

**NEW ISSUE**

**BOOK-ENTRY-ONLY**

**\$400,000,000\***



**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY  
(MTA BRIDGES AND TUNNELS)  
General Revenue Bonds,  
Series 2022A**

**DATED: Date of Delivery**

**DUE: As shown on the inside cover**

The Triborough Bridge and Tunnel Authority's (MTA Bridges and Tunnels) General Revenue Bonds, Series 2022A (the Series 2022A Bonds) are being issued to (i) finance bridge and tunnel projects in the MTA Bridges and Tunnels Capital Program, and (ii) pay certain financing, legal, and miscellaneous expenses. See "APPLICATION OF PROCEEDS" herein.

The Series 2022A Bonds —

- are general obligations of MTA Bridges and Tunnels, payable generally from the net revenues collected on the bridges and tunnels operated by MTA Bridges and Tunnels as described herein, and
- are not a debt of the State of New York (the State) or The City of New York (the City) or any other local government unit.

MTA Bridges and Tunnels has no taxing power.

In the opinion of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA Bridges and Tunnels, under existing law and relying on certain representations by MTA Bridges and Tunnels and assuming the compliance by MTA Bridges and Tunnels with certain covenants, interest on the Series 2022A Bonds is:

- *excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986, and*
- *not a specific preference item for an Owner in calculating the federal alternative minimum tax.*

Also in the opinion of Co-Bond Counsel, under existing law, interest on the Series 2022A Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See "TAX MATTERS" herein for a discussion of certain federal and State income tax matters.

The Series 2022A Bonds will bear interest at the rates shown on the inside cover page hereof.

The Series 2022A Bonds are subject to redemption prior to maturity as described herein.

The Series 2022A Bonds are offered when, as, and if issued, subject to certain conditions, and are expected to be delivered through the facilities of The Depository Trust Company on or about August 18, 2022.

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of the Series 2022A Bonds. Investors are advised to read the entire official statement, including all portions hereof included by specific cross-reference, to obtain information essential to making an informed decision.

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**Morgan Stanley**

**Academy Securities**

**Loop Capital Markets**

**Stern Brothers & Co.**

**BofA Securities  
J.P. Morgan**

**Goldman Sachs & Co. LLC  
Ramirez & Co., Inc.**

**Jefferies  
Siebert Williams Shank & Co., LLC**

**Barclays  
Oppenheimer & Co.**

**Citigroup**

**Drexel Hamilton, LLC  
Rice Financial Products Company**

August \_\_, 2022

\* Preliminary, subject to change.

**\$400,000,000\***  
**TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**  
**(MTA BRIDGES AND TUNNELS)**  
**General Revenue Bonds,**  
**Series 2022A**

*consisting of*  
\$ \_\_\_\_\_ Serial Bonds

<u>Maturity</u> <u>(November 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>	<u>CUSIP Number</u> <sup>†</sup> <u>(89602R)</u>
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**\$ \_\_\_\_\_ Term Bonds**

\$ \_\_\_\_\_ % Term Bond due November 15, \_\_\_\_, Yield: \_\_\_\_\_ %  
CUSIP Number<sup>†</sup> 89602R \_\_\_\_\_

\$ \_\_\_\_\_ % Term Bond due November 15, \_\_\_\_, Yield: \_\_\_\_\_ %  
CUSIP Number<sup>†</sup> 89602R \_\_\_\_\_

The following summarizes the optional redemption provisions of the Series 2022A Bonds: the Series 2022A Bonds are subject to redemption prior to maturity on any date on or after November 15, 2032\*, at the option of MTA Bridges and Tunnels, in whole or in part, at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date, as described herein under the caption “DESCRIPTION OF THE SERIES 2022A BONDS – Redemption Prior to Maturity” in **Part I**.

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\* Preliminary, subject to change.

<sup>†</sup> CUSIP numbers have been assigned by an organization not affiliated with MTA Bridges and Tunnels and are included solely for the convenience of the holders of the Series 2022A Bonds. MTA Bridges and Tunnels is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2022A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2022A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2022A Bonds.

