subject to audit by CDOT. The audits of 2022 and 2021 billings are still open.

Reimbursement of Expenses — The cost of operating and maintaining the passenger stations of the Commuter Railroads in New York State is assessable by the MTA to New York City and the other counties in which such stations are located for each New York State fiscal year ending December 31, under provisions of the New York State Public Authorities Law. This funding is recognized as revenue based upon an amount, fixed by statute, for the costs to operate and maintain passenger stations and is revised annually by the increase or decrease of the regional Consumer Price Index.

In 1995, New York City ceased reimbursing the MTA for the full costs of the free/reduced fare program for students. Beginning in 1996, the State and New York City each began paying $45 per annum to the MTA toward the cost of the program. In 2009, the State reduced their $45 reimbursement to $6.3. Beginning in 2010, the State increased their annual commitment to $25.3 while New York City's annual commitment remained at $45. These commitments have been met by both the State and New York City for both 2022 and 2023. For the year ended December 31, 2023, the MTA received $70.3 from the State and New York City combined, which include $30.0 prepayment for the year 2024 from New York City.

Prior to April 1995, New York City was obligated to reimburse MTA New York City Transit for the transit police force. As a result of the April 1995 merger of the transit police force into the New York City Police Department, New York City no longer reimburses MTA New York City Transit for the costs of policing the Transit System on an ongoing basis since policing of the Transit System is being carried out by the New York City Police Department at New York City's expense. MTA New York City Transit continues to be responsible for certain capital costs and support services related to such police activities, a portion of which is reimbursed by New York City. MTA New York City Transit received approximately 1.9 in the nine months ended September 30, 2024 and 2.1 in the nine months ended September 30, 2023 from New York City for the reimbursement of transit police costs.

MTAHQ bills MTA Metro-North Railroad through its consolidated services for MTA police costs in the New Haven line of which MTA Metro-North Railroad recovers approximately 65% from Connecticut Department of Transportation. The amounts billed for the periods ended September 30, 2024 and 2023 were 25.3 and 18.6, respectively. The amounts recovered for the periods ended September 30, 2024 and 2023 were approximately 16.4 and 12.1, respectively.

Federal law and regulations require a paratransit system for passengers who are not able to ride the buses and trains because of their disabilities. Pursuant to an agreement between New York City and the MTA, MTA New York City Transit, effective July 1, 1993, assumed operating responsibility for all paratransit service required by the Americans with Disability Act of 1990. Services are provided by private vendors under contract with MTA New York City Transit. New York City reimburses MTA New York City Transit for the lesser of 33% of net paratransit operating expenses defined as labor, transportation, and administrative costs less fare revenues and 6% of gross urban tax proceeds as described above or, an amount that is 20% greater than the amount paid by New York City for the preceding calendar year. Fare revenues and New York City's reimbursement aggregated approximately 406.2 for the nine months ended September 30, 2024 and 277.4 for the nine months ended September 30, 2023.

Grants and Appropriations — Grants and appropriations for capital projects are recorded when requests are submitted to the funding agencies for reimbursement of capital expenditures meeting eligibility requirements. These amounts are reported separately after Net Non-operating Revenues in the Statements of Revenues, Expenses, and Changes in Net Position.

Operating and Non-operating Expenses

Operating and non-operating expenses are recognized in the accounting period in which the liability is incurred. All expenses related to operating the MTA (e.g., salaries, insurance, depreciation, and amortization, etc.) are reported as operating expenses. All other expenses (e.g., interest on long-term debt, subsidies paid to counties, etc.) are reported as non-operating expenses.

Liability Insurance — FMTAC, an insurance captive subsidiary of MTA, operates a liability insurance program ("ELF") that insures certain claims in excess of the self-insured retention limits of the agencies on both a retrospective (claims arising from incidents that occurred before October 31, 2003) and prospective (claims arising from incidents that occurred on or after October 31, 2003) basis. For claims arising from incidents that occurred on or after November 1, 2006, but before November 1, 2009, the self-insured retention limits are: $8 for MTA New York City Transit, MaBSTOA, MTA Bus, MTA Long Island Rail Road, and MTA Metro-North Railroad; $2.3 for MTA Long Island Bus and MTA Staten Island Railway; and $1.6 for MTAHQ and MTA Bridges and Tunnels. For claims arising from incidents that occurred on or after November 1, 2009, but before November 1, 2012, the self-insured retention limits are: $9 for MTA New York City Transit, MaBSTOA, MTA Bus, MTA Long Island Rail Road and MTA Metro-North Railroad; $2.6 for MTA Long Island Bus and MTA Staten Island Railway; and $1.9 for MTAHQ and MTA Bridges and Tunnels. Effective November 1, 2012, the self-insured retention limits for ELF were increased to the following amounts: $10 for MTA New York City Transit, MaBSTOA, MTA Bus, MTA Long Island Rail Road and MTA Metro-North Railroad; $3 for MTA Staten Island Railway; and $2.6 for MTAHQ and MTA Bridges and Tunnels. Effective October 31, 2015, the self-insured retention limits for ELF were increased to the following amounts: $11 for MTA New York City Transit, MaBSTOA, MTA Bus, MTA Long Island Rail Road and MTA Metro-North Railroad; $3.2 for MTA Staten Island Railway, MTAHQ and MTA Bridges and Tunnels. The maximum amount of claims arising out of any one occurrence is the total assets of the program available for claims, but in no event greater than $50.

The retrospective portion contains the same insurance agreements, participant retentions, and limits as existed under the ELF program for occurrences happening on or before October 30, 2003. On a prospective basis, FMTAC issues insurance policies indemnifying the other MTA Group entities above their specifically assigned self-insured retention with a limit of $50 per occurrence with a $50 annual aggregate. FMTAC charges appropriate annual premiums based on loss experience and exposure analysis to maintain the fiscal viability of the program. On September 30, 2024, the balance of the assets in this program was $198.89.

MTA also maintains an All-Agency Excess Liability Insurance Policy that affords the MTA Group additional coverage limits of $357.5 for a total limit of $407.5 ($357.5 excess of $50). In certain circumstances, when the assets in the program described in the preceding paragraph are exhausted due to payment of claims, the All-Agency Excess Liability Insurance will assume the coverage position of $50.

On March 1, 2024, the “Access-A-Ride” automobile liability policy program was renewed. This program provides third-party auto liability insurance coverage to vendors under the Access-A-Ride contract, to perform services on behalf of MTA New York City Transit. This policy provides a $3 per occurrence to fund self-insured losses.

On December 15, 2023, FMTAC renewed the primary coverage on the Station Liability and Force Account liability policies at $11 per occurrence loss for MTA Metro-North Railroad and MTA Long Island Rail Road.

Property Insurance — Effective May 1, 2024, FMTAC renewed the all-agency property insurance program. For the annual period commencing May 1, 2024, FMTAC directly insures property damage claims of the Related Entities in excess of a $25 per occurrence deductible, subject to an annual $75 aggregate deductible. The total All Risk program annual limit is $500 per occurrence and in the annual aggregate for Flood and Earthquake covering property of the Related Entities collectively. FMTAC is reinsured in the domestic, Asian, London, European, and Bermuda reinsurance markets for this coverage.

Losses occurring after exhaustion of the deductible aggregate are subject to a deductible of $7.5 per occurrence. In addition to the noted $25 per occurrence self-insured deductible, MTA self-insures above that deductible for $269.725 within the overall $500 per occurrence property program as follows: $28.543 (or 57.09%) of the primary $50 layer, plus $28.543 (or 57.09%) of the $50 excess $50 layer, plus $19.293 k(or 38.59%) of the $50 excess $100 layer, plus $11.793(or 23.59%) of the $50 excess $150 layer, plus $8.643 (or 17.29%) of the $50 excess $200 layer, plus $15.518 (or 31.04%) of the $50 excess $250 layer, plus $26.893 (or 53.79%) of the $50 excess $300 layer, plus $39.000 (or 78.00%) of the $50 excess $350 layer, plus $41.500 (or 83.00%) of the $50 excess $400 layer, and $50.000 (or 100%) of the $50 excess of $450 layer.

The property insurance policy provides replacement cost coverage for all risks (including Earthquake, Flood and Wind) of direct physical loss or damage to all real and personal property, with minor exceptions. The policy also provides extra expense and business interruption coverage.

Supplementing the $500 per occurrence noted above, FMTAC’s property insurance program has been expanded to include a further layer of $100 of fully collateralized storm surge coverage for losses from storm surges that surpass specified trigger levels in the New York Harbor or Long Island Sound and are associated with named storms that occur at any point in the three year period from May 19, 2023 to April 30, 2026. An addition $25 of fully collateralized storm surge coverage was added for a period of July 1, 2024 to May 31, 2025. The expanded protection is reinsured by MetroCat Re Ltd. 2023-1, a Bermuda special purpose insurer independent from the MTA and formed to provide FMTAC with capital markets based property reinsurance. The MetroCat Re Ltd. 2023-1 reinsurance policy is fully collateralized by a Regulation 114 trust invested in U.S. Treasury Money Market Funds. The additional coverage provided is parametric and available for storm surge losses resulting from a storm that causes water levels that reach the specified index values.

With respect to acts of terrorism, FMTAC provides direct coverage that is reinsured by the United States Government for 80% of “certified” losses, as covered by the Terrorism Risk Insurance Program Reauthorization Act (“TRIPRA”) of 2019. The remaining 20% of the Related Entities’ losses arising from an act of terrorism would be covered under the additional terrorism policy described below. No federal compensation will be paid unless the aggregate industry insured losses exceed a trigger of $200. The United States government’s reinsurance is in place through December 31, 2027.

To supplement the reinsurance to FMTAC through the TRIPRA, MTA obtained an additional commercial reinsurance policy with various reinsurance carriers in the domestic, London and European marketplaces. That policy provides coverage for (1) 20% of any “certified” act of terrorism up to a maximum recovery of $215 for any one occurrence and in the annual aggregate (2) the TRIPRA FMTAC captive deductible (per occurrence and on an aggregated basis) that applies when recovering under the “certified” acts of terrorism insurance or (3) 100% of any “certified” terrorism loss which exceeds $5 and less than the $200 TRIPRA trigger up to a maximum recovery of $200 for any occurrence and in the annual aggregate.

Additionally, MTA purchases coverage for acts of terrorism which are not certified under TRIPRA to a maximum of $215. Recovery under the terrorism policy is subject to a deductible of $25 per occurrence and $75 in the annual aggregate in the event of multiple losses during the policy year. Should the Related Entities’ deductible in any one year exceed $75 future losses in that policy year are subject to a deductible of $7.5. The terrorism coverages expire at midnight on May 1, 2025.

Pension Plans — In accordance with the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the MTA recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the MTA's proportionate share thereof in the case of a cost-sharing multiple-employer plan, measured as of the measurement date of each of the qualified pension plans. Changes in the net pension liability during the year are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change, in the year incurred. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the year in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the year in which the difference occurred.

Postemployment Benefits Other Than Pensions — In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* and GASB Statement No. 85*, Omnibus* for the OPEB Plan, the MTA recognizes a net OPEB liability, which represents the excess of the total OPEB liability over the fiduciary net position of the OPEB Plan, measured as of the measurement date of the plan.

Changes in the net OPEB liability during the year are recorded as OPEB expense, or as deferred outflows of resources or deferred inflows of resources relating to OPEB depending on the nature of the change, in the year incurred. Changes in net OPEB liability that are recorded as deferred outflows of resources or deferred inflows of resources that arise from changes in actuarial assumptions and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the OPEB plan and recorded as a component of OPEB expense beginning with the year in which they are incurred. Projected earnings on qualified OPEB plan investments are recognized as a component of OPEB expenses. Differences between projected and actual investment earnings are reported as deferred outflows of resources or deferred inflow of resources as a component of OPEB expense on a closed basis over a five-year period beginning with the year in which the difference occurred.

3. CASH AND INVESTMENTS

Cash - The Bank balances are insured up to $250 thousand in the aggregate by the Federal Deposit Insurance Corporation ("FDIC") for each bank in which funds are deposited. As of September 30, 2024, restricted cash, primarily for capital projects, totaled $711.

Cash, including deposits in transit, consists of the following at September 30, 2024 and December 31, 2023 (in millions):

	September 30, 2024		December 31, 2023	
	Carrying Amount	Bank Balance	Carrying Amount	Bank Balance
FDIC insured or collateralized deposits	$ 223	$ 215	$ 114	$ 113
Uninsured and not collateralized	1,310	1,274	1,474	1,453
Total Balance	$ 1,533	$ 1,489	$ 1,588	$ 1,566

All collateralized deposits are held by the MTA or its agent in the MTA's name.

The MTA, on behalf of itself, its affiliates and subsidiaries, invests funds which are not immediately required for the MTA's operations in securities permitted by the New York State Public Authorities Law, including repurchase agreements collateralized by U.S. Treasury securities, U.S. Treasury notes, and U.S. Treasury zero coupon bonds.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the MTA will not be able to recover the value of its deposits. While the MTA does not have a formal deposit policy for custodial credit risk, New York State statues govern the MTA's investment policies. The MTA's uninsured and uncollateralized deposits are primarily held by commercial banks in the metropolitan New York area and are subject to the credit risks of those institutions.

Investments - MTA holds most of its investments at a custodian bank. The custodian must meet certain banking institution criteria enumerated in MTA's Investment Guidelines. The Investment Guidelines also require the Treasury Division to hold at least $100 of its portfolio with a separate emergency custodian bank. The purpose of this deposit is in the event that the MTA's main custodian cannot execute transactions due to an emergency outside of the custodian's control, the MTA has an immediate alternate source of liquidity.

The MTA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The MTA had the following recurring fair value measurements as of September 30, 2024 and December 31, 2023 (in millions):

Investments by fair value level	**September 30, 2024**			**December 31, 2023**		
	Total	**Level 1**	**Level 2**	**Total**	**Level 1**	**Level 2**
Debt Securities:						
U.S. treasury securities	$ 12,689	$ 11,539	$ 1,150	$ 9,478	$ 7,975	$ 1,503
U.S. government agency	611	-	611	403	-	403
Asset-backed securities	58	-	58	71	-	71
Commercial mortgage-backed securities	84	-	84	172	-	172
Foreign bonds	12	12	-	10	10	-
Corporate bonds	131	131	-	114	114	-
Tax Benefit Lease Investments:						
U.S. treasury securities	147	147	-	146	146	-
U.S. government agency	129	71	58	122	67	55
Repurchase agreements	95	95	-	258	258	-
Total investments by fair value level	13,956	$ 11,995	$ 1,961	10,774	$ 8,570	$ 2,204
Financed Purchases	114			111		
Total Investments	$ 14,070			$ 10,885		

Investments classified as Level 1 of the fair value hierarchy, totaling $11,995 and $8,570 as of September 30, 2024 and December 31, 2023, respectively, are valued using quoted prices in active markets. Fair values include accrued interest to the extent that interest is included in the carrying amounts. Accrued interest on investments other than Treasury bills and coupons is included in other receivables on the statement of net position. The MTA's investment policy states that securities underlying repurchase agreements must have a fair value at least equal to the cost of the investment.

U.S. Government agency securities totaling $669 and $458, U.S, treasury securities totaling $1,150 and $1,503, asset-backed securities totaling $58 and $71, and commercial mortgage-backed securities totaling $84 and $172 as of September 30, 2024 and December 31, 2023, respectively, classified in Level 2 of the fair value hierarchy, are valued using matrix pricing techniques maintained by a third-party pricing service. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices and indices. Fair value is defined as the quoted fair value on the last trading day of the period. These prices are obtained from a third-party pricing service or our custodian bank.

In connection with certain financed purchases transactions described in Note 9, the MTA has purchased securities or entered into payment undertaking, letter of credit, or similar type agreements or instruments (guaranteed investment contracts) with financial institutions, which generate sufficient proceeds to make basic rent and purchase option payments under the terms of the leases. If the obligors do not perform, the MTA may have an obligation to make the related rent payments.

All investments, other than the investments restricted for financed purchase obligations, are either insured or registered and held by the MTA or its agent in the MTA's name. Investments restricted for financed purchases are either held by MTA or its agent in the MTA's name or held by a custodian as collateral for MTA's obligation to make rent payments under financed purchase obligations. Investments had weighted average yields of 4.62% and 5.13% for the nine months ended September 30, 2024 and year ended December 31, 2023, respectively.

Credit Risk — At September 30, 2024 and December 31, 2023, the following credit quality rating has been assigned to MTA investments by a nationally recognized rating organization (in millions):

Quality Rating Standard & Poor's	September 30, 2024	Percent of Portfolio	December 31, 2023	Percent of Portfolio
A-1+	$ 300	2%	$ 175	2%
AAA	319	2%	315	3%
AA+	58	0%	55	1%
AA	17	0%	14	0%
A	85	1%	77	1%
A-	73	1%	113	1%
BBB	53	0%	41	0%
Not Rated	144	1%	291	2%
U.S. Government	12,907	93%	9,693	90%
Total	13,956	100%	10,774	100%
Financed Purchases	114		111	
Total investment	$ 14,070		$ 10,885	

Interest Rate Risk — Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment. Duration is a measure of interest rate risk. The greater the duration of a bond or portfolio of bonds, the greater its price volatility will be in response to a change in interest rate risk and vice versa. Duration is an indicator of bond price's sensitivity to a 100 basis point change in interest rates.

	September 30, 2024		December 31, 2023	
	Fair Value	Duration	Fair Value	Duration
(In millions)		**(in years)**		**(in years)**
U.S. treasury securities	$ 12,689	7.27	$ 9,478	4.85
U.S. government agency	611	4.92	403	6.40
Tax benefit financed purchase investments	276	5.06	268	5.35
Repurchase agreement	95	-	258	-
Asset-backed securities [(1)]	58	3.20	71	3.26
Commercial mortgage-backed securities [(1)]	84	3.68	172	5.25
Foreign bonds [(1)]	12	7.89	10	5.66
Corporates [(1)]	131	6.86	114	5.89
Total fair value	13,956		10,774	
Modified duration		7.03		4.81
Investments with no duration reported	114		111	
Total investments	$ 14,070		$ 10,885	

[(1)] These securities are only included in the FMTAC portfolio.

MTA is a public benefit corporation established under the New York Public Authorities Law. MTA's Treasury Division is responsible for the investment management of the funds of the component units. The investment activity covers all operating and capital funds, including bond proceeds, and the activity is governed by State statutes, bond resolutions and the Board-adopted investment guidelines (the "Investment Guidelines"). The MTA Act currently permits the Related Entities to invest in the following general types of obligations:

- obligations of the State or the United States Government;
- obligations of which the principal and interest are guaranteed by the State or the United States government;
- obligations issued or guaranteed by certain Federal agencies;
- repurchase agreements fully collateralized by the obligations of the foregoing United States Government and Federal agencies;
- certain certificates of deposit of banks or trust companies in the State;
- certain banker's acceptances with a maturity of 90 days or less;
- certain commercial paper;

- certain municipal obligations; and
- certain mutual funds up to $10 in the aggregate.

The MTA adopted NYS Statutory Requirements with respect to credit risk of its investments, which include, but are not limited to the following sections:

i. Public Authorities Law Sections 1265(4) (MTA), 1204(19) (MTA New York City Transit Authority) and 553(21) (MTA Bridges and Tunnels);

ii. Public Authorities Law Section 2925 Investment of funds by public authorities and public benefit corporations; general provisions; and

iii. State Finance Law Article 15 – EXCELSIOR LINKED DEPOSIT ACT.

MTA Investment Guidelines limit the dollar amount invested in banker acceptances, commercial paper, and obligations issued or guaranteed by certain Federal agencies to $250 at cost. There are no dollar limits on the purchase of obligations of the United States government, the State or obligations the principal and interest of which are guaranteed by the State or the United States government. Investments in collateralized repurchase agreements are limited by dealer or bank's capital. MTA can invest no greater than $300 with a bank or dealer rated in Tier 1 (i.e. $1 billion or more of capital).

FMTAC is created as a MTA subsidiary and is licensed as a captive direct insurer and reinsurer by the New York State Department of Insurance. As such, FMTAC is responsible for the investment management of its funds. The investment activity is governed by State statutes and the FMTAC Board adopted investment guidelines. The minimum surplus to policyholders and reserve instruments are invested in the following investments:

- obligations of the United States or any agency thereof provided such agency obligations are guaranteed as to principal and interest by the United States;
- direct obligations of the State or of any county, district or municipality thereof;
- any state, territory, possession or any other governmental unit of the United States;
- certain bonds of agencies or instrumentalities of any state, territory, possession or any other governmental unit of the United States;
- the obligations of a solvent American institution which are rated investment grade or higher (or the equivalent thereto) by a securities rating agency; and
- certain mortgage backed securities in amounts no greater than five percent of FMTAC's admitted assets.

FMTAC may also invest non-reserve instruments in a broader range of investments including the following general types of obligations:

- certain equities; and
- certain mutual funds.

FMTAC is prohibited from making the following investments:

- investment in an insolvent entity;
- any investment as a general partner; and
- any investment found to be against public policy.

FMTAC investment guidelines do include other investments, but FMTAC has limited itself to the above permissible investments at this time.

4. EMPLOYEE BENEFITS

Pensions — The MTA Related Groups sponsor and participate in several defined benefit pension plans for their employees, the Long Island Railroad Company Plan for Additional Pensions (the "Additional Plan"), the Manhattan and Bronx Surface Transit Operating Authority Pension Plan (the "MaBSTOA Plan"), the Metro-North Commuter Railroad Company Cash Balance Plan (the "MNR Cash Balance Plan"), the Metropolitan Transportation Authority Defined Benefit Plan (the "MTA Defined Benefit Plan"), the New York City Employees' Retirement System ("NYCERS"), and the New York State and Local Employees' Retirement System ("NYSLERS"). A brief description of each of these pension plans follows:

Plan Descriptions

1. Additional Plan —

The Additional Plan is a single-employer defined benefit pension plan that provides retirement, disability and survivor benefits to members and beneficiaries. The Additional Plan covers MTA Long Island Rail Road employees hired effective July 1, 1971 and prior to January 1, 1988. The Additional Plan's activities, including establishing and amending contributions and benefits are administered by the Board of Managers of Pensions. The Additional Plan is a governmental plan and accordingly, is not subject to the funding and other requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Additional Plan is a closed plan.

The Board of Managers of Pensions is comprised of the Chairman of the MTA, MTA Chief Financial Officer, MTA Director of Labor Relations and the agency head of each participating Employer or the designee of a member of the Board of Managers. The Additional Plan for Additional Pensions may be amended by action of the MTA Board. The Additional Plan is a fiduciary component unit of the MTA and is reflected in the Pension and Other Employee Benefit Trust Funds section of the MTA's basic financial statements.

The pension plan has a separately issued financial statement that is publicly available and contains required descriptions and supplemental information regarding the employee benefit plan. The financial statements may be obtained at www.mta.info or by writing to, MTA Deputy Chief, Controller's Office, 2 Broadway, 15th Floor New York, NY 10004 or at www.mta.info.

2. MaBSTOA Plan —

The MaBSTOA Plan is a cost-sharing multiple-employer defined benefit plan administered by MTA Headquarters and funded by MTA New York City Transit covering employees of MaBSTOA and certain employees of MTA Headquarters. Prior to January 1, 2020, this was a single employer defined benefit retirement plan covering only MaBSTOA employees. Employees of MaBSTOA and MTA Headquarters are specifically excluded from participating in the New York City Employees' Retirement System (NYCERS). The Plan provides retirement as well as death, accident and disability benefits. Effective January 1, 1999, in order to afford managerial and non-represented MaBSTOA employees the same pension rights as like title employees in the MTA New York City Transit Authority, membership in the MaBSTOA Plan is mandatory.

The Board of Administration, established in 1963, determines the eligibility of employees and beneficiaries for retirement and death benefits. The MaBSTOA Plan assigns authority to the MaBSTOA Board to modify, amend or restrict the MaBSTOA Plan or to discontinue it altogether, subject, however, to the obligations under its collective bargaining agreements. The Board is composed of five members: two representatives from the Transport Workers Union, Local 100 ("TWU") and three employer representatives. The MaBSTOA Plan is a fiduciary component unit of the MTA and is reflected in the Pension and Other Employee Benefit Trust Funds section of the MTA's basic financial statements.

The pension plan issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to, MTA Deputy Chief, Controller's Office, 2 Broadway, 15th Floor New York, NY 10004 or at www.mta.info.

3. MNR Cash Balance Plan —

The MNR Cash Balance Plan is a single employer, defined benefit pension plan administered by MTA Headquarters and funded by MTA Metro-North Railroad. The MNR Cash Balance Plan covers non-collectively bargained employees formerly employed by Conrail, who joined MTA Metro-North Railroad as management employees between January 1 and June 30, 1983, and were still employed as of December 31, 1988. Effective January 1, 1989, these management employees were covered under the Metro-North Commuter Railroad Defined Contribution Plan for Management Employees (the "Management Plan") and the MNR Cash Balance Plan was closed to new participants. The assets of the Management Plan were merged with the Metropolitan Transportation Authority Defined Benefit Plan for Non-Represented Employees (now titled as the Metropolitan Transportation Authority Defined Benefit Pension Plan) as of the asset transfer date of July 14, 1995. The MNR Cash Balance Plan is designed to satisfy the applicable requirements for governmental plans under Section 401(a) and 501(a) of the Internal Revenue Code. Accordingly, the MNR Cash Balance Plan is tax-exempt and is not subject to the provisions of ERISA.

The MTA Board of Trustees appoints a Board of Managers of Pensions consisting of five individuals who may, but need not, be officers or employees of the company. The Board of Managers control and manage the operation and administration of the MNR Cash Balance Plan's activities, including establishing and amending contributions and benefits.

Further information about the MNR Cash Balance Plan is more fully described in the separately issued financial statements that can be obtained by writing to, MTA Deputy Chief, Controller's Office, 2 Broadway, 15th Floor New York, NY 10004 or at www.mta.info.

4. MTA Defined Benefit Plan —

The MTA Defined Benefit Pension Plan (the "MTA Plan" or the "Plan") is a cost sharing, multiple-employer defined benefit pension plan. The Plan covers certain MTA Long Island Railroad non-represented employees hired after January 1, 1988, MTA Metro-North Railroad non-represented employees, certain employees of the former MTA Long Island Bus hired prior to January 24, 1983, MTA Police, MTA Long Island Railroad represented employees hired after December 31, 1987, certain MTA Metro-North Railroad represented employees, MTA Staten Island Railway represented and non-represented employees and certain employees of the MTA Bus Company ("MTA Bus"). The MTA, MTA Long Island Railroad, MTA Metro-North Railroad, MTA Staten Island Railway and MTA Bus contribute to the MTA Defined Benefit Plan, which offers distinct retirement, disability retirement, and death benefit programs for their covered employees and beneficiaries.

The MTA Defined Benefit Plan is administered by the Board of Managers of Pensions. The MTA Defined Benefit Plan, including benefits and contributions, may be amended by action of the MTA Board. The MTA Defined Benefit Plan is a fiduciary component unit of the MTA and is reflected in the Pension and Other Employee Benefit Trust Funds section of the MTA's basic financial statements.

The pension plan issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the MTA Deputy Chief, Controller's Office, 2 Broadway, 15th Floor New York, NY 10004 or at www.mta.info.

5. NYCERS —

NYCERS is a cost-sharing, multiple-employer retirement system for employees of The City of New York ("The City") and certain other governmental units whose employees are not otherwise members of The City's four other pension systems. NYCERS administers the New York City Employees Retirement System qualified pension plan. This plan covers employees of MTA New York City Transit and MTA Bridges and Tunnels.

NYCERS was established by an act of the Legislature of the State of New York under Chapter 427 of the Laws of 1920. NYCERS functions in accordance with the governing statutes contained in the New York State Retirement and Social Security Law ("RSSL"), and the Administrative Code of the City of New York ("ACNY"), which are the basis by which benefit terms and employer and member contribution requirements are established and amended. The head of the retirement system is the Board of Trustees. NYCERS is a fiduciary component unit of The City and is in the Pension and Other Employee Benefit Trust Funds section of The City's Annual Comprehensive Financial Report ("ACFR").

NYCERS issues a publicly available comprehensive annual financial. This report may be obtained by writing to the New York City Employees' Retirement System at 335 Adams Street, Suite 2300, Brooklyn, NY 11201-3724 or at www.nycers.org.

All employees of the Related Group holding permanent civil service positions in the competitive or labor class are required to become members of NYCERS six months after their date of appointment, but may voluntarily elect to join NYCERS prior to their mandated membership date. All other eligible employees have the option of joining NYCERS upon appointment or anytime thereafter. NYCERS members are assigned to a "tier" depending on the date of their membership.

Tier 1	All members who joined prior to July 1, 1973.
Tier 2	All members who joined on or after July 1, 1973 and before July 27, 1976.
Tier 3	Only certain members who joined on or after July 27, 1976 and prior to April 1, 2012
Tier 4	All members (with certain member exceptions) who joined on or after July 27, 1976 but prior to April 1, 2012. Members who joined on or after July 27, 1976 but prior to September 1, 1983 retain all rights and benefits of Tier 3 membership.
Tier 6	Members who joined on or after April 1, 2012.

6. NYSLERS —

NYSLERS is a cost-sharing, multiple-employer defined benefit retirement system. The New York State Comptroller's Office administers the NYSLERS' plan. The net position of NYSLERS is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the plan. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of NYSLERS. NYSLERS' benefits are established under the provisions of the New York State RSSL. Once a public employer elects to participate in NYSLERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. This plan covers nonrepresented MTA HQ employees earning less than $70,000 per year, those nonrepresented MTA HQ employees that do not choose the Voluntary Defined Contribution Plan provided for under RSSL Tier 6 legislation, and employees represented by the International Brotherhood of Teamsters.

NYSLERS is included in New York State's financial report as a pension trust fund. The report can be accessed on the New York State Comptroller's website at: www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244-001.

Pension legislation enacted in 1973, 1976, 1983, 2009 and 2012 established distinct classes of tier membership.

Tier 1	All members who joined prior to July 1, 1973.
Tier 2	All members who joined on or after July 1, 1973 and before July 27, 1976.
Tier 3	Generally, certain members who joined on or after July 27, 1976 but before January 1, 2010 and all other members who joined on or after July 27, 1976, but before September 1, 1983.
Tier 4	Generally, members (with certain member exceptions) who joined on or after September 1, 1983, but before January 1, 2010.
Tier 5	Members who joined on or after January 1, 2010, but before April 1, 2012.
Tier 6	Members who joined on or after April 1, 2012.

Benefits Provided

1. Additional Plan —

Pension Benefits — An eligible Long Island Rail Road employee who retires under the Additional Plan, either: (a) after completing at least 20 years of credited service, or (b) after both attaining age 65 while in service and completing at least five years of credited service, or in the case of those who were active employees on January 1, 1988, after completing at least 10 years of credited service, is entitled to an annual retirement benefit, payable monthly for life. Payments commence to an employee referred to in: (a) only after attaining age 50, or (b) only after attaining age 65.

Benefit and contribution provisions, which are based on the point in time at which participants last entered qualifying service and their length of credited service, are established by, and may only be amended by the MTA Long Island Rail Road, subject to the obligations of the MTA Long Island Rail Road under its collective bargaining agreements.

The Additional Plan has both contributory and non-contributory requirements, with retirement ages varying from 50 to 65 depending upon a participant's length of credited service. Pension benefits payable to age 65, where eligible, are calculated as 2% of the employee's applicable final average earnings for each year of qualifying service up to 25 years plus 1.5% of applicable final average earnings for each year of qualifying service in excess of 25 years. For pension benefits payable at and after age 65, regardless of whether benefits commenced before or after the employee attained age 65, benefits are calculated in the same manner as pension benefits payable prior to age 65 except that the amount so determined is reduced by a percentage of the employee's annuity (not including any supplemental annuity) value at age 65 under the Federal Railroad Retirement Act.

Participants who entered qualifying service before July 1, 1978 are not required to contribute. Participants who entered qualifying service on or after July 1, 1978, are required to contribute 3% of their wages. The MTA Long Island Railroad contributes additional amounts based on actuarially determined amounts that are designed to accumulate sufficient assets to pay benefits when due.

Death Benefits — Survivorship benefits are paid to the participant's spouse when a survivorship option is elected or when an active participant has not divested his or her spouse of benefits. The survivorship benefit is payable at the time of death or when the vested participant would have attained an eligible age. The amount payable is in the form of an annuity. A lump sum death benefit no greater than five thousand dollars is payable upon death on behalf of a non-vested participant or vested participant whose pension rights were waived.

Retirement benefits establishment and changes for representative employees are collectively bargained and must be ratified by the respective union and the MTA Board. For non-represented employees, amendments must be approved by the MTA Board.

2. MaBSTOA Plan —

The MaBSTOA Plan provides retirement as well as death, accident, and disability benefits. The benefits provided by the MaBSTOA Plan are generally similar to the benefits provided to MTA New York City Transit participants in NYCERS. Benefits vest after either 5, 10, or 20 years of credited service, depending on the date of membership.

In 2008, NYCERS had determined that Tier 4 employees are and have been eligible for a post retirement death benefit retroactive to 1986. In June 2012, the MTA Board approved an amendment to the MaBSTOA Plan to provide for incorporation of this benefit.

Tier 1 —

Eligibility and Benefit Calculation: Tier 1 members must be at least age 50 with the completion of 20 years of service to be eligible to collect a service retirement benefit. Generally, the benefit is 1.50% for service before March 1, 1962, plus 2.0% for service from March 1, 1962 to June 30, 1970, plus 2.5% for service after June 30, 1970. The accumulated percentage, up to a maximum of 50%, is multiplied by the member's compensation, which is the greater of earned salary during the year prior to retirement. Once the accumulated reaches 50%, the percentage for each further year of service reverts back to 1.5%. The percentage in excess of 50% is multiplied by the final compensation, which is the highest average earnings over five consecutive years.

Ordinary Disability Benefits — Generally, ordinary disability benefits, are provided to eligible Tier 1 members after ten years of service with the benefit equal to the greater of the service retirement percentages or 25% multiplied by final compensation.

Accidental Disability Benefits — The accidental disability benefit to eligible Tier 1 members is equal to 75% of final compensation reduced by 100% of any worker's compensation payments.

Ordinary Death Benefits — For Tier 1 members the amount of the death benefit is a lump sum equal to six months' pay for members with less than 10 years of service; a lump sum equal to a 12 months of pay for members with more than 10 but less than 20 years of service, and a lump sum equal to two times 12 months of pay for members with more than 20 years of service.

Tier 2 —

Eligibility and Benefit Calculation: Tier 2 members must be at least age 55 with the completion of 25 years of service to be eligible to collect a service retirement benefit. Generally, the benefit equals 50% of final 3-year average compensation, defined as the highest average earnings over three consecutive years, plus 1% of final 5-year average compensation, defined as the highest average earnings over five consecutive years, per year of credited service in excess of 20 years. For early retirement, members must be at least age 50 with the completion of at least 20 years of service. The benefit is determined in the same manner as the service retirement but not greater than 2.0% of final 3-year average compensation per year of service.

Ordinary Disability Benefits — Generally, ordinary disability benefits, are provided to eligible Tier 2 members after ten years of service with the benefit equal to the greater of the service retirement percentages or 25% multiplied by the final 5- year average compensation.

Accidental Disability Benefits — The accidental disability benefit to eligible Tier 2 members is equal to 75% of the final 5-year average compensation reduced by any worker's compensation payments.

Ordinary Death Benefits — Tier 2 members require the completion of 90 days of service to receive a lump sum equal to 3 times salary, raised to the next multiple of $1,000 dollars.

Tiers 3, 4—

Eligibility and Benefit Calculation: Tier 3 and 4 members in the Regular 62 and 5 Plan must be at least age 62 with the completion of at least 5 years of service to be eligible to collect a service retirement benefit. Generally, the benefit for members with at least 20 years of service, is equal to 2.0% of Final Average Compensation ("FAC") for the first 30 years of service plus 1.5% of FAC for years of service in excess of 30. FAC is defined as the highest average earnings over three consecutive years, of which earnings in a year cannot exceed 110% of the average of the two preceding years. If the member completes less than 20 years of credited service, the benefit equals 1- 2/3% of FAC multiplied by years of service. For early retirement, members must be at least age 55 with the completion of at least 5 years of service. The benefit equals the service retirement benefit reduced by 6% for each of the first two years prior to age 62, and by 3% for years prior to age 60.

Tier 3 and 4 members in the basic 55/25 Plan must be at least age 55 with the completion of at least 25 years of service, or be at least age 62 with the completion of at least 5 years of service, to be eligible to collect a service retirement benefit. Generally, the benefit for members with at least 25 years of service, is equal to 2.0% of FAC for the first 30 years of service plus 1.5% of FAC for years of service in excess of 30. If the member completes less than 25 years of credited service, the benefit equals 1- 2/3% of FAC multiplied by years of service.

Tier 4 members in the 57/5 Plan must be at least age 57 with the completion of at least 5 years of service to be eligible to collect a service retirement benefit. Generally, the benefit for members with at least 20 years of service, is equal to 2.0% of FAC for the first 30 years of service plus 1.5% of FAC for years of service in excess of 30. If the member completes less than 20 years of credited service, the benefit equals 1- 2/3% of FAC multiplied by years of service.

Ordinary and Accidental Disability Benefits — For eligible members of the Regular 62/5 Plan, 57/25 Plan and 57/5 Plan, ordinary and accidental disability benefits, are provided after 10 years of service for ordinary and no service required for accidental disability benefit. The benefit equals the greater of 1-2/3% of FAC per year of service and 1/3 of FAC.

Ordinary Death Benefits — For eligible members of the Regular 62/5 Plan, 55/25 Plan, 57/5 Plan, the pre-retirement ordinary death benefit is equal to a lump sum of annual salary times the lesser of completed years of service and 3. After age 60, the benefit is reduced 5% per year, to a maximum reduction of 50%. Accumulated regular member contributions with interest and one-half of accumulated additional member contributions with interest are also payable. Upon retirement, the post-retirement benefit is reduced by 50% and reduced an additional 25% after completion of one year of retirement. After completion of two years of retirement, the benefit equals 10% of the pre-retirement benefit in force at age 60.

Tier 6 —

Eligibility and Benefit Calculation: Chapter 56 of the Laws of 2022 enacted in April 2022 reduced the Tier 6 vesting requirement from 10 years to 5 years of service. Tier 6 members in the 55/25 Special Plan must be at least age 55 with the completion of at least 25 years, or at least age 63 with the completion of at least 5 years of service, to be eligible to collect a service retirement benefit. Generally, the benefit for members with at least 25 years of service, is equal to 2.0% of Final Average Salary ("FAS") for the first 30 years of service plus 1.5% of FAS for years of service in excess of 30. If the member completes less than 20 years of credited service, the benefit equals 1- 2/3% of FAS multiplied by years of service. FAS is defined as the highest average pensionable compensation over five consecutive years.

Tier 6 members in the Basic 63/10 Plan to be referred as the 63/5 Plan going forward, must be at least age 63 with the completion of at least 5 years to be eligible to collect a service retirement benefit. Generally, the benefit for members with at least 20 years of service, is equal to 35% of FAS plus 2.0% of FAS for years of service in excess of 20. If the member completes less than 20 years of credited service, the benefit equals 1- 2/3% of FAS multiplied by years of service. FAS is defined as the highest average pensionable earnings over five consecutive years. For early retirement, members must be at least age 55 with the completion of at least 10 years of service. The benefit equals the service retirement benefit reduced by 6.5% for each year early retirement precedes age 63.

Ordinary and Accidental Disability Benefits — For eligible members of the 55/25 Special Plan and the Basic 63/5 Plan, ordinary and accidental disability benefits, are provided after 10 years of credited service for ordinary disability benefit. There is no service requirement for accidental disability benefit. The benefit equals the greater of 1-2/3% of FAS per year of service and 1/3 of FAS.

Ordinary Death Benefits — For eligible members of the 55/25 Special Plan and the Basic 63/5 Plan, the pre-retirement ordinary death benefit is equal to a lump sum of annual salary times the lesser of completed years of service and 3. After age 60, the benefit is reduced 5% per year, to a maximum reduction of 50%. Accumulated regular member contributions with interest are also payable. Upon retirement, the post-retirement benefit is reduced by 50% and reduced an additional 25% after completion of one year of retirement. After completion of two years of retirement, the benefit equals 10% of the pre-retirement benefit in force at age 60.