**Triborough Bridge and Tunnel Authority**  
**(MTA Bridges and Tunnels)**  
**Triborough Station, Box 35**  
**New York, New York 10035**  
**(212) 360-3000**  
**Website: <https://new.mta.info>**

John N. Lieber .....	Chair and Chief Executive Officer
Andrew B. Albert .....	Non-Voting Member
Jamey Barbas .....	Member
Frank Borelli, Jr. ....	Member
Gerard Bringmann .....	Non-Voting Member
Norman E. Brown .....	Non-Voting Member
Samuel Chu .....	Member
Michael Fleischer .....	Member
Randolph Glucksman .....	Non-Voting Member
David R. Jones .....	Member
Blanca P. López .....	Member
David S. Mack .....	Member
Haeda B. Mihaltses .....	Member
Frankie Miranda .....	Member
Robert F. Mujica, Jr. ....	Member
Harold Porr III .....	Member
John Samuelsen .....	Non-Voting Member
Sherif Soliman .....	Member
Lisa Sorin .....	Member
Vincent Tessitore, Jr. ....	Non-Voting Member
Midori Valdivia .....	Member
Elizabeth Velez .....	Member
Neal Zuckerman .....	Member

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Daniel F. DeCrescenzo Jr. ....	President
Paul Friman, Esq. ....	Acting General Counsel
Joseph Keane .....	Vice President and Chief Engineer

---

NIXON PEABODY LLP  
New York, New York

D. SEATON AND ASSOCIATES, P.A., P.C.  
New York, New York

Co-Bond Counsel

PUBLIC RESOURCES ADVISORY GROUP, INC.  
New York, New York

SYCAMORE ADVISORS, LLC  
New York, New York

Co-Financial Advisors

STANTEC CONSULTING SERVICES INC.  
New York, New York  
Independent Engineers

HAWKINS DELAFIELD & WOOD LLP  
New York, New York  
Special Disclosure Counsel

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## SUMMARY OF TERMS

MTA Bridges and Tunnels has prepared this Summary of Terms to describe the specific terms of the Series 2022A Bonds. The information in this official statement, including the materials filed with the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board and included by specific cross-reference as described herein, provides a more detailed description of matters relating to MTA Bridges and Tunnels and to MTA Bridges and Tunnels General Revenue Bonds. Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the bonds being issued.

Issuer.....	Triborough Bridge and Tunnel Authority, a public benefit corporation of the State of New York, hereinafter referred to as MTA Bridges and Tunnels.		
Bonds Being Offered .....	General Revenue Bonds, Series 2022A (the Series 2022A Bonds).		
Purpose of Issue .....	The Series 2022A Bonds are being issued to (i) finance bridge and tunnel projects in the MTA Bridges and Tunnels Capital Program, and (ii) pay certain financing, legal, and miscellaneous expenses. See “APPLICATION OF PROCEEDS” in <b>Part I</b> .		
Maturities and Rates.....	The Series 2022A Bonds mature on the dates and bear interest at the rates shown on the inside cover page of this official statement.		
Denominations .....	Denominations of \$5,000 or any integral multiple thereof.		
Interest Payment Dates.....	Interest on the Series 2022A Bonds shall be paid semiannually on May 15 and November 15, commencing November 15, 2022.		
Redemption .....	See “DESCRIPTION OF SERIES 2022A BONDS – Redemption Prior to Maturity” in <b>Part I</b> .		
Sources of Payment and Security.....	Net revenues collected on the bridges and tunnels operated by MTA Bridges and Tunnels, as described herein.		
Registration of the Bonds.....	DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC.		
Trustee .....	U.S. Bank Trust National Association, New York, New York. U.S. Bank Trust National Association has recently notified MTA Bridges and Tunnels of its resignation as Trustee. See “INTRODUCTION – Resignation of Trustee and Appointment of Successor Trustee”.		
Co-Bond Counsel.....	Nixon Peabody LLP, New York, New York, and D. Seaton and Associates, P.A., P.C., New York, New York.		
Special Disclosure Counsel.....	Hawkins Delafield & Wood LLP, New York, New York.		
Tax Status.....	See “TAX MATTERS” in <b>Part III</b> .		
Ratings .....	<u>Rating Agency</u>	<u>Rating</u>	<u>Outlook</u>
	Fitch:	AA-	Stable
	KBRA:	AA	Stable
	Moody’s:	Aa3	Stable
	S&P:	AA-	Stable
	See “RATINGS” in <b>Part III</b> .		
Co-Financial Advisors .....	Public Resources Advisory Group, Inc., New York, New York, and Sycamore Advisors, LLC, New York, New York.		
Underwriters .....	See cover page.		
Underwriters’ Discount.....	See “UNDERWRITING” in <b>Part III</b> .		
Counsel to Underwriters .....	Norton Rose Fulbright US LLP, New York, New York.		
Independent Engineers.....	Stantec Consulting Services Inc., New York, New York.		

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- ***No Unauthorized Offer.*** This official statement is not an offer to sell, or the solicitation of an offer to buy, the Series 2022A Bonds in any jurisdiction where that would be unlawful. MTA Bridges and Tunnels has not authorized any dealer, salesperson or any other person to give any information or make any representation in connection with the offering of the Series 2022A Bonds, except as set forth in this official statement. No other information or representations should be relied upon.
  - ***No Contract or Investment Advice.*** This official statement is not a contract and does not provide investment advice. Investors should consult their financial advisors and legal counsel with questions about this official statement and the Series 2022A Bonds being offered, and anything else related to this bond issue.
  - ***Information Subject to Change.*** Information and expressions of opinion are subject to change without notice, and it should not be inferred that there have been no changes since the date of this document. Neither the delivery of, nor any sale made under, this official statement shall under any circumstances create any implication that there has been no change in MTA Bridges and Tunnels' affairs or in any other matters described herein since the date of this official statement.
  - ***Forward-Looking Statements.*** Many statements contained in this official statement, including the appendices and documents included by specific cross-reference, that are not historical facts are forward-looking statements, which are based on MTA Bridges and Tunnels' and the Independent Engineers' beliefs, as well as assumptions made by, and information currently available to, the management and staff of MTA Bridges and Tunnels and the Independent Engineers as of the date of this official statement. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. The words "anticipate," "assume," "estimate," "expect," "objective," "projection," "plan," "forecast," "goal," "budget" or similar words are intended to identify forward-looking statements. The words or phrases "to date," "now," "currently," and the like are intended to mean as of the date of this official statement. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the forward-looking statements contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the forward-looking statements set forth in this official statement, which is solely the product of MTA Bridges and Tunnels and its affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content. These forward-looking statements speak only as of the date of this official statement.
  - ***Projections.*** The projections set forth in this official statement were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of MTA Bridges and Tunnels' management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of MTA Bridges and Tunnels. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this official statement are cautioned not to place undue reliance on the prospective financial information. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA Bridges and Tunnels' independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the prospective financial information set forth in this official statement, which is solely the product of MTA Bridges and Tunnels and MTA and its affiliates and subsidiaries as of the date of this official statement, and the independent auditors assume no responsibility for its content.

- ***Independent Auditor.*** Deloitte & Touche LLP, MTA Bridges and Tunnels' independent auditor, has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to the MTA Bridges and Tunnels' financial statements for the years ended December 31, 2021 and 2020, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA Bridges and Tunnels, including without limitation any of the information contained in this official statement, since the date of the audit report and has not been asked to consent to the inclusion, or incorporation by reference, of its audit report in this official statement.
  - ***No Guarantee of Information by Underwriters.*** The Underwriters have provided the following sentence for inclusion in this official statement: The Underwriters have reviewed the information in this official statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The Underwriters do not make any representation or warranty, express or implied, as to
    - the accuracy or completeness of information they have neither supplied nor verified,
    - the validity of the Series 2022A Bonds, or
    - the tax-exempt status of the interest on the Series 2022A Bonds.
  - ***Overallotment and Stabilization.*** The Underwriters may overallocate or effect transactions that stabilize or maintain the market prices of the Series 2022A Bonds at levels above those which might otherwise prevail in the open market. The Underwriters are not obligated to do this and are free to discontinue it at any time.
  - ***Website Addresses.*** References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this official statement for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended, and in effect on the date hereof (Rule 15c2-12).
  - ***Rule 15c2-12.*** For purposes of compliance with Rule 15c2-12, this preliminary official statement constitutes an official statement of MTA Bridges and Tunnels that has been deemed final by MTA Bridges and Tunnels as of its date except for the omission of no more than the information permitted by Rule 15c2-12.
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**Information Included by Specific Cross-reference.** The following portions of MTA’s 2022 Combined Continuing Disclosure Filings, dated April 29, 2022, as supplemented on June 22, 2022, and as updated by the First Quarterly Update, dated August 5, 2022, each filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB), are included by specific cross-reference in this official statement, along with material that updates this official statement and that is filed with EMMA prior to the delivery date of the Series 2022A Bonds, together with any supplements or amendments thereto:

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**)
- **Appendix D** – Audited Financial Statements of Triborough Bridge and Tunnel Authority for the Years Ended December 31, 2021 and 2020 (including the auditor’s report accompanying the annual financial information)

The following documents have also been filed with EMMA and are included by specific cross-reference in this official statement:

- MTA Bridges and Tunnels Senior Lien Resolution (i.e., as used in this official statement, the MTA Bridges and Tunnels Senior Resolution)
- Annex A – Standard Resolution Provisions
- **Appendix E** – History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority, dated April 29, 2022, prepared by Stantec Consulting Services Inc.

On July 25, 2022, the Audit Committee of the MTA Board accepted MTA’s Unaudited Consolidated Interim Financial Statements as of and for the three-month period ending March 31, 2022. MTA expects to file these documents with EMMA when available.