3. MNR Cash Balance Plan —

Pension Benefits — Participants of the MNR Cash Balance Plan are vested in their benefit upon the earlier of (a) the completion of 5 years of service with MTA Metro-North Railroad or (b) the attainment of age 62. The accrued benefit is a participant's Initial Account Balance increased each month by the benefit escalator. The benefit escalator is defined as the Pension Benefit Guaranty Corporation ("PBGC") immediate annuity rate in effect for December of the year preceding the year for which the determination is being made) divided by 180. The accrued benefit is paid as an escalating annuity. Vested participants are entitled to receive pension benefits commencing at age sixty-five. Participants may elect to receive the value of their accumulated plan benefits as a lump-sum distribution upon retirement or they may elect a monthly life annuity. Participants may elect to receive their pension in the form of a joint and survivor annuity.

Participants of the MNR Cash Balance Plan are eligible for early retirement benefits upon termination of employment, the attainment of age 62, or age 60 and completion of 15 years of service, or age 55 and the completion of 30 years of service. The early retirement benefits paid is the normal retirement pension deferred to age 65 or an immediate pension equal to the life annuity actuarial equivalent of a participant's escalating annuity at normal retirement date indexed by the Initial Benefit Escalator from early retirement date to normal retirement date and reduced by 5/9 of 1% for each month retirement precedes age 65 up to 60 months and 5/18 of 1% for each month after 60 months.

For members with cash balances who are currently members of the Metropolitan Transportation Authority Defined Benefit Pension Plan, an additional benefit is provided equal to the amount needed to bring their total benefits (i.e., Railroad Retirement Tier I and II benefits, Conrail Plan benefits, Cash Balance Plan benefits, and MTA Defined Benefit Pension Plan benefits) up to a minimum of 65% of their 3-year final average pay under the MTA Defined Benefit Plan. In no event will the Additional Benefit exceed 2% of 3-year final average pay multiplied by the Conrail Management Service prior to July 1, 1983. This benefit is payable as a life annuity and is reduced for commencement prior to age 65 in the same manner as the regular cash balance benefit. This additional benefit is payable only in the form of a life annuity or 100% or 50% contingent annuity.

Death Benefits — Benefits are paid to vested participants' beneficiaries in the event of a participants' death. The amount of benefits payable is the participant's account balance at the date of his or her death. Pre-retirement death benefits paid for a participant's death after 55 is equal to the amount the spouse would have received had the participant elected retirement under the normal form of payment on the day preceding his death. Pre-retirement death benefits paid for a participant's death before 55 is equal to the amount the spouse would have received had the participant survived to age 55 and retired under the normal form of payment on that date. The benefit is based on service to the participant's date of death and is payable beginning on the date the participant would have attained age 55.

In lieu of the above benefit, the surviving spouse can elect to receive the participant's account balance in a single lump sum payment immediately. If the participant was not married, the participant's beneficiary is entitled to receive the participant's Account Balance as of the participant's date of death in a single lump sum payment.

4. MTA Defined Benefit Plan

Pension Benefits — Retirement benefits are paid from the Plan to covered MTA Metro-North Railroad, MTA Staten Island Railway and post - 1987 MTA Long Island Rail Road employees as service retirement allowances or early retirement allowances. A participant is eligible for a service retirement allowance upon termination if the participant satisfied both age and service requirements. A participant is eligible for an early retirement allowance if the participant has attained age 55 and completed at least 10 years of credited service. Terminated participants with 5 or more years of credited service are eligible for a deferred vested benefit. Deferred vested benefits are payable on an unreduced basis on the first day of the month following the participant's 62nd birthday.

Certain represented employees of the MTA Long Island Rail Road and the MTA Metro-North Railroad continue to make contributions to the Plan for 10 or 15 years, depending on Date of Hire and Collective Bargaining Agreement. Certain represented employees of the MTA Long Island Rail Road and the MTA Metro-North Railroad are eligible for an early retirement allowance if the participant has attained age 60 or 62 and completed at least 5 years of credited service, or has attained age 55 and completed at least 30 years of credited service for unreduced benefit. The early retirement allowance is reduced one-quarter of 1% per month for each full month that retirement predates age 60 for certain represented employees of the MTA Long Island Rail Road and the MTA Metro-North Railroad, and one-half of 1% per month for each full month that retirement predates age 62 until age 60, for certain represented employees of the MTA LIRR and MTA MNR.

Effective in 2007, members and certain former members who become (or became) employed by another MTA agency which does not participate in the Plan continue to accrue service credit based on such other employment. Upon retirement, the member's vested retirement benefit from the Plan will be calculated on the final average salary of the subsequent MTA agency, if higher. Moreover, the Plan benefit will be reduced by the benefit, if any, payable by the other plan based on such MTA agency employment. Such member's disability and ordinary death benefit will be determined in the same way.

Retirement benefits are paid from the Plan under the MTA 20-Year Police Retirement Program. A participant is eligible for service retirement at the earlier of completing twenty years of credited Police service or attainment of age 62. Terminated participants with five years of credited police service, who are not eligible for retirement, are eligible for a deferred benefit. Deferred vested benefits are payable on the first of the month following the participant's attainment of age 55 or age 63 for a Participant who first joins the MTA 20-Year Police Retirement Program on or after April 1, 2012.

Retirement benefits paid from the Plan to covered represented MTA Bus employees include service retirement allowances or early retirement allowances. Under the programs covering all represented employees at Baisley Park, Eastchester, La Guardia, Spring Creek, and Yonkers Depots and the represented employees at College Point Depot, JFK, Far Rockaway a participant is eligible for a service retirement allowance upon termination if the participant has attained age sixty-five and completed at least five years of credited service or if the participant has attained age 57 and completed at least 20 years of credited service. A participant hired prior to June 2009 from Baisley Park, College Point, and La Guardia Depots is eligible for an early retirement allowance if the participant has attained age 55 and completed 20 years of credited service. Terminated participants with five or more years of credited service who are not eligible to receive a service retirement allowance or early retirement allowance are eligible for a deferred vested benefit. Deferred vested benefits are payable on an unreduced basis on or after the participant attains age 65.

At Baisley Park, Far Rockaway, JFK, La Guardia and Spring Creek Depots, a participant who is a non-represented employee is eligible for an early retirement allowance upon termination if the participant has attained age 55 and completed 15 years of service. Terminated participants with five or more years of credited service who are not eligible to receive a service retirement allowance or early retirement allowance are eligible for a deferred vested benefit. Deferred vested benefits are payable on an unreduced basis on or after the participant attains age 62.

The MTA Bus retirement programs covering represented and non-represented employees at Eastchester and Yonkers and covering the represented employees at Baisley Park, College Point, Far Rockaway, JFK, La Guardia and Spring Creek are fixed dollar plans, i.e., the benefits are a product of credited service and a specific dollar amount.

The retirement benefits for certain non-represented employees at Baisley Park, Far Rockaway, JFK, La Guardia and Spring Creek are based on final average salary. Certain participants may elect to receive the retirement benefit as a single life annuity or in the form of an unreduced 75% joint and survivor benefit.

Pre-1988 MTA Long Island Rail Road participants are eligible for a service retirement allowance upon termination if the participants has either: (a) attained age sixty-five and completed at least five years of credited service, or if an employee on January 1, 1988 completed at least 10 years of credited service, or (b) attained age fifty and has completed at least 20 years of credited service. Terminated participants who were not employees on January 1, 1988 with five or more years of credited service are eligible for a deferred vested benefit. Pension benefits payable to age 65, where eligible, are calculated as 2% of the employee's applicable final average earnings for each year of qualifying service up to 25 years plus 1.5% of applicable final average earning of each year of qualifying service in excess of 25 years. For pension benefits payable at and after age 65 regardless of whether benefits commenced before or after the employee attained age 65, benefits are calculated in the same manner as pension benefits payable prior to age 65 except that the amount so determined is reduced by a percentage of the employee's annuity (not including supplemental annuity) value at age 65 under the Federal Railroad Retirement Act. The reduction of pension benefits for amounts payable under the Federal Railroad Retirement Act is 50%.

Death and Disability Benefits — In addition to service retirement benefits, participants of the Plan are eligible to receive disability retirement allowances and death benefits. Participants who become disabled may be eligible to receive disability retirement allowances after 10 years of covered MTA Bus service; 10 years of credited service for covered MTA Metro-North Railroad and MTA Long Island Rail Road management and represented employees, covered MTA Staten Island Railway employees and covered MTA police participants.

The disability retirement allowance for covered MTA Metro-North Railroad and MTA Long Island Rail Road management and represented covered MTA Staten Island Railway employees is calculated based on the participant's credited service and final average salary ("FAS") but not less than ⅓ of FAS. Under the MTA 20 Year Police Retirement Program, a disabled participant may be eligible for one of three forms of disability retirement: (a) ordinary disability which is payable if a participant has ten years of credited Police service and is calculated based on the participant's credited Police service and FAS but not less than ⅓ of FAS; (b) performance of duty, which is payable if a participant is disabled in the performance of duty and is ½ of FAS, and (c) accidental disability, which is payable if a participant is disabled as the result of an on-the-job accidental injury and is ¾ of FAS subject to an offset of Workers' Compensation benefits. Pursuant to the MTA Bus programs, the disability benefit is the same as the service retirement benefit.

Survivorship benefits for pre-1988 MTA Long Island Rail Road participants are paid to the spouse when a survivorship option is elected or when an active participant has not divested their spouse of benefits. The survivorship benefit is payable at the time of death or when the vested participant would have attained an eligible age. The amount payable is in the form of an annuity. A lump sum death benefit no greater than $5,000 (whole dollars) is payable upon death on behalf of a non-vested participant or vested participant whose pension rights were waived.

Death benefits are paid to the participant's beneficiary in the event of the death of a covered MTA Metro-North Railroad, post-1987 MTA Long Island Rail Road or MTA Staten Island Railway employee after completion of one year of credited service. The death benefit payable is calculated based on a multiple of a participant's salary based on years of credited service up to three years and is reduced beginning at age 61. There is also a post-retirement death benefit which, in the 1st year of retirement, is equal to 50% of the pre-retirement death benefit amount, whichever is greater, 25% the 2nd year and 10% of the death benefit payable at age 60 for the 3rd and later years. For the Police 20 Year Retirement Program, the death benefit is payable after ninety days of credited MTA Police service, and is equal to three times their salary. For non-Police groups, this death benefit is payable in a lump sum distribution while for Police, the member or the beneficiary can elect to have it paid as an annuity. The MTA Police do not have a post retirement benefit.

In the MSBA Employees' Pension Plan, there are special spousal benefits payable upon the death of a participant who is eligible for an early retirement benefit, or a normal service retirement benefit, or who is a vested participant or vested former participant. To be eligible, the spouse and participant must have been married at least one year at the time of death. Where the participant was eligible for an early service retirement benefit or was a vested participant or former participant, the benefit is a pension equal to 40% of the benefit payable to the participant as if the participant retired on the date of death. Where the participant was eligible for a normal service retirement benefit, the eligible spouse can elect either the benefit payable as a pension, as described in the prior sentence, or a lump sum payment based on an actuarially determined pension reserve. If there is no eligible spouse for this pension reserve benefit, a benefit is payable to the participant's beneficiary or estate.

Moreover, an accidental death benefit is payable for the death of a participant who is a covered MTA Metro-North Railroad or post-1987 MTA Long Island Rail Road employee, a covered MTA Staten Island Railway employee or a covered MTA Police member and dies as the result of an on-the-job accidental injury. This death benefit is paid as a pension equal to 50% of the participant's salary and is payable to the spouse for life, or, if none, to children until age eighteen (or twenty-three, if a student), or if none, to a dependent parent.

For MTA Bus employees, there is varied death benefit coverage under the Plan. For all represented and non-represented MTA Bus employees at Eastchester and Yonkers Depots and represented MTA Bus employees at Baisley Park, College Point, Far Rockaway, JFK, La Guardia and Spring Creek Depots, if a participant dies prior to being eligible for a retirement benefit, the participant's beneficiary may elect to receive a refund of the participant's contributions plus interest.

Moreover, the spouses of the above employees who are vested are entitled to a presumed retirement survivor annuity which is based on a 50% Joint and Survivor annuity. The date as of which such annuity is determined and on which it commences varies among the different programs depending on whether the participants are eligible for retirement and for payment of retirement benefits.

In addition, the spouse of a non-represented MTA Bus employee at Spring Creek, JFK, La Guardia, Baisley Park and Far Rockaway, if such employee is age 55 and has 15 years of service and is a terminated member with a vested benefit which is not yet payable, may elect the presumed retirement survivor annuity or 1/2 the participant's accrued benefit paid monthly and terminating on the 60th payment or the spouse's death. The spouse of a non-represented MTA Bus employee at Yonkers Depot may also receive a pre-retirement survivor annuity from the supplemental plan. If there is no such spouse, the actuarial equivalent of such annuity is payable.

Dependent children of MTA Bus employees are also entitled to an annuity based on the spouse's pre-retirement survivor annuity (1/2 of the spouse's annuity is payable to each child, but no more than 100% of the spouse's annuity is payable). In addition, the dependent children of retirees who were MTA Bus employees at these Depots are entitled to an annuity based on the presumed retirement survivor's annuity (25% of the spouse's annuity; but no more than 50% of the spouse's annuity is payable).

Retirement benefits establishment and changes for represented employees are collectively bargained and must be ratified by the respective union and the MTA Board. For non-represented employees, retirement benefits establishment and changes are presented to the MTA Board and must be accepted and approved by the MTA Board.

5. NYCERS —

NYCERS provides three main types of retirement benefits: Service Retirements, Ordinary Disability Retirements (non-job-related disabilities) and Accident Disability Retirements (job-related disabilities) to participants generally based on salary, length of service, and member Tiers.

The Service Retirement benefits provided to Tier 1 participants fall into four categories according to the level of benefits provided and the years of service required. Three of the four categories provide annual benefits of 50% to 55% of final salary after 20 or 25 years of service, with additional benefits equal to a specified percentage per year of service (currently 1.2% to 1.7%) of final salary. The fourth category has no minimum service requirement and instead provides an annual benefit for each year of service equal to a specified percentage (currently 0.7% to 1.53%) of final salary.

Tier 2 participants have provisions similar to Tier 1, except that the eligibility for retirement and the salary base for benefits are different and there is a limitation on the maximum benefit.

Tier 3 participants were later mandated into Tier 4, but could retain their Tier 3 rights. The benefits for Tier 3 participants are reduced by one half of the primary Social Security benefit attributable to service, and provides for an automatic annual cost-of- living escalator in pension benefits of not more than 3.0%.

Tier 4 participants upon satisfying applicable eligibility requirements may be mandated or elected, as applicable, into the Basic 62/5 Retirement Plan, the 57/5 Plan, the 55/25 Plan, the Transit 55/25 Plan, the MTA Triborough Bridge and Tunnel Authority 50/20 Plan, and the Automotive Member 25/50 Plan. These plans provide annual benefits of 40% to 50% of final salary after 20 or 25 years of service, with additional benefits equal to a specified percentage per year of service (currently 1.5% to 2%) of final salary.

Chapter 18 of the Laws of 2012 created Tier 6. These changes increase the retirement age to 63, require member contributions for all years of service, institute progressive member contributions, and lengthen the final average salary period from 3 to 5 years.

Chapter 56 of the Laws of 2022 amended the RSSL and the Administrative Code of New York to reduce the number of years used to calculate the Final Average Salary (FAS), from 5 years to 3 years, for certain Tier 3 and Tier 6 members of NYCERS who joined on or after April 1, 2012.

NYCERS also provides automatic Cost-of-Living Adjustments ("COLA") for certain retirees and beneficiaries, death benefits; and certain retirees also receive supplemental benefits. Subject to certain conditions, members generally become fully vested as to benefits upon the completion of 5 years of service.

6. NYSLERS —

NYSLERS provides retirement benefits as well as death and disability benefits. Members who joined prior to January 1, 2010 need 5 years of service to be fully vested. Members who joined on or after January 1, 2010 need 10 years of service to be fully vested. Subsequent to March 31, 2022, legislation was passed that reduced the number of years of service credit from ten years to five years. Therefore, all Members are vested when they reach five years of service credit.

Tiers 1 and 2 —

Eligibility: Tier 1 members generally must be at least age 55 to be eligible for a retirement benefit. There is no minimum service requirement for Tier 1 members. Generally, Tier 2 members must have 5 years of service and be at least age 55 to be eligible for a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months. Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year's compensation used in the final average salary calculation is limited to no more than 20 percent greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent greater than the average of the previous two years.

Tiers 3, 4, and 5 —

Eligibility: Most Tier 3 and 4 members must have 5 years of service and be at least age 55 to be eligible for a retirement benefit. Tier 5 members, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with 10 or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 3, 4 and 5 members, each year's compensation used in the final average salary calculation is limited to no more than 10% greater than the average of the previous two years.

Tier 6 —

Eligibility: Generally, Tier 6 members must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63.

Benefit Calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2% of final average salary is applied for each year of service over 20 years. Tier 6 members with 10 or more years of service can retire as early as age 55 with reduced benefits. Final average salary is the average of the wages earned, limited by overtime caps, in the three highest consecutive years of employment. For Tier 6 members, each year's compensation used in the final average salary calculation is limited to no more than 10% greater than the average of the previous four years. Chapter 56 of the Laws of 2024 amended the RSSL and the Administrative Code of New York to reduce the number of years used to calculate the Final Average Salary (FAS), from 5 years to 3 years.

Disability Benefits— Generally, disability retirement benefits are available to members unable to perform their job duties because of permanent physical or mental incapacity. Eligibility, benefit amounts, and other rules such as any offsets of other benefits depend on a member's tier, years of service, and plan. Civilian MTA HQ employees get either Ordinary Disability or Accidental Disability. Ordinary Disability benefits, pay no less than one-third of salary, and are provided to eligible members after ten years of service. The Accidental Disability benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits — Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first $50,000 (whole dollars) of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases — A cost-of-living adjustment is provided annually to: (i) all retirees who have attained age 62 and have been retired for five years; (ii) all retirees who have attained age 55 and have been retired for ten years; (iii) all disability retirees, regardless of age, who have been retired for five years; (iv) recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed $18,000 (whole dollars) of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

Membership

As of January 1, 2022 and January 1, 2021, the dates of the most recent actuarial valuations, membership data for the following pension plans are as follows:

Membership at:	**January 1, 2022**				
	MNR Cash Balance Plan	**Additional Plan**	**MaBSTOA Plan**	**MTA Defined Benefit Plan**	**TOTAL**
Active Plan Members	-	15	8,363	18,394	26,772
Retirees and beneficiaries receiving benefits	22	5,122	6,192	12,060	23,396
Vested formerly active members not yet receiving benefits	5	15	1,172	1,670	2,862
Total	27	5,152	15,727	32,124	53,030

Membership at:	**January 1, 2021**				
	MNR Cash Balance Plan	**Additional Plan**	**MaBSTOA Plan**	**MTA Defined Benefit Plan**	**TOTAL**
Active Plan Members	-	23	8,533	18,556	27,112
Retirees and beneficiaries receiving benefits	23	5,298	6,020	11,788	23,129
Vested formerly active members not yet receiving benefits	5	19	1,125	1,541	2,690
Total	28	5,340	15,678	31,885	52,931

Contributions and Funding Policy

1. Additional Plan —

Employer contributions are actuarially determined on an annual basis and are recognized when due. The Additional Plan is a defined benefit plan administered by the Board of Pension Managers and is a governmental plan and accordingly, is not subject to the funding and other requirements of ERISA.

Upon termination of employment before retirement, vested participants who have been required to contribute must choose to: (1) receive a refund of their own contributions, including accumulated interest at rates established by the MTA Long Island Railroad's Board of Managers of Pensions (1.5% in 2022 and 2021), or (2) leave their contributions in the Additional Plan until they retire and become entitled to the pension benefits. Non-vested participants who have been required to contribute will receive a refund of their own contributions, including accumulated interest at rates established by the MTA Long Island Railroad's Board of Managers of Pensions (1.5% in 2022 and 2021).

Funding for the Additional Plan by the MTA Long Island Railroad is provided by MTA. Certain funding by MTA is made to the MTA Long Island Railroad on a discretionary basis. The continuance of the MTA Long Island Railroad's funding for the Additional Plan has been, and will continue to be, dependent upon the receipt of adequate funds.

2. MaBSTOA Plan —

The contribution requirements of MaBSTOA Plan members are established and may be amended only by the MaBSTOA Board in accordance with Article 10.01 of the MaBSTOA Plan. MaBSTOA's funding policy for periodic employer contributions is to provide for actuarially determined amounts that are designed to accumulate sufficient assets to pay benefits when due. It is MaBSTOA's policy to fund, at a minimum, the current year's normal pension cost plus amortization of the unfunded actuarial accrued liability.

The MaBSTOA Pension Plan includes the following plans, including the 2000 amendments which are all under the same terms and conditions as NYCERS:

i. Tier 1 and 2 - Basic Plans;

ii. Tier 3 and 4 - 55 and 25 Plan;

iii. Tier 3 and 4 - Regular 62 and 5 Plan;

iv. Tier 4 - 57 and 5 Plan

v. Tier 6 - 55 and 25 Special Plan

vi. Tier 6 - Basic 63 and 10 Plan, now referred to as the Basic 63 and 5 Plan

For employees, the MaBSTOA Plan has both contributory and noncontributory requirements depending on the date of entry into service. Employees entering qualifying service on or before July 26, 1976, are non-contributing (Tiers 1 and 2). Certain employees entering qualifying service on or after July 27, 1976, are required to contribute 3% of their salary (Tiers 3 and 4).

In March 2012, pursuant to Chapter 18 of the Laws of 2012, individuals joining NYCERS or the MaBSTOA Pension Plan on or after April 1, 2012 are subject to the provisions of Tier 6. The new law increased the employee contribution rates which varies depending on salary, ranging from 3% to 6% of gross wages. Contributions are made until retirement or separation from service.

Pursuant to Section 7.03 of the MaBSTOA Plan, active plan members are permitted to borrow up to 75% of their contributions with interest. Their total contributions and interest remain intact and interest continues to accrue on the full balance. The participant's accumulated contribution account is used as collateral against the loan.

3. MNR Cash Balance Plan —

Funding for the MNR Cash Balance Plan is provided by MTA Metro-North Railroad, a public benefit corporation that receives funding for its operations and capital needs from the MTA and the Connecticut Department of Transportation ("CDOT"). Certain funding by MTA is made to the MTA Metro-North Railroad on a discretionary basis. The continuance of funding for the MNR Cash Balance Plan has been, and will continue to be, dependent upon the receipt of adequate funds.

MTA Metro-North Railroad's funding policy with respect to the MNR Cash Balance Plan was to contribute the full amount of the pension benefit obligation ("PBO") of approximately $2.977 to the trust fund in 1989. As participants retire, the Trustee has made distributions from the MNR Cash Balance Plan. MTA Metro-North Railroad anticipated that no further contributions would be made to the MNR Cash Balance Plan. However, due to changes in actuarial assumptions and market performance, additional contributions were made to the MNR Cash Balance Plan in several subsequent years. Per the January 1, 2021 valuation, there is no unfunded accrued liability and the actuarially determined contribution is $0. Per the January 1, 2022 valuation, there is no unfunded accrued liability and the actuarially determined contribution is $0. Actual employer contributions for the years ended December 31, 2023 and 2022 were $12,589 (whole dollars) and $4,463 (whole dollars) respectively.

4. MTA Defined Benefit Plan —

Employer contributions are actuarially determined on an annual basis. Amounts recognized as receivables for contributions include only those due pursuant to legal requirements. Employee contributions to the MTA Defined Benefit Plan are recognized in the period in which the contributions are due. There are no contributions required under the Metropolitan Suburban Bus Authority Employee's Pension Plan.

The following summarizes the employee contributions made to the MTA Defined Benefit Plan:

Effective January 1, 1994, covered MTA Metro-North Railroad and MTA Long Island Railroad non-represented employees are required to contribute to the MTA Plan to the extent that their Railroad Retirement Tier II employee contribution is less than the pre-tax cost of the 3% employee contributions. Effective October 1, 2000, employee contributions, if any, were eliminated after ten years of making contributions to the MTA Plan. MTA Metro-North Railroad employees may purchase prior service from January 1, 1983 through December 31, 1993 and MTA Long Island Railroad employees may purchase prior service from January 1, 1988 through December 31, 1993 by paying the contributions that would have been required of that employee for the years in question, calculated as described in the first sentence, had the MTA Plan been in effect for those years.

Police Officers who become participants of the MTA Police Program prior to January 9, 2010 contribute to that program at various rates. Police Officers who become participants on or after January 9, 2010, but before April 1, 2012 contribute 3% up to the completion of 32 years of service, the maximum amount of service credit allowed. Police Officers who become participants on or after April 1, 2012 contribute 3%, with additional new rates starting April 2013, ranging from 3.5%, 4.5%, 5.75%, to 6%, depending on salary level, for their remaining years of service.

Covered MTA Metro-North Railroad represented employees and MTA Long Island Railroad represented employees who first became eligible to be MTA Plan participants prior to January 30, 2008 contribute 3% of salary. MTA Staten Island Railway employees contribute 3% of salary except for represented employees hired on or after June 1, 2010 who contribute 4%. SIRTOA represented and non-represented employees hired before 6/1/2010 contribute 3%. represented and non-represented employees hired on and after 6/1/2010 contribute 4%. SIRTOA employees hired after various contract dates in 2015 are required to contribute 4% for 15 years of service. MTA Long Island Railroad represented employees who became participants after January 30, 2008 contribute 4% of salary. For the MTA Staten Island Railway employees, contributions are not required after the completion of ten years of credited service. MTA Long Island Railroad represented employees are required to make the employee contributions for ten years, or fifteen years if hired after certain dates in 2014 as per collective bargaining agreements. Certain Metro-North represented employees hired after various contract dates in 2014 and 2015 are required to contribute for 15 years of service depending on their collective bargaining agreements. Certain Metro-North employees hired prior to 2014 are required to make the employee contributions until January 1, 2014, January 1, 2017, June 30, 2017, or the completion of required years of credited service as per the relevant collective bargaining agreements.

Covered MTA Bus represented employees and certain non-represented employees are required to contribute a fixed dollar amount, which varies, by depot. Nonrepresented MTA Bus employees contribute a percentage of pensionable earnings ranging from 3%, 3.5%, 4.5%, 5.75% and 6%. Represented employees contribute a fixed dollar ranging from $83.03 to $85.52 bi-weekly. Currently, non-represented employees at certain Depots, contribute $21.50 (whole dollars) per week. Non-represented employees at Eastchester hired prior to 2007 contribute $25 (whole dollars) per week. Certain limited number of represented employees promoted prior to the resolution of a bargaining impasse continue to participate in the MTA Defined Benefit Plan that was in effect before their promotion. Certain MTA Bus non-represented employees who are formerly employed by the private bus companies (Jamaica, Green, Triboro and Command) at Baisley Park, Far Rockaway, JFK, LaGuardia and Spring Creek Depots who are in the pension program covering only such employees make no contributions to the program. (Note: the dollar figures in this paragraph are in dollars, not in millions of dollars).

5. NYCERS —

NYCERS funding policy is to contribute statutorily-required contributions ("Statutory Contributions"), determined by the Chief Actuary for the New York City Retirement Systems, in accordance with State statutes and City laws, and are generally funded by employers within the appropriate Fiscal Year. The Statutory Contributions are determined under the One-Year Lag Methodology ("OYLM"). Under OYLM, the actuarial valuation date is used for calculating the Employer Contributions for the second following Fiscal Year. Statutory Contributions are determined annually to be an amount that, together with member contributions and investment income, provides for NYCERS' assets to be sufficient to pay benefits when due.

Member contributions are established by law. NYCERS has both contributory and noncontributory requirements, with retirement age varying from 55 to 70 depending upon when an employee last entered qualifying service.

In general, Tier 1 and Tier 2 member contribution rates are dependent upon the employee's age at membership and retirement plan election. In general, Tier 3 and Tier 4 members make basic contributions of 3.0% of salary, regardless of age at membership. Effective October 1, 2000, in accordance with Chapter 126 of the Laws of 2000, these members, except for certain MTA New York City Transit Authority employees enrolled in the Transit 20-Year Plan, are not required to make basic contributions after the 10th anniversary of their membership date or completion of ten years of credited service, whichever is earlier. In addition, members who meet certain eligibility requirements will receive one month's additional service credit for each completed year of service up to a maximum of two additional years of service credit. Effective December 2000, certain MTA New York City Transit Authority Tier 3 and Tier 4 members make basic member contributions of 2.0% of salary, in accordance with Chapter 10 of the Laws of 2000. Certain Tier 2, Tier 3 and Tier 4 members who are participants in special retirement plans are required to make additional member contributions of 1.85%, in addition to their base membership contribution. Tier 6 members are mandated to contribute between 3.0% and 6.0% of salary, depending on salary level, until they separate from City service or until they retire.

NYCERS established a "special program" for employees hired on or after July 26, 1976. A plan for employees, who have worked 20 years, and reached age 50, is provided to Bridge and Tunnel Officers, Sergeants and Lieutenants and Maintainers. Also, an age 57 retirement plan is available for all other such MTA Bridges and Tunnels employees. Both these plans required increased employee contributions. Chapter 56 of the Laws of 2022 enacted in April 2022 excludes certain forms of overtime and extracurricular compensation from the salary used to determine Tier 6 Basic Member Contribution rates during the specified period from 2022 to 2024.

Certain retirees also receive supplemental benefits from MTA Bridges and Tunnels. Certain participants are permitted to borrow up to 75% of their own contributions including accumulated interest. These loans are accounted for as reductions in such participants' contribution accounts. Upon termination of employment before retirement, certain members are entitled to refunds of their own contributions, including accumulated interest, less any outstanding loan balances.

MTA New York City Transit and MTA Bridges and Tunnels are required to contribute at an actuarially determined rate. The contribution requirements of plan members, MTA New York City Transit and MTA Bridges and Tunnels are established and amended by law.

6. NYSLERS —

Employer Contributions - Under the authority of the RSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the NYSLERS fiscal year ending June 30.

Member Contributions - NYSLERS is noncontributory except for employers who joined the plan after July 27, 1976. Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to NYSLERS. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with NYSLERS, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

MTAHQ, MTA Construction and Development and MTA Long Island Bus are required to contribute at an actuarially determined rate.

A summary of the aggregate actual contributions made to each pension plan for the years ended December 31, 2023 and 2022 are as follows:

Year ended December 31,	**2023**	**2022**
($ in millions)	Actual Employer Contributions	Actual Employer Contributions
Additional Plan	$ 140.4	$ 70.8
MaBSTOA Plan	328.5	158.6
MNR Cash Balance Plan	0.0 *	0.0*
MTA Defined Benefit Plan	829.7	404.2
NYCERS	763.9	797.3
NYSLERS	14.1	11.2
Total	$ 2,076.6	$ 1,442.1

*MNR Cash Balance Plan's actual employer contributions for the periods ended September 30, 2024 and 2023 were $12,589 (whole dollars) and $4,463 (whole dollars), respectively.

Net Pension Liability

The MTA's net pension liabilities for each of the pension plans reported at December 31, 2023 and 2022 were measured as of the fiscal year-end dates for each respective pension plan. The total pension liabilities used to calculate those net pension liabilities were determined by actuarial valuations as of each pension plan's valuation date, and rolled forward to the respective year-ends for each pension plan. Information about the fiduciary net position of each qualified pension plan's fiduciary net position has been determined on the same basis as reported by each respective qualified pension plan. For this purpose, benefits and refunds are recognized when due and payable in accordance with the terms of the respective qualified pension plan, and investments are reported at fair value. The following table provides the measurement and valuation dates used by each pension plan to calculate the MTA's aggregate net pension liability.

Year ended December 31,	2023		2022	
Pension Plan	**Plan Measurement Date**	**Plan Valuation Date**	**Plan Measurement Date**	**Plan Valuation Date**
Additional Plan	December 31, 2022	January 1, 2022	December 31, 2021	January 1, 2021
MaBSTOA Plan	December 31, 2022	January 1, 2022	December 31, 2021	January 1, 2021
MNR Cash Balance Plan	December 31, 2022	January 1, 2022	December 31, 2021	January 1, 2021
MTA Defined Benefit Plan	December 31, 2022	January 1, 2022	December 31, 2021	January 1, 2021
NYCERS	June 30, 2023	June 30, 2022	June 30, 2022	June 30, 2021
NYSLERS	March 31, 2023	April 1, 2022	March 31, 2022	April 1, 2021

Pension Plan Fiduciary Net Position

Detailed information about the fiduciary net position of the Additional Plan, MaBSTOA Plan, MNR Cash Balance Plan, MTA Defined Benefit Plan, NYCERS plan and the NYSLERS plan is available in the separately issued pension plan financial reports for each respective plan.

Actuarial Assumptions

The total pension liabilities in each pension plan's actuarial valuation dates were determined using the following actuarial assumptions for each pension plan, applied to all periods included in the measurement date:

	Additional Plan		MaBSTOA Plan		MNR Cash Balance Plan	
Valuation Date:	**January 1, 2022**	**January 1, 2021**	**January 1, 2022**	**January 1, 2021**	**January 1, 2022**	**January 1, 2021**
Investment Rate of Return	6.50%, net of investment expenses.	6.50%, net of investment expenses.	6.50%, net of investment expenses.	6.50%, net of investment expenses.	4.00%, net of investment expenses.	3.00%, net of investment expenses.
Salary Increases	3.00%	3.00%	Reflecting general wage, merit and promotion increases for operating and non-operating members. Varies by years of employment.	Reflecting general wage, merit and promotion increases for operating and non-operating members. Varies by years of employment.	Not applicable	Not applicable
Inflation	2.25%; 3.25% for Railroad Retirement Wage Base.	2.25%; 3.25% for Railroad Retirement Wage Base.	2.25%	2.25%	2.40%	2.25%
Cost-of-Living Adjustments	Not applicable	Not applicable	60% of inflation assumption or 1.35%, if applicable.	60% of inflation assumption or 1.35%, if applicable.	Not applicable	Not applicable

	MTA Defined Benefit Plan		NYCERS		NYSLERS	
Valuation Date:	**January 1, 2022**	**January 1, 2021**	**June 30, 2022**	**June 30, 2021**	**April 1, 2022**	**April 1, 2021**
Investment Rate of Return	6.50%, net of investment expenses	6.50%, net of investment expenses	7.0% per annum, net of Investment Expenses	7.0% per annum, net of Investment Expenses	5.90% per annum, including inflation, net of investment expenses.	5.90% per annum, including inflation, net of investment expenses.
Salary Increases	Varies by years of employment, and employee group; 2.75%. GWI increases for MTA Bus hourly employees.	Varies by years of employment, and employee group; 2.75% GWI increases for TWU Local 100 MTA Bus hourly	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per annum.	In general, Merit and Promotion Increases plus assumed General Wage Increase of 3.0% per year.	4.4% in ERS, 6.2 % in PFRS	4.4% in ERS, 6.2 % in PFRS
Inflation	2.25%; 3.25% for Railroad Retirement Wage Base.	2.25%; 3.25% for Railroad Retirement Wage Base.	2.50%	2.50%	2.90%	2.70%
Cost-of-Living Adjustments	60% of inflation assumption or 1.35%, if applicable.	60% of inflation assumption or 1.35%, if applicable.	AutoCOLA – 1.5% per annum Escalation – 2.5% per annum	AutoCOLA – 1.5% per year Escalation – 2.5% per year	1.50% per annum.	1.40% per annum.

Mortality

Additional Plan / MaBSTOA Plan/ MNR Cash Balance Plan and MTA Defined Benefit Plan:

The actuarial assumptions used in the January 1, 2022 and 2021 valuations for the MTA plans are based on an experience study covering the period from January 1, 2012 to December 31, 2017, with certain assumptions modified subsequently. The mortality assumption used in the January 1, 2022 and 2021 valuations are based on an experience study for all MTA plans covering the period from January 1, 2015 to December 31, 2020. The pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA, as recommended by the Society of Actuaries Retirement Plans Experience Committee. As generational tables, they reflect mortality improvements both before and after the measurement date.

Pre-retirement: The MTA plans utilized RP-2000 Employee Mortality Table for Males and Females with Blue collar adjustments.

Post-retirement Healthy Lives: Assumption utilized 95% of RP-2000 Healthy Annuitant mortality table for males with Blue Collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.

Post-retirement Disabled Lives: Assumption utilized in the January 1, 2022 and 2021 valuation was the RP-2014 Disabled Annuitant mortality table for males and females. This assumption was not applicable for the Additional Plan and the MNR Cash Balance Plan.

NYCERS:

Pursuant to Section 96 of the New York City Charter, an independent actuarial firm conducts studies of the actuarial assumptions used to value liabilities of the NYCERS pension plan every two years. In accordance, with the Administrative Code of the City of New York (“ACNY”), the Board of Trustees of NYCERS are to periodically review and adopt actuarial assumptions as proposed by the Actuary for use in the determination of Employer Contributions, which are also generally used to determine the total pension liability, as applicable.

Mortality tables for service and disability pensioners were developed from experience studies of the NYCERS Plan. The mortality tables for beneficiaries were developed from an experience review.

The actuarial assumptions used in the June 2022 valuation is based on the most recent actuarial experience study and recommendations prepared by Bolton, Inc. for the four-year and ten-year periods ended June 30, 2017. Based, in part, on this report issued in June 2019, the Actuary proposed and the Board of Trustees of NYCERS adopted changes in actuarial assumptions including a change to Mortality Improvement Scale MP-2020 beginning in Fiscal Year 2019. The actuarial assumptions used in the June 2018 valuation was based on the previous study by Gabriel, Roeder, Smith & Company (‘GRS”) published in October 2015 for the four-year and ten-year periods ended June 30, 2013. Based, in part, on the GRS Report, the Actuary proposed, and the Boards of Trustees of the NYCERS adopted, new post-retirement mortality tables including the application of Mortality Improvement Scale MP-2015 for use in determining employer contributions beginning in Fiscal Year 2016. Scale MP-2015 replaced Mortality Improvement Scale AA.

NYSLERS:

The actuarial assumptions used in the April 1, 2022 valuation are based on the results of an actuarial experience study completed April 1, 2020. Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries’ Scale MP-2021. The previous actuarial valuation as of April 1, 2021 used the same assumptions for the measure of total pension liability.

Expected Rate of Return on Investments

The long-term expected rate of return on pension plan investments for each pension plan is presented in the following table.

Pension Plan	Plan Measurement Date	Rate
Additional Plan	December 31, 2022	6.50%
MaBSTOA Plan	December 31, 2022	6.50%
MNR Cash Balance Plan	December 31, 2022	4.00%
MTA Defined Benefit Plan	December 31, 2022	6.50%
NYCERS	June 30, 2023	7.00%
NYSLERS	March 31, 2023	5.90%

For the Additional Plan, MaBSTOA Plan, MNR Cash Balance Plan, MTA Defined Benefit Plan, NYCERS plan and NYSLERS plan, the long-term expected rate of return on investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation of each of the funds and the expected real rate of returns ("RROR") for each of the asset classes are summarized in the following tables for each of the pension plans:

	Additional Plan		**MaBSTOA Plan**	
Asset Class	**Target Asset Allocation**	**Long - Term Expected Real Rate of Return**	**Target Asset Allocation**	**Long - Term Expected Real Rate of Return**
US Core Fixed Income	10.50%	2.27%	10.50%	2.27%
US Long Bonds	2.00%	2.51%	2.00%	2.51%
US Bank / Leveraged Loans	1.50%	3.79%	1.50%	3.79%
US Inflation-Indexed Bonds	2.00%	1.58%	2.00%	1.58%
US High Yield Bonds	3.00%	4.40%	3.00%	4.40%
Emerging Markets Bonds	2.00%	4.99%	2.00%	4.99%
US Large Caps	18.00%	5.64%	18.00%	5.64%
US Small Caps	7.00%	7.25%	7.00%	7.25%
Foreign Developed Equity	12.00%	6.90%	12.00%	6.90%
Emerging Markets Equity	4.50%	9.58%	4.50%	9.58%
Emerging Markets Small Cap Equity	1.50%	9.81%	1.50%	9.81%
US REITs	1.00%	6.71%	1.00%	6.71%
Private Real Estate Property	4.00%	4.86%	4.00%	4.86%
Private Equity	7.00%	10.74%	7.00%	10.74%
Private Credit	7.00%	6.99%	7.00%	6.99%
Commodities	4.00%	2.96%	4.00%	2.96%
Hedge Funds - MultiStrategy	13.00%	4.52%	13.00%	4.52%
	100.00%		100.00%	
Assumed Inflation - Mean		2.33%		2.33%
Assumed Inflation - Standard Deviation		1.41%		1.41%
Portfolio Nominal Mean Return		8.08%		8.08%
Portfolio Standard Deviation		12.42%		12.42%
Long Term Expected Rate of Return selected by MTA		**6.50%**		**6.50%**

	MTA Defined Benefit Plan		MNR Cash Balance Plan	
Asset Class	**Target Asset Allocation**	**Long - Term Expected Real Rate of Return**	**Target Asset Allocation**	**Long - Term Expected Real Rate of Return**
US Core Fixed Income	10.50%	2.27%	100.00%	2.16%
US Long Bonds	2.00%	2.51%	-	-
US Bank / Leveraged Loans	1.50%	3.79%	-	-
US Inflation-Indexed Bonds	2.00%	1.58%	-	-
US High Yield Bonds	3.00%	4.40%	-	-
Emerging Markets Bonds	2.00%	4.99%	-	-
US Large Caps	18.00%	5.64%	-	-
US Small Caps	7.00%	7.25%	-	-
Foreign Developed Equity	12.00%	6.90%	-	-
Emerging Markets Equity	4.50%	9.58%	-	-
Emerging Markets Small Cap Equity	1.50%	9.81%	-	-
Global REITs	1.00%	6.71%	-	-
Private Real Estate Property	4.00%	4.86%	-	-
Private Equity	7.00%	10.74%		
Private Credit	7.00%	6.99%	-	-
Commodities	4.00%	2.96%	-	-
Hedge Funds - MultiStrategy	13.00%	4.52%	-	-
	100.00%		100.00%	
Assumed Inflation - Mean		2.33%		2.40%
Assumed Inflation - Standard Deviation		1.41%		1.41%
Portfolio Nominal Mean Return		8.08%		4.56%
Portfolio Standard Deviation		12.42%		4.22%
Long Term Expected Rate of Return selected by MTA		**6.50%**		**4.00%**

	NYCERS		NYSLERS	
Asset Class	**Target Asset Allocation**	**Long - Term Expected Real Rate of Return**	**Target Asset Allocation**	**Long - Term Expected Real Rate of Return**
U.S. Public Market Equities	27.00%	6.90%	32.00%	4.30%
International Public Market Equities	0.00%	0.00%	15.00%	6.85%
Developed Public Market Equities	12.00%	7.20%	0.00%	0.00%
Emerging Public Market Equities	5.00%	9.10%	0.00%	0.00%
Fixed Income	30.50%	2.70%	23.00%	1.50%
Private Equities	8.00%	11.10%	10.00%	7.50%
Alternatives (Real Assets, Hedge Funds)	0.00%	0.00%	3.00%	5.84%
Real Estate	7.50%	7.10%	9.00%	4.60%
Infrastructure	4.00%	6.40%	0.00%	0.00%
Absolute Return Strategies	0.00%	0.00%	0.00%	0.00%
Opportunistic Portfolio	6.00%	8.60%	3.00%	5.38%
Cash	0.00%	0.00%	1.00%	0.00%
Credit	0.00%	0.00%	4.00%	5.43%
	100.00%		100.00%	
Assumed Inflation - Mean		2.50%		2.50%
Long Term Expected Rate of Return		**7.00%**		**5.90%**

Discount rate

The discount rate used to measure the total pension liability of each pension plan is presented in the following table:

Year ended December 31,	2023		2022	
Pension Plan	**Measurement Date**	**Rate**	**Measurement Date**	**Rate**
Additional Plan	December 31, 2022	6.50%	December 31, 2021	6.50%
MaBSTOA Plan	December 31, 2022	6.50%	December 31, 2021	6.50%
MNR Cash Balance Plan	December 31, 2022	4.00%	December 31, 2021	3.00%
MTA Defined Benefit Plan	December 31, 2022	6.50%	December 31, 2021	6.50%
NYCERS	June 30, 2023	7.00%	June 30, 2022	7.00%
NYSLERS	March 31, 2023	5.90%	March 31, 2022	5.90%

The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the rates applicable for each pension plan and that employer contributions will be made at the rates determined by each pension plan's actuary. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability – Additional Plan, MaBSTOA Plan, MNR Cash Balance Plan and the MTA Defined Benefit Plan

Changes in the MTA's net pension liability for the Additional Plan, MaBSTOA Plan, MNR Cash Balance Plan and the MTA Defined Benefit Plan for the year ended December 31, 2023, based on the December 31, 2022 measurement date, and for the year ended December 31, 2022, based on the December 31, 2021 measurement date, were as follows:

	Additional Plan			MaBSTOA Plan		
	Total Pension Liability	**Plan Fiduciary Net Position**	**Net Pension Liability**	**Total Pension Liability**	**Plan Fiduciary Net Position**	**Net Pension Liability**
			(in thousands)			
Balance as of December 31, 2021	$ 1,322,471	$ 777,323	$ 545,148	$ 4,422,017	$ 3,658,350	$ 763,667
Changes for fiscal year 2022:						
Service Cost	146	-	146	95,860	-	95,860
Interest on total pension liability	81,371	-	81,371	285,410	-	285,410
Effect of plan changes	-	-	-	1,760	-	1,760
Effect of economic / demographic (gains) or losses	(1,347)	-	(1,347)	(20,721)	-	(20,721)
Benefit payments	(143,764)	(143,764)	-	(257,973)	(257,973)	-
Administrative expense	-	(761)	761	-	(806)	806
Member contributions	-	51	(51)	-	25,548	(25,548)
Net investment income	-	(51,214)	51,214	-	(273,627)	273,627
Employer contributions	-	70,763	(70,763)	-	158,619	(158,619)
Balance as of December 31, 2022	$ 1,258,877	$ 652,398	$ 606,479	$ 4,526,353	$ 3,310,111	$ 1,216,242

	Additional Plan			MaBSTOA Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(in thousands)					
Balance as of December 31, 2020	$ 1,357,323	$ 760,690	$ 596,633	$ 4,246,385	$ 3,306,615	$ 939,770
Changes for fiscal year 2021:						
Service Cost	260	-	260	93,934	-	93,934
Interest on total pension liability	83,489	-	83,489	274,270	-	274,270
Effect of economic /demographic (gains) or losses	3,729	-	3,729	(19,177)	-	(19,177)
Effect of assumption changes or inputs	26,300	-	26,300	72,032	-	72,032
Benefit payments	(148,630)	(148,630)	-	(245,427)	(245,427)	-
Administrative expense	-	(610)	610	-	(264)	264
Member contributions	-	73	(73)	-	24,935	(24,935)
Net investment income	-	95,247	(95,247)	-	416,287	(416,287)
Employer contributions	-	70,553	(70,553)	-	156,204	(156,204)
Balance as of December 31, 2021	$ 1,322,471	$ 777,323	$ 545,148	$ 4,422,017	$ 3,658,350	$ 763,667

	MNR Cash Balance Plan			MTA Defined Benefit Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(in thousands)					
Balance as of December 31, 2021	$ 355	$ 351	$ 4	$ 7,427,785	$ 5,753,129	$ 1,674,656
Changes for fiscal year 2022:						
Service Cost	-	-	-	220,423	-	220,423
Interest on total pension liability	10	-	10	485,878	-	485,878
Effect of economic / demographic (gains) or losses	(6)	-	(6)	95,172	-	95,172
Effect of assumption changes or inputs	(16)	-	(16)	-	-	-
Benefit payments	(33)	(33)	-	(351,857)	(351,857)	-
Administrative expense	-	-	-	-	(4,334)	4,334
Member contributions	-	-	-	-	34,471	(34,471)
Net investment income	-	(43)	43	-	(464,023)	464,023
Employer contributions	-	4	(4)	-	400,648	(400,648)
Balance as of December 31, 2022	$ 310	$ 279	$ 31	$ 7,877,401	$ 5,368,034	$ 2,509,367

	MNR Cash Balance Plan			MTA Defined Benefit Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(in thousands)					
Balance as of December 31, 2020	$ 378	$ 394	$ (16)	$ 6,950,035	$ 5,012,765	$ 1,937,270
Changes for fiscal year 2021:						
Service Cost	-	-	-	213,675	-	213,675
Interest on total pension liability	11	-	11	455,230	-	455,230
Effect of economic / demographic (gains) or losses	(11)	-	(11)	20,656	-	20,656
Effect of assumption changes or inputs	15	-	15	113,662	-	113,662
Benefit payments	(38)	(38)	-	(325,473)	(325,473)	-
Administrative expense	-	-	-	-	(3,513)	3,513
Member contributions	-	-	-	-	33,832	(33,832)
Net investment income	-	(5)	5	-	639,374	(639,374)
Employer contributions	-	-	-	-	396,144	(396,144)
Balance as of December 31, 2021	$ 355	$ 351	$ 4	$ 7,427,785	$ 5,753,129	$ 1,674,656

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the MTA's net pension liability calculated for the Additional Plan, MaBSTOA Plan, MNR Cash Balance Plan and the MTA Defined Benefit Plan using the discount rate as of each measurement date, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the actual discount rate used for each measurement date:

Measurement Date:	**December 31, 2022**			**December 31, 2021**		
	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)	1% Decrease (5.5%)	Discount Rate (6.5%)	1% Increase (7.5%)
	(in thousands)			(in thousands)		
Additional Plan	$ 703,189	$ 606,479	$ 522,065	$ 648,472	$ 545,148	$ 455,156
MaBSTOA Plan	1,729,789	1,216,242	781,313	1,269,779	763,667	335,356
MTA Defined Benefit Plan	3,499,092	2,509,367	1,678,112	2,615,168	1,674,656	884,831

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)	1% Decrease (2.0%)	Discount Rate (3.0%)	1% Increase (4.0%)
	(in whole dollars)			(in whole dollars)		
MNR Cash Balance Plan	$ 49,069	$ 30,726	$ 14,453	$ 26,611	$ 3,865	$ (16,181)

The MTA's Proportion of Net Pension Liability – NYCERS and NYSLERS

The following table presents the MTA's proportionate share of the net pension liability of NYCERS based on the June 30, 2022 and June 30, 2021 actuarial valuations, rolled forward to June 30, 2023 and June 30, 2022, respectively, and the proportion percentage of the aggregate net pension liability allocated to the MTA:

	NYCERS	
	June 30, 2023	June 30, 2022
	($ in thousands)	
MTA's proportion of the net pension liability	22.075%	21.900%
MTA's proportionate share of the net pension liability	$3,938,599	$3,964,996

The following table presents the MTA's proportionate share of the net pension liability of NYSLERS based on the April 1, 2022 and April 1, 2021 actuarial valuations, rolled forward to March 31, 2023 and March 31, 2022, respectively, and the proportion percentage of the aggregate net pension liability allocated to the MTA:

	NYSLERS	
	March 31, 2023	March 31, 2022
	($ in thousands)	
MTA's proportion of the net pension liability	0.299%	0.316%
MTA's proportionate share of the net pension liability	$64,289	$(25,856)

The MTA's proportion of each respective Plan's net pension liability was based on the MTA's actual required contributions made to NYCERS for the plan's fiscal year-end June 30, 2023 and 2022 and to NYSLERS for the plan's fiscal year-end March 31, 2023 and 2022, relative to the contributions of all employers in each plan.

Sensitivity of the MTA's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the MTA's proportionate share of the net pension liability for NYCERS and NYSLERS calculated using the discount rate as of each measurement date, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the actual discount rate used as of each measurement date ($ in thousands):

Measurement Date:	**June 30, 2023**			**June 30, 2022**		
	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
NYCERS	$6,382,217	$3,938,599	$1,876,193	$6,309,639	$3,964,996	$1,984,590

Measurement Date:	**March 31, 2023**			**March 31, 2022**		
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
NYSLERS	$155,359	$64,289	$(11,810)	$66,552	$(25,856)	$(103,150)

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the nine months ended September 30, 2024 and year ended December 31, 2023, the MTA recognized pension expense related to each pension plan as follows (in $ thousands):

Pension Plan	**September 30, 2024**	**December 31, 2023**
Additional Plan	52,410	$58,880
MaBSTOA Plan	120,807	259,366
MNR Cash Balance plan	0	(12)
MTA Defined Benefit Plan	306,521	608,895
NYCERS	592,640	665,871
NYSLERS	10,552	23,325
Total	**$1,082,930**	**$1,616,325**

For the nine-month period ended September 30, 2024 and year ended December 31, 2023, the MTA reported deferred outflow of resources and deferred inflow of resources for each pension plan as follows (in $ thousands):

For the Year Ended September 30, 2024	**Additional Plan**		**MaBSTOA Plan**		**MNR Cash Balance Plan**		**MTA Defined Benefit Plan**	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -	$ 5,869	$ 30,956	$ -	$ -	$ 219,589	$ 7,014
Changes in assumptions	-	-	119,496	-	-	-	458,638	-
Net difference between projected and actual earnings on pension plan investments	56,874	-	296,972	-	40	-	498,707	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-	-	-	-	54,191	54,191
Employer contributions to the plan subsequent to the measurement of net pension liability	72,666	-	170,033	-	13	-	416,538	
Total	$ 129,540	$ -	$ 592,370	$ 30,956	$ 53	$ -	$ 1,647,663	$ 61,205

For the Year Ended September 30, 2024	**NYCERS**		**NYSLERS**		**Total**	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 443,124	$ 17,546	$ 6,847	$ 1,806	$ 675,429	$ 57,322
Changes in assumptions	6	80,062	31,223	345	609,363	80,407
Net difference between projected and actual earnings on pension plan investments	491,003	-	-	378	1,343,596	378
Changes in proportion and differences between contributions and proportionate share of contributions	31,168	234,524	3,349	2,119	88,708	290,834
Employer contributions to the plan subsequent to the measurement of net pension liability	400,694	-	14,045	-	1,063,370	-
Total	$ 1,365,995	$ 332,132	$ 55,464	$ 4,648	$ 3,780,466	$ 428,941

For the Year Ended December 31, 2023	Additional Plan		MaBSTOA Plan		MNR Cash Balance Plan		MTA Defined Benefit Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -	$ 5,869	$ 30,956	$ -	$ -	$ 219,589	$ 7,014
Changes in assumptions	-	-	119,496	-	-	-	458,638	-
Net difference between projected and actual earnings on pension plan investments	56,874	-	296,972	-	40	-	498,707	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-	-	-	-	54,191	54,191
Employer contributions to the plan subsequent to the measurement of net pension liability	72,666	-	170,033	-	13	-	416,538	-
Total	$ 129,540	$ -	$ 592,370	$ 30,956	$ 53	$ -	$ 1,647,663	$ 61,205

For the Year Ended December 31, 2023	NYCERS		NYSLERS		TOTAL	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 443,124	$ 17,546	$ 6,847	$ 1,806	$ 675,429	$ 57,322
Changes in assumptions	6	80,062	31,223	345	609,363	80,407
Net difference between projected and actual earnings on pension plan investments	491,003	-	-	378	1,343,596	378
Changes in proportion and differences between contributions and proportionate share of contributions	31,168	234,524	3,349	2,119	88,708	290,834
Employer contributions to the plan subsequent to the measurement of net pension liability	408,232	-	14,045	-	1,081,527	-
Total	$ 1,373,533	$ 332,132	$ 55,464	$ 4,648	$ 3,798,623	$ 428,941

The annual differences between the projected and actual earnings on investments are amortized over a five-year closed period beginning the year in which the difference occurs.

The following table presents the recognition periods used by each pension plan to amortize the annual differences between expected and actual experience, changes in proportion and differences between employer contributions and proportionate share of contributions, and changes in actuarial assumptions, beginning the year in which the deferred amount occurs.

	Recognition Period (in years)		
Pension Plan	**Differences between expected and actual experience**	**Changes in proportion and differences between employer contributions and proportionate share of contributions**	**Changes in actuarial assumptions**
Additional Plan	1.00	N/A	N/A
MaBSTOA Plan	6.20	N/A	6.20
MNR Cash Balance Plan	1.00	N/A	1.00
MTA Defined Benefit Plan	8.10	8.10	8.10
NYCERS	5.55	5.55	5.55
NYSLERS	5.00	5.00	5.00

For the nine-month period ended September 30, 2024 and year ended December 31, 2023, $1,063.4 and $1,081.5 were reported as deferred outflows of resources related to pensions resulting from the MTA's contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ending December 31, 2024 and December 31, 2023, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at December 31, 2023 will be recognized as pension expense as follows:

Year Ending December 31:	Additional Plan	MaBSTOA Plan	MNR Cash Balance plan	MTA Defined Benefit Plan	NYCERS	NYSLERS	Total
				(in thousands)			
2024	$ 7,218	$ 75,413	$ 5	$ 216,736	$ 116,924	$ 8,834	$ 425,130
2025	19,664	123,180	10	280,466	(42,342)	(3,268)	377,710
2026	10,140	86,844	14	238,182	509,498	13,635	858,313
2027	19,852	106,650	11	293,048	20,010	17,570	457,141
2028	-	(38)	-	89,346	29,079	-	118,387
Thereafter	-	(668)	-	52,142	-	-	51,474
	$ 56,874	$ 391,381	$ 40	$ 1,169,920	$ 633,169	$ 36,771	$ 2,288,155

Deferred Compensation Program

Description - The Deferred Compensation Program consists of two defined contribution plans that provide benefits based solely on the amount contributed to each participant's account(s), plus or minus any income, expenses and gains/losses. The Deferred Compensation Program is comprised of the Deferred Compensation Plan For Employees of the Metropolitan Transportation Authority ("MTA"), its Subsidiaries and Affiliates ("457 Plan") and the Thrift Plan For Employees of the Metropolitan Transportation Authority, its Subsidiaries and Affiliates ("401(k) Plan"). Certain MTA Related Groups employees are eligible to participate in both deferred compensation plans. Both Plans are designed to have participant charges, including investment and other fees, cover the costs of administering the Deferred Compensation Program.

Participation in the 401(k) Plan is now available to non-represented employees and, after collective bargaining, most represented employees. All amounts of compensation deferred under the 401(k) Plan, and all income attributable to such compensation, less expenses and fees, are held in trust for the exclusive benefit of the participants and their beneficiaries. Accordingly, the 401(k) Plan is not reflected in the accompanying consolidated statements of net position.

The Deferred Compensation Program is administered and may be amended by the Deferred Compensation Committee.

As the Deferred Compensation Program's asset base and contribution flow increased, participants' investment options were expanded by the Deferred Compensation Committee with the advice of its Financial Advisor to provide greater diversification and flexibility. In 1988, after receiving an IRS determination letter for the 401(k) Plan, the MTA offered its managers the choice of either participating in the 457 Plan or the 401(k) Plan. By 1993, the MTA offered eight investment funds: a Guaranteed Interest Account Fund, a Money Market Fund, a Common Stock Fund, a Managed Fund, a Stock Index Fund, a Government Income Fund, an International Fund and a Growth Fund.

In 1998, the Deferred Compensation Committee approved the unbundling of the Plans. In 2008, the Plans' investment choices were restructured to set up a four-tier strategy:

- Tier 1 – The MTA Asset Allocation Programs offer two options for those participants who would like to make retirement investing easy – the MTA Target Year Funds and Goal maker. Investments will be automatically diversified among a range of investment options.
- Tier 2 – The MTA Index Funds offer a tier of index funds, which invest in the securities of companies that are included in a selected index, such as the Standard & Poor's 500 (large cap) Index or Barclays Capital U.S. Aggregate (bond) index. The typical objective of an index fund is to achieve approximately the same return as that specific market index. Index funds provide investors with lower-cost investments because they are less expensive to administer than actively managed funds.
- Tier 3 – The MTA Actively Managed Portfolios, which are comprised of actively managed portfolios that are directed by one or a team of professional managers who buy and sell a variety of holdings in an effort to outperform selected indices. The funds provide a diversified array of distinct asset classes, with a single option in each class. They combine the value and growth disciplines to create a "core" portfolio for the mid-cap and international categories.
- Tier 4 – The Self-Directed Mutual Fund Option is designed for the more experienced investors. The fund offers access to an expanded universe of mutual funds from hundreds of well-known mutual fund families. Participants may invest only a portion of their account balances in this Tier.

In 2011, the Deferred Compensation Program began offering Roth contributions. Employees can elect after-tax Roth contributions and before-tax contributions in both the 401(k) Plan and the 457 Plan. The total combination of Roth after-tax contributions and regular before-tax contributions cannot exceed the IRS maximum of $20,500 dollars or $27,000 dollars for those over age 50 for the year ended December 31, 2022. The total combination of Roth after-tax contributions and regular before-tax contributions cannot exceed the IRS maximum of $22,500 dollars or $30,000 dollars for those over age 50 for the year ended December 31, 2023.

The two Plans offer the same array of investment options to participants. Eligible participants in the Deferred Compensation Program include employees (and in the case of MTA Long Island Bus, former employees) of:

- MTA
- MTA Long Island Rail Road
- MTA Bridges and Tunnels
- MTA Long Island Bus
- MTA Metro-North Railroad
- MTA New York City Transit
- MTA Staten Island Rapid Transit
- MTA Construction and Development
- MTA Bus

Employer Contributions - MTA Bus on behalf of certain MTA Bus employees, MTA Metro-North Railroad on behalf of certain MNR employees who opted-out of participation in the MTA Defined Benefit Pension Plan and MTA on behalf of certain represented MTA Business Service Center employees and on behalf of certain MTA Police Officers, make contributions to the 401(k) Plan. The rate for the employer contribution varies.

MTA Bus – Effective in 2019, there are no employees receiving these employer contributions. Prior to 2019, certain members who were employed by Queens Surface Corporation on February 26, 2005, and who became employees of MTA Bus on February 27, 2005, receive a matching contribution equal to 50% of member's before-tax contributions provided that the maximum matching contribution shall not exceed 3% of the member's base pay. MTA Bus also makes a basic contribution equal to 2% of the member's compensation. These contributions vest as follows:

Years of Service	Vested Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

MTA Metro-North Railroad – MNR employees represented by certain unions and who elected to opt-out of participation in the MTA Defined Benefit Pension Plan receive an annual employer contribution equal to 4% of the member's compensation. Effective on the first full pay period following the nineteenth anniversary date of an eligible MNR member's continuous employment, MTA Metro-North Railroad contributes an amount equal to 7% of the member's compensation. Eligible MNR members vest in these employer contributions as set forth below:

Years of Service	Vested Percentage
Less than 5	0%
5 or more	100%

MTA Headquarters - Police - For each plan year, the MTA shall make contributions to the account of each eligible MTA Police Benevolent Association member in the amounts required by the collective bargaining agreement ("CBA") and subject to the contribution limits set forth in the CBA. These contributions shall be made monthly and shall be considered MTA Police contributions. Members are immediately 100% vested in these employer contributions.

MTA Headquarters – Commanding Officers - In addition, for each plan year, the MTA shall make contributions to the account of each eligible MTA Police Department Commanding Officers Benevolent Association member in the amounts required by the CBA and subject to the contribution limits set forth in the CBA. These contributions shall be made monthly and shall be considered MTA Police contributions. These members are immediately 100% vested in these employer contributions.

MTA Headquarters – Business Services - Effective January 1, 2011, all newly hired MTA Business Services Center employees represented by the Transportation Communications Union are eligible to receive a matching contribution up to a maximum of 3% of the participant's compensation. A participant's right to the balance in his or her matching contributions shall vest upon the first of the following to occur:

i. Completing 5 years of service,

ii. Attaining the Normal Retirement Age of 62 while in continuous employment, or

iii. Death while in continuous employment.

Additional Deposits (Incoming Rollover or Transfers) - Participants in the Deferred Compensation Program are eligible to roll over both their before-tax and after-tax assets from other eligible retirement plans into the 401(k) and 457 Plans. Under certain conditions, both Plans accepts rollovers from all eligible retirement plans (as defined by the Code), including 401(a), 457, 401(k), 403(b), and rollover IRAs.

Forfeitures – Non vested contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses.

	2023	2022
	(In thousands)	
Employer 401K contributions	$ 3,936	$ 3,833

5. OTHER POSTEMPLOYMENT BENEFITS

The MTA participates in a defined benefit other postemployment benefits ("OPEB") plan for its employees, the Metropolitan Transportation Authority Retiree Welfare Benefits Plan ("OPEB Plan"). A description of the Plan follows:

(1) Plan Description

The MTA Retiree Welfare Benefits Plan ("OPEB Plan") and the related Trust Fund ("Trust") was established on January 1, 2009 for the exclusive benefit of MTA retired employees and their eligible spouses and dependents, to fund some of the OPEB provided in accordance with the MTA's various collective bargaining agreements. Postemployment benefits are part of an exchange of salaries and benefits for employee services rendered. Amounts contributed to the OPEB Plan are held in an irrevocable trust and may not be used for any other purpose than to fund the costs of health and welfare benefits of its eligible participants.

The OPEB Plan and the Trust are exempt from federal income taxation under Section 115(1) of the Internal Revenue Code. The OPEB Plan is classified as a single-employer plan.

The OPEB Plan Board of Managers, comprised of the MTA Chairman, MTA Chief Financial Officer and MTA Director of Labor Relations, are the administrators of the OPEB Plan. The MTA Board has the right to amend, suspend or terminate the OPEB Plan. The OPEB Plan is a fiduciary component unit of the MTA and is in the Pension and Other Employee Benefit Trust Funds section of the MTA's basic financial statements.

The separate annual financial statements of the OPEB Plan may be obtained by writing to MTA Deputy Chief, Controller's Office, 2 Broadway, 15th Floor New York, NY 10004 or at www.mta.info.

Benefits Provided — The benefits provided by the OPEB Plan include medical, pharmacy, dental, vision, life insurance and a Medicare supplemental plan. The different types of benefits provided vary by agency, employee type (represented employees versus non-represented) and the relevant collective bargaining agreements. Certain benefits are provided upon retirement as defined in the applicable pension plan. Certain agencies provide benefits to certain former employees if separated from service within 5 years of attaining retirement eligibility. Employees of the MTA are members of the following pension plans: the MTA Defined Benefit Plan, the Additional Plan, the MNR Cash Balance Plan, the MaBSTOA Plan, NYCERS, and NYSLERS. Certain represented employees of MTA Metro-North Railroad participate in the 401(k) Plan. Eligible employees of the MTA may elect to join the New York State Voluntary Defined Contribution Plan ("VDC").

The MTA participates in the New York State Health Insurance Program ("NYSHIP") and provides medical and prescription drug benefits, including Medicare Part B reimbursements, to many of its retirees. NYSHIP offers a Preferred Provider Organization ("PPO") plan and several Health Maintenance Organization ("HMO") plans. Represented MTA New York City Transit employees, other MTA New York City Transit former employees who retired prior to January 1, 1996 or January 1, 2001, MTA Staten Island Railway represented employees as of March 1, 2010, June 1, 2010 or January 1, 2013 depending on the union and MTA Bus retirees do not participate in NYSHIP. These benefits are provided either through a self-insured health plan, a fully insured health plan or an HMO.

The MTA is a participating employer in NYSHIP. The NYSHIP financial report can be obtained by writing to NYS Department of Civil Service, Employee Benefits Division, Alfred E. Smith Office Building, 805 Swan Street, Albany, NY 12239.

OPEB Plan Eligibility — To qualify for benefits under the OPEB Plan, a former employee of the MTA must:

i. have retired;

ii. be receiving a pension (except in the case of the 401(k) Plan);

iii. have at least 10 years of credited service as a member of NYCERS, NYSLERS, the MTA Defined Benefit Plan, the Additional Plan, the MaBSTOA Plan, the MNR Cash Balance Plan, the 401(k) Plan or the VDC; and

iv. have attained the minimum age requirement (unless within 5 years of commencing retirement for certain members). A represented retired employee may be eligible only pursuant to the relevant collective bargaining agreement.

Surviving Spouse and Other Dependents —

- Lifetime coverage is provided to the surviving spouse (not remarried) or domestic partner and surviving dependent children to age 26 of retired managers and certain non-represented retired employees.
- Represented retired employees must follow the guidelines of their collective bargaining agreements regarding continued health coverage for a surviving spouse or domestic partner and surviving dependents. The surviving spouse coverage continues until spouse is eligible for Medicare for represented employees of MTA New York City Transit and MTA Staten Island Railway, retiring on or after:
  - May 21, 2014 for Transport Workers Union ("TWU") Local 100;

  - September 24, 2014 for Amalgamated Transit Union ("ATU") Local 726;
  - October 29, 2014 for ATU Local 1056;
  - March 25, 2015 for Transportation Communication Union ("TCU"); and
  - December 16, 2015 for United Transportation Union ("UTU") and American Train Dispatchers Association ("ATDA").

- Lifetime coverage is provided to the surviving spouse (not remarried) or domestic partner and surviving dependents of retired uniform members of the MTA Police Department.
- Lifetime coverage is provided to the surviving spouse (not remarried) or domestic partner and surviving dependent children to age 26 of uniformed members of the MTA Police Department whose death was sustained while in performance of duty.

The OPEB Plan Board of Managers has the authority to establish and amend the benefits that will be covered under the OPEB Plan, except to the extent that they have been established by collective bargaining agreement.

Employees Covered by Benefit Terms — As of July 1, 2021 and July 1, 2019, the date of the most recent actuarial valuation, the following classes of employees were covered by the benefit terms:

	Number of Participants	
	July 1, 2021	**July 1, 2019**
Active plan members	68,672	73,588
Inactive plan members currently receiving benefit payments	48,888	46,994
Inactive plan members entitled to but not yet receiving benefit payments	131	186
Total	117,691	120,768

Contributions — The MTA is not required by law or contractual agreement to provide funding for the OPEB Plan, other than the "pay-as-you-go" ("PAYGO") amounts. PAYGO is the cost of benefits necessary to provide the current benefits to retirees and eligible beneficiaries and dependents. Employees are not required to contribute to the OPEB Plan. The OPEB Plan Board has the authority for establishing and amending the funding policy. For the years ended December 31, 2023 and 2022, the MTA paid $882 and $846.3 of PAYGO to the OPEB Plan, respectively. The PAYGO amounts include an implicit rate subsidy adjustment of $62 and $58 for the years ended December 31, 2023 and 2022, respectively. There were no additional prior year implicit rate subsidy adjustments for the year ended December 31, 2023. In addition to the 2023 PAYGO, MTA made an advance contribution to the OPEB Trust on April 11, 2023 and May 2, 2023 for a total of $1,319 for use in future years. The OPEB Plan paid $846.2 in OPEB benefits, increasing the employer contributions to $793.

The discount rate estimates investment earnings for assets earmarked to cover retiree health benefits. Under GASB Statement No. 75, the discount rate depends on the nature of underlying assets for funded plans. Since the amount of benefits paid in 2020 exceeded the current fair value of the assets, a depletion date is assumed to occur immediately. Therefore, the discount rate is set equal to the municipal bond index. The MTA elected the Bond Buyer General Obligation 20-Bond Municipal Bond Index. As a result, the discount rates as of December 31, 2022 and December 31, 2021, the measurement dates, are 3.72% and 2.06%, respectively.

Employer contributions include the implicit subsidy, or age-related subsidy inherent in the healthcare premiums structure. The implicit subsidy arises when an employer allows a retiree and their dependents to continue on the active plans and pay the active premiums. Retirees are not paying the true cost of their benefits because they have higher utilization rates than actives and therefore, are partially subsidized by the active employees. As shown in the following table, for the years ended December 31, 2022 and 2021, the employer made a cash payment for retiree healthcare of $57,989 and $52,933, respectively, as part of the employer's payment for active-employee healthcare benefits. For purposes of GASB Statement No. 75, this payment made on behalf of the active employees should be reclassified as benefit payments for retiree health care to reflect the retirees' underlying age-adjusted, retiree benefit costs.

Blended and Age-adjusted Premium (in thousands)	**2022 Retirees**	**2021 Retirees**
Total blended premiums	$ 788,310	$ 740,051
Employment payment for retiree healthcare	57,989	52,933
Net Payments	$ 846,299	$ 792,984

(2) Actuarial Assumptions

Actuarial valuation involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as future employment, mortality and health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan, which refers to the plan terms as understood by the employer and the plan members at the time of the valuation, including only changes to plan terms that have been made and communicated to employees. The projections include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members at that time. The MTA may not be obligated to provide the same types or levels of benefits to retirees in the future.

The total OPEB liability was determined by an actuarial valuation performed on July 1, 2021 and July 1, 2019. Update procedures were used to roll forward the total OPEB liability to the measurement dates of December 31, 2022, and December 31, 2021, respectively. The actuarial valuations were performed using the following actuarial assumptions, applied to all periods included in the measurement, unless specified:

Valuation date	July 1, 2021	July 1, 2021
Measurement date	December 31, 2022	December 31, 2021
Discount rate	3.72%, net of expenses	2.06%, net of expenses
Inflation	2.33%	2.30%
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level percentage of payroll	Level percentage of payroll
Normal cost increase factor	4.25%	4.25%
Salary increases	Varies by years of service and differs for members of the various pension plans	Varies by years of service and differs for members of the various pension plans
Investment rate of return	3.72%	2.06%

Healthcare Cost Trend — The Society of Actuaries (SOA) developed and regularly updates a long-term medical trend model based on detailed research performed by a committee of economists and actuaries, which included a representative from MTA's actuary. This model is used as the foundation for the trend that the actuary recommends for postretirement healthcare valuations, with certain adjustments designed to produce trends that are appropriate for employer plans. These adjustments include incorporating assumed administrative cost trend where applicable and removing the impact of age-related morbidity (since age-related morbidity assumptions are applied separately in the valuation when applicable). Trend rates also reflect the expected impact of short-term inflation.

Healthcare Cost Trend Rates — The following lists illustrative rates for the NYSHIP and self-insured trend assumptions (all amounts are in percentages).

Fiscal Year	NYSHIP < 65	NYSHIP > = 65	TBTA < 65	TBTA > = 65	Self-Insured < 65	Self-Insured > = 65	Medicare Part B Trend
2021	12.20%	0.30%	12.20%	0.30%	5.80%	-6.80%	14.50%
2022	14.10%	13.40%	14.10%	13.40%	6.30%	5.40%	-3.10%
2023	6.70%	5.90%	7.10%	4.90%	7.00%	5.90%	7.30%
2024	7.00%	6.70%	7.20%	6.10%	7.20%	7.20%	7.70%
2025	6.40%	6.40%	6.40%	6.40%	6.50%	6.60%	9.00%
2026	5.80%	5.80%	5.80%	5.80%	5.90%	5.90%	8.30%
2027	5.10%	5.10%	5.10%	5.10%	5.20%	5.10%	6.00%
2028	4.90%	4.90%	4.90%	4.90%	5.00%	4.90%	6.10%
2029	4.70%	4.70%	4.70%	4.70%	4.80%	4.70%	5.30%
2030	4.50%	4.50%	4.50%	4.50%	4.60%	4.50%	6.20%
2031	4.30%	4.30%	4.30%	4.30%	4.40%	4.30%	5.60%
2032	4.20%	4.10%	4.20%	4.10%	4.20%	4.20%	5.60%
2033-2039	4.10%	4.10%	4.10%	4.10%	4.20%	4.10%	5.60%
2040-2049	4.10%	4.10%	4.10%	4.10%	4.20%	4.10%	4.10%
2050	4.20%	4.20%	4.20%	4.10%	4.20%	4.20%	3.80%

(continued)	NYSHIP		TBTA		Self-Insured		Medicare Part B Trend
Fiscal Year	< 65	> = 65	< 65	> = 65	< 65	> = 65	
2051-2064	4.20%	4.20%	4.20%	4.20%	4.20%	4.20%	3.80%
2065-2066	4.10%	4.10%	4.10%	4.10%	4.10%	4.10%	3.80%
2067	4.00%	4.00%	4.00%	4.00%	4.10%	4.00%	3.80%
2068	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	3.80%
2069	3.90%	3.90%	3.90%	3.90%	4.00%	3.90%	3.80%
2070	3.90%	3.90%	3.90%	3.90%	3.90%	3.90%	3.80%
2071	3.80%	3.80%	3.80%	3.80%	3.90%	3.80%	3.80%
2072-2073	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%
2074-2089	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.80%
2090+	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%	3.60%

For purposes of applying the Entry Age Normal cost method, the healthcare trend prior to the valuation date is based on the ultimate rates, which are 3.7% for NYSHIP costs, 3.7% for self-insured medical and pharmacy costs, and 3.6% for Medicare Part B costs.

Mortality — All mortality rates (except accidental death for active police members) are projected on a generational basis using the Society of Actuaries Mortality Improvement Scale MP-2021. As generational tables, they reflect mortality improvement both before and after the measurement date. The post-retirement mortality assumption is based on an experience analysis covering the period from January 1, 2015 to December 31, 2020 for the MTA-sponsored pension plans. The mortality rates vary by employee type:

- Headquarters Non-Police Members: PubG.H-2010 Mortality Table, headcount weighted for general employees for males and females with separate rates for employees, healthy annuitants and disabled annuitants.
- Headquarters Police Members: Rates from the June 30, 2019 (Lag) Actuarial Valuation for NYCERS dated December 29, 2021 as follows: Service Retirees for Housing Police and Transit Police (Table XII-5), Disabled Retirees for Housing Police and Transit Police (Table XII-6) and Active Members for Transit and TBTA Ordinary Death and Accidental Death (Table XII-4). No adjustments were made to convert from lives-weighted to amounts-weighted. Base year is 2012 for mortality improvement purposes.
- Rail Members (LI Bus, LIRR, Metro-North, and SIRTOA): Pri.H-2012(BC) Mortality Table, headcount weighted with blue collar adjustments for males and females with separate rates for employees, healthy annuitants and disabled annuitants. Employee and healthy annuitant male rates are multiplied by 97%.
- Transit Members (Bridges and Tunnels, MTA Bus, and Transit): Pri.H-2012(BC) Mortality Table, headcount weighted with blue collar adjustments for males and females with separate rates for employees, healthy annuitants and disabled annuitants. Employee and healthy annuitant male rates are multiplied by 92%.

(3) Net OPEB Liability

At December 31, 2023 and 2022, the MTA reported a net OPEB liability of $22,435 and $24,956, respectively. The MTA's net OPEB liability was measured as of December 31, 2022 and December 31, 2021, respectively. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date of July 1, 2021 and July 1, 2019 and rolled forward to December 31, 2021 and December 31, 2020, respectively.

OPEB Plan Fiduciary Net Position — The fiduciary net position has been determined on the same basis used by the OPEB plan. The OPEB plan uses the accrual basis of accounting under which contributions from the employer are recognized when paid. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value based on quoted market prices or Net Asset Value. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report or at www.mta.info.

Expected Rate of Return on Investments — The best-estimate range for the long-term expected rate of return was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of December 31, 2022.

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
US Short (1-3 Yr) Govt/Credit Bonds	Bloomberg US Govt/Credit 1-3 Yr TR USD	100.00%	1.31%
Assumed Inflation - Mean			2.33%
Assumed Inflation - Standard Deviation			1.41%
Portfolio Nominal Mean return			3.64%
Portfolio Standard Deviation			2.05%
Long Term Expected Rate of Return selected by MTA			**3.72%**

Discount Rate — The discount rate used in this valuation to measure the total OPEB liability was updated to incorporate GASB Statement No. 75 guidance.

The plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payments, to the extent that the plan's fiduciary net position is not projected to be sufficient. Therefore, the discount rate is set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of December 31, 2022 of 3.72% and as of December 31, 2021 of 2.06%.