For convenience, copies of most of these documents can be found on the MTA website (<https://new.mta.info>) under the caption “Transparency – Financial & Investor Information–Investor Information & Disclosures” and “– Financial and Budget Statements”. No statement on MTA’s website is included by specific cross-reference herein. For the ADS, Appendix D and Appendix E, see <https://new.mta.info/investor-info/disclosure-filings>. For bond resolutions and related annexes, see <https://new.mta.info/investor-info/bond-resolutions-interagency-agreements>. See “FURTHER INFORMATION” in Part III. Definitions of certain terms used in the foregoing instruments may differ from terms used in this official statement, such as using the popular name “MTA Bridges and Tunnels” in place of Triborough Bridge and Tunnel Authority or its abbreviation, TBTA.

The financial statements of MTA Bridges and Tunnels for the years ended December 31, 2021 and 2020, incorporated by specific cross-reference in this official statement, have been audited by Deloitte & Touche LLP, independent certified public accountants, as stated in their audit report appearing therein. Deloitte & Touche LLP has not reviewed, commented on or approved, and is not associated with, this official statement. The audit report of Deloitte & Touche LLP relating to the MTA Bridges and Tunnels’ financial statements for the years ended December 31, 2021 and 2020, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA Bridges and Tunnels, including without limitation any of the information contained in this official statement, since the date of the audit report and has not been asked to consent to the inclusion, or incorporation by reference, of its audit report in this official statement.

## INTRODUCTION

### MTA Bridges and Tunnels and Other Related Entities

Triborough Bridge and Tunnel Authority, or MTA Bridges and Tunnels, is a public benefit corporation, which means that it is a corporate entity separate and apart from New York State (the State), without any power of taxation – frequently called a “public authority.” MTA Bridges and Tunnels is an affiliate of the Metropolitan Transportation Authority (MTA), authorized to construct and operate toll bridges and tunnels and other public facilities in New York City (the City). MTA Bridges and Tunnels issues debt obligations secured by bridge and tunnel tolls to finance the capital costs of its facilities and is empowered to issue debt obligations secured by bridge and tunnel tolls or certain other revenues to finance the capital costs of the Transit and Commuter Systems operated by other affiliates and subsidiaries of MTA. Since 2008, MTA Bridges and Tunnels has not issued new money bonds secured by bridge and tunnel tolls to finance capital projects for the benefit of the Transit and Commuter Systems. MTA Bridges and Tunnels’ surplus amounts are used to fund transit and commuter operations and finance capital projects.

MTA Bridges and Tunnels has issued Payroll Mobility Tax Senior Lien Bonds, first issued in 2021, secured by non-toll revenues, namely certain payroll mobility taxes transferred by MTA, and Sales Tax Revenue Bonds, first issued in 2022, also secured by non-toll revenues, namely certain sales and compensating use taxes authorized by the State and imposed by the City and transferred by the New York State Comptroller. MTA Bridges and Tunnels expects to use the proceeds of such bonds to finance the capital costs of the Transit and Commuter Systems operated by other affiliates and subsidiaries of MTA.

MTA has responsibility for developing and implementing a single, integrated mass transportation policy for MTA’s service region (the MTA Commuter Transportation District or MCTD), which consists of the City and the seven New York metropolitan-area counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester. It carries out some of those responsibilities by operating the transit and commuter systems through its subsidiary and affiliate entities: the New York City Transit Authority and its subsidiary, the Manhattan and Bronx Surface Transit Operating Authority; the Staten Island Rapid Transit Operating Authority; The Long Island Rail Road Company; the Metro-North Commuter Railroad Company; the MTA Bus Company; the MTA Construction and Development Company; and the MTA Grand Central Madison Concourse Operating Company. MTA issues debt obligations to finance a substantial portion of the capital costs of these systems.

The board members of MTA serve as the board members of MTA’s affiliates and subsidiaries, which, together with MTA, are referred to collectively herein as the Related Entities. MTA Bridges and Tunnels is an affiliate, not a subsidiary, of MTA. MTA, MTA Bridges and Tunnels and the other Related Entities are described in detail in **Part I** – MTA Annual Disclosure Statement of MTA’s 2022 Combined Continuing Disclosure Filings (the **MTA Annual Disclosure Statement** or **ADS**), which is included by specific cross-reference in this official statement.

The following table sets forth the legal and popular names of the Related Entities. Throughout this official statement, reference to each agency will be made using the popular names.

<u>Legal Name</u>	<u>Popular Name</u>
Metropolitan Transportation Authority	MTA
New York City Transit Authority	MTA New York City Transit
Manhattan and Bronx Surface Transit Operating Authority	MaBSTOA
Staten Island Rapid Transit Operating Authority	MTA Staten Island Railway
MTA Bus Company	MTA Bus
The Long Island Rail Road Company	MTA Long Island Rail Road
Metro-North Commuter Railroad Company	MTA Metro-North Railroad
MTA Construction and Development Company	MTA Construction and Development
MTA Grand Central Madison Concourse Operating Company	MTA GCMC
Triborough Bridge and Tunnel Authority	MTA Bridges and Tunnels

Capitalized terms used herein and not otherwise defined have the meanings provided in the **ADS** or the MTA Bridges and Tunnels Senior Resolution.

## **Information Provided in the MTA Annual Disclosure Statement**

From time to time, the Governor, the State Comptroller, the Mayor of the City, the City Comptroller, County Executives, State legislators, City Council members and other persons or groups may make public statements, issue reports, institute proceedings or take actions that contain predictions, projections or other information relating to the Related Entities or their financial condition, including potential operating results for the current fiscal year and projected baseline surpluses or gaps for future years, that may vary materially from, question or challenge the information provided in the **ADS**. Investors and other market participants should, however, refer to MTA's then current continuing disclosure filings, official statements, remarketing circulars and offering memoranda for information regarding the Related Entities and their financial condition.

## **Where to Find Information**

***Information in this Official Statement.*** This official statement is organized as follows:

- This ***Introduction*** provides a general description of MTA Bridges and Tunnels and the other Related Entities.
- ***Part I*** provides specific information about the Series 2022A Bonds.
- ***Part II*** describes the sources of payment and security for all General Revenue Bonds, including the Series 2022A Bonds.
- ***Part III*** provides miscellaneous information relating to the Series 2022A Bonds.
- ***Attachment 1*** sets forth certain provisions applicable to the book-entry-only system of registration to be used for the Series 2022A Bonds.
- ***Attachment 2*** sets forth a summary of certain provisions of a continuing disclosure agreement relating to the Series 2022A Bonds.
- ***Attachment 3*** is the form of approving opinions of Co-Bond Counsel in connection with the issuance of the Series 2022A Bonds.
- ***Attachment 4*** is a copy of the Bringdown Letter of Stantec Consulting Services Inc., dated August 5, 2022.
- ***Attachment 5*** sets forth a copy of the First Quarterly Update to the ADS, dated August 5, 2022.

***Information Included by Specific Cross-reference.*** The information listed under the caption "Information Included by Specific Cross-reference" following the Table of Contents, as filed with the MSRB through EMMA to date, is "included by specific cross-reference" in this official statement. This means that important information is disclosed by referring to those documents and that the specified portions of those documents are considered to be part of this official statement. This official statement, which includes the specified portions of those filings, should be read in its entirety in order to obtain essential information for making an informed decision in connection with the Series 2022A Bonds. Information included by specific cross-reference in this official statement may be obtained, as described below, from the MSRB and from MTA Bridges and Tunnels.

***Information from the MSRB through EMMA.*** MTA and MTA Bridges and Tunnels file annual and other information with EMMA. Such information can be accessed at <http://emma.msrb.org/>.

***Information Available at No Cost.*** Information filed with the MSRB through EMMA is also available, at no cost, on MTA's website or by contacting MTA, Attn.: Finance Department, at the address on page (i). For important information about MTA's website, see "FURTHER INFORMATION" in Part III.

***Bringdown Letter of Stantec Consulting Services Inc.*** In connection with the issuance of the Series 2022A Bonds, Stantec Consulting Services Inc. delivered a bringdown letter, dated August 5, 2022, of its report entitled “History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority,” dated April 29, 2022, which is attached hereto as **Attachment 4**.

#### **Anticipated Debt Issuance**

In addition to the Series 2022A Bonds, MTA Bridges and Tunnels expects to issue, depending on market conditions, General Revenue Bonds to refund certain outstanding MTA Bridges and Tunnels General Revenue Bonds callable on November 15, 2022.

#### **Resignation of Trustee and Appointment of Successor Trustee**

On July 14, 2022, pursuant to the Standard Resolution Provisions attached as Exhibit A (the Standard Resolution Provisions) to the MTA Bridges and Tunnels Senior Resolution, U.S. Bank Trust National Association (U.S. Bank) provided notice of its resignation as Trustee, Registrar, and Paying Agent under the MTA Bridges and Tunnels Senior Resolution and as Tender Agent, Calculation Agent, Escrow Agent and Dissemination Agent, effective as of the Successor Effective Date referenced below. MTA Bridges and Tunnels is in the process of finalizing agreements with The Bank of New York Mellon to become successor Trustee (the Successor Trustee) to fill such vacancy in accordance with the Standard Resolution Provisions.