Changes in Net OPEB Liability — Changes in the MTA's net OPEB liability for the year ended December 31, 2023 based on the December 31, 2022 measurement date, and for the year ended December 31, 2022, based on the December 31, 2021 measurement date, were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
		(in thousands)	
Balance as of December 31, 2021	$ 24,956,514	$ 84	$ 24,956,430
Changes for the year:			
Service Cost	1,240,342	-	1,240,342
Interest on total OPEB liability	530,983	-	530,983
Effect of economic/demographic gains or losses	14,299	-	14,299
Effect of assumptions changes or inputs	(3,449,438)	-	(3,449,438)
Benefit payments	(846,299)	(846,299)	-
Employer contributions	-	846,299	(846,299)
Net investment income	-	11,828	(11,828)
Administrative expenses	-	(176)	176
Net changes	(2,510,113)	11,652	(2,521,765)
Balance as of December 31, 2022	$ 22,446,401	$ 11,736	$ 22,434,665

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
		(in thousands)	
Balance as of December 31, 2020	$ 24,409,581	$ 130	$ 24,409,451
Changes for the year:			
Service Cost	1,250,950	-	1,250,950
Interest on total OPEB liability	535,642	-	535,642
Effect of economic/demographic gains or losses	292,154	-	292,154
Effect of assumptions changes or inputs	(738,829)	-	(738,829)
Benefit payments	(792,984)	(792,984)	-
Employer contributions	-	792,984	(792,984)
Administrative expenses	-	(46)	46
Net changes	546,933	(46)	546,979
Balance as of December 31, 2021	$ 24,956,514	$ 84	$ 24,956,430

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate — The following presents the net OPEB liability of the MTA, calculated using the discount rate as of each measurement date, as well as what the MTA's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the actual discount rate used for the measurement date:

Measurement Date:	December 31, 2022		
	1% Decrease (2.72%)	Discount Rate (3.72%)	1% Increase (4.72%)
Net OPEB liability	$25,527,146	$22,434,665	$19,880,016

Measurement Date:	December 31, 2021		
	1% Decrease (1.06%)	Discount Rate (2.06%)	1% Increase (3.06%)
Net OPEB liability	$28,857,427	$24,956,431	$21,790,175

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates — The following presents the net OPEB liability of the MTA, calculated using the healthcare cost trend rates as of each measurement date, as well as what the MTA's net OPEB liability would be if it were calculated using trend rates that are 1-percentage point lower or 1-percentage point higher than the actual healthcare trend rate used for the measurement date:

Measurement Date:	December 31, 2022		
	1% Decrease	Healthcare Cost Current Trend Rate*	1% Increase
Net OPEB liability	$19,236,719	$22,434,665	$26,461,562

Measurement Date:	December 31, 2021		
	1% Decrease	Healthcare Cost Current Trend Rate*	1% Increase
Net OPEB liability	$21,198,435	$24,956,431	$29,769,162

*For further details, refer to the Health Care Cost Trend Rates tables in the Actuarial Assumptions section of this Note Disclosure

(4) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended December 31, 2023 and 2022, the MTA recognized OPEB expense of $1.92 billion and $1.89 billion, respectively.

At September 30, 2024 and December 31, 2023, the MTA reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows ($ in thousands):

	September 30, 2024		December 31, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 355,728	$ 33,927	$ 355,728	$ 33,927
Changes of assumptions	1,551,188	4,123,792	1,551,188	4,123,792
Net difference between projected and actual earnings on OPEB plan investments	18,937	-	18,937	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,240,197	1,240,197	1,240,197	1,240,197
Employer contributions to the plan subsequent to the measurement of net OPEB liability	2,201,541	-	2,201,541	-
Total	$ 5,367,591	$ 5,397,916	$ 5,367,591	$ 5,397,916

The annual differences between the projected and actual earnings on investments are amortized over a 5-year closed period beginning the year in which the difference occurs. The annual differences between expected and actual experience and changes in assumptions are amortized over a 7.6-year closed period, beginning the year in which the deferred amount occurs.

For the years ended December 31, 2023 and 2022, $2,201.5 and $846.3 were reported as employer contributions subsequent to measurement date. The 2023 amount of $2,201.5 included a contribution of $1,319 to the OPEB Trust Fund for health and other welfare benefits to be used in future years. The current year contributions (except for the OPEB Trust contribution of $1,319) included MTA's contributions subsequent to the measurement date and an implicit rate subsidy adjustment that will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2024 and December 31, 2023, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB at December 31, 2023 will be recognized in OPEB expense as follows:

Year ending December 31:	2024	$	(320,826)
	2025		(387,668)
	2026		(308,422)
	2027		(210,070)
	2028		(269,832)
	Thereafter		(735,048)
		$	(2,231,866)

6. CAPITAL ASSETS

Capital assets and improvements include all land, buildings, equipment, and infrastructure of the MTA having a minimum useful life of two years and having a cost of more than $25 thousand. Capital assets are stated at historical cost, or at estimated historical cost based on appraisals, or on other acceptable methods when historical cost is not available. GASB 87 Leases are classified as right-of-use assets and measured at the present value of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. GASB 96, Subscription-Based Information Technology Arrangements are classified as right-to-use assets measured at the present value of subscription payments expected to be made during the subscription term, including any payments made before the commencement of the subscription term, and capitalizable implementation costs, less any incentives received.

Accumulated depreciation and amortization are reported as reductions of fixed assets and right-of-use assets. Depreciation is computed using the straight-line method based upon estimated useful lives of 25 to 50 years for buildings, 2 to 40 years for equipment, and 25 to 100 years for infrastructure. Right-of-use assets and leasehold improvements are amortized over the term of the lease or the life of the asset whichever is less. Right-to-use SBITA assets are amortized over the subscription term. Capital and right-of-use assets consist of the following at December 31, 2022, December 31, 2023 and September 30, 2024 (in millions):

	Balance December 31, 2022 (Restated)	Additions / Reclassifications	Deletions / Reclassifications	Balance December 31, 2023	Additions / Reclassifications	Deletions / Reclassifications	Balance September 30, 2024
Capital assets not being depreciated:							
Land	$ 331	$ -	$ -	$ 331	$ -	$ -	$ 331
Construction work-in-progress	22,597	6,449	15,211	13,835	4,763	2,336	16,262
Total capital assets not being depreciated	22,928	6,449	15,211	14,166	4,763	2,336	16,593
Capital assets being depreciated:							
Buildings and structures	25,274	9,807	33	35,048	766	21	35,793
Bridges and tunnels	4,421	228	-	4,649	13	-	4,662
Equipment:							
Passenger cars and locomotives	14,479	383	48	14,814	407	1	15,220
Buses	3,989	137	172	3,954	209	114	4,049
Infrastructure	32,640	3,445	6	36,079	529	8	36,600
Other	30,386	1,127	8	31,505	391	5	31,891
Total capital assets being depreciated	111,189	15,127	267	126,049	2,315	149	128,215
Less accumulated depreciation:							
Buildings and structures	9,889	684	33	10,540	551	-	11,091
Bridges and tunnels	783	112	-	895	135	-	1,030
Equipment:							
Passenger cars and locomotives	8,505	391	43	8,853	289	-	9,142
Buses	2,237	275	171	2,341	197	114	2,424
Infrastructure	13,523	1,024	6	14,541	791	1	15,331
Other	12,332	1,061	9	13,384	828	3	14,209
Total accumulated depreciation	47,269	3,547	262	50,554	2,791	118	53,227
Total capital assets being depreciated - net	63,920	11,580	5	75,495	(476)	31	74,988
Capital assets - net	86,848	18,029	15,216	89,661	4,287	2,367	91,581

	Balance December 31, 2022 (Restated)	Additions / Reclassifications	Deletions / Reclassifications	Balance December 31, 2023	Additions / Reclassifications	Deletions / Reclassifications	Balance September 30, 2024
Right of Use Assets being amortized:							
Leased buildings and structures	$ 745	$ 100	$ 2	$ 843	$ 6	$ -	$ 849
Leased equipment and vehicles	41	7	-	48	-	-	48
Leased other	4	6	-	10	-	-	10
Subscription-based IT arrangements	190	135		325	40	-	$ 365
Total Right-of-Use Assets being amortized	980	248	2	1,226	46	-	1,272
Less accumulated amortization:							
Leased buildings and structures	105	51	-	156	39	-	195
Leased equipment and vehicles	26	12	-	38	5	-	43
Leased other	1	2	-	3	1	-	4
Subscription-based IT arrangements	57	80	-	137	58		195
Total accumulated amortization	189	145	-	334	103	-	437
Right-of-Use Assets being amortized – net	791	103	2	892	(57)	-	835
Total Capital Assets, including Right-of-Use Assets, net of depreciation and amortization	$ 87,639	$ 18,132	$ 15,218	$ 90,553	$ 4,230	$ 2,367	$ 92,416

Capital assets acquired prior to April 1982 for MTA New York City Transit were funded primarily by New York City with capital grants made available to MTA New York City Transit. New York City has title to a substantial portion of such assets and, accordingly, these assets are not recorded on the books of the MTA. Subsequent acquisitions, which are part of the MTA Capital Program, are recorded at cost by MTA New York City Transit. In certain instances, title to MTA Bridges and Tunnels' real property may revert to New York City in the event the MTA determines such property is unnecessary for its corporate purpose. With respect to MTA Metro-North Rail Road, capital assets completely funded by CDOT are not reflected in MTA's financial statements, as ownership is retained by CDOT.

For certain construction projects, the MTA holds in a trust account marketable securities pledged by third-party contractors in lieu of cash retainages. At September 30, 2024 and December 31, 2023 , these securities, which are not included in these interim financial statements, totaled $109.3 and $111.0, respectively, including securities with a fair value of $92.6 and $66.1, respectively.

As of September 30, 2024, $55 billion is unexpended from the MTA's Capital Program (2005-2024) and $24.3 billion has been committed.

As of December 31, 2023, $60.2 billion is unexpended from the MTA's Capital Program (2005-2024) and $25.1 billion has been committed.

7. LONG-TERM DEBT

(In millions)	Original Issuance	December 31, 2023	Issued	Retired	September 30, 2024
MTA:					
Transportation Revenue Bonds					
1.43%–5.15% due through 2057	$44,080	$18,794	$1,625	$2,421	$17,998
Bond Anticipation Notes					
1.33% due through 2023	24,135	-	500	-	500
Dedicated Tax Fund Bonds					
1.86%–5.00% due through 2057	11,527	4,122	389	510	4,001
	79,742	22,916	2,514	2,931	22,499
Net unamortized bond premium	-	613	142	168	587
	79,742	**23,529**	**2,656**	**3,099**	**23,086**
TBTA:					
General Revenue Bonds					
1.00%–5.5% due through 2057	18,521	8,553	699	487	8,765
Payroll Mobility Tax Senior Lien Obligations					
2%-5.5% due through 2057	7,385	10,623	1,958	1,077	11,504
Subordinate Revenue Bonds					
1.00%–5.5% due through 2032	4,066	259	-	-	259
Sales Tax Revenue Bonds					
3.73%-5.5% due through 2057	700	1,954	1,650	-	3,604
Bond Anticipation Notes					
5.0% due through 2025	193	193	-	-	193
	30,865	21,582	4,307	1,564	24,325
Net unamortized bond premium	-	1,798	438	167	2,069
	30,865	**23,380**	**4,745**	**1,731**	**26,394**
MTA Hudson Rail Yards Trust:					
MTA Hudson Rail Yards Trust Obligations					
1.88%–2.65% due through 2056	1,220	796	-	41	755
Net unamortized bond premium	-	85	-	1	84
	1,220	**881**	**-**	**42**	**839**
Total	**$111,827**	**$47,790**	**$7,401**	**$4,872**	**$50,319**
Current portion		$2,678			$2,658
Long-term portion		$45,112			$47,661

Details of the current portion of Long-Term debt at December 31, 2023 and September 30, 2024 are as follows:

Current Portion - MTA	**December 31, 2023**	**September 30, 2024**
Transportation Revenue Bonds	$856	$764
Bond Anticipation Notes	-	500
Dedicated Tax Fund Bonds	132	132
	988	**1,396**
Current Portion - TBTA		
General Revenue Bonds	282	255
PMT Bonds/ BAN	1,391	990
Subordinate Revenue Bonds	17	17
	1,690	**1,262**
Total	**$2,678**	**$2,658**

(In millions)	**Original Issuance**	**December 31, 2022**	**Issued**	**Retired**	**December 31, 2023**
MTA:					
Transportation Revenue Bonds					
1.43%-5.15% due through 2057	$44,080	$21,283	$-	$2,489	$18,794
Bond Anticipation Notes					
1.33% due through 2023	23,635	3,707	-	3,707	-
Dedicated Tax Fund Bonds					
1.86%-5.00% due through 2057	11,527	4,788	-	666	4,122
	79,242	29,778	-	6,862	22,916
Net unamortized bond premium	-	845	-	232	613
	79,242	**30,623**	**-**	**7,094**	**23,529**
TBTA:					
General Revenue Bonds					
1%–5.5% due through 2057	11,512	8,320	1,198	965	8,553
Payroll Mobility Tax Senior Lien Obligations					
2%-5.5% due through 2057	4,959	8,159	2,495	31	10,623
Subordinate Revenue Bonds					
1%-5.5% due through 2032	1,832	719	-	460	259
Sales Tax Revenue Bonds					
3.73%-5.5% due through 2063	1,954	700	1,254	-	1,954
Bond Anticipation Notes					
5.0% due through 2025	193	193	-	-	193
	20,450	18,091	4,947	1,456	21,582
Net unamortized bond premium	-	1,689	366	257	1,798
	20,450	**19,780**	**5,313**	**1,713**	**23,380**
MTA Hudson Rail Yards Trust:					
MTA Hudson Rail Yards Trust Obligations					
1.88%–2.65% due through 2056	1,220	804	-	8	796
Net unamortized bond premium	-	86	-	1	85
	1,220	**890**	**-**	**9**	**881**
Total	**$100,912**	**$51,293**	**$5,313**	**$8,816**	**$47,790**
Current portion		$4,800			$2,678
Long-term portion		$46,493			$45,112

Details of the current portion of Long-Term debt at December 31, 2022 and December 31, 2023 are as follows:

Current Portion - MTA	**December 31, 2022**	**December 31, 2023**
Transportation Revenue Bonds	$612	$856
Bond Anticipation Notes	3,707	-
Dedicated Tax Fund Bonds	101	132
	4,420	**988**
Current Portion - TBTA		
General Revenue Bonds	267	282
PMT Bonds/ BAN	32	1,391
Subordinate Revenue Bonds	81	17
	380	**1,690**
Total	**$4,800**	**$2,678**

MTA Transportation Revenue Bonds — are secured under MTA's General Resolution Authorizing Transportation Revenue Obligations adopted on March 26, 2002. The Transportation Revenue Bonds are MTA's special obligations payable solely from transit and commuter systems revenues, surplus toll revenues and certain state and local operating subsidies.

On March 6, 2024, MTA redeemed $33.27 Transportation Revenue Variable Rate Refunding Bonds, Subseries 2020B-2. The remaining outstanding portion of the Subseries 2020B-2 bonds were consolidated with the outstanding Subseries 2020B-1 during the March 20, 2024 remarketing as listed below

On March 7, 2024, Fitch Ratings upgraded its ratings on the Transportation Revenue Bonds to AA from A, due to a review under the application of Fitch's revised Government-Related Entities Rating Criteria. On March 8, 2024 Fitch upgraded the enhanced ratings on existing Transportation Revenue Variable Rate Demand Bonds (VRDBs) to AAA as a result of the March 7, 2024 upgrade.

On March 20, 2024, MTA effectuated a mandatory tender and remarketed $80.115 of Transportation Revenue Variable Rate Refunding Bonds, Subseries 2020B-1 and Transportation Revenue Variable Rate Refunding Bonds, Subseries 2020B-2 as their respective irrevocable direct-pay letters of credit (LOC) issued by PNC Bank, National Association, were to expire by their terms. Both subseries of bonds were consolidated and redesignated as the "Series 2020B Bonds". The Series 2020B Bonds were remarketed as VRDBs in Daily Mode and are supported with an irrevocable direct-pay LOC issued by Royal Bank of Canada that will expire on March 19, 2027. The Series 2020B Bonds final maturity is November 15, 2046.

On March 27, 2024, MTA issued $1,289.26 Transportation Revenue Refunding Green Bonds, Series 2024A. Proceeds from the transaction were used to refinance $1,332.65 MTA Transportation Revenue Bonds and $118.74 TBTA Payroll Mobility Tax Senior Lien Bonds, Subseries 2021A-2. The refunding resulted in net present value savings of $99.12 million or 9.054% of the par amount of the refunded bonds. The Series 2024A bonds were priced as fixed rate tax-exempt bonds with a final maturity of November 15, 2049.

On March 28, 2024, MTA effectuated a mandatory tender and remarketed $50.000 of Transportation Revenue Variable Rate Refunding Bonds, Subseries 2002D-2a-1, $100.000 of Transportation Revenue Variable Rate Refunding Bonds, Subseries 2002D-2b, and $105.825 of Transportation Revenue Variable Rate Refunding Bonds, Subseries 2005D-1 as their respective interest rate periods were set to expire by their terms. Each subseries of bonds were remarketed as VRDBs in Daily Mode and will be supported with separate irrevocable direct-pay LOCs issued by Truist Bank, N.A. Each LOC will expire on March 28, 2029.

On June 6, 2024, MTA purchased $45.172 of State and Local Governments Securities (SLGS) sufficient to pre-pay all or a portion of interest due on certain MTA Transportation Revenue Bonds through May 15, 2025. The funds were deposited in an escrow account. The establishment of the Escrow Fund is not intended to constitute an economic or legal defeasance of the bonds and the MTA retains the ability, in its sole discretion, to withdraw in whole or in part the amounts deposited in the Escrow Fund at any time should such amounts be needed for any other authorized purpose.

On July 16, 2024, MTA extended its irrevocable direct-pay LOC issued by TD Bank, N.A. associated with Transportation Revenue Variable Rate Refunding Bonds, Subseries 2002G-1g for two years to November 1, 2026.

On July 16, 2024, MTA extended its irrevocable direct-pay LOC issued by TD Bank, N.A. associated with Transportation Revenue Variable Rate Refunding Bonds, Subseries 2012G-2 for five years to July 16, 2029.

On September 9, 2024, MTA redeemed $7.175 Transportation Revenue Variable Rate Refunding Bonds, Series 2020B.

MTA Transportation Revenue Bond Anticipation Notes — From time to time, MTA issues Transportation Revenue Bond Anticipation Notes (BANs) in accordance with the terms and provisions of the General Resolution described above to fund its transit and commuter capital needs. The interest rate payable on the notes depends on the maturity and market conditions at the time of issuance. The MTA Act requires MTA to refund its bond anticipation notes with bonds no later than five years from the issuance of the notes. As of September 30, 2024, MTA has not issued any Transportation Revenue BANs in 2024.

MTA Revenue Anticipation Notes — are secured by a lien on Operating Subsidies (as defined in the Transportation Resolution) prior to the lien in favor of the owners of Transportation Revenue Bonds, Subordinated Contract Obligations, and Subordinated Indebtedness issued under the Transportation Resolution. The maturity on such Revenue Anticipation Notes (RANs) may not exceed 18 months. While such notes can be rolled over, the final maturity cannot exceed five years from the date of their original issuance. From time to time, MTA enters into Revolving Credit Agreements pursuant to the Transportation RAN Resolution. Draws under such agreements are evidenced by RANs.

On August 2, 2022, MTA entered into revolving credit agreements for $800 and $400 with JP Morgan Chase Bank, N.A. and Bank of America, N.A., respectively. Unless renewed, the agreements are set to expire under their own terms on August 1, 2025.

On August 21, 2024, MTA executed a First Amendment to existing $800 taxable Revolving Credit Agreement with JP Morgan Chase Bank, National Association, extending the credit agreement to April 28, 2026.

MTA Dedicated Tax Fund Bonds — as secured under MTA's Dedicated Tax Fund Obligation Resolution adopted on March 26, 2002. The Dedicated Tax Fund Bonds are MTA's special obligations payable solely from monies held in the Pledged Amounts Account of the MTA Dedicated Tax Fund. State law requires that the MTTF revenues and MMTOA revenues (described above in Note 2 under "Nonoperating Revenues") be deposited, subject to appropriation by the State Legislature, into the MTA Dedicated Tax Fund.

On June 6, 2024, MTA purchased $15.558 of SLGS sufficient to pre-pay all or a portion of interest due on certain MTA Dedicated Tax Fund bonds through May 15, 2025. The funds were deposited in an escrow account. The establishment of the Escrow Fund is not intended to constitute an economic or legal defeasance of the bonds and the MTA retains the ability, in its sole discretion, to withdraw in whole or in part the amounts deposited in the Escrow Fund at any time should such amounts be needed for any other authorized purpose.

On July 23, 2024, MTA issued $388.505 of Dedicated Tax Fund Bonds, Series 2024A. Proceeds from the transaction were used to retire outstanding Triborough Bridge and Tunnel Authority Payroll Mobility Tax Bond Anticipation Notes, Series 2022A, which had an August 15, 2024 maturity.

2 Broadway COP Swap Payments— MTA (solely on behalf of MTA Long Island Rail Road and MTA Metro-North Railroad), MTA New York City Transit and MTA Bridges and Tunnels executed and delivered three Series of Certificates of Participation in the aggregate principal amount of $807 million to finance certain building and leasehold improvements to an office building at Two Broadway in Manhattan occupied principally by MTA New York City Transit, MTA Bridges and Tunnels, MTA Construction and Development, and MTAHQ. At the same time, MTA entered into a swap agreement.

The Certificates of Participation have been paid off in 2016 and are no longer outstanding. There are no net expenses in 2024 related to the interest rate swap associated with the issuance. The swap will mature in 2029.

MTA Bridges and Tunnels General Revenue Bonds — as secured under TBTA's General Resolution Authorizing General Revenue Obligations adopted on March 26, 2002. The General Revenue Bonds are MTA Bridges and Tunnels' general obligations payable generally from the net revenues collected on the bridges and tunnels operated by MTA Bridges and Tunnels.

On June 6, 2024, MTA purchased $96.701 of SLGS sufficient to pre-pay all or a portion of interest due on certain TBTA General Revenue Bonds through May 15, 2025. The funds were deposited in an escrow account. The establishment of the Escrow Fund is not intended to constitute an economic or legal defeasance of the bonds and TBTA retains the ability, in its sole discretion, to withdraw in whole or in part the amounts deposited in the Escrow Fund at any time should such amounts be needed for any other authorized purpose.

On July 18, 2024, MTA effectuated a mandatory tender and remarketed $26.850 of Triborough Bridge and Tunnel Authority General Revenue Variable Rate Bonds, Series 2003B-2 exercising an optional purchase provision to remarket the bonds before its November 15 purchase date. The Subseries 2003B-2 bonds were converted from SIFMA Floating Rate Notes and remarketed as Variable Interest Rate Obligations in Daily Mode supported by an irrevocable direct-pay LOC issued by TD Bank, N.A. The new LOC will expire on July 18, 2029.

On August 21, 2024, MTA issued $699.260 of Triborough Bridge and Tunnel Authority General Revenue Bonds, Series 2024A. Proceeds from the transaction were used to fund existing approved bridge and tunnel capital projects and to lock in net present value saving of $19.204 or 4.37% of the refunded par by refunding certain outstanding TBTA bonds, including $244.090 of bonds issued as Build America Bonds.

MTA Bridges and Tunnels Subordinate Revenue Bonds — as secured under its 2001 Subordinate Revenue Resolution Authorizing Subordinate Revenue Obligations adopted on March 26, 2002. The Subordinate Revenue Bonds are MTA Bridges and Tunnels' special obligations payable generally from the net revenues collected on the bridges and tunnels operated by MTA Bridges and Tunnels after the payment of debt service on the MTA Bridges and Tunnels General Revenue Bonds described in the preceding paragraph. As of September 30, 2024, there have been no MTA Bridges and Tunnels Subordinate Revenue Bonds issued.

MTA Bridges and Tunnels Second Subordinate Bond Anticipation Notes — are issued in accordance with the terms and provisions of the CBDTP Second Subordinate Revenue Resolution authorizing CBDTP Second Subordinate Revenue Obligations. The purpose of the issuance of BANs or bonds under the CBDTP Second Subordinate Revenue Resolution, in one or more series from time to time, is to provide funds in an amount not to exceed $506 million to finance costs of the CBD Tolling Program infrastructure, tolling systems, and allowable implementation expenses or to retire any such BANs when due. There have been no Triborough Bridge and Tunnel Authority Second Subordinate BANs issued since the 2021 issuance.

MTA and TBTA Payroll Mobility Tax Senior Lien Bonds— as secured under both the MTA Payroll Mobility Tax Obligation Resolution (MTA PMT Resolution), adopted by the Board on November 18, 2020, and the TBTA Payroll Mobility Tax Obligation Resolution (TBTA PMT Resolution) adopted by the Board on March 17, 2021. Each of the MTA PMT Senior Lien Obligations and any TBTA PMT Senior Lien Obligations are secured by a first lien on, and parity pledge of, the PMT Receipts, consisting of two distinct revenue streams: Mobility Tax Receipts and MTA Aid Trust Account Receipts (also referred to as "ATA Receipts"). MTA and MTA Bridges and Tunnels have entered into the Financing Agreement, dated as of April 9, 2021, to provide the mechanism by which MTA and MTA Bridges and Tunnels share PMT Receipts on a parity basis (i) first with respect to the PMT Senior Lien and then (ii) with respect to PMT Second Lien. Under State law, the MTA PMT Senior Lien Indebtedness and the MTA Bridges and Tunnels PMT Senior Lien Indebtedness are special obligations of MTA and MTA Bridges and Tunnels, respectively, which means that they are payable solely from a gross lien on the money pledged for payment under the MTA PMT Resolution and the TBTA PMT Resolution. Such bonds are not general obligations of MTA or MTA Bridges and Tunnels.

On January 25, 2024, MTA issued $296.340 of Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds, Series 2024A. Proceeds from the transaction were used to finance existing approved transit and commuter projects. The Series 2024A bonds were issued as fixed rate tax-exempt bonds with a final maturity of May 15, 2054.

On May 20, 2024, MTA issued $591.785 Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds, Series 2024B. Proceeds from the transaction were used to retire $525.685 TBTA Payroll Mobility Tax Bond Anticipation Notes, Series 2022A and refund $115.000 of certain Transportation Revenue Bonds. The Series 2024B bonds were issued as fixed rate tax-exempt bonds with a final maturity of May 15, 2054.

On June 6, 2024, MTA purchased $82.711 of SLGS sufficient to pre-pay all or a portion of interest due on certain TBTA Payroll Mobility Tax Senior Lien Bonds through May 15, 2025. The funds were deposited in an escrow account. The establishment of the Escrow Fund is not intended to constitute an economic or legal defeasance of the bonds and the MTA and TBTA retains the ability, in its sole discretion, to withdraw in whole or in part the amounts deposited in the Escrow Fund at any time should such amounts be needed for any other authorized purpose.

On July 10, 2024, MTA issued $770.105 of Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds, Series 2024C. Proceeds from the transaction were used to refund $510.025 million of Dedicated Tax Fund Build America Bonds and $325.000 of Transportation Revenue Build America Bonds. The refunding resulted in a net present value saving of $1.50 or 0.18% of the par amount of the refunded bonds, reduced the amount of outstanding MTA Build America Bonds by $779.085, and increased the par capacity of higher-rated credit debt.

MTA and TBTA Payroll Mobility Tax Bond Anticipation Notes – are issued pursuant to the MTA and TBTA PMT Resolutions, respectively.

On March 20, 2024, MTA issued $500 MTA Payroll Mobility Tax Bond Anticipation Notes, Series 2024A (Federally Taxable) to address seasonal liquidity needs. The Series 2024A Notes were issued as fixed rate taxable notes with a final maturity of December 19, 2024.

On March 20, 2024, MTA issued $300 TBTA Payroll Mobility Tax Bond Anticipation Notes, Series 2024B. Proceeds from the transaction were used to finance approved 2020-2024 Capital Program transit and commuter projects. The Series 2024B Notes were issued as fixed rate tax-exempt notes with a final maturity of March 15, 2027.

MTA Bridges and Tunnels Sales Tax Revenue Bonds (TBTA Capital Lockbox – City Sales Tax) — as secured under TBTA's 2021 TBTA Special Obligation Resolution Authorizing Sales Tax Revenue Obligation (TBTA Capital Lockbox-City Sales Tax) adopted on September 15, 2021. The Sales Tax Revenue Bonds are MTA Bridges and Tunnels' special, not general, obligations, payable solely from monies in the Obligations Trust Estate pledged by the TBTA Sales Tax Resolution derived primarily from the Sales Tax Receipts paid from the Central Business District Tolling Capital Lockbox Fund and deposited into the Revenue Fund.

On February 8, 2024, MTA issued $1,650.295 of Triborough Bridge and Tunnel Authority Sales Tax Revenue Bonds, Series 2024A (TBTA Capital Lockbox - City Sales Tax). Proceeds from the transaction will be used to finance approved 2020-2024 Capital Program transit and commuter projects and to finance a portion of the capital costs of the Central Business District Tolling Program. The Series 2024A bonds were issued as fixed rate tax-exempt bonds with a final maturity of May 15, 2064.

MTA Hudson Rail Yards Trust Obligations — The Hudson Rail Yard Trust Obligations and Hudson Rail Yard Refunding Trust Obligations (together, the "HRY Trust Obligations") were issued pursuant to the MTA Hudson Rail Yards Trust Agreement, dated as of September 1, 2016 (the "Original HRY Trust Agreement"), as supplemented by the MTA Hudson Rail Yards First Supplemental Trust Agreement, dated as of March 1, 2020 (the "Supplemental HRY Trust Agreement" and, together with the Original HRY Trust Agreement, the "HRY Trust Agreement"), each by and between MTA and Wells Fargo Bank, National Association, as trustee. The HRY Trust Obligations are payable solely from and secured by certain payments made by MTA under the Financing Agreement referred to in the HRY Trust Agreement.

On February 15, 2024, MTA effectuated the early mandatory redemption of a portion of the MTA Hudson Rail Yards Trust Obligations, Series 2020A maturing on November 15, 2046 in the Principal Component of $33.27. This is due to the payment of Fee Purchase Payments in connection with the acquisition of office space at the Retail Podium and certain residential condominium units described in the Official Statement of Series 2020A.

On August 15, 2024, MTA effectuated the early mandatory redemption of a portion of the MTA Hudson Rail Yards Trust Obligations, Series 2020A maturing on November 15, 2046 in the Principal Component of $7.175. This is due to the payment of Fee Purchase Payments in connection with the acquisition of certain residential condominium units described in the Official Statement of Series 2020A.

There have been no HRY Trust Obligations issued since the 2020 refunding issuance.

Refer to Note 8 for further information on Leases.

Debt Limitation — The New York State Legislature has imposed limitations on the aggregate amount of debt that the MTA and MTA Bridges and Tunnels can issue to fund the approved transit and commuter capital programs. The current aggregate ceiling, subject to certain exclusions, is $90,100 compared with issuances totaling approximately $47,095as of February 8, 2024. The MTA expects that the current statutory ceiling will allow it to fulfill the bonding requirements of the approved Capital Programs.

Bond Refundings — From time to time, the MTA and MTA Bridges and Tunnels issue refunding bonds to achieve debt service savings or other benefits. The proceeds of refunding bonds are generally used to purchase U.S. Treasury obligations that are placed in irrevocable trusts. The principal and interest within the trusts will be used to repay the refunded debt. The trust account assets and the refunded debt are excluded from the consolidated statements of net position.

For the nine months ended September 30, 2024, MTA refunding transactions decreased aggregate debt service payments by $205 and provided an economic gain of $120. For the nine months ended September 30, 2023, MTA refunding transactions decreased aggregate debt service payments by $201 and provided an economic gain of $166. Details of bond refunding savings for the period ended September 30, 2024 and for the year ended December 31, 2023 are as follows (in millions):

Refunding Bonds Issued in 2024	**Series**	**Date issued**	**Par value Refunded**	**Debt Service Savings (Increase)**	**Net Present Value of Savings**
MTA Transportation Revenue Refunding Green Bonds	2024A	3/27/2024	$ 1,289	$ 200	$ 99
TBTA Payroll Mobility Tax Senior Lien Refunding Green Bonds	PMT 2024C	7/10/2024	$ 770	$ (17)	$ 2
TBTA General Revenue Refunding Bonds	TBTA 2024 A-2	8/21/2024	$ 391	$ 22	$ 19
Total Bond Refunding Savings			$ 2,450	$ 205	$ 120

Refunding Bonds Issued in 2023	Series	Date issued	Par value Refunded	Debt Service Savings (Increase)	Net Present Value of Savings
Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Refunding Green Bonds	2023A	1/12/2023	$ 829	$ 75	$ 61
Triborough Bridge and Tunnel Authority General Revenue Refunding Bonds	2023A	2/14/2023	931	126	105
Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Green Bonds	2023B	7/6/2023	193	36	19
Triborough Bridge and Tunnel Authority General Revenue Refunding Green Bonds	2023B-2	8/17/2023	75	6	5
Triborough Bridge and Tunnel Authority Payroll Mobility Tax Senior Lien Refunding Bonds	2023C	10/19/2023	1,210	76	69
Total Bond Refunding Savings			$ 3,238	$ 319	$ 259

Unamortized losses related to bond refundings were as follows:

	December 31, 2022	(Gain)/ loss on refunding	2023 amortization	December 31, 2023	(Gain)/ loss on refunding	Current year amortization	September 30, 2024
MTA:							
Transportation Revenue Bonds	$ 223	$ (4)	$ (23)	$ 196	$ (62)	$ 50	$ 184
State Service Contract Bonds	(12)	12	-	-	-	-	-
Dedicated Tax Fund Bonds	171	(35)	(10)	126	-	(2)	124
	382	(27)	(33)	322	(62)	48	308
TBTA:							
General Revenue Bonds	138	(47)	(13)	78	(4)	(6)	68
Subordinate Revenue Bonds	20	(21)	(1)	(2)	-	1	(1)
	158	(68)	(14)	76	(4)	(5)	67
Total	$ 540	$ (95)	$ (47)	$ 398	$ (66)	$ 43	$ 375

Debt Service Payments — Future principal and interest debt service payments at September 30, 2024 are as follows:

	MTA		MTA BRIDGES AND TUNNELS		Debt Service	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 1,396	$ 1,091	$ 1,262	$ 567	$ 2,658	$ 1,658
2025	639	1,011	558	1,068	1,197	2,079
2026	751	952	735	1,032	1,486	1,984
2027	717	905	1,227	991	1,944	1,896
2028	764	816	915	954	1,679	1,770
2029-2033	4,866	3,565	4,256	4,326	9,122	7,891
2034-2038	4,150	2,757	3,150	3,653	7,300	6,410
2039-2043	3,051	1,931	3,039	2,804	6,090	4,735
2044-2048	3,571	1,101	3,214	2,022	6,785	3,123
2049-2053	2,439	355	3,210	1,200	5,649	1,555
2054-2058	911	1,200	1,465	520	2,376	1,720
Thereafter	-	-	1,295	200	1,295	200
Total	$ 23,255	$ 15,684	$ 24,326	$ 19,337	$ 47,581	$ 35,021

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The above interest amounts include both fixed-rate and variable-rate calculations. The interest rate assumptions for variable rate bonds are as follows:

- *Transportation Revenue Refunding Bonds, Series 2002D* — 4.45% per annum taking into account the interest rate swap plus the current fixed floating rate note spread.
- *Transportation Revenue Refunding Bonds, Series 2002G* — 3.542% per annum taking into account the interest rate swap plus the current fixed floating rate note spread; and 4.00% per annum plus the current fixed floating rate note spread on the unhedged portion.
- *Transportation Revenue Bonds, Series 2005D* — 3.561% per annum taking into account the interest rate swaps.
- *Transportation Revenue Bonds, Series 2005E* — 3.561% per annum taking into account the interest rate swaps and 4.00% per annum on the unhedged portion.
- *Transportation Revenue Bonds, Series 2012A* — 4.00% per annum plus the current fixed floating rate note spread.
- *Transportation Revenue Bonds, Series 2012G* — 3.563% per annum taking into account the interest rate swaps plus the current fixed floating rate note spread.
- *Transportation Revenue Bonds, Series 2015E* — 4.00% per annum.
- *Dedicated Tax Fund Variable Rate Refunding Bonds, Series 2008A* — 3.316% per annum taking into account the interest rate swaps plus the current fixed floating rate note spread; and 4.00% per annum plus the current fixed floating rate note spread on the unhedged portion.
- *Dedicated Tax Fund Refunding Bonds, Subseries 2008B-3c*— 4.00% per annum plus the current fixed floating rate note spread.
- *MTA Bridges and Tunnels General Revenue Refunding Bonds, Series 2001C* — 4.00% per annum.
- *MTA Bridges and Tunnels General Revenue Bonds, Series 2003B* — 4.00% per annum; and 4.00% per annum plus the current fixed floating rate note spread on Subseries 2003B-2.
- *MTA Bridges and Tunnels General Revenue Bonds, Series 2005A* — 4.00% per annum except from November 1, 2027 through November 1, 2030, 3.076% per annum taking into account the interest rate swap.
- *MTA Bridges and Tunnels General Revenue Refunding Bonds, Series 2005B* — 3.076% per annum based on the Initial Interest Rate Swaps plus the current fixed floating rate note spread.
- MTA Bridges and Tunnels General Revenue Bonds, Series 2018E — 4.00% per annum.

Loans Payable – The MTA and the New York Power Authority ("NYPA") entered into an updated Energy Services Program Agreement ("ESP Agreement"). The ESP Agreement authorized MTA affiliates and subsidiaries to enter into a Customer Installation Commitment ("CIC") with NYPA for turn-key, energy efficiency projects, which would usually be long-term funded and constructed by NYPA. The repayment period for the NYPA loan can be up to 20 years but can be repaid at any time without penalty.

The Loans Payable debt service requirements at September 30, 2024 are as follows (in millions):

Year	Principal	Interest	Total
2024	$ 7	$ 3	$ 10
2025	9	2	11
2026	7	2	9
2027	7	2	9
2028	9	2	11
2029-2033	21	3	24
2034-2038	3	0	3
Total	$ 63	$ 14	$ 77

Current portion	$ 9
Long-term portion	54
Total NYPA Loans Payable	$ 63

The above interest amounts include both fixed and variable rate calculations. Interest on the variable-rate loan is paid at the Securities Industry and Financial Markets Association Municipal Swap Index ("SIFMA") rate and is reset annually.

Tax Rebate Liability — Under the Internal Revenue Code of 1986, the MTA may accrue a liability for an amount of rebateable arbitrage resulting from investing low-yielding, tax-exempt bond proceeds in higher-yielding, taxable securities. The arbitrage liability is payable to the federal government every five years. No accruals or payments were made during the periods ended September 30, 2024 and December 31, 2023.

Liquidity Facility — MTA and MTA Bridges and Tunnels have entered into several Standby Bond Purchase Agreements ("SBPA") and Letter of Credit Agreements ("LOC") as listed on the table below.

Resolution	Series	Swap	Provider (Insurer)	Type of Facility	Exp. Date
Transportation Revenue	2002D-2a-1	Y	Truist Bank, N.A.	LOC	3/28/2029
Transportation Revenue	2005D-2b	Y	Truist Bank, N.A.	LOC	3/28/2029
Transportation Revenue	2002G-1g	Y	TD Bank, N.A.	LOC	11/1/2026
Transportation Revenue	2005D-1	Y	Truist Bank, N.A.	LOC	3/28/2029
Transportation Revenue	2005D-2	Y	Bank of Montreal, acting through its Chicago branch	LOC	10/31/2025
Transportation Revenue	2005E-1	Y	Barclays Bank	LOC	8/18/2025
Transportation Revenue	2005E-2	Y	Bank of America, N.A.	LOC	12/8/2026
Transportation Revenue	2012A-2	N	Bank of Montreal, acting through its Chicago branch	LOC	6/2/2025
Transportation Revenue	2012G-1	Y	Barclays Bank	LOC	7/17/2026
Transportation Revenue	2012G-2	Y	TD Bank, N.A.	LOC	7/16/2029
Transportation Revenue	2012G-4	Y	Bank of Montreal, acting through its Chicago branch	LOC	10/31/2025
Transportation Revenue	2015E-1	N	Barclays Bank	LOC	8/18/2025
Transportation Revenue	2015E-3	N	Bank of America, N.A.	LOC	9/2/2025
Transportation Revenue	2020B	N	Royal Bank of Canada	LOC	3/19/2027
Dedicated Tax Fund	2008A-1	Y	TD Bank, N.A.	LOC	6/13/2025
Dedicated Tax Fund	2008A-2a	Y	TD Bank, N.A.	LOC	11/1/2026
Dedicated Tax Fund	2008A-2b	Y	PNC Bank	LOC	10/24/2025
Dedicated Tax Fund	2008B-3c	N	PNC Bank	LOC	10/24/2025
MTA Bridges and Tunnels General Revenue	2001C	Y	Barclays Bank	LOC	6/22/2028
MTA Bridges and Tunnels General Revenue	2003B-1	Y	U.S. Bank National Association	LOC	1/17/2025
MTA Bridges and Tunnels General Revenue	2005A	Y	Barclays Bank	LOC	7/19/2028
MTA Bridges and Tunnels General Revenue	2005B-2a	Y	State Street	LOC	1/21/2026
MTA Bridges and Tunnels General Revenue	2005B-2b	Y	State Street	LOC	1/21/2026
MTA Bridges and Tunnels General Revenue	2005B-3	Y	Bank of America, N.A	LOC	6/22/2027
MTA Bridges and Tunnels General Revenue	2005B-4a	Y	TD Bank, N.A.	LOC	12/13/2028
MTA Bridges and Tunnels General Revenue	2005B-4c	Y	U.S. Bank National Association	LOC	5/23/2025
MTA Bridges and Tunnels General Revenue	2018E	N	UBS AG	LOC	12/5/2025

Derivative Instruments — Fair value for the swaps is calculated in accordance with GASB Statement No. 72, utilizing the income approach and Level 2 inputs. It incorporates the mid-market valuation, nonperformance risk of either MTA/ MTA Bridges and Tunnels or the counterparty, as well as bid/offer. The fair values were estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap.