The resignation of U.S. Bank and appointment of the Successor Trustee shall take effect on the Successor Effective Date, which will be the later of (i) September 14, 2022, and (ii) the day that the Successor Trustee appointed by MTA Bridges and Tunnels shall have been qualified therefor. MTA Bridges and Tunnels will timely post notice of the appointment of the Successor Trustee on EMMA.

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## PART I. SERIES 2022A BONDS

**Part I** of this official statement, together with the Summary of Terms, provides specific information about the Series 2022A Bonds.

### APPLICATION OF PROCEEDS

MTA Bridges and Tunnels anticipates that the proceeds of the Series 2022A Bonds (the principal amount thereof, plus original issue premium of \$ \_\_\_\_\_), in the aggregate amount of \$ \_\_\_\_\_, will be used as follows (i) \$ \_\_\_\_\_ to finance bridge and tunnel projects in the MTA Bridges and Tunnels Capital Program, and (ii) \$ \_\_\_\_\_ to pay certain financing, legal and miscellaneous expenses associated with the Series 2022A Bonds.

### DESCRIPTION OF SERIES 2022A BONDS

#### General

**Record Date.** The Record Date for the payment of principal of, and interest on, and any Sinking Fund Installments with respect to the Series 2022A Bonds shall be the May 1 or November 1 immediately preceding such payment date.

**Book-Entry-Only System.** The Series 2022A Bonds will be registered in the name of The Depository Trust Company or its nominee (together, DTC), New York, New York, which will act as securities depository for the Series 2022A Bonds. Individual purchases will be made in book-entry-only form, in the principal amount of \$5,000 or any integral multiple thereof. So long as DTC is the registered owner of the Series 2022A Bonds, all payments on the Series 2022A Bonds will be made directly to DTC. DTC is responsible for disbursement of those payments to its participants, and DTC participants and indirect participants are responsible for making those payments to beneficial owners. See **Attachment 1** – “Book-Entry-Only System.”

**Maturity.** The Series 2022A Bonds will mature and be payable as to principal, as set forth on the inside cover page of this official statement.

**Interest Payments.** The Series 2022A Bonds will bear interest from the dated date at the per annum rates shown on the inside cover page of this official statement. Interest will be paid semiannually on each May 15 and November 15, beginning November 15, 2022, calculated based on a 360-day year comprised of twelve 30-day months.

**Transfers and Exchanges.** So long as DTC is the securities depository for the Series 2022A Bonds, it will be the sole registered owner of the Series 2022A Bonds, and transfers of ownership interests in the Series 2022A Bonds will occur through the DTC Book-Entry-Only System.

**Trustee and Paying Agent.** U.S. Bank is currently Trustee and Paying Agent with respect to the Series 2022A Bonds. On July 14, 2022, U.S. Bank provided notice of its resignation as Trustee, Registrar, and Paying Agent under the MTA Bridges and Tunnels Senior Resolution and as Tender Agent, Calculation Agent, Escrow Agent and Dissemination Agent. MTA Bridges and Tunnels is in the process of finalizing agreements with The Bank of New York Mellon to become the Successor Trustee. See “INTRODUCTION – Resignation of Trustee and Appointment of Successor Trustee.”

## Redemption Prior to Maturity

**Optional Redemption.** The Series 2022A Bonds are subject to redemption prior to maturity on any date on or after November 15, 2032\*, at the option of MTA Bridges and Tunnels, in whole or in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper) at 100% of the principal amount thereof, together with accrued interest thereon up to but not including the redemption date.

**Mandatory Sinking Fund Redemption.** The term Series 2022A Bonds shown below are subject to mandatory sinking fund redemption, in part (in accordance with procedures of DTC, so long as DTC is the sole registered owner, and otherwise by lot in such manner as the Trustee in its discretion deems proper), on any November 15 on and after the first sinking fund installment date shown below at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments that are required to be made in amounts sufficient to redeem on November 15 of each year the principal amount of such Series 2022A Bonds shown below:

Series 2022A 20__% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment		\$
final maturity		
average life – _____	years	

Series 2022A 20__% Term Bond		
	Sinking Fund Redemption Date (November 15)	Sinking Fund Installment
first payment		\$
final maturity		
average life – _____	years	

**Credit Toward Mandatory Sinking Fund Redemption.** MTA Bridges and Tunnels may take credit toward mandatory Sinking Fund Installment requirements as follows, and, if taken, thereafter reduce the amount of term Series 2022A Bonds otherwise subject to mandatory Sinking Fund Installments on the date for which credit is taken:

- If MTA Bridges and Tunnels directs the Trustee to purchase or redeem term Series 2022A Bonds with money in the Debt Service Fund (at a price not greater than par plus accrued interest to the date of purchase or redemption), then a credit of 100% of the principal amount of those bonds will be made against the next Sinking Fund Installment due.