The fair value balances and notional amounts of derivative instruments outstanding at September 30, 2024 and December 31, 2023, classified by type, and the changes in fair value of such derivative instruments from the year ended December 31, 2023 are as follows (in $ millions):

Derivative Instruments - Summary Information as of September 30, 2024

Bond Resolution Credit	Underlying Bond Series	Type of Derivative	Hedge Type	Effective Methodology	Trade/Hedge Association Date	Notional Amount	Fair Value
MTA Bridges and Tunnels Senior Revenue Bonds	2018E & 2003B (Citi 2005B)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument / Dollar Offset	6/2/2005	$ 174.700	$ (7.519)
MTA Bridges and Tunnels Senior Revenue Bonds	2005B-2,3,4	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	6/2/2005	524.100	(22.557)
MTA Bridges and Tunnels Senior Revenue Bonds	2005A (COPS 2004A)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	4/1/2016	13.260	(0.361)
MTA Bridges and Tunnels Senior Revenue Bonds	2001C (COPS 2004A)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	12/5/2016	6.000	(0.184)
MTA Dedicated Tax Fund Bonds	2008A	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	3/8/2005	232.695	(8.576)
MTA Transportation Revenue Bonds	2002D-2	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	7/11/2002	200.000	(27.521)
MTA Transportation Revenue Bonds	2005D & 2005E	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	9/10/2004	282.240	(19.262)
MTA Transportation Revenue Bonds	2012G	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	12/12/2007	354.600	(29.222)
MTA Transportation Revenue Bonds	2002G-1 (COPS 2004A)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	4/1/2016	28.645	(0.127)
MTA Bridges and Tunnels Payroll Mobility Tax Senior Lien Bonds	2022E	SOFR Fixed Payer	Cash Flow	Regression	4/1/2016	86.845	(3.018)
					Total	**$ 1,903.085**	**$ (118.347)**

Derivative Instruments - Summary Information as of December 31, 2023

Bond Resolution Credit - Cashflow Hedges	Underlying Bond Series	Type of Derivative	Cash Flow or Fair Value Hedge	Effective Methodology	Trade/Hedge Association Date	Notional Amount	Fair Value
MTA Bridges and Tunnels Senior Revenue Bonds	2018E & 2003B (Citi 2005B)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument/ Dollar Offset	6/2/2005	$185.000	-$6.760
MTA Bridges and Tunnels Senior Revenue Bonds	2005B-[2,3,4]	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	6/2/2005	555.000	(20.280)
MTA Bridges and Tunnels Senior Revenue Bonds	2005A (COPS 2004A)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	4/1/2016	15.515	(0.364)
MTA Bridges and Tunnels Senior Revenue Bonds	2001C (COPS 2004A)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	12/5/2016	7.000	(0.184)
MTA Dedicated Tax Fund Bonds	2008A	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	3/8/2005	232.695	(8.099)
MTA Transportation Revenue Bonds	2002D-[2]	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	7/11/2002	200.000	(27.249)
MTA Transportation Revenue Bonds	2005D & 2005E	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	9/10/2004	282.240	(18.489)
MTA Transportation Revenue Bonds	2012G	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	12/12/2007	354.600	(27.717)
MTA Transportation Revenue Bonds	2002G-1 (COPS 2004A)	SOFR Fixed Payer	Cash Flow	Synthetic Instrument	4/1/2016	46.805	(0.164)
MTA Bridges and Tunnels Payroll Mobility Tax Senior Lien Bonds	2022E	SOFR Fixed Payer	Cash Flow	Regression	4/1/2016	88.330	(3.005)
					Total	**$ 1,967.185**	**$ (112.311)**

	Changes In Fair Value		Fair Value at September 30, 2024		
	Classification	Amount (in millions)	Classification	Amount (in millions)	Notional (in millions)
Government activities					
Cash Flow hedges:					
Pay-fixed interest rate swaps	Deferred outflow of resources	$(6.036)	Debt	$(118.347)	$1,903.085

Swap Agreements Relating to Synthetic Fixed Rate Debt

Board-adopted Guidelines. The Related Entities adopted guidelines governing the use of swap contracts on March 26, 2002. The guidelines were amended and approved by the MTA Board on March 13, 2013. The guidelines establish limits on the amount of interest rate derivatives that may be outstanding and specific requirements that must be satisfied for a Related Entity to enter into a swap contract, such as suggested swap terms and objectives, retention of a swap advisor, credit ratings of the counterparties, collateralization requirements and reporting requirements.

Objectives of synthetic fixed rate debt. To achieve cash flow savings through a synthetic fixed rate, MTA and MTA Bridges and Tunnels have entered into separate pay-fixed, receive-variable interest rate swaps at a cost anticipated to be less than what MTA and MTA Bridges and Tunnels would have paid to issue fixed-rate debt, and in some cases where Federal tax law prohibits an advance refunding to synthetically refund debt on a forward basis.

Terms and Fair Values. The terms, fair values and counterparties of the outstanding swaps of MTA and MTA Bridges and Tunnels are reflected in the following tables (as of September 30, 2024).

Metropolitan Transportation Authority						
Related Bonds	Notional Amount as of September 30, 2024	Effective Date	Maturity Date	Terms	Counterparty and Ratings(S&P / Moody's / Fitch)	Fair Value as of September 30, 2024
TRB 2002D-2	$ 200.000	01/01/07	11/01/32	Pay 4.45%; receive 69% SOFR + 0.079%	JPMorgan Chase Bank, NA (A+ / Aa2 / AA)	$ (27.521)
TRB 2005D & 2005E	211.680	11/02/05	11/01/35	Pay 3.561%; receive 67% SOFR + 0.0767%	UBS AG (A+ / Aa2 / AA-)	(14.446)
TRB 2005E	70.560	11/02/05	11/01/35	Pay 3.561%; receive 67% SOFR + 0.0767%	AIG Financial Products [(1)] (BBB+ / Baa2 / BBB+)	(4.815)
TRB 2012G	354.600	11/15/12	11/01/32	Pay 3.563%; receive 67% SOFR + 0.0767%	JPMorgan Chase Bank, NA (A+ / Aa2 / AA)	(29.223)
DTF 2008A	232.695	03/24/05	11/01/31	Pay 3.3156%; receive 67% SOFR + 0.0767%	Bank of New York Mellon (AA- / Aa2 / AA)	(8.576)
Total	$ 1,069.535					$ (84.581)

1 Guarantor: American International Group, Inc., parent of AIG Financial Products.

MTA Bridges and Tunnels						
Related Bonds	Notional Amount as of September 30, 2024	Effective Date	Maturity Date	Terms	Counterparty and Ratings (S&P / Moody's / Fitch)	Fair Value as of September 30, 2024
TBTA 2018E & 2003B 4	174.700	07/07/05	01/01/32	Pay 3.076%; receive 67% SOFR + 0.0767%	Citibank, N.A. (A+ / Aa3/ A+)	(7.519)
TBTA 2005B-2	174.700	07/07/05	01/01/32	Pay 3.076%; receive 67% SOFR + 0.0767%	JPMorgan Chase Bank, NA (A+ / Aa2 / AA)	(7.519)
TBTA 2005B-3	174.700	07/07/05	01/01/32	Pay 3.076%; receive 67% SOFR + 0.0767%	BNP Paribas North America (A+ / Aa3 / AA-)	(7.519)
TBTA 2005B-4	174.700	07/07/05	01/01/32	Pay 3.076%; receive 67% SOFR + 0.0767%	UBS AG (A+ / Aa2/ AA-)	(7.519)
TRB 2002G-1, PMT 2022E, TBTA 2005A & 2001C 2,5	67.375 3	04/01/16	01/01/30	Pay 3.52%; receive 67% SOFR + 0.0767%	U.S. Bank N.A. (A+ / A2/ A+)	(1.845) 3
TRB 2002G-1, PMT 2022E, TBTA 2005A & 2001C 2,5	67.375 3	04/01/16	01/01/30	Pay 3.52%; receive 67% SOFR + 0.0767%	Wells Fargo Bank, N.A. (A+ / Aa2 / AA-)	(1.845) 3
Total	**833.550**					**(33.766)**

1 Guarantor: BNP Paribas.

2 Between November 22, 2016 and December 5, 2016, the Variable Rate Certificates of Participation, Series 2004A were redeemed. Corresponding notional amounts from the Series 2004A COPs were reassigned to MTA Bridges and Tunnels General Revenue Variable Rate Bonds, Series 2001C.

3 Pursuant to an Interagency Agreement (following novations from UBS in April 2016), MTA New York City Transit is responsible for 68.7%, MTA is responsible for 21.0%, and TBTA is responsible for 10.3% of the transaction.

4 On October 27, 2021 the 2002F bonds were changed to fixed-rate mode and a portion of the Citi swap was reassigned to the 2018E bonds.

5 On November 1, 2022 the TRB Series 2011B bonds were refunded with the PMT Series 2022E-2a bonds, and the portion of the U.S. Bank and Wells Fargo swaps associated with the 2011B bonds were allocated to the PMT 2022E bonds.

SOFR: Secured Overnight Financing Rate
TRB: Transportation Revenue Bonds
DTF: Dedicated Tax Fund Bonds

Risks Associated with the Swap Agreements

From MTA's and MTA Bridges and Tunnels' perspective, the following risks are generally associated with swap agreements:

Credit Risk. The risk that a counterparty becomes insolvent or is otherwise not able to perform its financial obligations. To mitigate the exposure to credit risk, the swap agreements include collateral provisions in the event of downgrades to the swap counterparties' credit ratings. Generally, MTA and MTA Bridges and Tunnels' swap agreements contain netting provisions under which transactions executed with a single counterparty are netted to determine collateral amounts. Collateral may be posted with a third-party custodian in the form of cash, U.S. Treasury securities, or certain Federal agency securities. MTA and MTA Bridges and Tunnels require its counterparties to fully collateralize if ratings fall below certain levels (in general, at the Baa1/BBB+ or Baa2/BBB levels), with partial posting requirements at higher rating levels (details on collateral posting discussed further under "Collateralization/Contingencies"). As of September 30, 2024, all of the valuations were in liability positions to MTA and MTA Bridges and Tunnels; accordingly, no collateral was posted by any of the counterparties.

The following table shows, as of September 30, 2024, the diversification, by percentage of notional amount, among the various counterparties that have entered into ISDA Master Agreements with MTA and/or MTA Bridges and Tunnels. The notional amount totals below include all swaps.

Counterparty	S&P	Moody's	Fitch	Notional Amount (in thousands)	% of Total Notional Amount
JPMorgan Chase Bank, NA	A+	Aa2	AA	$729,300	38.32%
UBS AG	A+	Aa2	A+	386,380	20.30
The Bank of New York Mellon	AA-	Aa2	AA	232,695	12.23
Citibank, N.A.	A+	Aa3	A+	174,700	9.18
BNP Paribas US Wholesale Holdings, Corp.	A+	Aa3	AA-	174,700	9.18
U.S. Bank National Association	A+	A2	A+	67,375	3.54
Wells Fargo Bank, N.A.	A+	Aa2	AA-	67,375	3.54
AIG Financial Products Corp.	BBB+	Baa2	BBB+	70,560	3.71
Total				**$1,903,085**	**100.00%**

Interest Rate Risk. MTA and MTA Bridges and Tunnels are exposed to interest rate risk on the interest rate swaps. On the pay-fixed, receive variable interest rate swaps, as LIBOR or SIFMA (as applicable) decreases, MTA and MTA Bridges and Tunnels' net payments on the swaps increase.

Basis Risk. The risk that the variable rate of interest paid by the counterparty under the swap and the variable interest rate paid by MTA or MTA Bridges and Tunnels on the associated bonds may not be the same. If the counterparty's rate under the swap is lower than the bond interest rate, then the counterparty's payment under the swap agreement does not fully reimburse MTA or MTA Bridges and Tunnels for its interest payment on the associated bonds. Conversely, if the bond interest rate is lower than the counterparty's rate on the swap, there is a net benefit to MTA or MTA Bridges and Tunnels.

Termination Risk. The risk that a swap agreement will be terminated and MTA or MTA Bridges and Tunnels will be required to make a swap termination payment to the counterparty and, in the case of a swap agreement which was entered into for the purpose of creating a synthetic fixed rate for an advance refunding transaction may also be required to take action to protect the tax-exempt status of the related refunding bonds.

The ISDA Master Agreement sets forth certain termination events applicable to all swaps entered into by the parties to that ISDA Master Agreement. MTA and MTA Bridges and Tunnels have entered into separate ISDA Master Agreements with each counterparty that govern the terms of each swap with that counterparty, subject to individual terms negotiated in a confirmation. MTA and MTA Bridges and Tunnels are subject to termination risk if its credit ratings fall below certain specified thresholds or if MTA/MTA Bridges and Tunnels commits a specified event of default or other specified event of termination. If, at the time of termination, a swap were in a liability position to MTA or MTA Bridges and Tunnels, a termination payment would be owed by MTA or MTA Bridges and Tunnels to the counterparty, subject to applicable netting arrangements.

The following tables set forth the Additional Termination Events for MTA/MTA Bridges and Tunnels and its counterparties:

MTA Transportation Revenue		
Counterparty Name	**MTA**	**Counterparty**
AIG Financial Products Corp.; JPMorgan Chase Bank, NA; UBS AG	Below Baa3 (Moody's) or BBB- (S&P)*	Below Baa3 (Moody's) or BBB- (S&P)*

**Note: Equivalent Fitch rating is replacement for Moody's or S&P.*

MTA Dedicated Tax Fund		
Counterparty Name	**MTA**	**Counterparty**
Bank of New York Mellon	Below BBB (S&P) or BBB (Fitch)*	Below A3 (Moody's) or A- (S&P)**

**Note: Equivalent Moody's rating is replacement for S&P or Fitch.*
***Note: Equivalent Fitch rating is replacement for Moody's or S&P.*

MTA Bridges and Tunnels Senior Lien		
Counterparty Name	**MTA Bridges and Tunnels**	**Counterparty**
BNP Paribas US Wholesale Holdings, Corp.; Citibank, N.A.; JPMorgan Chase Bank, NA; UBS AG	Below Baa2 (Moody's) or BBB (S&P)*	Below Baa1 (Moody's) or BBB+ (S&P)*

**Note: Equivalent Fitch rating is replacement for Moody's or S&P.*

MTA Bridges and Tunnels Subordinate Lien		
Counterparty Name	**MTA Bridges and Tunnels**	**Counterparty**
U.S. Bank National Association; Wells Fargo Bank, N.A.	BelowBaa2 (Moody's) or BBB (S&P)*	Below Baa2 (Moody's) or BBB (S&P)**

**Note: Equivalent Fitch rating is replacement for Moody's or S&P. If not below Investment Grade, MTA Bridges and Tunnels may cure such Termination Event by posting collateral at a Zero threshold.*

***Note: Equivalent Fitch rating is replacement for Moody's or S&P.*

MTA and MTA Bridges and Tunnels' ISDA Master Agreements provide that the payments under one transaction will be netted against other transactions entered into under the same ISDA Master Agreement. Under the terms of these agreements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the non-defaulting party to accelerate and terminate all outstanding transactions and net the amounts so that a single sum will be owed by, or owed to, the non-defaulting party.

Rollover Risk. The risk that the swap agreement matures or may be terminated prior to the final maturity of the associated bonds on a variable rate bond issuance, and MTA or MTA Bridges and Tunnels may be exposed to the market rates and cease to receive the benefit of the synthetic fixed rate for the duration of the bond issue. The following debt is exposed to rollover risk:

Associated Bond Issue	Bond Maturity Date	Swap Termination Date
MTA Bridges and Tunnels General Revenue Variable Rate Bonds, Series 2001C (swaps with U.S. Bank/Wells Fargo)	January 1, 2032	January 1, 2030
MTA Bridges and Tunnels General Revenue Variable Rate Refunding Bonds, Series 2018E (swap with Citibank, N.A.)	November 15, 2032	January 1, 2032
MTA Bridges and Tunnels General Revenue Variable Rate Bonds, Series 2003B (swap with Citibank, N.A.)	January 1, 2033	January 1, 2032
MTA Bridges and Tunnels General Revenue Variable Rate Bonds, Series 2005A (swaps with U.S. Bank/Wells Fargo and Citibank, N.A.)	November 1, 2041	January 1, 2030 (U.S. Bank/Wells Fargo) January 1, 2032 (Citibank)
MTA Transportation Revenue Variable Rate Bonds, PMT Series 2022E (swaps with U.S. Bank/Wells Fargo)	November 1, 2032	January 1, 2030

Collateralization/Contingencies. Under the majority of the swap agreements, MTA and/or MTA Bridges and Tunnels is required to post collateral in the event its credit rating falls below certain specified levels. The collateral posted is to be in the form of cash, U.S. Treasury securities, or certain Federal agency securities, based on the valuations of the swap agreements in liability positions and net of the effect of applicable netting arrangements. If MTA and/or MTA Bridges and Tunnels do not post collateral, the swap(s) may be terminated by the counterparty(ies).

As of September 30, 2024 , the aggregate mid-market valuation of the MTA's swaps subject to collateral posting agreements was $76.97 million; as of this date, the MTA was not subject to collateral posting based on its credit ratings (see further details below).

As of September 30, 2024, the aggregate mid-market valuation of MTA Bridges and Tunnels' swaps subject to collateral posting agreements was $33.74 million; as of this date, MTA Bridges and Tunnels was not subject to collateral posting based on its credit ratings (see further details below).

The following tables set forth the ratings criteria and threshold amounts applicable to MTA/MTA Bridges and Tunnels and its counterparties:

MTA Transportation Revenue		
Counterparty	**MTA Collateral Thresholds (based on highest rating)**	**Counterparty Collateral Thresholds (based on highest rating)**
AIG Financial Products Corp.; JPMorgan Chase Bank, NA; UBS AG	Baa1/BBB+: $10 million Baa2/BBB & below: Zero	Baa1/BBB+: $10 million Baa2/BBB & below: Zero

Note: Based on Moody's and S&P ratings. In all cases except JPMorgan counterparty thresholds, Fitch rating is replacement for either Moody's or S&P, at which point threshold is based on lowest rating.

MTA Dedicated Tax Fund		
Counterparty	**MTA Collateral Thresholds**	**Counterparty Collateral Thresholds (based on lowest rating)**
Bank of New York Mellon	N/A–MTA does not post collateral	Aa3/AA- & above: $10 million A1/A+: $5 million A2/A: $2 million A3/A-: $1 million Baa1/BBB+ & below: Zero

Note: Counterparty thresholds based on Moody's and S&P ratings. Fitch rating is replacement for either Moody's or S&P.

MTA Bridges and Tunnels Senior Lien		
Counterparty	**MTA Bridges and Tunnels Collateral Thresholds (based on highest rating)**	**Counterparty Collateral Thresholds (based on highest rating)**
BNP Paribas US Wholesale Holdings, Corp.; Citibank, N.A.; JPMorgan Chase Bank, NA; UBS AG	Baa1/BBB+: $30 million Baa2/BBB: $15 million Baa3/BBB- & below: Zero	A3/A-: $10 million Baa1/BBB+ & below: Zero

Note: MTA Bridges and Tunnels thresholds based on Moody's, S&P, and Fitch ratings. Counterparty thresholds based on Moody's and S&P ratings; Fitch rating is replacement for Moody's or S&P.

MTA Bridges and Tunnels Subordinate Lien		
Counterparty	**MTA Bridges and Tunnels Collateral Thresholds (based on lowest rating)**	**Counterparty Collateral Thresholds (based on lowest rating)**
U.S. Bank National Association; Wells Fargo Bank, N.A.	Baa3/BBB- & below: Zero (*note: only applicable as cure for Termination Event*)	Aa3/AA- & above: $15 million A1/A+ to A3/A-: $5 million Baa1/BBB+ & below: Zero

Note: Thresholds based on Moody's and S&P ratings. Fitch rating is replacement for Moody's or S&P.

Swap payments and Associated Debt. The following tables contain the aggregate amount of estimated variable- rate bond debt service and net swap payments during certain years that such swaps were entered into in order to: protect against the potential of rising interest rates; achieve a lower net cost of borrowing; reduce exposure to changing interest rates on a related bond issue; or, in some cases where Federal tax law prohibits an advance refunding, achieve debt service savings through a synthetic fixed rate. As rates vary, variable-rate bond interest payments and net swap payments will vary. Using the following assumptions, debt service requirements of MTA's and MTA Bridges and Tunnels' outstanding variable-rate debt and net swap payments are estimated to be as follows:

- It is assumed that the variable-rate bonds would bear interest at a rate of 4.0% per annum.
- The net swap payments were calculated using the actual fixed interest rate on the swap agreements.

MTA (in millions)				
Period Ended September 30, 2024	Variable-Rate Bonds		Net Swap Payments	Total
	Principal	Interest		
2024	68.2	37.5	(3.8)	101.9
2025	70.8	34.8	(3.4)	102.2
2026	63.6	32.0	(3.1)	92.5
2027	55.9	29.6	(2.8)	82.7
2028	70.2	39.5	(2.5)	107.2
2029-2033	790.8	423.2	(6.5)	1,207.5
2034-2038	108.4	22.7	(1.1)	130.0
2039-2041	62.1	4.6	(0.1)	66.6

MTA Bridges and Tunnels (in millions)				
Period Ended	Variable-Rate Bonds			
September 30, 2024	Principal	Interest	Net Swap Payments	Total
2024	57.2	31.5	(6.4)	82.3
2025	30.4	30.3	(6.4)	54.3
2026	31.5	29.1	(6.3)	54.3
2027	32.9	27.8	(6.5)	54.2
2028	50.0	25.8	(6.4)	69.4
2029-2033	644.2	43.2	(10.1)	677.3
2034-2038	-	2.5	-	2.5
2039-2041	-	-	-	-

8. LEASES

MTA entered into various lease agreements that convey control of the right to use other entities' nonfinancial assets. Lease receivables and lease liabilities are measured at the present value of payments expected to be received during the lease term, using MTA's incremental borrowing rate at the time of valuation ranging from 0.97% to 9.11% if an applicable stated or implicit rate is not available.

The lease liability was reduced as payments were made, and an outflow of resources for interest on the liability was recognized. The lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Interest revenues are recognized on the lease receivable and an inflow of resources from the deferred inflow of resources are recognized on a straight-line basis over the term of the lease.

As Lessor

MTA leases its land, buildings, station space, equipment, and right of way to other entities. These leases have terms between 1 year to 100 years, with payments required monthly, quarterly, semi-annually, or annually. As of September 30, 2024, the remaining lease terms are between 1 year to 87 years. In addition, MTA also receives payments for variable leases and operating expenses associated with spaces that are not included in the measurement of lease receivable.

The total amount of inflows of resources recognized for the September 30, 2024 and December 31, 2023 is presented below (in thousands):

	September 30, 2024	December 31, 2023
Lease Revenue	$ 26,810	$ 35,434
Interest Revenue	5,417	6,659
Other Variable Revenue	5,801	17,377

A summary of activity in lease receivable for the period ended September 30, 2024 and December 31, 2023 is presented below (in thousands):

	September 30, 2024	December 31, 2023
Balance – beginning of year	$ 264,051	$ 326,247
Additions/remeasurements	10,631	(25,121)
Receipts/Interest	(29,578)	(37,075)
Balance – end of year	245,104	264,051
Less current portion	36,402	38,520
Lease receivable noncurrent	$ 208,702	$ 225,531

MTA recognized revenue of $1,369 and $7,531 associated with residual value guarantees and termination penalties for each of September 30, 2024 and December 31, 2023, respectively.

The principal and interest requirements to maturity for the lease receivable subsequent to September 30, 2024, are as follows (in thousands):

September 30, 2024	Principal	Interest	Total
2024	$7,692	$1,831	$9,523
2025	38,279	6,635	44,914
2026	39,428	5,562	44,990
2027	31,571	4,619	36,190
2028	26,622	3,877	30,499
2029-2033	31,454	14,997	46,451
2034-2038	8,474	12,360	20,834
2039-2043	4,333	11,281	15,614
Thereafter	57,251	62,789	120,040
Total	$245,104	$123,951	$369,055

As Lessee

MTA leases buildings, office space, storage space, equipment, vehicles, and cell tower space from other entities. These leases have terms between 1 year to 74 years, with payments required monthly, quarterly, or annually. As of September 30, 2024, the remaining lease terms are between 1 year to 70 years.

The amount of lease expense recognized for variable payments not included in the measurement of lease liability were $3,179 and $6,033 for September 30, 2024 and December 31, 2023 respectively. MTA recognized $0 and $0 expense attributable to residual value guarantees and termination penalties for the nine months ended September 30, 2024 and for the year ended December 31, 2023 respectively.

A summary of activity in lease liability for September 30, 2024 and December 31, 2023 is presented below (in thousands):

	September 30, 2024	December 31, 2023
Balance – beginning of year	$941,036	$877,964
Additions/remeasurements	6,274	110,820
Receipts/Interest	(32,839)	(47,748)
Balance – end of year	914,471	941,036
Less current portion	40,380	40,530
Lease liability noncurrent	$874,091	$900,506

The principal and interest requirements to maturity for the lease liability subsequent to September 30, 2024, are as follows (in thousands):

September 30, 2024	Principal	Interest	Total
2024	$ 9,185	$ 13,089	$ 22,274
2025	40,973	51,551	92,524
2026	38,472	50,418	88,890
2027	31,356	49,437	80,793
2028	29,704	48,547	78,251
2029-2033	201,197	221,702	422,899
2034-2038	164,918	175,620	340,538
2039-2043	137,935	125,215	263,150
Thereafter	260,731	106,288	367,019
Total	$ 914,471	$ 841,867	$ 1,756,338

Significant Lease Transactions - On July 29, 1998 the MTA, (solely on behalf of MTA Long Island Rail Road and MTA Metro- North Railroad, MTA New York City Transit, and MTA Bridges and Tunnels) entered into a lease and related agreements whereby each agency, as sublessee, will rent, an office building at Two Broadway in lower Manhattan. The triple-net-lease has an initial stated term of approximately 50 years, with the right to extend the lease for two successive 15-year periods at a rental of at least 95% of fair market rent. Remaining payments under the lease approximate $968 million.Under the subleases, the lease is apportioned as follows: MTA New York City Transit, 68.7%, MTA, 21%; and MTA Bridges and Tunnels, 10.3%.However, the involved agencies have agreed to sub-sublease space from one another as necessary to satisfy actual occupancy needs. The agencies will be responsible for obligations under the lease based on such actual occupancy percentages. Actual occupancy percentages at December 31, 2023, for the MTA New York City Transit, MTA Bridges and Tunnels and MTA (including MTA Bus, MTA Construction and Development and MTA Business Service Center) were 48.40%, 7.36% and 44.24%, respectively. MTAs' sublease is for a year-to-year term, automatically extended, except upon the giving of a non-extension notice by MTA. The total annual rental payments over the initial lease term were $1,602 with rent being abated from the commencement date through June 30, 1999. The office building at 2 Broadway, is principally occupied by MTA New York City Transit, MTA Bridges and Tunnels, MTA Construction and Development, MTAHQ, and MTA Bus.

MTA pays the lease payments on behalf of MTA New York City Transit and MTA Bridges and Tunnels and subsequently makes monthly chargebacks in the form of rental payments treated as management fees.

9. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

MTA entered into various Subscription-Based Information Technology Arrangements ("SBITA") that convey control of the right to use another party's information technology software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time. A right-to-use intangible subscription asset is set up with a corresponding subscription liability measured at the present value of payments during the subscription term, using MTA's incremental borrowing rate at the time of valuation ranging from 1.33% to 5.87% if an applicable stated or implicit rate is not available.

The initial measurement of MTA's subscription asset and lease liability was as of January 1, 2022. The subscription liability was reduced as payments were made, and an outflow of resources for interest on the liability was recognized. The subscription asset is amortized on a straight-line basis over the subscription term.

MTA's subscription-based information technology arrangements include software licenses, cloud data storage, hosting applications, security platforms and others. These subscriptions have terms between 2 years to 10 years, with payments required monthly, quarterly, or annually. As of December 31, 2023, the remaining subscription terms are between 1 year to 7 years.The amount of subscription expense recognized for variable payments not included in the measurement of lease liability were $5,568 and $10,655 for the period ended September 30, 2024 and year ended December 31, 2023, respectively. MTA recognized $0 and $0 expense attributable to termination penalties and impairment for the period ended September 30, 2024 and year ended December 31, 2023, respectively.

A summary of activity in SBITA liability for the period ended September 30, 2024 and year ended December 31, 2023 is presented below (in thousands):

	September 30, 2024	December 31, 2023
Balance – beginning of year	$ 138,110	$ 80,778
Additions / remeasurements	40,050	135,027
Payments/Interest	(27,221)	(77,695)
Balance – end of year	150,939	138,110
Less current portion	65,355	39,909
SBITA liability noncurrent	$ 85,584	$ 98,201

The principal and interest requirements to maturity for the Subscription-Based Information Technology Arrangements liability subsequent to September 30, 2024, are as follows:

September 30, 2024	Principal	Interest	Total
2024	$ 26,584	$ 1,726	$ 28,310
2025	51,694	5,881	57,575
2026	42,167	3,057	45,224
2027	28,443	1,340	29,783
2028	2,031	84	2,115
2028-2032	20	-	20
Total	$ 150,939	$ 12,088	$ 163,027

10. FINANCED PURCHASES

MTA made an assessment of its existing sale/leaseback transactions and determined that these transactions are not eligible to be treated as leases but as financed purchases under GASB Statement No. 87, *Leases*. Accordingly, under GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance, a sale-leaseback is required to include a transaction that qualifies as a sale under the guidance for sales of real estate. The sales-of-real estate criteria include the provision that an option or requirement for a seller to repurchase the asset would preclude a sale treatment. Furthermore, a qualifying sale should occur for a transaction to be accounted for as a sale-leaseback and that the sales-of-real-estate criteria should be used to determine whether a sale has occurred, regardless of whether a leaseback is involved. The transaction should be accounted for as financing, leasing or profit-sharing arrangement rather than a sale when the seller has an obligation to repurchase the property, or the terms of the transaction allow the buyer to compel the seller or give an option to the seller to repurchase the property.

Subway Cars — On September 3, 2003, the MTA entered into a sale/leaseback transaction whereby MTA New York City Transit transferred ownership of certain MTA New York City Transit subway cars to the MTA, the MTA sold those cars to a third party, and the MTA leased those cars back from such third party. The MTA subleased the cars to MTA New York City Transit. The lease expires in 2033. At the lease expiration, the MTA has the option of either exercising a fixed-price purchase option for the cars or returning the cars to the third-party owner.

Under the terms of the sale/leaseback agreement, the MTA initially received $168.1, which was utilized as follows: The MTA paid $126.3 to an affiliate of one of the lenders to the third party, which affiliate has the obligation to pay to the MTA an amount equal to the rent obligations under the lease attributable to the debt service on such loan from such third party's lender. The obligations of the affiliate of the third party's lender are guaranteed by American International Group, Inc. The MTA also purchased the Federal National Mortgage Association ("FNMA") and U.S. Treasury securities in amounts and with maturities which are sufficient to make the lease rent payments equal to the debt service on the loans from the other lender to the third party and to pay the remainder of the regularly scheduled rent due under that lease and the purchase price due upon exercise by the MTA of the fixed price purchase option if exercised. The amount remaining after payment of transaction expenses, $7.4, was the MTA's benefit from the transaction.

Subway Cars — On September 25, 2003 and September 29, 2003, the MTA entered into two sale/leaseback transactions whereby MTA New York City Transit transferred ownership of certain MTA New York City Transit subway cars to the MTA, the MTA sold those cars to third parties, and the MTA leased those cars back from such third parties. The MTA subleased the cars to MTA New York City Transit. Both leases expire in 2033. At the lease expiration, MTAHQ has the option of either exercising a fixed-price purchase option for the cars or returning the cars to the third-party owner.

Under the terms of the sale/leaseback agreements, the MTA initially received $294, which was utilized as follows: In the case of one of the leases, the MTA paid $97 to an affiliate of one of the lenders to the third party, which affiliate has the obligation to pay to the MTA an amount equal to the rent obligations under the lease attributable to the debt service on the loan from such third party's lender. The obligations of the affiliate of such third party's lender are guaranteed by American International Group, Inc. In the case of the other lease, the MTA purchased US Treasury debt securities in amounts and with maturities, which are sufficient for the MTA to make the lease rent payments equal to the debt service on the loan from the lender to that third party. In the case of both of the leases, the MTA also purchased Resolution Funding Corporation ("REFCO") debt securities that mature in 2030. Under an agreement with AIG Matched Funding Corp(guaranteed by American International Group, Inc.), AIG Matched Funding Corp. receives the proceeds from the REFCO debt securities at maturity and is obligated to pay to the MTA amounts sufficient for the MTA to pay the remainder of the regularly scheduled lease rent payments under those leases and the purchase price due upon exercise by the MTA of the purchase options if exercised. The amount remaining after payment of transaction expenses, $24, was the MTA's net benefit from these two transactions.

On December 17, 2008, MTA terminated the Ambac Assurance Corp. surety bond for the lease transaction that closed on September 25, 2003 and since then MTA has provided short-term U.S. Treasury debt obligations as replacement collateral. As of December 31, 2023, the fair value of total collateral funds was $39.5.

On January 12, 2009, MTA provided a short-term U.S.Treasury debt obligation as additional collateral in addition to the Ambac Assurance Corp. surety bond for the lease transaction that closed on September 29, 2003. As of December 31, 2023, the fair value of total collateral funds was $55.6.

As a result of the implementation of GASB Statement No. 87, *Leases*, the Two Broadway office building lease has been reclassified as a right-of-use asset with its corresponding lease liability and excluded from the schedule below. See footnote 8 for additional information.

Financed Purchases Schedule

Description	December 31, 2023	Increase	Decrease	September 30, 2024
	For the period ended September 30, 2024			
Met Life	8	-	-	8
Met Life Equity	19	-	-	19
Bank of New York	22	-	-	22
Bank of America	41	2		43
Bank of America Equity	16	-	-	16
Met Life Equity	70	1	-	71
Total MTA Financed Purchase	$ 176	$ 3	$ -	$ 179
Long Term Portion Financed Purchase	$ 176			$ 179

Financed Purchases Schedule

Description	December 31, 2022	Increase	Decrease	December 31, 2023
	For the Year Ended December 31, 2023			
Met Life	7	1	-	8
Met Life Equity	19	-	-	19
Bank of New York	22	-	-	22
Bank of America	38	3	-	41
Bank of America Equity	16	-	-	16
Met Life Equity	68	2	-	70
Total MTA Financed Purchase	$ 170	$ 6	$ -	$ 176
Long Term Portion Financed Purchase	$ 170			$ 176

MTA Hudson Rail Yards Air Rights Leases – MTA assessed the MTA Hudson Rail Yards Leases and associated air rights and determined that these are intangible assets and excluded as leases under GASB Statement No. 87, *Leases*.

In the 1980's, the MTA developed a portion of the Hudson Rail Yards as a storage yard, car wash and repair facility for the Long Island Railroad Company ("LIRR") rail cars entering Manhattan. It was anticipated that, eventually, the air rights above the Hudson Rail Yards would be developed to meet the evolving needs for high-quality commercial, retail, residential and public space in Manhattan.

To undertake the development of the Hudson Rail Yards, the MTA entered into two 99-year leases for the airspace within the boundary of the Hudson Rail Yards, one for the Eastern Rail Yards ("ERY") beginning December 3, 2012, and the other for the Western Rail Yards ("WRY") beginning December 3, 2013.

As of April 10, 2013, the ERY Lease was terminated and substituted with separate Severed Parcel Leases. Several Tenants under the Severed Parcel Leases have exercised their options to purchase fee title, as well as numerous condominium owners in residential buildings. The WRY Lease is also expected to be severed into separate parcels as development progresses.

The Severed Parcel Leases in the ERY, fee title for which has not been purchased, and the WRY Lease (until any severed parcel leases are purchased) are pledged as security for the Series 2016A Hudson Yards Trust Obligations.

Minimum rent receipts for ERY and WRY Ground Leases are as follows as of September 30, 2024:

Year	ERY	WRY	Total
2024	$ 6	$ 36	$ 42
2025	6	36	42
2026	6	36	42
2027	7	36	43
2028	7	37	44
Thereafter	2,560	14,171	16,731
Total	**$ 2,592**	**$ 14,352**	**$ 16,944**

11. FUTURE OPTION

In 2010, MTA and MTA Long Island Railroad entered into an Air Space Parcel Purchase and Sale Agreement ("Agreement") with Atlantic Yards Development Company, LLC ("AADC") pursuant to which AADC has obtained an exclusive right to purchase fee title to a parcel (subdivided into six sub-parcels) of air space above the MTA Long Island Railroad Vanderbilt Yard in Brooklyn, New York. Initial annual payments of $2 (covering all six sub-parcels) commenced on June 1, 2012 and were paid on the following three anniversaries of that date. Starting on June 1, 2016, and continuing on each anniversary thereof through and including June 1, 2031, an annual option payment in the amount of $11 is due. The Agreement provides that all such payments are (i) fully earned by MTA as of the date due in consideration of the continuing grant to AADC of the rights to purchase the air space sub-parcels, (ii) are non-refundable except under certain limited circumstances and (iii) shall be deemed to be payments on account of successive annual options granted to AADC.

After AADC and its affiliates have completed the new yard and transit improvements to be constructed by them at and in the vicinity of the site, AADC has the right from time to time until June 1, 2031, to close on the purchase of any or all of the six air rights sub-parcels. The purchase price for the six sub-parcels is an amount, when discounted at 6.5% per annum from the date of each applicable payment that equals a present value of $80 as of January 1, 2010. The purchase price of any particular air space sub-parcel is equal to a net present value as of January 1, 2010 (calculated based on each applicable payment) of the product of that sub-parcel's percentage of the total gross square footage of permissible development on all six air space sub-parcels multiplied by $80.

12. ESTIMATED LIABILITY ARISING FROM INJURIES TO PERSONS

A summary of activity in estimated liability as computed by actuaries arising from injuries to persons, including employees, and damage to third-party property for the period ended September 30, 2024 and year ended December 31, 2023 is presented below (in millions):

	September 30, 2024	December 31, 2023
Balance - beginning of year	$ 5,754	$ 5,435
Activity during the year:		
Current year claims and changes in estimates	679	897
Claims paid	(446)	(578)
Balance - end of year	5,987	5,754
Less current portion	(699)	(725)
Long-term liability	$ 5,288	$ 5,029

See Note 2 for additional information on MTA's liability and property disclosures.

13. COMMITMENTS AND CONTINGENCIES

Financial Guarantee — *Moynihan Station Development Project* - On May 22, 2017, the MTA Board approved entering into various agreements, including a Joint Services Agreement ("JSA"), necessary to effectuate Phase 2 of the Moynihan Station Development Project (the "Project"), which entailed the redevelopment of the James A. Farley Post Office Building to include a new world-class train hall to be shared by National Railroad Passenger Corporation ("Amtrak"), The Long Island Rail Road ("LIRR") and Metro-North Commuter Railroad (the "Train Hall"), as well as retail and commercial space (the "Retail and Commercial Space").

On July 21, 2017, New York State Urban Development Corporation d/b/a Empire State Development ("ESD") executed a TIFIA Loan Agreement with the United States Department of Transportation (the "TIFIA Lender") in an amount of up to $526 (the "2017 TIFIA Loan"), to pay for costs of the construction of the Train Hall. The 2017 TIFIA Loan was amended and restated on November 18, 2021 in an amount up to $607 (the "2021 TIFIA Loan"), to lower the interest rate to 1.99% per annum and to provide additional capital financing for the Train Hall. The 2021 TIFIA Loan has a final maturity date of the earlier of (1) October 30, 2055 and (2) the last semi-annual payment date occurring no later than the date that is thirty-five (35) years following the date on which the Train Hall is substantially completed. The proceeds of the 2021 TIFIA Loan are being used to reimburse or pay for costs of the construction of the Train Hall. The 2021 TIFIA Loan is secured by mortgages on the Train Hall property. The principal and interest on the 2021 TIFIA Loan is payable from a pledged revenue stream that primarily consists of PILOT payments to be paid by certain tenants in the Retail and Commercial Space. The amount of the PILOT payments is fixed through June, 2030 and is thereafter calculated based upon the assessed value of the properties as determined by New York City. The 2021 TIFIA Loan is further supported by a debt service reserve account, which is funded in an amount equal to the sum of the highest aggregate TIFIA Loan debt service amounts that will become due and payable on any two consecutive semi-annual payment dates in a five-year prospective period (the "TIFIA Debt Service Reserve Account").

Simultaneously with the execution of the 2017 TIFIA Loan, the JSA was entered into by and among the MTA, the TIFIA Lender, ESD, and Manufacturers and Traders Trust Company (as PILOT trustee). MTA ratified and confirmed its obligations under the JSA in connection with the closing of 2021 TIFIA Loan.

Under the JSA, MTA is obligated to satisfy semi-annual deficiencies in the TIFIA Debt Service Reserve Account. MTA's obligations under the JSA are secured by the same monies available to MTA for the payment of the operating and maintenance expenses of the operating agencies.

MTA's obligation under the JSA remains in effect until the earliest to occur of (a) the MTA JSA Release Date (as defined in the JSA and generally summarized below), (b) the date on which the 2021 TIFIA Loan has been paid in full and (c) foreclosure by the TIFIA Lender under the Mortgage (as defined in the 2021 TIFIA Loan).

The obligations of the MTA under the JSA will be terminated and released on the date (the "MTA JSA Release Date") on which each of the following conditions have been satisfied: (a) substantial completion of (1) the Train Hall Project and initiation by LIRR and Amtrak of transportation operations therein, and (2) the Retail and Commercial Space; (b) all material construction claims have been discharged or settled; (c) the PILOT payments have been calculated based upon assessed value for at least three years (i.e., 2033); (d) certain designated defaults or events of default under the 2021 TIFIA Loan have not occurred and are continuing; and (e) either of the following release tests shall have been satisfied:

- Release Test A: (a) certain debt service coverage ratios have equaled or exceeded levels set forth in the JSA, taking into consideration assessment appeals; (b) occupancy levels have equaled or exceeded levels set forth in the JSA; and (c) the 2021 TIFIA Loan is rated no lower than "BBB-" or "Baa3" by one rating agency, all as more fully described in the JSA; or
- Release Test B: the 2021 TIFIA Loan is rated no lower than "A-" or "A3" by two rating agencies, all as more fully described in the JSA.

On the date the JSA was executed and delivered, MTA deposited $20 into an account, which MTA invests, to be used in accordance with the JSA to reimburse MTA in the event it is obligated under the JSA to make semi-annual deficiency payments to the TIFIA Debt Service Reserve Account.

On June 12, 2017, the MTA entered into a Memorandum of Understanding with ESD and the New York State Division of the Budget (the "Division"). Under the Memorandum of Understanding, which was updated in November 2020 to reflect the 2021 TIFIA Loan, the Division agreed that in the event in any given year during the term of the JSA (i) the MTA is required to make a semi-annual deficiency payment to the TIFIA Debt Service Reserve Account, and (ii) the Division has determined that the MTA has incurred an expense that would otherwise have been incurred by the State of New York (the "State Expense"), the Division will consider entering into a cost recovery agreement with the MTA pursuant to subdivision 4 of Section 2975 of the Public Authorities Law (the "PAL") for such year that will provide that in lieu of paying the full assessment pursuant to subdivisions 2 and 3 of Section 2975 of the PAL in any such year, any such assessment shall be reduced by the State Expense.

14. POLLUTION REMEDIATION COST

In accordance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, an operating expense provision and corresponding liability measured at its current value using the expected cash flow method is recognized when an obligatory event occurs. Pollution remediation obligations are estimates and subject to changes resulting from price increase or reductions, technology, or changes in applicable laws or regulations. The MTA does not expect any recoveries of cost that would have a material effect on the recorded obligations.

The MTA recognized pollution remediation expenses of $7 and $14 for the periods ended September 30, 2024 and 2023, respectively. A summary of the activity in pollution remediation liability at September 30, 2024 and December 31, 2023 were as follows:

	September 30, 2024	December 31, 2023
Balance at beginning of year	$ 182	$ 156
Current year expenses/changes in estimates	7	51
Current year payments	(4)	(25)
Balance at end of year	185	182
Less current portion	40	40
Long-term liability	$ 145	$ 142

The MTA's pollution remediation liability primarily consists of future remediation activities associated with asbestos removal, lead abatement, ground water contamination, arsenic contamination and soil remediation.

15. NON-CURRENT LIABILITIES

Changes in the activity of non-current liabilities for the periods ended September 30, 2024 and December 31, 2023 are presented below:

	Balance December 31, 2022	Additions	Reductions	Balance December 31, 2023	Additions	Reductions	Balance September 30, 2024
Non-current liabilities:	(Restated) *						
Contract retainage payable	$ 435	$ 14	$ -	449	$ 33	$ -	$ 482
Other long-term liabilities	366	-	(7)	359	2	-	361
Total non-current liabilities	**$ 801**	**$ 14**	**$ (7)**	**$ 808**	**$ 35**	**$ -**	**$ 843**

* Restated due to the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. Refer to 2023 MTA Consolidated Financial Statements.

16. FUEL HEDGE

MTA partially hedges its fuel cost exposure using financial hedges. All MTA fuel hedges provide for up to 24 monthly settlements. The table below summarizes twenty-four (24) active ultra-low sulfur diesel ("ULSD") hedges in whole dollars:

Counterparty	BOA_ Merrill	BOA_ Merrill	Goldman Sachs	Cargill	Cargill	Cargill	Goldman Sachs	JPMorgan
Trade Date	10/25/2022	11/30/2022	12/28/2022	1/31/2023	2/28/2023	3/29/2023	4/24/2023	5/30/2023
Effective Date	10/1/2023	11/1/2023	12/1/2023	1/1/2024	2/1/2024	3/1/2024	4/1/2024	5/1/2024
Termination Date	9/30/2024	10/31/2024	11/1/2024	12/31/2024	1/31/2025	2/28/2025	3/31/2025	4/30/2025
Price/Gal	$2.7422	$2.7624	$2.7030	$2.6867	$2.5711	$2.4373	$2.4357	$2.2500
Original Notional Quantity	2,826,749	2,826,751	2,826,765	2,826,779	2,826,759	1,633,857	2,462,350	2,636,717

Counterparty	Goldman Sachs	Cargill	Goldman Sachs	JPMorgan	Cargill	BOA_ Merrill	Cargill	Cargill
Trade Date	6/27/2023	7/28/2023	8/29/2023	9/26/2023	10/30/2023	11/27/2023	12/27/2023	1/30/2024
Effective Date	6/1/2024	7/1/2024	8/1/2024	9/1/2024	10/1/2024	11/1/2024	12/1/2024	1/1/2025
Termination Date	5/31/2025	6/30/2025	7/31/2025	8/31/2025	9/30/2025	10/31/2025	11/30/2025	12/31/2025
Price/Gal	$2.2942	$2.5468	$2.5697	$2.6525	$2.5798	$2.4914	$2.4289	$2.4291
Original Notional Quantity	2,636,709	2,636,706	2,636,714	2,636,696	2,636,708	2,636,707	2,636,716	2,636,709

Counterparty	Goldman Sachs	Cargill	Goldman Sachs	Cargill	Cargill	Cargill	Cargill	Cargill
Trade Date	2/28/2024	3/27/2024	4/29/2024	5/29/2024	6/27/2024	7/30/2024	8/28/2024	9/26/2024
Effective Date	2/1/2025	3/1/2025	4/1/2025	5/1/2025	6/1/2025	7/1/2025	8/1/2025	9/1/2025
Termination Date	1/31/2026	2/28/2026	3/31/2026	4/30/2026	5/31/2026	6/30/2026	7/31/2026	8/31/2026
Price/Gal	$2.3965	$2.4441	$2.4632	$2.4272	$2.4759	$2.3380	$2.2900	$2.2105
Original Notional Quantity	2,636,722	2,168,753	2,329,828	2,535,018	2,535,006	2,535,001	2,535,006	2,535,002

The monthly settlements are based on the daily prices of the respective commodities whereby MTA will either receive a payment, or make a payment to the various counterparties depending on the average monthly price of the commodities in relation to the contract prices. At a contract's termination date, the MTA will take delivery of the fuel. As of September 30, 2024, the total outstanding notional value of the ULSD contracts was -61.8 million gallons with a positive fair value of $11.8. The valuation of each trade was based on discounting future net cash flows to a single current amount (the income approach) using observable commodity futures prices (Level 2 inputs).

17. CONDENSED COMPONENT UNIT INFORMATION

The following tables present condensed financial information for MTA's component units (in millions).

September 30, 2024	MTA	Metro - North Railroad	Long Island Railroad	New York City Transit Authority	Triborough Bridge and Tunnel Authority	Eliminations	Consolidated Total
Current assets	$ 12,004	$ 426	$ 571	$ 908	$ 1,772	$ (79)	$ 15,602
Capital assets	13,945	7,614	10,841	51,828	8,188	-	92,416
Other Assets	29,523	60	62	40	1,481	(27,828)	3,338
Intercompany receivables	123	526	701	5,956	13,191	(20,497)	-
Deferred outflows of resources	2,833	864	1,142	4,481	390	(55)	9,655
Total assets and deferred outflows of resources	**$ 58,428**	**$ 9,490**	**$ 13,317**	**$ 63,213**	**$ 25,022**	**$ (48,459)**	**$ 121,011**
Current liabilities	$ 4,101	$ 454	$ 307	$ 2,197	$ 2,222	$ (190)	$ 9,091
Non-current liabilities	27,614	2,801	4,203	25,122	26,311	(17)	86,034
Intercompany payables	19,110	194	36	365	788	(20,493)	-
Deferred inflows of resources	622	543	913	3,646	319	-	6,043
Total liabilities and deferred inflows of resources	$ 51,447	$ 3,992	$ 5,459	$ 31,330	$ 29,640	$ (20,700)	$ 101,168
Net investment in capital assets	$ (13,636)	$ 7,388	$ 10,774	$ 51,335	$ (14,381)	$ (589)	$ 40,891
Restricted	3,515	-	-	-	1,350	(482)	4,383
Unrestricted	17,102	(1,890)	(2,916)	(19,452)	8,413	(26,688)	(25,431)
Total net position	**$ 6,981**	**$ 5,498**	**$ 7,858**	**$ 31,883**	**$ (4,618)**	**$ (27,759)**	**$ 19,843**
For the period ended September 30, 2024							
Fare revenue	$ 139	$ 457	$ 479	$ 2,566	$ -	$ 1	$ 3,642
Vehicle toll revenue	-	-	-	-	1,925	(6)	1,919
Rents, freight and other revenue	42	29	29	608	19	(31)	696
Total operating revenue	**181**	**486**	**508**	**3,174**	**1,944**	**(36)**	**6,257**
Total labor expenses	1,016	861	1,051	5,592	183	(1)	8,702
Total non-labor expenses	469	343	356	1,751	198	(44)	3,073
Depreciation and amortization	367	264	438	1,659	171	-	2,899
Total operating expenses	**1,852**	**1,468**	**1,845**	**9,002**	**552**	**(45)**	**14,674**
Operating (deficit) surplus	**(1,671)**	**(982)**	**(1,337)**	**(5,828)**	**1,392**	**9**	**(8,417)**
Subsidies and grants	464	-	-	501	6	(376)	595
Tax revenue	4,972	-	-	3,145	-	(2,523)	5,594
Interagency subsidy	1,182	523	879	428	-	(3,012)	-
Interest expense	(937)	(6)	(3)	(104)	(367)	(8)	(1,425)
Other	(1,395)	188	5	2,322	(688)	2,898	3,330
Total non-operating revenues (expenses)	**4,286**	**705**	**881**	**6,292**	**(1,049)**	**(3,021)**	**8,094**
Gain (Loss) before appropriations	2,615	(277)	(456)	464	343	(3,012)	(323)
Appropriations, grants and other receipts externally restricted for capital projects	(2,474)	539	592	2,400	(1,011)	2,873	2,919
Change in net position	141	262	136	2,864	(668)	(139)	2,596
Net position, beginning of period	6,840	5,236	7,722	29,019	(3,950)	(27,620)	17,247
Net position, end of period	**$ 6,981**	**$ 5,498**	**$ 7,858**	**$ 31,883**	**$ (4,618)**	**$ (27,759)**	**$ 19,843**
For the period ended September 30, 2024							
Net cash (used by) / provided by operating activities	$ (1,153)	$ (661)	$ (959)	$ (4,110)	$ 1,557	$ -	$ (5,326)
Net cash provided by / (used by) non-capital financing activities	5,996	690	994	4,882	(73)	(7,020)	5,469
Net cash (used by) / provided by capital and related financing activities	(4,366)	(28)	(18)	(759)	(188)	6,503	1,144
Net cash (used by) / provided by investing activities	(685)	-	-	13	(1,187)	517	(1,342)
Cash at beginning of period	1,530	21	5	23	9	-	1,588
Cash at end of period	**$ 1,322**	**$ 22**	**$ 22**	**$ 49**	**$ 118**	**$ -**	**$ 1,533**

December 31, 2023	MTA	Metro-North Railroad	Long Island Railroad	New York City Transit Authority	Triborough Bridge and Tunnel Authority	Eliminations	Consolidated Total
Current assets	$ 10,671	$ 503	$ 614	$ 776	$ 2,191	$ (1,446)	$ 13,309
Capital assets	14,076	7,324	10,740	50,446	7,967	-	90,553
Other Assets	29,320	68	69	40	173	(27,303)	2,367
Intercompany receivables	304	452	664	4,122	11,461	(17,003)	-
Deferred outflows of resources	2,842	864	1,143	4,482	413	(72)	9,672
Total assets and deferred outflows of resources	**$ 57,213**	**$ 9,211**	**$ 13,230**	**$ 59,866**	**$ 22,205**	**$ (45,824)**	**$ 115,901**
Current liabilities	$ 4,056	$ 444	$ 341	$ 2,291	$ 2,678	$ (460)	$ 9,350
Non-current liabilities	28,455	2,812	4,204	24,909	22,882	(34)	83,228
Intercompany payables	17,222	169	44	-	275	(17,710)	-
Deferred inflows of resources	640	550	920	3,646	320	-	6,076
Total liabilities and deferred inflows of resources	**$ 50,373**	**$ 3,975**	**$ 5,509**	**$ 30,846**	**$ 26,155**	**$ (18,204)**	**$ 98,654**
Net investment in capital assets	$ (17,506)	$ 7,084	$ 10,621	$ 49,944	$ 2,015	$ (10,825)	$ 41,333
Restricted	3,315	-	-	-	1,245	(966)	3,594
Unrestricted	21,031	(1,848)	(2,900)	(20,924)	(7,210)	(15,829)	(27,680)
Total net position	**$ 6,840**	**$ 5,236**	**$ 7,721**	**$ 29,020**	**$ (3,950)**	**$ (27,620)**	**$ 17,247**
For the period ended September 30, 2023							
Fare revenue	$ 136	$ 403	$ 415	$ 2,445	$ -	$ -	$ 3,399
Vehicle toll revenue	-	-	-	-	1,823	-	1,823
Rents, freight and other revenue	41	32	25	469	18	(28)	557
Total operating revenue	**177**	**435**	**440**	**2,914**	**1,841**	**(28)**	**5,779**
Total labor expenses	956	794	1,005	5,569	171	-	8,495
Total non-labor expenses	495	321	328	1,635	181	(39)	2,921
Depreciation and amortization	188	242	416	1,639	163	1	2,649
Total operating expenses	**1,639**	**1,357**	**1,749**	**8,843**	**515**	**(38)**	**14,065**
Operating (deficit) surplus	**(1,462)**	**(922)**	**(1,309)**	**(5,929)**	**1,326**	**10**	**(8,286)**
Subsidies and grants	(469)	-	-	499	(6)	562	586
Tax revenue	4,358	-	-	2,471	-	(2,112)	4,717
Interagency subsidy	1,026	522	943	370	-	(2,861)	-
Interest expense	(929)	(6)	(1)	(95)	(313)	(11)	(1,355)
Other	659	226	(1)	14	(982)	1,128	1,044
Total non-operating revenues (expenses)	**4,645**	**742**	**941**	**3,259**	**(1,301)**	**(3,294)**	**4,992**
Gain (Loss) before appropriations	3,183	(180)	(368)	(2,670)	25	(3,284)	(3,294)
Appropriations, grants and other receipts externally restricted for capital projects	(2,198)	447	592	1,344	(784)	2,870	2,271
Change in net position	985	267	224	(1,326)	(759)	(414)	(1,023)
Net position, beginning of the period	5,076	4,962	7,567	29,115	(2,772)	(27,031)	16,917
Net position, end of period	**$ 6,061**	**$ 5,229**	**$ 7,791**	**$ 27,789**	**$ (3,531)**	**$ (27,445)**	**$ 15,894**
For the period ended September 30, 2023							
Net cash (used in) / provided by operating activities	$ (1,646)	$ (765)	$ (1,995)	$ (4,234)	$ 1,486	$ -	$ (7,154)
Net cash provided by / (used in) non-capital financing activities	5,228	749	1,974	3,739	(570)	(5,698)	5,422
Net cash (used in) / provided by capital and related financing activities	(4,839)	17	23	(800)	2,931	1,965	(703)
Net cash provided by / (used in) investing activities	1,908	-	-	1,299	(3,845)	3,733	3,095
Cash at beginning of period	882	19	5	25	9	-	940
Cash at end of period	**$ 1,533**	**$ 20**	**$ 7**	**$ 29**	**$ 11**	**$ -**	**$ 1,600**

18. SUBSEQUENT EVENTS

On October 9, 2024, MTA issued $864.215 million of Dedicated Tax Fund Green Bonds, Series 2024B. Proceeds from the transaction were used to retire outstanding Triborough Bridge and Tunnel Authority Payroll Mobility Tax Bond Anticipation Notes, Series 2022B, and to lock in net present value saving of $24.381 million or 12.74% of the refunded par by refunding certain outstanding Transportation Revenue Bonds.

On October 29, 2024, MTA issued $479.460 million of Transportation Revenue Refunding Fund Green Bonds, Series 2024B. Proceeds from the transaction were used to lock in a net present value savings of $58.550 million or 11.18% of the refunded par by refunding certain outstanding Transportation Revenue Bonds.

On October 31, 2024, MTA executed a 2,535,017 gallon ultra-low sulfur diesel fuel hedge at an all-in price of $2.246 (whole dollars) per gallon. The hedge covers the period from October 2025 through September 2026.

On November 6, 2024, MTA extended its irrevocable direct-pay LOC issued by Bank of America, N.A. associated with Transportation Revenue Variable Rate Refunding Bonds, Subseries 2015E-3 to November 5, 2027.

On November 8, 2024, MTA amended its Revolving Credit Agreement with Bank of America, National Association to extend its expiration date to July 30, 2027, and to change the amount available under the line of credit from $400 to $200.

On November 13, 2024, MTA effectuated a mandatory tender and remarketed $65.900 of Transportation Revenue Variable Rate Bonds, Subseries 2005D-2 and $69.650 of Transportation Revenue Variable Rate Refunding Bonds, Subseries 2012G-4 as their respective irrevocable direct-pay LOCs issued by Bank of Montreal, National Association, were each replaced with separate irrevocable direct-pay LOCs issued by Bank of America, N.A. Both subseries of bonds were remarketed as VRDBs in Daily Mode. The LOCs for each subseries of bonds will expire on November 12, 2027.

On November 26, 2024, MTA executed a 2,535,018 gallon ultra-low sulfur diesel fuel hedge at an all-in price of $2.1952 (whole dollars) per gallon. The hedge covers the period from November 2025 through October 2026.

On December 11, 2024, MTA effectuated a mandatory tender and remarketed $75.000 of Transportation Revenue Variable Rate Refunding Bonds, Subseries 2012G-3 which will be converted from the term rate mode bearing interest at the adjusted SIMFA rate to the daily mode. The MTA will obtain an irrevocable direct-pay letter of credit issued by Royal Bank of Canada to support the payment of principal and interest on, and the payment of the purchase price of the subseries 2012G-3 bonds.

On December 23, 2024, MTA issued $186.000 Triborough Bridge and Tunnel Authority Second Subordinate Revenue Bond Anticipation Notes, Series 2024A ("Series 2024A Notes"), maturing December 1, 2025. The Series 2024A Notes were issued to (i) pay capital costs of the Central Business District Tolling Program and (ii) pay certain financing, legal, and miscellaneous expenses.

On December 23, 2024, MTA executed a 2,535,019 gallon ultra-low sulfur diesel fuel hedge at an all-in price of $2.1568 (whole dollars) per gallon. The hedge covers the period from December 2025 through November 2026.

On January 5, 2025, New York City officially launched the first U.S. congestion pricing program aimed at reducing traffic congestion and funding public transportation. The program requires drivers to pay a toll to enter Manhattan south of 60th Street, with the goal of encouraging the use of public transportation and improving air quality.

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REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the MTA's Net Pension Liability and Related Ratios for Single Employer Pension Plans

($ in thousands)	Additional Plan								
Plan Measurement Date (December 31):	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total pension liability:									
Service cost	$ 146	$ 260	$ 453	$ 621	$ 1,057	$ 1,874	$ 2,752	$ 3,441	$ 3,813
Interest	81,371	83,489	86,918	93,413	97,611	101,477	104,093	106,987	110,036
Effect of economic / demographic (gains) or losses	(1,347)	3,729	10,428	13,455	213	1,890	15,801	6,735	-
Effect of assumption changes or inputs	-	26,300	-	50,191	-	-	-	-	-
Benefit payments and withdrawals	(143,764)	(148,630)	(152,046)	(157,254)	(159,565)	(159,717)	(158,593)	(157,071)	(156,974)
Net change in total pension liability	(63,594)	(34,852)	(54,247)	426	(60,684)	(54,476)	(35,947)	(39,908)	(43,125)
Total pension liability—beginning	1,322,471	1,357,323	1,411,570	1,411,144	1,471,828	1,526,304	1,562,251	1,602,159	1,645,284
Total pension liability—ending (a)	1,258,877	1,322,471	1,357,323	1,411,570	1,411,144	1,471,828	1,526,304	1,562,251	1,602,159
Plan fiduciary net position:									
Employer contributions	70,763	70,553	68,724	62,774	59,500	76,523	81,100	100,000	407,513
Nonemployer contributions	-	-	-	-	-	145,000	70,000	-	-
Member contributions	51	73	140	249	333	760	884	1,108	1,304
Net investment income	(51,214)	95,247	4,024	116,092	(31,098)	112,614	58,239	527	21,231
Benefit payments and withdrawals	(143,764)	(148,630)	(152,046)	(157,254)	(159,565)	(159,717)	(158,593)	(157,071)	(156,974)
Administrative expenses	(761)	(610)	(612)	(718)	(1,180)	(1,070)	(611)	(1,218)	(975)
Net change in plan fiduciary net position	(124,925)	16,633	(79,770)	21,143	(132,010)	174,110	51,019	(56,654)	272,099
Plan fiduciary net position—beginning	777,323	760,690	840,460	819,317	951,327	777,217	726,198	782,852	510,753
Plan fiduciary net position—ending (b)	652,398	777,323	760,690	840,460	819,317	951,327	777,217	726,198	782,852
Employer's net pension liability—ending (a)-(b)	$ 606,479	$ 545,148	$ 596,633	$ 571,110	$ 591,827	$ 520,501	$ 749,087	$ 836,053	$ 819,307
Plan fiduciary net position as a percentage of the total pension liability	51.82%	58.78%	56.04%	59.54%	58.06%	64.64%	50.92%	46.48%	48.86%
Covered payroll	$ 2,043	$ 3,230	$ 5,174	$ 7,236	$ 13,076	$ 20,500	$ 29,312	$ 39,697	$ 43,267
Employer's net pension liability as a percentage of covered payroll	29685.71%	16877.65%	11531.37%	7892.62%	4526.06%	2539.03%	2555.56%	2106.09%	1893.61%

Note: Information was not readily available for periods prior to 2014. This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Schedule of Changes in the MTA's Net Pension Liability and Related Ratios for Single Employer Pension Plans

($ in thousands)	**MaBSTOA Plan**								
Plan Measurement Date (December 31):	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total pension liability:									
Service cost	$ 95,860	$ 93,934	$ 95,514	$ 89,814	$ 86,979	$ 84,394	$ 82,075	$ 77,045	$ 72,091
Interest	285,410	274,270	266,588	265,454	256,084	246,284	236,722	232,405	223,887
Effect of plan changes	1,760	-	-	-	-	-	-	-	-
Effect of economic / demographic (gains) or losses	(20,721)	(19,177)	(720)	9,011	5,412	11,826	13,784	(68,997)	-
Effect of assumption changes or inputs		72,032		168,752	-	6,347	-	-	-
Differences between expected and actual experience				-	-	-	-	-	(1,596)
Benefit payments and withdrawals	(257,973)	(245,427)	(237,930)	(221,221)	(213,827)	(209,122)	(187,823)	(179,928)	(175,447)
Net change in total pension liability	104,336	175,632	123,452	311,810	134,648	139,729	144,758	60,525	118,935
Total pension liability—beginning	4,422,018	4,246,386	4,122,934	3,811,124	3,676,476	3,536,747	3,391,989	3,331,464	3,212,529
Total pension liability—ending (a)	4,526,354	4,422,018	4,246,386	4,122,934	3,811,124	3,676,476	3,536,747	3,391,989	3,331,464
Plan fiduciary net position:									
Employer contributions	158,619	156,204	159,486	206,390	205,433	202,684	220,697	214,881	226,374
Member contributions	25,548	24,935	24,709	23,552	21,955	19,713	18,472	16,321	15,460
Net investment income	(273,627)	416,287	60,326	447,365	(87,952)	350,186	212,260	(24,163)	105,084
Benefit payments and withdrawals	(257,973)	(245,427)	(237,930)	(221,221)	(213,827)	(209,122)	(187,823)	(179,928)	(175,447)
Administrative expenses	(806)	(264)	(244)	(220)	(196)	(208)	(186)	(88)	(74)
Net change in plan fiduciary net position	(348,239)	351,735	6,347	455,866	(74,587)	363,253	263,420	27,023	171,397
Plan fiduciary net position—beginning	3,658,351	3,306,616	3,300,268	2,844,402	2,918,989	2,555,736	2,292,316	2,265,293	2,093,896
Plan fiduciary net position—ending (b)	3,310,112	3,658,351	3,306,616	3,300,268	2,844,402	2,918,989	2,555,736	2,292,316	2,265,293
Employer's net pension liability—ending (a)-(b)	$ 1,216,242	$ 763,667	$ 939,770	$ 822,666	$ 966,722	$ 757,487	$ 981,011	$ 1,099,673	$ 1,066,171
Plan fiduciary net position as a percentage of the total pension liability	73.13%	82.73%	77.87%	80.05%	74.63%	79.40%	72.26%	67.58%	68.00%
Covered payroll	$ 775,512	$ 768,868	$ 802,100	$ 786,600	$ 776,200	$ 749,666	$ 716,527	$ 686,674	$ 653,287
Employer's net pension liability as a percentage of covered payroll	156.83%	99.32%	117.16%	104.59%	124.55%	101.04%	136.91%	160.14%	163.20%

Note: Information was not readily available for periods prior to 2014. This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the MTA's Net Pension Liability and Related Ratios for Single Employer Pension Plans (continued)

($ in thousands)	MNR Cash Balance Plan								
Plan Measurement Date (December 31):	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total pension liability:									
Interest	$ 10	$ 11	$ 14	$ 18	$ 20	$ 21	$ 24	$ 29	$ 32
Effect of economic / demographic (gains) or losses	(6)	(11)	10	4	(11)	12	(15)	(10)	-
Effect of assumption changes or inputs	(16)	15	11	-	-	-	-	18	-
Benefit payments and withdrawals	(33)	(38)	(105)	(53)	(58)	(71)	(77)	(113)	(88)
Net change in total pension liability	(45)	(23)	(70)	(31)	(49)	(38)	(68)	(76)	(56)
Total pension liability—beginning	355	378	448	479	528	566	634	710	766
Total pension liability—ending (a)	310	355	378	448	479	528	566	634	710
Plan fiduciary net position:									
Employer contributions	4	-	9	-	5	-	23	18	-
Net investment income	(43)	(5)	32	40	1	20	16	6	41
Benefit payments and withdrawals	(33)	(38)	(105)	(53)	(58)	(71)	(77)	(113)	(88)
Administrative expenses	-	-	3	(3)	-	-	-	3	(3)
Net change in plan fiduciary net position	(72)	(43)	(61)	(16)	(52)	(51)	(38)	(86)	(50)
Plan fiduciary net position—beginning	351	394	455	471	523	574	612	698	748
Plan fiduciary net position—ending (b)	279	351	394	455	471	523	574	612	698
Employer's net pension liability—ending (a)-(b)	$ 31	$ 4	$ (16)	$ (7)	$ 8	$ 5	$ (8)	$ 22	$ 12
Plan fiduciary net position as a percentage of the total pension liability	90.00%	98.87%	104.23%	101.45%	98.33%	99.05%	101.41%	96.53%	98.31%
Covered payroll	$ -	$ -	$ 277	$ 278	$ 268	$ 471	$ 846	$ 1,474	$ 2,274
Employer's net pension liability as a percentage of covered payroll	0.00%	0.00%	-5.78%	-2.52%	2.99%	1.06%	-0.95%	1.49%	0.53%

Note: Information was not readily available for periods prior to 2014. This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the MTA's Net Pension Liability and Related Ratios for Single Employer Pension Plans (continued)

($ in thousands)	MTA Defined Benefit Plan								
Plan Measurement Date (December 31):	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
Total pension liability:									
Service cost	$ 220,423	$ 213,675	$ 213,494	$ 173,095	$ 162,273	$ 148,051	$ 138,215	$ 124,354	$ 121,079
Interest	485,878	455,230	427,672	387,193	358,118	335,679	308,009	288,820	274,411
Effect of economic / demographic (gains) or losses	95,172	20,656	92,019	35,935	75,744	(27,059)	86,809	121,556	2,322
Effect of assumption changes or inputs	-	113,662	-	690,958	-	10,731	-	(76,180)	-
Effect of plan changes	-	-	-	-	61,890	76,511	73,521	6,230	-
Benefit payments and withdrawals	(351,857)	(325,473)	(293,836)	(264,985)	(242,349)	(232,976)	(209,623)	(199,572)	(191,057)
Net change in total pension liability	449,616	477,750	439,349	1,022,196	415,676	310,937	396,931	265,208	206,755
Total pension liability—beginning	7,427,785	6,950,035	6,510,686	5,488,490	5,072,814	4,761,877	4,364,946	4,099,738	3,892,983
Total pension liability—ending (a)	7,877,401	7,427,785	6,950,035	6,510,686	5,488,490	5,072,814	4,761,877	4,364,946	4,099,738
Plan fiduciary net position:									
Employer contributions	400,648	396,144	394,986	344,714	338,967	321,861	280,768	221,694	331,259
Member contributions	34,471	33,832	32,006	31,504	29,902	31,027	29,392	34,519	26,006
Net investment income	(464,023)	639,374	99,045	651,919	(150,422)	516,153	247,708	(45,122)	102,245
Benefit payments and withdrawals	(351,857)	(325,473)	(293,836)	(264,985)	(242,349)	(232,976)	(209,623)	(199,572)	(191,057)
Administrative expenses	(4,334)	(3,513)	(3,660)	(3,408)	(3,152)	(4,502)	(3,051)	(1,962)	(9,600)
Net change in plan fiduciary net position	(385,095)	740,364	228,541	759,744	(27,054)	631,563	345,194	9,557	258,853
Plan fiduciary net position—beginning	5,753,129	5,012,765	4,784,224	4,024,480	4,051,534	3,419,971	3,074,777	3,065,220	2,806,367
Plan fiduciary net position—ending (b)	5,368,034	5,753,129	5,012,765	4,784,224	4,024,480	4,051,534	3,419,971	3,074,777	3,065,220
Employer's net pension liability—ending (a)-(b)	$ 2,509,367	$ 1,674,656	$ 1,937,270	$ 1,726,462	$ 1,464,010	$ 1,021,280	$ 1,341,906	$ 1,290,169	$ 1,034,518
Plan fiduciary net position as a percentage of the total pension liability	68.14%	77.45%	72.13%	73.48%	73.33%	79.87%	71.82%	70.44%	74.77%
Covered payroll	$ 2,111,293	$ 2,028,938	$ 2,050,970	$ 2,052,657	$ 2,030,695	$ 1,857,026	$ 1,784,369	$ 1,773,274	$ 1,679,558
Employer's net pension liability as a percentage of covered payroll	118.85%	82.54%	94.46%	84.11%	72.09%	55.00%	75.20%	72.76%	61.59%

Note: Information was not readily available for periods prior to 2014. This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the MTA's Proportionate Share of the Net Pension Liabilities of Cost-Sharing Multiple-Employer Pension Plans

($ in thousands)	**NYCERS Plan**								
Plan Measurement Date:	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
MTA's proportion of the net pension liability	22.075%	21.900%	22.218%	24.420%	24.493%	23.682%	24.096%	23.493%	23.585%
MTA's proportionate share of the net pension liability	$ 3,938,599	$ 3,964,996	$ 1,424,952	$ 5,147,445	$ 4,536,510	$ 4,176,941	$ 5,003,811	$ 5,708,052	$ 4,773,787
MTA's actual covered payroll	$ 4,169,696	$ 3,848,798	$ 3,618,339	$ 3,514,665	$ 3,385,743	$ 3,216,837	$ 3,154,673	$ 3,064,007	$ 2,989,480
MTA's proportionate share of the net pension liability as a percentage of the MTA's covered payroll	94.458%	103.019%	39.000%	146.456%	113.989%	129.846%	158.616%	186.294%	159.686%
Plan fiduciary net position as a percentage of the total pension liability	82.200%	81.276%	77.000%	76.933%	78.836%	78.826%	74.805%	69.568%	73.125%

	NYSLERS Plan								
Plan Measurement Date:	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
MTA's proportion of the net pension liability	0.299%	0.310%	0.314%	0.346%	0.345%	0.327%	0.311%	0.303%	0.289%
MTA's proportionate share of the net pension liability	$ 64,289	$ (25,856)	$ 313	$ 91,524	$ 24,472	$ 10,553	$ 29,239	$ 48,557	$ 9,768
MTA's actual covered payroll	$ 150,682	$ 110,702	$ 102,838	$ 105,457	$ 109,252	$ 105,269	$ 96,583	$ 87,670	$ 87,315
MTA's proportionate share of the net pension liability as a percentage of the MTA's covered payroll	42.665%	-23.360%	0.000%	86.788%	22.400%	10.025%	30.273%	55.386%	11.187%
Plan fiduciary net position as a percentage of the total pension liability	90.780%	103.650%	99.950%	86.392%	96.267%	98.240%	94.703%	90.685%	97.947%

Note: Information was not readily available for periods prior to 2015. This schedule is intended to show information for ten years. Additional years will be displayed as they become available. The data provided in this schedule is based on the measurement date used by NYCERS and NYSLERS for the net pension liability.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the MTA's Contributions for All Pension Plans for the Year Ended December 31,

($ in thousands)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Additional Plan*											
Actuarially Determined Contribution	$ 72,666	$ 70,764	$ 70,553	$ 68,723	$ 62,774	$ 59,196	$ 76,523	$ 83,183	$ 82,382	$ 112,513	$ -
Actual Employer Contribution	140,400	70,764	70,553	68,724	62,774	59,500	221,523	151,100	100,000	407,513	-
Contribution Deficiency (Excess)	$ (67,734)	$ -	$ -	$ (1)	$ -	$ (304)	$ (145,000)	$ (67,917)	$ (17,618)	$ (295,000)	$ -
Covered Payroll	$ 1,972	$ 2,043	$ 3,230	$ 5,174	$ 7,236	$ 13,076	$ 20,500	$ 29,312	$ 39,697	$ 43,267	$ -
Contributions as a % of Covered Payroll	7119.68%	3463.99%	2184.33%	1328.26%	867.54%	455.02%	1080.62%	515.49%	251.91%	941.87%	N/A
MaBSTOA Plan											
Actuarially Determined Contribution	$ 170,033	$ 158,618	$ 156,204	$ 159,486	$ 209,314	$ 202,509	$ 202,924	$ 220,697	$ 214,881	$ 226,374	$ 234,474
Actual Employer Contribution	328,430	158,618	156,204	159,486	206,390	205,434	202,684	220,697	214,881	226,374	234,474
Contribution Deficiency (Excess)	$ (158,397)	$ -	$ -	$ -	$ 2,924	$ (2,925)	$ 240	$ -	$ -	$ -	$ -
Covered Payroll	$ 820,468	$ 775,512	$ 768,868	$ 802,100	$ 786,600	$ 776,200	$ 749,666	$ 716,527	$ 686,674	$ 653,287	$ 582,081
Contributions as a % of Covered Payroll	40.03%	20.45%	20.32%	19.88%	26.24%	26.47%	27.04%	30.80%	31.29%	34.65%	40.28%
Metro-North Cash Balance Plan*											
Actuarially Determined Contribution	$ 13	$ 4	$ -	$ -	$ 8	$ 5	$ -	$ 23	$ -	$ 5	$ -
Actual Employer Contribution	13	4	-	-	-	5	-	23	14	-	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (14)	$ 5	$ -
Covered Payroll	$ -	$ -	$ -	$ 277	$ 278	$ 268	$ 471	$ 846	$ 1,474	$ 2,274	$ -
Contributions as a % of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	1.87%	0.00%	2.68%	0.96%	0.00%	N/A
MTA Defined Benefit Plan*											
Actuarially Determined Contribution	$ 416,538	$ 404,245	$ 392,547	$ 392,921	$ 349,928	$ 331,566	$ 316,916	$ 290,415	$ 273,700	$ 271,523	$ -
Actual Employer Contribution	829,720	404,245	396,144	393,961	343,862	339,800	321,861	280,767	221,694	331,259	-
Contribution Deficiency (Excess)	$ (413,182)	$ -	$ (3,597)	$ (1,040)	$ 6,066	$ (8,234)	$ (4,945)	$ 9,648	$ 52,006	$ (59,736)	$ -
Covered Payroll	$2,347,700	$2,111,293	$2,028,938	$2,050,970	$2,052,657	$2,030,695	$1,857,026	$1,784,369	$1,773,274	$1,679,558	$ -
Contributions as a % of Covered Payroll	35.34%	19.15%	19.52%	19.21%	16.75%	16.73%	17.33%	15.73%	12.50%	19.72%	N/A

* For the MTA Defined Benefit Plan, Additional Plan and Metro-North Cash Balance Plan, information was not readily available for periods prior to 2014. This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the MTA's Contributions for All Pension Plans for the Year Ended December 31, **(continued)**