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\* Preliminary, subject to change.

- If MTA Bridges and Tunnels purchases or redeems term Series 2022A Bonds with other available moneys, then the principal amount of those bonds will be credited against future Sinking Fund Installment requirements in any order, and in any annual amount, that MTA Bridges and Tunnels may direct.

***State and City Redemption.*** Pursuant to the MTA Bridges and Tunnels Act, the State or the City, upon providing sufficient funds, may require MTA Bridges and Tunnels to redeem the Series 2022A Bonds as a whole at the time and at the price and in accordance with the terms upon which the Series 2022A Bonds are otherwise redeemable.

***Redemption Notices.*** So long as DTC is the securities depository for the Series 2022A Bonds, redemption notices to DTC will be sent at least 20 days before the redemption date. If the Series 2022A Bonds are not held in book-entry-only form, then redemption notices will be mailed directly to bondholders within the same time frame. A redemption of the Series 2022A Bonds is valid and effective even if DTC's procedures for notice should fail. Beneficial owners should consider arranging to receive redemption notices or other communications to DTC affecting them, including notice of interest payments through DTC participants. Any notice of optional redemption may state that it is conditional upon receipt by the Trustee of money sufficient to pay the Redemption Price or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before the payment of the Redemption Price if any such condition so specified is not satisfied or if any such other event occurs. **Please note that all redemptions are final - even if beneficial owners do not receive their notice, and even if that notice has a defect.**

***Redemption Process.*** If unconditional notice of redemption has been given, then on the redemption date the Series 2022A Bonds called for redemption will become due and payable. If conditional notice of redemption has been given and the Trustee holds money sufficient to pay the redemption price of the affected Series 2022A Bonds, and any other conditions included in such notice have been satisfied, then on the redemption date the Series 2022A Bonds called for redemption will become due and payable. In either case, after the redemption date, no interest will accrue on those Series 2022A Bonds, and a bondholder's only right will be to receive payment of the redemption price upon surrender of those Series 2022A Bonds.

## **DEBT SERVICE ON THE BONDS**

**Table 1** on the next page sets forth, on a cash basis, (i) the debt service on the outstanding MTA Bridges and Tunnels General Revenue Bonds, (ii) the debt service on the Series 2022A Bonds, and (iii) the aggregate debt service on all MTA Bridges and Tunnels General Revenue Bonds to be outstanding after the issuance of the Series 2022A Bonds. **Table 1** does not include debt service on outstanding subordinate bonds issued by MTA Bridges and Tunnels.

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**Table 1**  
**MTA Bridges and Tunnels General Revenue Bonds**  
**Aggregate Senior Lien Debt Service<sup>(1)</sup>**  
**(\$ in thousands)**

Year Ending December 31,	Debt Service on Outstanding Bonds <sup>(2)(3)(4)</sup>	<u>Debt Service on Series 2022A Bonds</u>			Aggregate Debt Service
		Principal	Interest	Total	
2022	\$ 379,404				
2023	622,245				
2024	642,719				
2025	640,353				
2026	655,247				
2027	654,204				
2028	661,580				
2029	663,140				
2030	656,539				
2031	664,504				
2032	706,678				
2033	417,272				
2034	415,655				
2035	423,237				
2036	430,225				
2037	430,409				
2038	429,986				
2039	297,621				
2040	275,529				
2041	366,705				
2042	259,887				
2043	240,595				
2044	313,717				
2045	259,311				
2046	282,455				
2047	262,413				
2048	242,410				
2049	148,521				
2050	127,495				
2051	113,766				
2052	113,765				
2053	113,945				
2054	114,140				
2055	47,728				
2056	47,933				
Total	\$13,121,330				

(1) Totals may not add due to rounding.

(2) Includes the following assumptions for debt service: variable rate bonds at an assumed rate of 4.0%; variable rate bonds swapped to fixed at the applicable fixed rate on the swap; floating rate notes at an assumed rate of 4.0% plus the current fixed spread; floating rate notes swapped to fixed at the applicable fixed rate on the swap plus the current fixed spread; Series 2001C Bonds and a portion of Series 2005A Bonds at an assumed rate of 4.0%; interest paid monthly, calculated on the basis of a 360-day year consisting of twelve 30-day months.