($ in thousands)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
NYCERS											
Actuarially Determined Contribution	$ 763,929	$ 797,299	$ 842,269	$ 882,690	$ 952,616	$ 807,097	$ 800,863	$ 797,845	$ 736,212	$ 741,223	$ 736,361
Actual Employer Contribution	763,929	797,299	842,269	882,690	952,616	807,097	800,863	797,845	736,212	741,223	736,361
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$4,169,696	$3,848,798	$3,637,544	$3,771,595	$3,948,283	$3,974,494	$3,768,885	$3,523,993	$3,494,907	$3,617,087	$2,943,195
Contributions as a % of Covered Payroll	18.32%	20.72%	23.15%	23.40%	24.13%	20.31%	21.25%	22.64%	21.07%	20.49%	25.02%
NYSLERS **											
Actuarially Determined Contribution	$ 14,125	$ 16,284	$ 16,284	$ 14,533	$ 14,851	$ 14,501	$ 13,969	$ 12,980	$ 15,792	$ 13,816	$ -
Actual Employer Contribution	14,125	16,284	16,284	14,533	14,851	14,501	13,969	12,980	15,792	13,816	-
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 150,682	$ 110,702	$ 99,129	$ 102,838	$ 106,913	$ 109,210	$ 103,787	$ 94,801	$ 86,322	$ 84,041	$ -
Contributions as a % of Covered Payroll	9.37%	14.71%	16.43%	14.13%	13.89%	13.28%	13.46%	13.69%	18.29%	16.44%	N/A

** For the NYSLERS plan, information was not readily available for periods prior to 2014. This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	Additional Plan		
Valuation Dates:	January 1, 2022	January 1, 2021	January 1, 2020
Measurement Date:	December 31, 2022	December 31, 2021	December 31, 2020
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	Period specified in current valuation report (closed 11-year period from January 1, 2022) with level dollar payments.	Period specified in current valuation report (closed 12-year period from January 1, 2021) with level dollar payments.	Period specified in current valuation report (closed 13 year period beginning January 1, 2020) with level dollar payments.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.
Salary increases:	3.00%	3.00%	3.00%
Actuarial assumptions:			
Discount Rate:	6.50%	6.50%	6.50%
Investment rate of return:	6.50%, net of investment expenses	6.50%, net of investment expenses	6.50%, net of investment expenses.
Mortality:	Based on experience of all MTA-sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Based on experience of all MTA-sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.25%; 3.25%	2.25%; 3.25%	2.25%; 3.25%
Cost-of-Living Adjustments:	N/A	N/A	N/A

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	Additional Plan (continued)		
Valuation Dates:	January 1, 2019	January 1, 2018	January 1, 2017
Measurement Date:	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	Period specified in current valuation report (closed 14 year period beginning January 1, 2019) with level dollar payments.	Period specified in current valuation report (closed 15 year period beginning January 1, 2018) with level dollar payments.	Period specified in current valuation report (closed 16 year period beginning January 1, 2017) with level dollar payments.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/ losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/ losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/ losses over a 5-year period. Gains/losses are based on fair value of assets.
Salary increases:	3.00%	3.00%	3.00%
Actuarial assumptions:			
Discount Rate:	6.50%	7.00%	7.00%
Investment rate of return:	6.50%, net of investment expenses.	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.25%; 3.25%	2.50%; 3.50%	2.50%; 3.50%
Cost-of-Living Adjustments:	N/A	N/A	N/A

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	Additional Plan (continued)		
Valuation Dates:	January 1, 2016	January 1, 2015	January 1, 2014
Measurement Date:	December 31, 2016	December 31, 2015	December 31, 2014
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	Period specified in current valuation report (closed 17 year period beginning January 1, 2016) with level dollar payments.	Period specified in current valuation report (closed 18 year period beginning January 1, 2015) with level dollar payments.	Period specified in current valuation report (closed 19 year period beginning January 1, 2014) with level dollar payments.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/ losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/ losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/ losses over a 5-year period. Gains/losses are based on fair value of assets.
Salary increases:	3.00%	3.00%	3.00%
Actuarial assumptions:			
Discount Rate:	7.00%	7.00%	7.00%
Investment rate of return:	7.00%, net of investment expenses.	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. As generational tables, they reflect mortality improvements both before and after the measurement date. Mortality assumption is based on a 2012 experience study for all MTA plans.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.50%; 3.50%	2.50%; 3.50%	2.50%; 3.50%
Cost-of-Living Adjustments:	N/A	N/A	N/A

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MaBSTOA Plan		
Valuation Dates:	January 1, 2022	January 1, 2021	January 1, 2020
Measurement Date:	December 31, 2022	December 31, 2021	December 31, 2020
Actuarial cost method:	Frozen Initial Liability cost method	Frozen Initial Liability cost method	Frozen Initial Liability (FIL)
Amortization method:	For FIL bases, 15 years for Fresh Start base as of January 1, 2020, mortality change and recognition of Chapter 56 Laws of 2022. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.	For FIL bases, 15 years for Fresh Start base as of January 1, 2020 and period specified in current valuation report for specific assumption changes. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.	For FIL bases, period specified in current valuation 30-year level dollar. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.
Salary increases:	Reflecting general wage, merit and promotion increases for operating and non-operating members. Varies by years of employment.	Reflecting general wage, merit and promotion increases for operating and non-operating members. Varies by years of employment.	Reflecting general wage, merit and promotion increases for operating employees and non-operating members. Varies by years of employment.
Actuarial assumptions:			
Discount Rate:	6.50%	6.50%	6.50%
Investment rate of return:	6.50%, net of investment expenses	6.50%, net of investment expenses.	6.50%, net of investment expenses.
Mortality:	Based on experience of all MTA-sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Based on experience of all MTA-sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	RP-2014 Disabled Annuitant mortality table for males and females.	RP-2014 Disabled Annuitant mortality table for males and females.	RP-2014 Disabled Annuitant mortality table for males and females.
Inflation/Railroad Retirement Wage Base:	2.25%	2.25%	2.25%
Cost-of-Living Adjustments:	60% of inflation assumption or 1.35%, if applicable.	60% of inflation assumption or 1.35% per annum, if applicable	1.35% per annum

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MaBSTOA Plan (continued)		
Valuation Dates:	January 1, 2019	January 1, 2018	January 1, 2017
Measurement Date:	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial cost method:	Frozen Initial Liability (FIL)	Frozen Initial Liability (FIL)	Frozen Initial Liability (FIL)
Amortization method:	For FIL bases, period specified in current valuation 30-year level dollar. Future gains/ losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.	For FIL bases, period specified in current valuation 30-year level dollar. Future gains/ losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.	For FIL bases, period specified in current valuation 30-year level dollar. Future gains/ losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/ losses are based on fair value of assets.
Salary increases:	Reflecting general wage, merit, and promotion increases of 3.5% for operating employees and 4.0% for non-operating employees per year. Large increases are assumed in the first 5 years of a member's career.	Varies by years of employment and employment type.	Varies by years of employment and employment type.
Actuarial assumptions:			
Discount Rate:	6.50%	7.00%	7.00%
Investment rate of return:	6.50%, net of investment expenses.	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	RP-2014 Disabled Annuitant mortality table for males and females.	RP-2014 Disabled Annuitant mortality table for males and females.	RP-2014 Disabled Annuitant mortality table for males and females.
Inflation/Railroad Retirement Wage Base:	2.25%	2.50%	2.50%
Cost-of-Living Adjustments:	1.35% per annum	1.375% per annum	1.375% per annum

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MaBSTOA Plan (continued)		
Valuation Dates:	January 1, 2016	January 1, 2015	January 1, 2014
Measurement Date:	December 31, 2016	December 31, 2015	December 31, 2014
Actuarial cost method:	Frozen Initial Liability (FIL)	Frozen Initial Liability (FIL)	Frozen Initial Liability (FIL)
Amortization method:	For FIL bases, period specified in current valuation 30-year level dollar. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.	For FIL bases, period specified in current valuation 30-year level dollar. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.	For FIL bases, period specified in current valuation 30-year level dollar. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized fair value restart as of 1/1/96, then gains/losses over a 5-year period. Gains/losses are five-year moving average of fair values based on fair value of assets.
Salary increases:	Varies by years of employment and employment type.	Varies by years of employment and employment type.	In general, merit and promotion increases plus assumed general wage increases of 3.5% to 15.0% for operating employees and 4.0% to 7.0% for nonoperating employees per year, depending on years of service.
Actuarial assumptions:			
Discount Rate:	7.00%	7.00%	7.00%
Investment rate of return:	7.00%, net of investment expenses.	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA.	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA. As generational tables, they reflect mortality improvements both before and after the measurement date. Mortality assumption is based on a 2012 experience study for all MTA plans.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	75% of the rates from the RP-2000 Healthy Annuitant mortality table for males and females.	75% of the rates from the RP-2000 Healthy Annuitant mortality table for males and females.	75% of the rates from the RP-2000 Healthy Annuitant mortality table for males and females.
Inflation/Railroad Retirement Wage Base:	2.50%	2.50%	2.50%
Cost-of-Living Adjustments:	1.375% per annum	1.375% per annum	1.375% per annum

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MNR Cash Balance Plan		
Valuation Dates:	January 1, 2022	January 1, 2021	January 1, 2020
Measurement Date:	December 31, 2022	December 31, 2021	December 31, 2020
Actuarial cost method:	Unit Credit	Unit Credit Cost	Unit Credit Cost
Amortization method:	One-year amortization of the unfunded liability, if any.	One-year amortization of the unfunded liability, if any.	One-year amortization of the unfunded liability, if any.
Asset Valuation Method:	Actuarial value equals fair value.	Actuarial value equals fair value.	Actuarial value equals fair value.
Salary increases:	N/A	N/A	N/A
Actuarial assumptions:			
Discount Rate:	4.00%	3.00%	3.00%
Investment rate of return:	4.00%, net of investment expenses	3.00%, net of investment expenses.	3.00%, net of investment expenses.
Mortality:	Based on experience of all MTA-sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Based on experience of all MTA-sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. Mortality assumption is based on an experience study for all MTA plans.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments, projected on a generational basis using Scale AA.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments, projected on a generational basis using Scale AA.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females, noth projected on a generational basis using Scale AA.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females, noth projected on a generational basis using Scale AA.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.40%	2.25%	2.25%
Cost-of-Living Adjustments:	N/A	N/A	N/A

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MNR Cash Balance Plan (continued)		
Valuation Dates:	January 1, 2019	January 1, 2019	January 1, 2018
Measurement Date:	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial cost method:	Unit Credit Cost	Unit Credit Cost	Unit Credit Cost
Amortization method:	One-year amortization of the unfunded liability, if any.	One-year amortization of the unfunded liability, if any.	One-year amortization of the unfunded liability, if any.
Asset Valuation Method:	Actuarial value equals fair value.	Actuarial value equals fair value.	Actuarial value equals fair value.
Salary increases:	N/A	N/A	N/A
Actuarial assumptions:			
Discount Rate:	3.50%	4.00%	4.00%
Investment rate of return:	3.50%, net of investment expenses.	4.00%, net of investment expenses.	4.00%, net of investment expenses.
Mortality:	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. Mortality assumption is based on an experience study for all MTA plans.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. Mortality assumption is based on a 2017 experience study for all MTA plans.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. Mortality assumption is based on a 2017 experience study for all MTA plans.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.25%	2.50%	2.50%
Cost-of-Living Adjustments:	N/A	N/A	N/A

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MNR Cash Balance Plan (continued)		
Valuation Dates:	January 1, 2017	January 1, 2016	January 1, 2014
Measurement Date:	December 31, 2016	December 31, 2015	December 31, 2014
Actuarial cost method:	Unit Credit Cost	Unit Credit Cost	Unit Credit Cost
Amortization method:	One-year amortization of the unfunded liability, if any.	One-year amortization of the unfunded liability, if any.	Period specified in current valuation report (closed 10 year period beginning January 1, 2008 - 4 year period for the January 1, 2014 valuation).
Asset Valuation Method:	Actuarial value equals fair value.	Actuarial value equals fair value.	Effective January 1, 2015, the Actuarially Determined Contribution (ADC) will reflect one-year amortization of the unfunded accrued liability in accordance with the funding policy adopted by the MTA.
Salary increases:	N/A	N/A	There were no projected salary increase assumptions used in the January 1, 2014 valuation as the participants of the Plan were covered under the Management Plan effective January 1, 1989. For participants of the Plan eligible for additional benefits, these benefits were not valued as the potential liability is de minimus.
Actuarial assumptions:			
Discount Rate:	4.00%	4.00%	4.50%
Investment rate of return:	4.00%, net of investment expenses.	4.00%, net of investment expenses.	4.50%, net of investment expenses.
Mortality:	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. Mortality assumption is based on a 2012 experience study for all MTA plans.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. Mortality assumption is based on a 2012 experience study for all MTA plans.	Based on experience of all MTA members reflecting mortality improvement on a generational basis using scale AA. As generational tables, they reflect mortality improvements both before and after the measurement date. Mortality assumption is based on a 2012 experience study for all MTA plans.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.30%	2.30%	2.50%
Cost-of-Living Adjustments:	N/A	N/A	N/A

METROPOLITAN TRANSPORTATION AUTHORITY

(A Component Unit of the State of New York)

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MTA Defined Benefit Plan		
Valuation Dates:	January 1, 2022	January 1, 2021	January 1, 2020
Measurement Date:	December 31, 2022	December 31, 2021	December 31, 2020
Actuarial cost method:	Frozen Initial Liability cost method	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	For FIL bases, 16 years remaining for Fresh start base, including vacation pay adjustment base as of January 1, 2022, 15 years for the mortality change and the period specified in current valuation report for specific plan change bases. All bases are determined on a closed basis. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary or service, of the projected population for each group and further weighted by total present value of benefits for each group.	For FIL bases, 18 years for Fresh start base as of January 1, 2020 and period specified in current valuation report for specific assumption and plan change bases. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary or service, of the projected population for each group and further weighted by total present value of benefits for each group.	For Frozen Initial Liability ("FIL") bases, 18 years for Fresh start base as of Jan 1, 2020 and period specified in current valuation report for specific plan change bases. Future gains/losses are amortized through the calculation of the normal cost in accordance with the FIL cost method amortized based on expected working lifetime, weighted by salary or service, of the projected population for each group and further weighted by total present value of benefits for each group.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.
Salary increases:	Varies by years of employment, and employee group; 2.75% GWI increases for MTA Bus hourly employees.	Varies by years of employment, and employee group; 2.75% general wage increases increases for TWU Local 100 MTA Bus hourly employees.	Varies by years of employment, and employee group. 2.75% general wage increases for TWU Local 100 MTA Bus hourly employees.
Actuarial assumptions:			
Discount Rate:	6.5%%	6.50%	6.50%
Investment rate of return:	6.50%, net of investment expenses	6.50%	6.50%
Mortality:	Based on experience of all MTA-sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Based on experience of all MTA sponsored pension plan members from January 1, 2015 - December 31, 2020 reflecting mortality improvement on a generational basis using Scale MP-2021	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA. As a general table, it reflects mortality improvements both before and after the measurement date.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the RP-2000 Healthy Annuitant mortality table for males with Blue Collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the RP-2000 Healthy Annuitant mortality table for males with Blue Collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.

METROPOLITAN TRANSPORTATION AUTHORITY

(A Component Unit of the State of New York)

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MTA Defined Benefit Plan (continued)		
Post-retirement Disabled Lives:	RP-2014 Disabled Annuitant mortality table for males and females.	RP-2014 Disabled Annuitant mortality table for males and females.	RP-2014 Disabled Annuitant mortality table for males and females
Inflation/Railroad Retirement Wage Base:	2.25%; 3.25%	2.25%; 3.25%	2.25%; 3.25%
Cost-of-Living Adjustments:	60% of inflation assumption or 1.35%, if applicable.	60% of inflation assumption or 1.35%, if applicable.	60% of inflation assumption or 1.35%, if applicable.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MTA Defined Benefit Plan (continued)		
Valuation Dates:	January 1, 2019	January 1, 2018	January 1, 2017
Measurement Date:	December 31, 2019	December 31, 2018	December 31, 2017
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	For Frozen Initial Liability ("FIL") bases, period specified in current valuation report. Future gains/ losses are amortized through the calculation of the normal cost in accordance with FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population for each group.	For Frozen Initial Liability ("FIL") bases, period specified in current valuation report. Future gains/ losses are amortized through the calculation of the normal cost in accordance with FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population for each group.	For Frozen Initial Liability ("FIL") bases, period specified in current valuation report. Future gains/ losses are amortized through the calculation of the normal cost in accordance with FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population for each group.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.
Salary increases:	Varies by years of employment, and employee group. 2.75% general wage increases for TWU Local 100 MTA Bus hourly employees.	Varies by years of employment, and employee group. 3.5% for MTA Bus hourly employees.	Varies by years of employment, and employee group. 3.5% for MTA Bus hourly employees.
Actuarial assumptions:			
Discount Rate:	6.50%	7.00%	7.00%
Investment rate of return :	6.50%	7.00%	7.00%
Mortality:	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA. As a general table, it reflects mortality improvements both before and after the measurement date.	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA. As a general table, it reflects mortality improvements both before and after the measurement date.	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA. As a general table, it reflects mortality improvements both before and after the measurement date.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	RP-2014 Disabled Annuitant mortality table for males and females	RP-2014 Disabled Annuitant mortality table for males and females	RP-2014 Disabled Annuitant mortality table for males and females
Inflation/Railroad Retirement Wage Base:	2.25%; 3.25%	2.50%; 3.50%	2.50%; 3.50%
Cost-of-Living Adjustments:	60% of inflation assumption or 1.35%, if applicable.	55% of inflation assumption or 1.375%, if applicable.	55% of inflation assumption or 1.375%, if applicable.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	MTA Defined Benefit Plan (continued)		
Valuation Dates:	January 1, 2016	January 1, 2015	January 1, 2014
Measurement Date:	December 31, 2016	December 31, 2015	December 31, 2014
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	For Frozen Initial Liability ("FIL") bases, period specified in current valuation report. Future gains/ losses are amortized through the calculation of the normal cost in accordance with FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population for each group.	For Frozen Initial Liability ("FIL") bases, period specified in current valuation report. Future gains/ losses are amortized through the calculation of the normal cost in accordance with FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population for each group.	For Frozen Initial Liability ("FIL") bases, period specified in current valuation report. Future gains/ losses are amortized through the calculation of the normal cost in accordance with FIL cost method amortized based on expected working lifetime, weighted by salary, of the projected population for each group.
Asset Valuation Method:	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.	Actuarial value equals fair value less unrecognized gains/losses over a 5-year period. Gains/losses are based on fair value of assets.
Salary increases:	Varies by years of employment, and employee group. 3.5% for MTA Bus hourly employees.	Varies by years of employment, and employee group. 3.5% for MTA Bus hourly employees.	Varies by years of employment, and employee group.
Actuarial assumptions:			
Discount Rate:	7.00%	7.00%	7.00%
Investment rate of return:	7.00%	7.00%	7.00%
Mortality:	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA. As a general table, it reflects mortality improvements both before and after the measurement date.	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA. As a general table, it reflects mortality improvements both before and after the measurement date.	Pre-retirement and post-retirement healthy annuitant rates are projected on a generational basis using Scale AA, as recommended by the Society of Actuaries Retirement Plans Experience Committee. Mortality assumption is based on a 2012 experience study for all MTA plans.
Pre-retirement:	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.	RP-2000 Employee Mortality Table for Males and Females with blue collar adjustments.
Post-retirement Healthy Lives:	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.	95% of the rates from the RP-2000 Healthy Annuitant mortality table for males with blue collar adjustments and 116% of the rates from the RP-2000 Healthy Annuitant mortality table for females.
Post-retirement Disabled Lives:	75% of the rates from the RP-2000 Healthy Annuitant mortality table for males and females. At age 85 and later for males and age 77 and later for females, the disability rates are set to the male and females healthy rates, respectively.	75% of the rates from the RP-2000 Healthy Annuitant mortality table for males and females. At age 85 and later for males and age 77 and later for females, the disability rates are set to the male and females healthy rates, respectively.	75% of the rates from the RP-2000 Healthy Annuitant mortality table for males and females. At age 85 and later for males and age 77 and later for females, the disability rates are set to the male and females healthy rates, respectively.
Inflation/Railroad Retirement Wage Base:	2.50%; 3.50%	2.50%; 3.50%	2.50%; 3.00%
Cost-of-Living Adjustments:	55% of inflation assumption or 1.375%, if applicable.	55% of inflation assumption or 1.375%, if applicable.	55% of inflation assumption or 1.375%, if applicable.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	NYCERS Plan		
Valuation Dates:	June 30, 2022	June 30, 2021	June 30, 2020
Measurement Date:	June 30, 2023	June 30, 2022	June 30, 2021
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	N/A	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.
Asset Valuation Method:	The Plan Fiduciary Net Positions are based on the fair values of Assets at the Measurement Dates with certain adjustments made to reflect the Actuary's understanding of the accruals within and the transfers between the QPP and the VSFs for NYCERS, POLICE, and FIRE.	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.
Salary increases:	3% per annum.	3% per annum.	3% per annum.
Actuarial assumptions:			
Discount Rate:	7.00%	7.00%	7.00%
Investment rate of return:	7.00%, net of investment expenses	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Tables adopted by the Boards of Trustees during Fiscal Year 2019. Applies mortality improvement scale MP-2020 published by the Society of Actuaries to active ordinary death mortality rates and pre-commencement mortality rates for deferred vesteds.	Tables adopted by the Boards of Trustees during Fiscal Yeat 2019. Applies mortality improvement scale MP-2020 published by the Society of Actuaries.	Mortality tables for service and disability pensioners were developed from an experience study of NYCERS's pensioners. The mortality tables for beneficiaries were developed from an experience review of NYCERS' beneficiaries. The most recently completed study was prepared by Bolton, Inc. dated June 2019 analyzed the four-year and ten-year periods ended June 30, 2017.
Pre-retirement:	N/A	N/A	N/A
Post-retirement Healthy Lives:	N/A	N/A	N/A
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.50%	2.50%	2.50%
Cost-of-Living Adjustments:	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	NYCERS Plan (continued)		
Valuation Dates:	June 30, 2019	June 30, 2018	June 30, 2016
Measurement Date:	June 30, 2020	June 30, 2019	June 30, 2018
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.
Asset Valuation Method:	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.
Salary increases:	3% per annum.	3% per annum.	3% per annum.
Actuarial assumptions:			
Discount Rate:	7.00%	7.00%	7.00%
Investment rate of return:	7.00%, net of investment expenses.	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Mortality tables for service and disability pensioners were developed from an experience study of NYCERS's pensioners. The mortality tables for beneficiaries were developed from an experience review of NYCERS' beneficiaries. The most recently completed study was prepared by Bolton, Inc. dated June 2019 analyzed the four-year and ten-year periods ended June 30, 2017.	Mortality tables for service and disability pensioners were developed from an experience study of NYCERS's pensioners. The mortality tables for beneficiaries were developed from an experience review of NYCERS' beneficiaries. The most recently completed study was published by Gabriel Roeder & Company ("GRS"), dated October 2015, and analyzed experience for Fiscal Years 2010 through 2013.	Mortality tables for service and disability pensioners were developed from an experience study of NYCERS's pensioners. The mortality tables for beneficiaries were developed from an experience review of NYCERS' beneficiaries. The most recently completed study was published by Gabriel Roeder & Company ("GRS"), dated October 2015, and analyzed experience for Fiscal Years 2010 through 2013.
Pre-retirement:	N/A	N/A	N/A
Post-retirement Healthy Lives:	N/A	N/A	N/A
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.50%	2.50%	2.50%
Cost-of-Living Adjustments:	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	NYCERS Plan (continued)		
Valuation Dates:	June 30, 2015	June 30, 2014	June 30, 2013
Measurement Date:	June 30, 2017	June 30, 2016	June 30, 2015
Actuarial cost method:	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method:	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.	Increasing Dollar for Initial Unfunded; Level Dollar for Post 2010 Unfundeds.
Asset Valuation Method:	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.	Modified six-year moving average of fair values with a fair value Restart as of June 30, 2011.
Salary increases:	3% per annum.	3% per annum.	3% per annum.
Actuarial assumptions:			
Discount Rate:	7.00%	7.00%	7.00%
Investment rate of return:	7.00%, net of investment expenses.	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Mortality tables for service and disability pensioners were developed from an experience study of NYCERS's pensioners. The mortality tables for beneficiaries were developed from an experience review of NYCERS' beneficiaries. The most recently completed study was published by Gabriel Roeder & Company ("GRS"), dated October 2015, and analyzed experience for Fiscal Years 2010 through 2013.	Mortality tables for service and disability pensioners were developed from an experience study of NYCERS's pensioners. The mortality tables for beneficiaries were developed from an experience review of NYCERS' beneficiaries. The most recently completed study was published by Gabriel Roeder & Company ("GRS"), dated October 2015, and analyzed experience for Fiscal Years 2010 through 2013.	Mortality tables for service and disability pensioners were developed from an experience study of NYCERS's pensioners. The mortality tables for beneficiaries were developed from an experience review of NYCERS' beneficiaries. The most recently completed study was published by Gabriel Roeder & Company ("GRS"), dated October 2015, and analyzed experience for Fiscal Years 2010 through 2013.
Pre-retirement:	N/A	N/A	N/A
Post-retirement Healthy Lives:	N/A	N/A	N/A
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.50%	2.50%	2.50%
Cost-of-Living Adjustments:	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.	1.5% per annum for Auto COLA and 2.5% per annum for Escalation.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	NYSLERS Plan		
Valuation Dates:	April 1, 2022	April 1, 2021	April 1, 2020
Measurement Date:	March 31, 2023	March 31, 2022	March 31, 2021
Actuarial cost method:	Aggregate Cost method	Aggregate Cost method	Aggregate Cost method
Amortization method:	N/A	Evenly over the remaining working lifetimes of the active membership.	Evenly over the remaining working lifetimes of the active membership.
Asset Valuation Method:	Market restart	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.
Salary increases:	4.4% in ERS, 6.2% in PFRS	4.4% in ERS, 6.2% in PFRS	4.40% in ERS; 6.20% in PFRS
Actuarial assumptions:			
Discount Rate:	5.90%	5.90%	5.90%
Investment rate of return:	5.90%, net of investment expenses.	6.80%, net of investment expenses.	5.90%, net of investment expenses.
Mortality:	Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of actuaries's Scale MP-2021.	Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.	Annuitant mortality rates are based on NYSLERS's 2015 experience study of the period April 1, 2015 through March 31, 2020 with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.
Pre-retirement:	N/A	N/A	N/A
Post-retirement Healthy Lives:	N/A	N/A	N/A
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.70%	2.70%	2.70%
Cost-of-Living Adjustments:	1.4% per annum.	1.3% per annum.	1.4% per annum.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	NYSLERS Plan (continued)		
Valuation Dates:	April 1, 2019	April 1, 2018	April 1, 2017
Measurement Date:	March 31, 2020	March 31, 2019	March 31, 2018
Actuarial cost method:	Aggregate Cost method	Aggregate Cost method	Aggregate Cost method
Amortization method:	Evenly over the remaining working lifetimes of the active membership.	Evenly over the remaining working lifetimes of the active membership.	Evenly over the remaining working lifetimes of the active membership.
Asset Valuation Method:	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.
Salary increases:	4.20% in ERS; 5.00% in PFRS	0.038	0.038
Actuarial assumptions:			
Discount Rate:	6.80%	7.00%	7.00%
Investment rate of return:	6.80%, net of investment expenses.	7.00%, net of investment expenses.	7.00%, net of investment expenses.
Mortality:	Annuitant mortality rates are based on NYSLERS's 2015 experience study of the period April 1, 2010 through March 31, 2015 with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2018.	Annuitant mortality rates are based on NYSLERS's 2015 experience study of the period April 1, 2010 through March 31, 2015 with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.	Annuitant mortality rates are based on NYSLERS's 2015 experience study of the period April 1, 2010 through March 31, 2015 with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.
Pre-retirement:	N/A	N/A	N/A
Post-retirement Healthy Lives:	N/A	N/A	N/A
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.50%	2.50%	2.50%
Cost-of-Living Adjustments:	1.3% per annum.	1.3% per annum.	1.3% per annum.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions for All Pension Plans

	NYSLERS Plan (continued)		
Valuation Dates:	April 1, 2016	April 1, 2015	April 1, 2014
Measurement Date:	March 31, 2017	March 31, 2016	March 31, 2015
Actuarial cost method:	Aggregate Cost method	Aggregate Cost method	Aggregate Cost method
Amortization method:	Evenly over the remaining working lifetimes of the active membership.	Evenly over the remaining working lifetimes of the active membership.	Evenly over the remaining working lifetimes of the active membership.
Asset Valuation Method:	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.	5 year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.	5-year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.
Salary increases:	3.80%	3.80%	4.90%
Actuarial assumptions:			
Discount Rate:	7.00%	7.00%	7.50%
Investment rate of return:	7.00%, net of investment expenses.	7.00%, net of investment expenses.	7.5%, net of investment expenses.
Mortality:	Annuitant mortality rates are based on NYSLERS's 2010 experience study of the period April 1, 2005 through March 31, 2010 with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.	Annuitant mortality rates are based on NYSLERS's 2010 experience study of the period April 1, 2005 through March 31, 2010 with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.	Annuitant mortality rates are based on NYSLERS's 2010 experience study of the period April 1, 2005 through March 31, 2010 with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.
Pre-retirement:	N/A	N/A	N/A
Post-retirement Healthy Lives:	N/A	N/A	N/A
Post-retirement Disabled Lives:	N/A	N/A	N/A
Inflation/Railroad Retirement Wage Base:	2.50%	2.50%	2.70%
Cost-of-Living Adjustments:	1.3% per annum.	1.3% per annum.	1.4% per annum.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of MTA's Contributions for All Pension Plans (concluded)

Significant methods and assumptions used in calculating the actuarially determined contributions of an employer's proportionate share in Cost Sharing, Multiple-Employer pension plans, the NYCERS plan and the NYSLERS plan, are presented as notes to the schedule.

Factors that significantly affect trends in the amounts reported are changes of benefit terms, changes in the size or composition of the population covered by the benefit terms, or the use of different assumptions. Following is a summary of such factors:

Changes of Benefit Terms:

Chapter 56 of the Laws of 2022 enacted in April 2022 reduced the Tier 6 vesting requirement from 10 years to 5 years of service. This change is applicable for the NYCERS and MaBSTOA plans.

There were no significant legislative changes in benefit for the April 1, 2022 valuation for the NYSLERS plan.

Changes of Assumptions:

There were no significant changes in the economic and demographic used in the June 30, 2022 valuation for the NYCERS plan.

There were no significant changes in the economic and demographic assumptions used in the April 1, 2022 valuation for the NYSLERS plan.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the MTA's Net OPEB Liability and Related Ratios and Notes to Schedule

($ in thousands)

Plan Measurement Date (December 31):	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Total OPEB liability:						
Service cost	$ 1,240,342	$ 1,250,950	$ 1,097,051	$ 928,573	$ 1,002,930	$ 884,548
Interest on total OPEB liability	530,983	535,642	610,160	840,532	734,968	731,405
Effect of plan changes	-	-	-	-	1,580	27,785
Effect of economic/demographic (gains) or losses	14,299	292,154	(43,890)	247,871	(19,401)	13,605
Effect of assumption changes or inputs	(3,449,438)	(738,829)	1,939,528	311,286	(1,800,135)	911,465
Benefit payments	(846,299)	(792,984)	(724,741)	(730,677)	(691,122)	(650,994)
Net change in total OPEB liability	(2,510,113)	546,933	2,878,108	1,597,585	(771,180)	1,917,814
Total OPEB liability—beginning	24,956,514	24,409,581	21,531,473	19,933,888	20,705,068	18,787,254
Total OPEB liability—ending (a)	22,446,401	24,956,514	24,409,581	21,531,473	19,933,888	20,705,068
Plan fiduciary net position:						
Employer contributions	846,299	792,984	387,371	730,677	691,122	650,994
Net investment income	11,828	-	(77,118)	63,647	(18,916)	47,370
Benefit payments	(846,299)	(792,984)	(724,741)	(730,677)	(691,122)	(650,994)
Administrative expenses	(176)	(46)	(209)	(200)	(56)	-
Net change in plan fiduciary net position	11,652	(46)	(414,697)	63,447	(18,972)	47,370
Plan fiduciary net position—beginning	84	130	414,827	351,380	370,352	322,982
Plan fiduciary net position—ending (b)	11,736	84	130	414,827	351,380	370,352
Net OPEB liability—ending (a)-(b)	$ 22,434,665	$ 24,956,430	$ 24,409,451	$ 21,116,646	$ 19,582,508	$ 20,334,716
Plan fiduciary net position as a percentage of the total OPEB liability	0.05%	0.00%	0.00%	1.93%	1.76%	1.79%
Covered payroll	$ 6,848,347	$ 6,537,709	$ 6,716,423	$ 6,901,690	$ 6,903,700	$ 5,394,332
Net OPEB liability as a percentage of covered payroll	327.59%	381.73%	363.43%	305.96%	283.65%	376.96%

Notes to Schedule:

Changes of benefit terms:	In the July 1, 2021 actuarial valuation, there were no changes to the benefit terms.
Changes of assumptions:	In the July 1, 2021 actuarial valuation, there were updates to various healthcare assumptions including the per capita claim costs assumption and healthcare trend assumptions.

Note: This schedule is intended to show information for ten years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the MTA's Contributions to the OPEB Plan for the years ended December 31:

($ in thousands)	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**
Actuarially Determined Contribution	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Actual Employer Contribution (1)	$ 2,201,541	$ 846,299	$ 813,195	$ 391,529	$ 737,297	$ 691,122	$ 650,994
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered Payroll	$ 7,490,519	$ 6,848,347	$ 6,537,709	$ 6,716,423	$ 6,901,690	$ 6,903,700	$ 5,394,200
Actual Contribution as a Percentage of Covered Payroll	29.39%	12.36%	12.44%	5.83%	10.68%	10.01%	12.07%

(1) Actual employer contribution includes the implicit rate of subsidy adjustment of $57,989 and $52,933 for the years ended December 31, 2022 and 2021, respectively.

Note: This schedule is intended to show information for ten years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

REQUIRED SUPPLEMENTARY INFORMATION

Notes to Schedule of the MTA's Contributions to the OPEB Plan:

Valuation date	July 1, 2021	July 1, 2021	July 1, 2019	July 1, 2019	July 1, 2017	July 1, 2017
Measurement date	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Discount rate	3.72%, net of expenses	2.06%, net of expenses	2.12%, net of expenses	2.74%, net of expenses	4.10%, net of expenses	3.44%, net of expenses
Inflation	2.33%	2.30%	2.25%	2.25%	2.50%	2.50%
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll
Normal cost increase factor	4.25%	4.25%	4.25%	4.50%	4.50%	4.50%
Investment rate of return	3.72%	2.06%	2.12%	5.75%	6.50%	6.50%
Salary increases	3%. Varies by years of service and differs for members of the various pension plans.	3%. Varies by years of service and differs for members of the various pension plans.	3%. Varies by years of service and differs for members of the various pension plans.	3%. Varies by years of service and differs for members of the various pension plans.	3%. Varies by years of service and differs for members of the various pension plans.	3%. Varies by years of service and differs for members of the various pension plans.

Note: This schedule is intended to show information for ten years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

(A Component Unit of the State of New York)

SUPPLEMENTARY INFORMATION

Pension And Other Employee Benefit Trust Funds
Combining Statement of Fiduciary Net Position as of December 31, 2023

($ in thousands)	Pension Funds			Other Employee Benefit Trust Fund	
	Defined Benefit Pension Plan	LIRR Additional Plan	MaBSTOA Plan	Other Post-employment Benefits Plan	Total
ASSETS:					
Cash	$6,417	$625	$3,583	$-	$10,625
Receivables:					
Employee loans	-	-	28,016	-	28,016
Participant and union contributions	-	3	-	-	3
Investment securities sold	-	476	2,928	-	3,404
Accrued interest and dividends	5,727	558	2,996	11,707	20,988
Other receivables	6,591	73	-	-	6,664
Total receivables	12,318	1,110	33,940	11,707	59,075
Investments at fair value/NAV:					
Equity securities	3,014,156	1,732,373	293,666	-	5,040,195
Fixed income securities	1,689,979	861,680	164,653	1,341,188	4,057,500
Other Alternative investments*	1,853,708	1,196,195	253,586	21,603	3,325,092
Total Investments at fair value/NAV	6,557,843	3,790,248	711,905	1,362,791	12,422,787
Total assets	$6,576,578	$3,791,983	$749,428	$1,374,498	$12,492,487
LIABILITIES:					
Accounts payable and accrued liabilities	$6,143	$205	$317	$-	$6,665
Payable for investment securities purchased	16,485	1,606	9,290	-	27,381
Accrued benefits payable	-	-	21	594	615
Accrued postretirement death benefits (PRDB) payable	-	-	5,720	-	5,720
Accrued 55/25 Additional Members Contribution (AMC) payable	-	-	1,504	-	1,504
Other liabilities	496	48	443	-	987
Total liabilities	23,124	1,859	17,295	594	42,872
NET POSITION:					
Restricted for pensions	6,553,454	3,790,124	732,133	-	11,075,711
Restricted for postemployment benefits other than pensions	-	-	-	1,373,904	1,373,904
Total net position	6,553,454	3,790,124	732,133	1,373,904	12,449,615

Total liabilities and net position	$6,576,578	$3,791,983	$749,428	$1,374,498	$12,492,487

*Other Alternative investments include Opportunistic, Real assets, Real estate, Absolute return, Private equity and Short-term investment.

See Independent Auditor's Report and notes to the consolidated financial statements.

(A Component Unit of the State of New York)

SUPPLEMENTARY INFORMATION

Pension And Other Employee Benefit Trust Funds
Combining Statement of Fiduciary Net Position as of December 31, 2022

($ in thousands)	Pension Funds			Other Employee Benefit Trust Fund	
	Defined Benefit Pension Plan	LIRR Additional Plan	MaBSTOA Plan	Other Post-employment Benefits Plan	Total
ASSETS:					
Cash	$6,594	$696	$3,695	$-	$10,985
Receivables:					
Employee loans	-	-	26,521	-	26,521
Investment securities sold	-	175	1,635	-	1,810
Accrued interest and dividends	3,786	400	1,787	38	6,011
Other receivables	2,657	23	-	-	2,680
Total receivables	6,443	598	29,943	38	37,022
Investments at fair value/NAV:					
Equity securities	2,181,725	1,338,166	230,417	-	3,750,308
Fixed income securities	1,278,338	680,506	135,008	-	2,093,852
Other Alternative investments*	1,906,886	1,270,655	286,586	11,698	3,475,825
Total Investments at fair value/NAV	5,366,949	3,289,327	652,011	11,698	9,319,985
Total assets	$5,379,986	$3,290,621	$685,649	$11,736	$9,367,992
LIABILITIES:					
Accounts payable and accrued liabilities	$5,607	$238	$474	$-	$6,319
Payable for investment securities purchased	5,789	611	3,592	-	9,992
Accrued benefits payable	-	-	75	1	76
Accrued postretirement death benefits (PRDB) payable	-	-	5,719	-	5,719
Accrued 55/25 Additional Members Contribution (AMC) payable	-	-	2,527	-	2,527
Other liabilities	557	59	466	-	1,082
Total liabilities	11,953	908	12,853	1	25,715
NET POSITION:					
Restricted for pensions	5,368,034	652,397	3,310,111	-	9,330,542
Restricted for postemployment benefits other than pensions	-	-	-	11,735	11,735
Total net position	5,368,034	652,397	3,310,111	11,735	9,342,277
Total liabilities and net position	$5,379,987	$653,305	$3,322,964	$11,736	$9,367,992

See Independent Auditor’s Report and notes to the consolidated financial statements.

(A Component Unit of the State of New York)

SUPPLEMENTARY INFORMATION

Pension And Other Employee Benefit Trust Funds
Combining Statement of Changes in Fiduciary Net Position for the year ended December 31, 2023

($ in thousands)	Pension Funds			Other Employee Benefit Trust Fund	
	Defined Benefit Pension Plan	LIRR Additional Plan	MaBSTOA Plan	Other Post-employment Benefit Plan	Total
ADDITIONS:					
Contributions:					
Employer contributions	$ 831,320	$ 140,400	$ 328,430	$ 2,139,096	$ 3,439,246
Implicit rate subsidy contribution	-	-	-	62,445	62,445
Member contributions	38,304	50	25,390	-	63,744
Total contributions	869,624	140,450	353,820	2,201,541	3,565,435
Investment income:					
Net appreciation / depreciation in fair value of investments	645,157	53,613	382,998	10,400	1,092,168
Dividend income	64,128	6,641	40,027	-	110,796
Interest income	32,876	3,376	20,357	33,196	89,805
Less:					
Investment expenses	46,220	5,326	29,648	565	81,759
Investment income, net	695,941	58,304	413,734	43,031	1,211,010
Other additions:					
Total additions	1,565,565	198,754	767,554	2,244,572	4,776,445
DEDUCTIONS:					
Benefit payments and withdrawals	374,595	138,824	266,622	819,815	1,599,856
Implicit rate subsidy payments	-	-	-	62,445	62,445
Transfer to other plans	890	-	-	-	890
Administrative expenses	4,660	546	567	143	5,916
Total deductions	380,145	139,370	267,189	882,403	1,669,107
Net increase / (decrease) in fiduciary net position	1,185,420	59,384	500,365	1,362,169	3,107,338
NET POSITION:					
Restricted for Benefits:					
Beginning of year	5,368,034	652,397	3,310,111	11,735	9,342,277
End of year	$ 6,553,454	$ 711,781	$ 3,810,476	$ 1,373,904	$ 12,449,615

See Independent Auditor’s Report and notes to the consolidated financial statements.

(A Component Unit of the State of New York)

SUPPLEMENTARY INFORMATION

Pension And Other Employee Benefit Trust Funds
Combining Statement of Changes in Fiduciary Net Position for the year ended December 31, 2022

($ in thousands)	Pension Funds			Other Employee Benefit Trust Fund	
	Defined Benefit Pension Plan	LIRR Additional Plan	MaBSTOA Plan	Other Post-employment Benefit Plan	Total
ADDITIONS:					
Contributions:					
Employer contributions	$ 400,648	$ 70,764	$ 158,618	$ 788,310	$ 1,418,340
Implicit rate subsidy contribution	-	-	-	57,989	57,989
Member contributions	34,471	50	25,548	-	60,069
Total contributions	435,119	70,814	184,166	846,299	1,536,398
Investment income:					
Net appreciation / depreciation in fair value of investments	(520,371)	(56,789)	(307,355)	11,671	(872,844)
Dividend income	72,743	8,067	45,924	3	126,737
Interest income	16,505	1,773	10,719	154	29,151
Less:					
Investment expenses	32,900	4,266	22,915	-	60,081
Investment income, net	(464,023)	(51,215)	(273,627)	11,828	(777,037)
Other additions:					
Total additions	(28,904)	19,599	(89,461)	858,127	759,361
DEDUCTIONS:					
Benefit payments and withdrawals	351,857	143,764	257,973	788,310	1,541,904
Implicit rate subsidy payments	-	-	-	57,989	57,989
Administrative expenses	4,334	761	806	176	6,077
Total deductions	356,191	144,525	258,779	846,475	1,605,970
Net increase / (decrease) in fiduciary net position	(385,095)	(124,926)	(348,240)	11,652	(846,609)
NET POSITION:					
Restricted for Benefits:					
Beginning of year	5,753,129	777,323	3,658,351	83	10,188,886
End of year	$ 5,368,034	$ 652,397	$ 3,310,111	$ 11,735	$ 9,342,277

See Independent Auditor's Report and notes to the consolidated financial statements.

(A Component Unit of the State of New York)

SUPPLEMENTARY INFORMATION

SCHEDULE OF CONSOLIDATED RECONCILIATION BETWEEN FINANCIAL PLAN AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024
($ in millions)

Category	Financial Plan Actual	Statement GAAP Actual	Variance
REVENUE:			
Farebox revenue	$ 3,728	$ 3,642	$ (86)
Vehicle toll revenue	1,931	1,919	(12)
Other operating revenue	757	696	(61)
Total revenue	6,416	6,257	(159)
OPERATING EXPENSES:			
Labor:			
Payroll	5,192	4,516	(676)
Overtime	818	830	12
Health and welfare	1,434	1,329	(105)
Pensions	1,142	1,061	(81)
Other fringe benefits	1,016	805	(211)
Postemployment benefits	689	648	(41)
Reimbursable overhead	59	(487)	(546)
Total labor expenses	10,350	8,702	(1,648)
Non-labor:			
Electric power	420	403	(17)
Fuel	166	156	(10)
Insurance	21	16	(5)
Claims	293	338	45
Paratransit service contracts	437	452	15
Maintenance and other operating contracts	823	619	(204)
Professional service contract	685	378	(307)
Pollution remediation project costs	5	7	2
Materials and supplies	572	492	(80)
Other business expenses	228	212	(16)
Total non-labor expenses	3,650	3,073	(577)
Depreciation and amortization	2,689	2,899	210
Other Expenses Adjustment	10	-	(10)
Total operating expenses	16,699	14,674	(2,025)
NET OPERATING LOSS	$ (10,283)	$ (8,417)	$ 1,866

(A Component Unit of the State of New York)

SUPPLEMENTARY INFORMATION

SCHEDULE OF CONSOLIDATED SUBSIDY ACCRUAL RECONCILIATION BETWEEN FINANCIAL PLAN AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024
($ in millions)

Accrued Subsidies	**Financial Plan Actual**	**Financial Statement GAAP Actual**	**Variance**	
Mass transportation operating assistance	$ 1,392	$ 1,392	$ -	{3}
Mass transit trust fund subsidies	460	463	$ 3	{1}
Mortgage recording tax 1 and 2	237	254	17	{1}
MRT transfer	0	(4)	(4)	{1}
Urban tax	237	281	44	{1}
State and local operating assistance	240	275	35	{1}
Station maintenance	206	160	(46)	{1}
Connecticut Department of Transportation (CDOT)	197	181	(16)	{1}
Subsidy from New York City for MTA Bus and SIRTOA	443	426	(17)	{1}
Build American Bonds Subsidy	0	43	43	{1}
Mobility tax	2,666	2,716	50	{1}
Assistance Fund (For hire vehicle)	270	277	7	{1}
Real Property Transfer Tax Surcharge (Mansion Tax)	236	244	8	{1}
Internet Marketplace Tax	249	244	(5)	{1}
Transfer to Central Business District Capital Lockbox	484	0	(484)	{1}
Other non-operating income	236	2,567	2,331	{2}
Total accrued subsidies	**7,553**	**9,519**	**1,966**	
Net operating deficit before subsidies and debt service	(10,283)	(8,417)	1,866	
Debt Service	2,113	(1,425)	(3,538)	
Conversion to Cash basis: Depreciation	2,689	-	(2,689)	
Conversion to Cash basis: Pollution & Remediation	5	-	(5)	
Conversion to Cash basis: GASB Lease Adjustment	15	-	(15)	
Total net operating surplus/(deficit) before appropriations, grants and other receipts restricted for capital projects	**$ 2,092**	**$ (323)**	**$ (2,415)**	

{1} The Financial Plan records on a cash basis while the Financial Statement records on an accrual basis.
{2} The Financial Plan records do not include other non-operating income or changes in fair value.
{3} Timing of receipt in the Financial Plan.

(A Component Unit of the State of New York)

SUPPLEMENTARY INFORMATION

SCHEDULE OF FINANCIAL PLAN TO FINANCIAL STATEMENTS RECONCILIATION
RECONCILING ITEMS
FOR THE PERIOD ENDED SEPTEMBER 30, 2024
($ in millions)

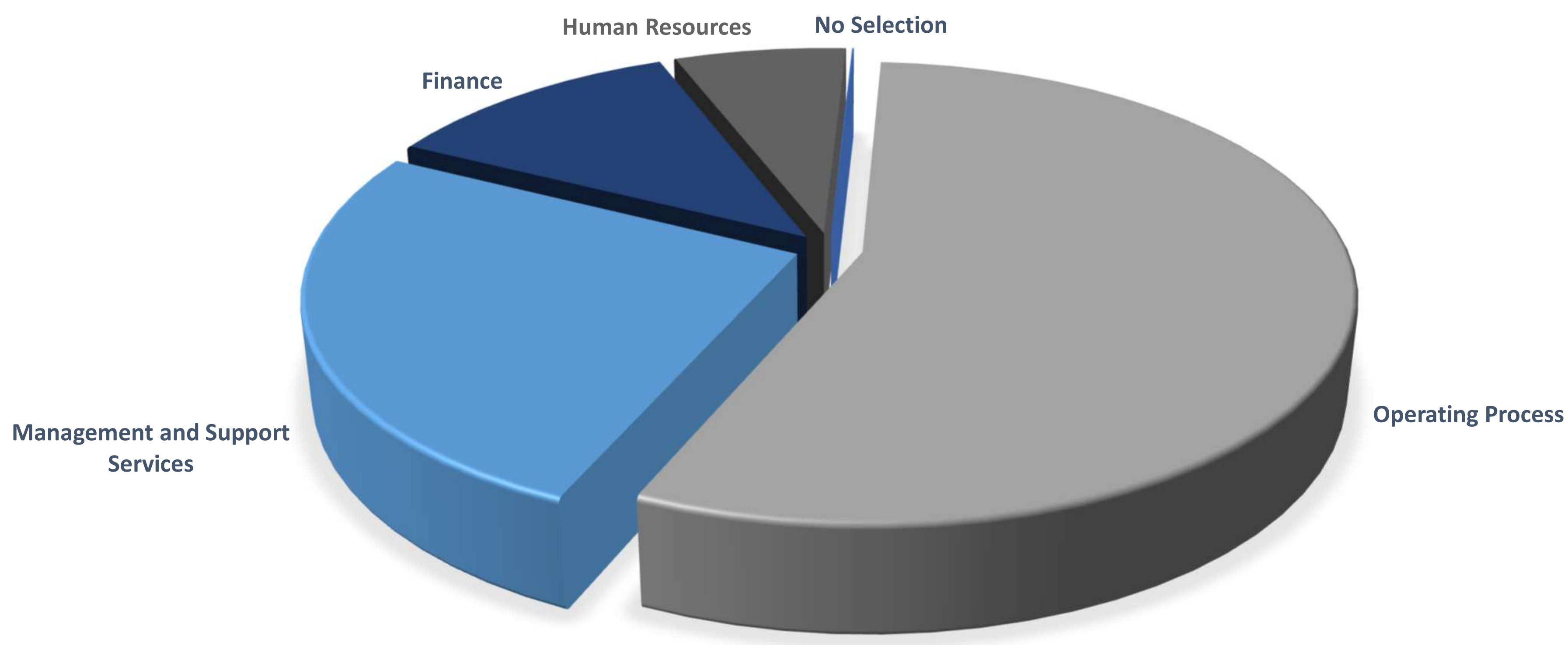
Financial Plan Actual Operating Loss at September 30, 2024			**$ (10,283)**
The Financial Plan Actual Includes:			
1	Higher Other operating revenue		(159)
2	Higher labor expense primarily from higher payroll expense projections		1,648
3	Higher non-labor expense primarily from higher professional service contract expense		577
4	Other expense adjustments		(200)
Total operating reconciling items			**1,866**
Financial Statements Operating Loss at September 30, 2024			**$ (8,417)**
Financial Plan Surplus after Subsidies and Debt Service			**2,092**
The Audited Financial Statements Includes:			
1	Debt service bond principal payments		(3,538)
2	Adjustments for non-cash liabilities:		
	Depreciation	(2,689)	
	Other non-cash liability adjustment	(20)	(2,709)
The Financial Statement includes:			
3	Higher subsidies and other non-operating revenues and expenses		1,966
4	Total operating reconciling items (from above)		1,866
Financial Statement Loss Before Capital Appropriations			**$ (323)**

MTA
CORPORATE COMPLIANCE

Enterprise Risk Management
Status Report

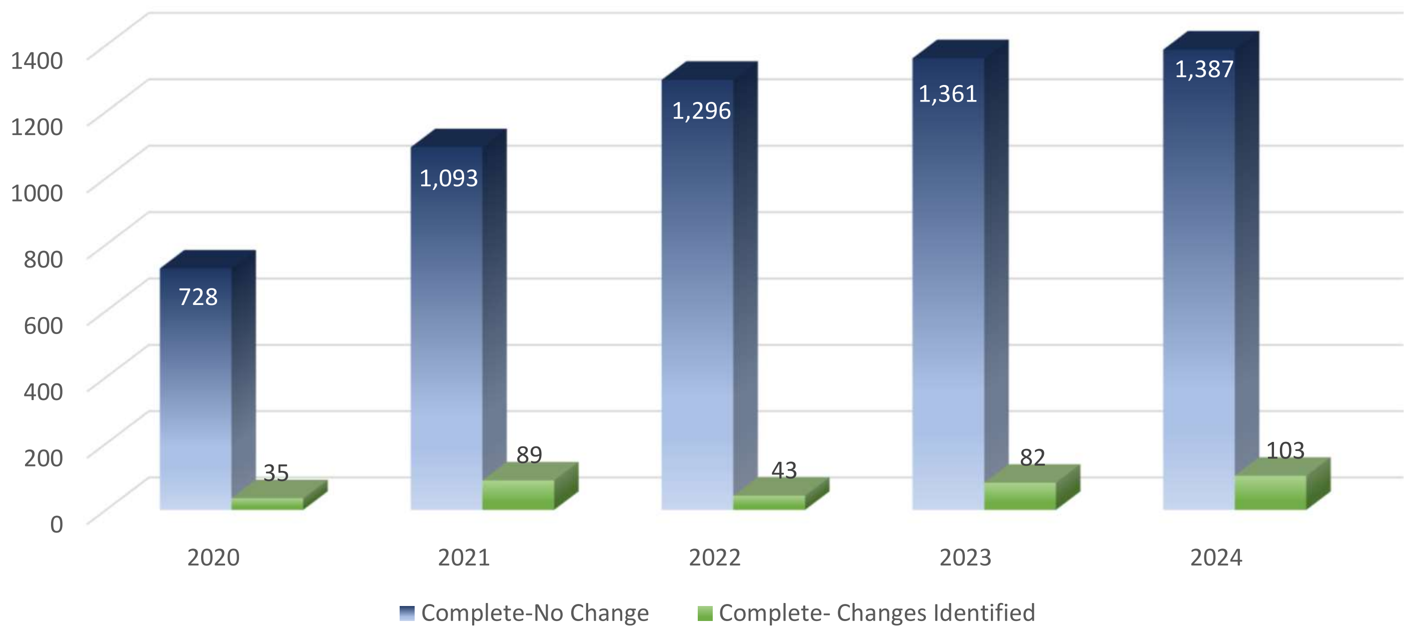
Report to the Audit Committee
January 2025

ERM: Business Processes by Type



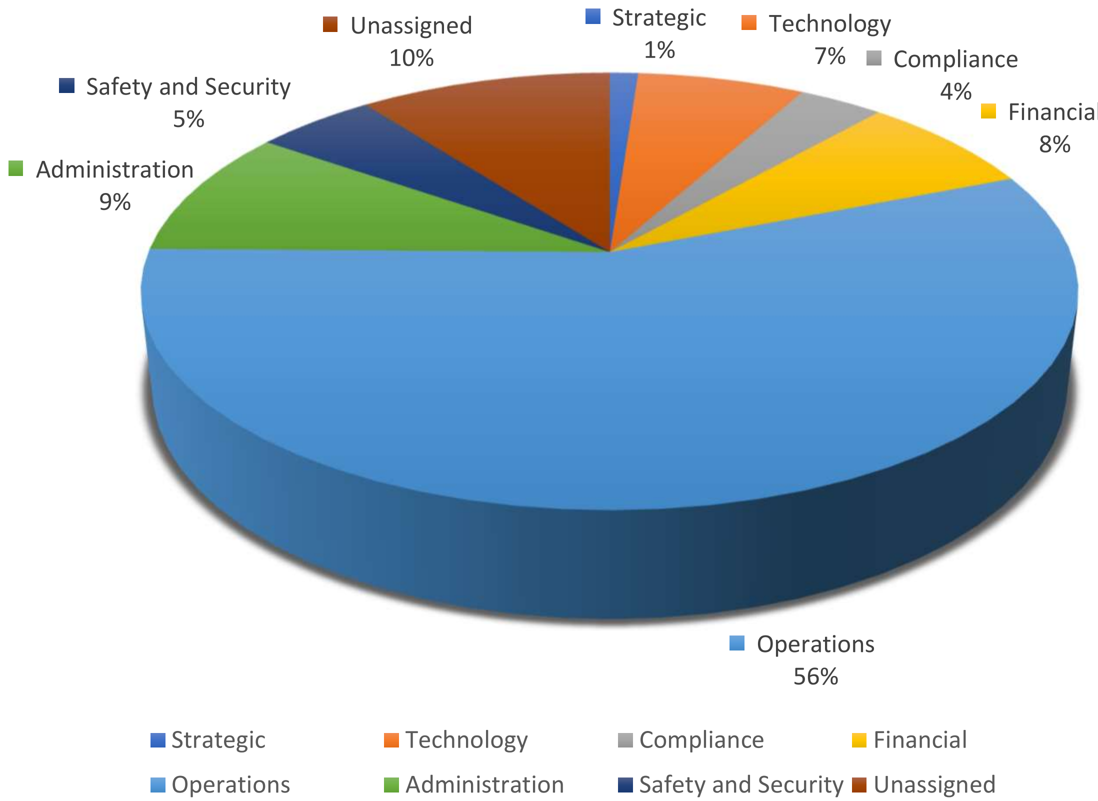
ERM: Risk Assessments

In 2024 we conducted 1,387 Risk Assessments



Control Self Assessments by Risk Hierarchy

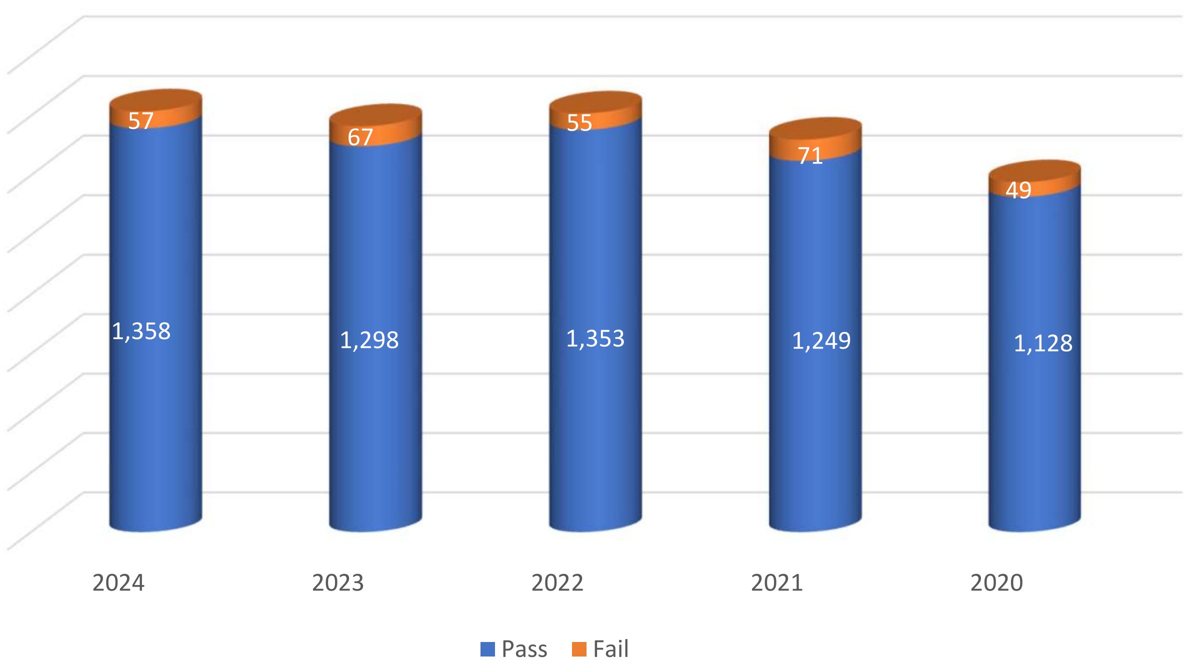
In 2024, completed 1,415 Control Self Assessments.



Control Self Assessments

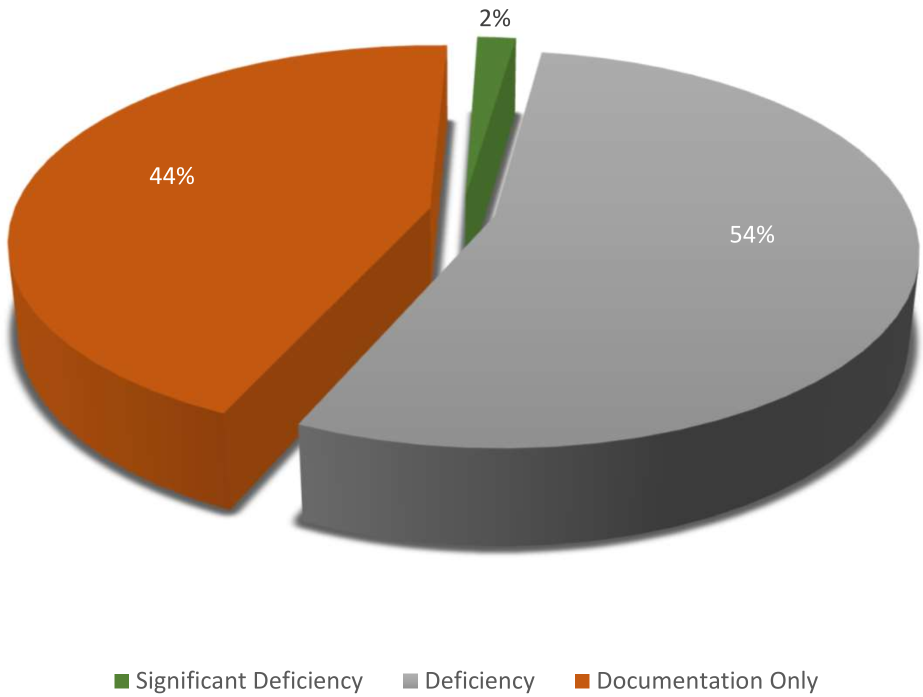
Of the 1,415 Control Self Assessments:

1,358 passed
57 failed



Deficiencies by Significance

As of this report 57 deficiencies by significance for 2024



MTA AUDIT SERVICES

2024 Year End Status

and

2025 Proposed Audit Plan

January 27, 2025

2024 Audit Plan Status

Financial/Operational/Technology

• Projects Completed	79
• Findings with Recommendations	167
• Savings/Cost Efficiencies	$33.5M

Contracts

• Projects Completed	429
• Pre-Award	7
• Overhead Reviews	259
• Contract Close-outs	157
• Claims	4
• $ Audited	$225.4M
• Questioned Costs	$11.1M

2024 – Significant Audits

Financial/Operational/Technology	Cost Savings/ Avoidance
• Transit Authority (TA) Receivables	$ 7.8 M
• Farebox & OMNY Maintenance	$ 6 M
• Operating Contract *[Tire Maintenance Services for Buses]*	$ 2.4 M
• FELA Settlement Payments	$ 1.3 M
Contracts (Capital)	
• Pre-Award Overhead Reviews (A/E Consultants)	$ 0.7 M
• Interim & Final Cost Audits	$ 7.1 M
• Cost Proposals (RFP's & AWO's)	$ 0.3 M
• Impact Cost Claim Reviews	$ 3.0 M

2024 – Sandy Audit Unit

Superstorm Sandy Audit Unit
Recovery Oversight Audits
(Since 2013)

• Total Grant Expenditures	$4.4 Billion
• Costs Audited	$583 Million
• Projects/Recommendations	159/414
• Follow-up Audits Completed	13
• Total Cost Adjustments	$66.6 Million

2024 - Pension Support Program

Pension Quality Assurance Support Program:

- The Quality Assurance (QA) group continued to review calculations for new retirees, Retroactive Wage Adjustments (RWA) and other calculation adjustments.
- Plans reviewed include the LIRR's Defined Benefit (DB) Open and Closed Pension Plan, MNR DB Pension Plan, MTA Police DB Pension Plan, and MTA Bus Plan.
- The Pension QA Group reviewed 1,613 pension files from January 2024 through December 2024.

QA Results

- Errors with No Financial Impact 141
- Errors Identified with Financial Impact 56
- Total cost impact over the expected life of retiree $794K

2024 - On Board Program

Railroad Onboard Revenue Program:

- MTA Audit Services perform observations onboard the LIRR and MNR trains to ensure that conductors are collecting the correct fares, and they are in compliance with operating processes.

- Monthly reporting is provided to both agencies for: 1) fare not collected, 2) incorrect fare collected, 3) conductor not seen and, 4) other special observation request results.

Revenue tests completed in 2024:

• LIRR	4,441
• MNR	3,904

MTA Audit Services

2025 Audit Plan

Audit Plan Formulation

Perform Company Analysis

Analyze strategies, financial indicators, and operational controls to identify the audit universe.

Develop Value Driver Analysis

Understand enterprise, business unit and functional strategies based on business risk factors and discussions with key management personnel.

Evaluate Enterprise Risk

Evaluate the enterprise risk using five main key indicators.

Prioritize Audits

Identify auditable activities / units, based on the results of the risk assessment.

Refine Audit Strategy

Using the IIA's risk assessment methodology, formulate audit plan and obtain Audit Committee approval.

September	October	November	December	January

Factors Used For 2025 Audit Plan

Financial Exposure

Nature of Operations

Control Activities

Previous Audit Results

Management Input

- **Conducted 97 Interviews**
- **Received 153 Suggestions**

2025 Audit Areas

Service Delivery

Customer Service/Contact Centers
Bus Depot Operations
Shop Overhaul Program
Signals Inspection & Maintenance
Bridge & Tunnel Operations
Facility Management
Workforce Planning
ReNew-Vation Program
SIR Operations & Maintenance
Track Operations & Maintenance
External Agreements
Power
MOW Equipment Maintenance

Finance

Timekeeping/Overtime
Accounts Payable
Pensions
Treasury/Investments
Payroll
Finance Governance/Policies
Prompt Payments
Settlement Claims
Traffic Ticket Reimbursement
Union Time Reporting
Interagency Chargebacks
Force Accounts

People

All-Agency Hiring
Pension
Compensation/Salary Adjustment
Employee Offboarding
Health Benefits
Telework Program
FMLA
Sick Leave/Employee Availability
Long-term Leave

Technology

Application Reviews
Data Center
Network Reviews
PII Data Security
System Security
Data Retention

Procurement

Operating Contract(s)
Property Acquisition
Cycle Counts
P-Card Review
Paratransit
Materials at Right of Way
Station Equipment Inventory
Procurement Processes [Post Transformation]

Revenue

Subway Retail Leases
Real Estate Agreements
Ticket Vending Machine Maintenance
Railroads On-Board Revenue Program
Advertising Agreement
Bus Revenue Processing
Cost & Revenue Allocation
CVM Reconciliation/Maintenance

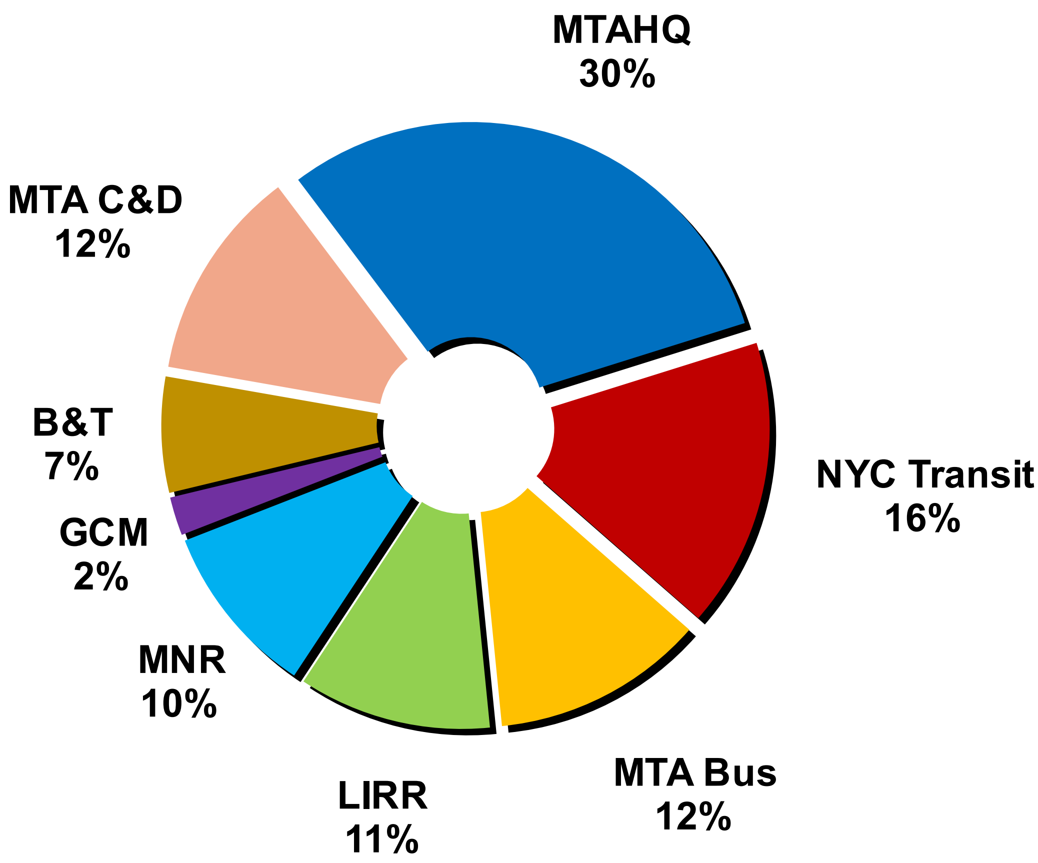
Safety

Accident/Incident Reporting
Energy Management System
System Safety Program
Fare Evasion [Eagle Team]
Train Yard Security
FOIL Process for Videos
Communication Based Train Control
Roadway Deicer Contract

Capital Program

Procurement Process [A + B]
Superstorm Sandy
Prevailing Wages
Contract Modifications
Local Hiring Program
Compliance w/ Federal Regs
Construction Safety
Third Party Contracts

2025 Agency Assurance Audit Allocation



2025 Audit Plan

94 Audits

2025 Audit Strategy

- **Support MTA's Strategic Initiatives**
- **Review Efficiency & Effectiveness of Operations**
- **Support Agency-wide Cost Saving Initiatives**
- **Evaluate Project Management Controls over Operating Contract and Capital Projects.**
- **Coordinate Audit Activities with Internal and External Parties**

Looking Ahead

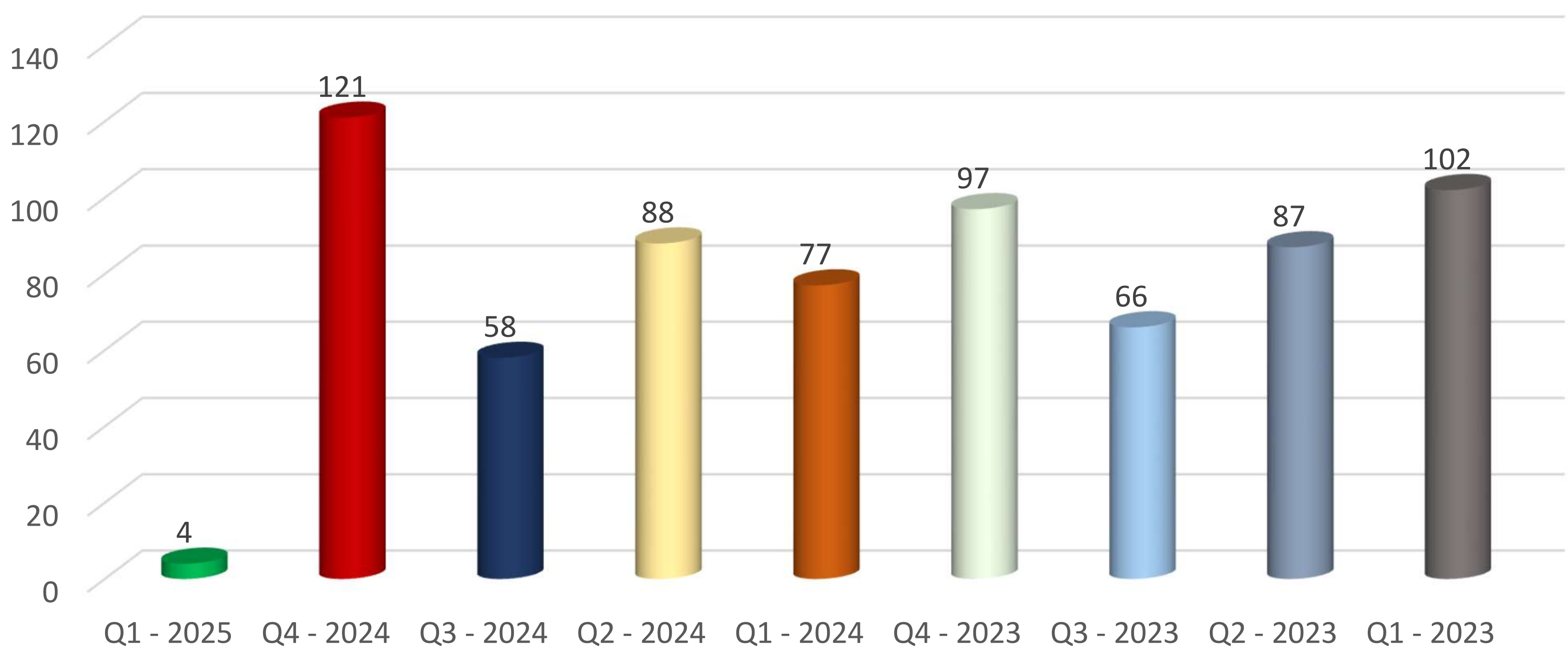
- Continue to coordinate audit activities with:
    - External Auditors
    - City/State Controller’s Office
    - MTA Chief Compliance Office
    - MTA Inspector General Office
- Coordinate with the Office of Construction Oversight
- Work with Internal Control Staff to validate the implementation of recommendations and reduce the backlog of past due recommendations.

MTA
CORPORATE COMPLIANCE

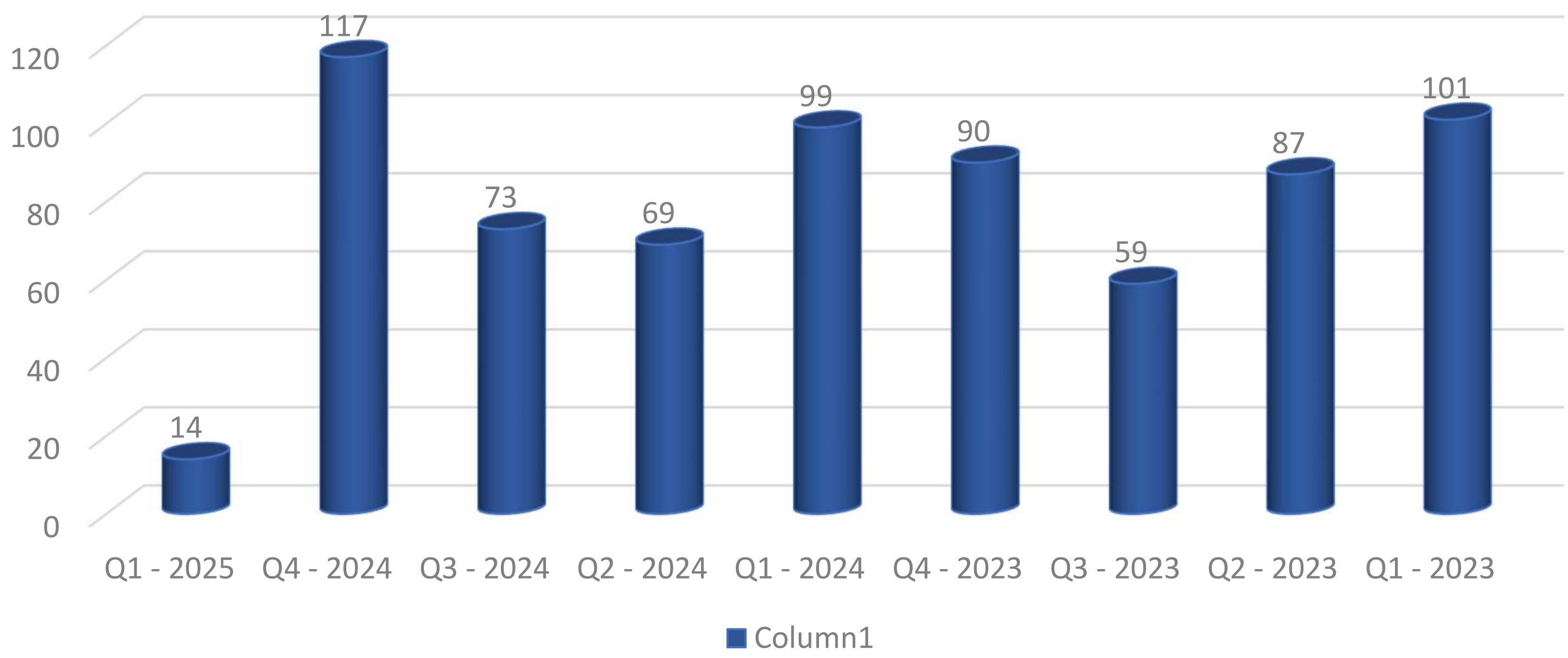
Remediation Plans Monitoring
Six Months Past Due

Report to the Audit Committee
January 2025

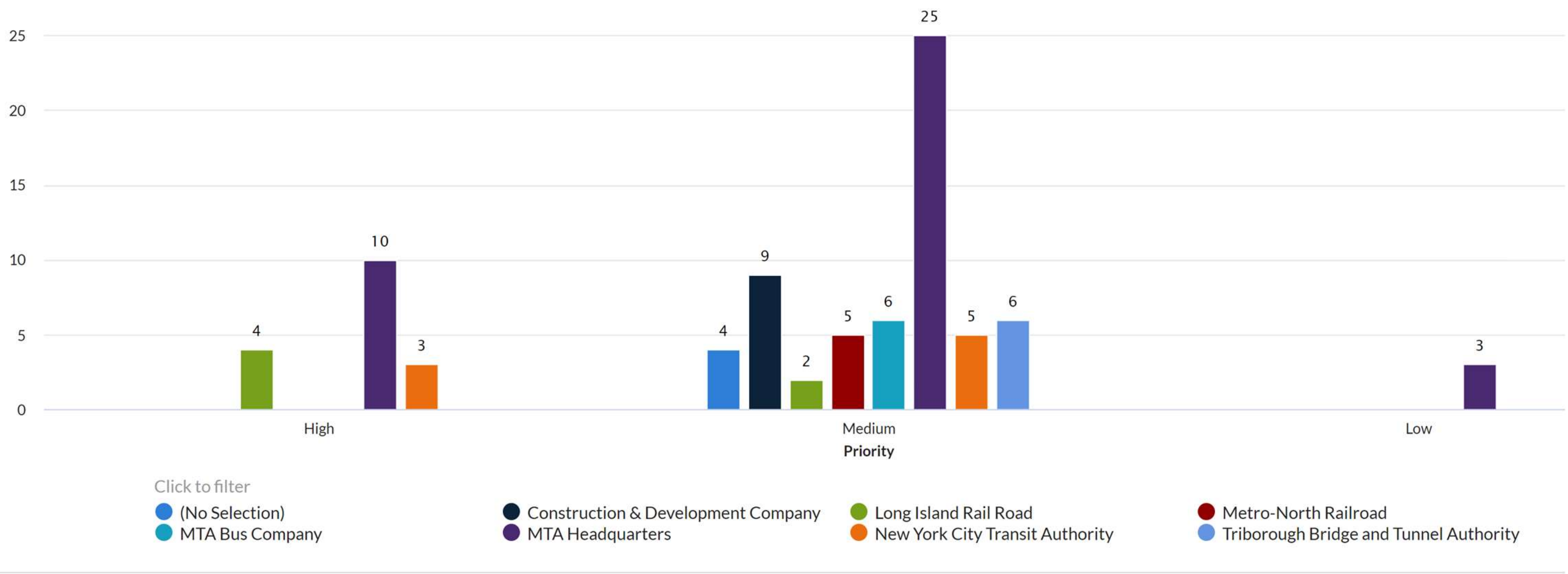
Remediation Plans Creation By Quarter



Remediation Plans Closure By Quarter



Remediation Plans Implemented Awaiting Closure By Agency & Priority



Remediation Plans Six Months Past Due by Agency & Priority