(3) Debt service has not been reduced to reflect expected receipt of Build America Bond interest subsidies relating to certain Outstanding Bonds; such subsidies do not constitute pledged revenues under the MTA Bridges and Tunnels Senior Resolution.

(4) Figures reflect amounts outstanding as of the date of this preliminary official statement.

## PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

**Part II** of this official statement describes the sources of payment and security for all General Revenue Bonds of MTA Bridges and Tunnels, including the Series 2022A Bonds.

### SOURCES OF PAYMENT

MTA Bridges and Tunnels receives its revenues from all tolls, rates, fees, charges, rents, proceeds of use and occupancy insurance on any portion of its tunnels, bridges and other facilities, including the net revenues of the Battery Parking Garage, and MTA Bridges and Tunnels' receipts from those sources, after payment of MTA Bridges and Tunnels' operating expenses, are pledged to the holders of the Bonds for payment, as described below.

The following seven bridges and two tunnels constitute MTA Bridges and Tunnels Facilities for purposes of the MTA Bridges and Tunnels Senior Resolution:

- Robert F. Kennedy Bridge (formerly the Triborough Bridge),
- Verrazzano-Narrows Bridge,
- Bronx-Whitestone Bridge,
- Throgs Neck Bridge,
- Henry Hudson Bridge,
- Marine Parkway-Gil Hodges Memorial Bridge,
- Cross Bay Veterans Memorial Bridge,
- Hugh L. Carey Tunnel (formerly the Brooklyn-Battery Tunnel), and
- Queens Midtown Tunnel.

MTA Bridges and Tunnels is required to fix and collect tolls for the MTA Bridges and Tunnels Facilities, and MTA Bridges and Tunnels' power to establish toll rates is not subject to the approval of any governmental entity. For more information relating to MTA Bridges and Tunnels' power to establish tolls, see Part 5 of the **ADS** – “RIDERSHIP AND FACILITIES USE – Toll Rates.”

For more detailed information about MTA Bridges and Tunnels' tolls, see the report of the Independent Engineers included by specific cross-reference herein entitled “History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority” dated April 29, 2022, and the Bringdown Letter of Stantec Consulting Services Inc., dated August 5, 2022, and included herein as **Attachment 4** (collectively, the Independent Engineers' Report). Readers should understand that the projections set forth in the Independent Engineers' Report have been developed based upon methodologies and using assumptions that may be different from the methodologies and assumptions used by MTA Bridges and Tunnels in connection with preparing the MTA July Financial Plan 2023-2026 as presented to the Board of MTA on July 27, 2022 (the July Financial Plan). Consequently, the projections set forth in the Independent Engineers' Report and in the July Financial Plan may differ. Prospective investors should read the Independent Engineers' Report in its entirety, including the updated traffic volume and toll revenue calculations detailed in **Attachment 4**.

The impact of the coronavirus and COVID-19 pandemic on MTA Bridges and Tunnels revenues and operations in 2020 was severe, and the COVID-19 pandemic continues to impact revenues and operations. See “BUSINESS – UPDATE REGARDING IMPACTS FROM THE CORONAVIRUS PANDEMIC AND CERTAIN MTA, FEDERAL AND STATE RESPONSES” in Part I of the ADS, and the First Quarterly Update to the ADS, dated August 5, 2022, included as **Attachment 5** hereto, for a description of impacts of

the coronavirus and COVID-19 pandemic upon MTA Bridges and Tunnels revenues, operations and timing of capital project implementation.

Copies of MTA Bridges and Tunnels' audited financial statements for the years ended December 31, 2021 and 2020 are included herein by specific cross-reference.

From time to time, legislation has been introduced by various State legislators seeking, among other things, to restrict the level of tolls on certain of MTA Bridges and Tunnels Facilities, to require approval of future toll increases by the Governor, or to eliminate minimum tolls or to require discounts or free passage to be accorded to certain users of MTA Bridges and Tunnels Facilities. Under the MTA Bridges and Tunnels Act, however, the State has covenanted to holders of MTA Bridges and Tunnels' bonds that it will not limit or alter the rights vested in MTA Bridges and Tunnels to establish and collect such charges and tolls as may be convenient or necessary to produce sufficient revenue to fulfill the terms of any agreements made with the holders of MTA Bridges and Tunnels bonds or in any way to impair rights and remedies of those bondholders.

**Table 2** sets forth, by MTA Bridges and Tunnels Facility, the amount of revenues for each of the last five years, as well as operating expenses.

**Table 2**

**MTA Bridges and Tunnels  
Historical Revenues, Operating Expenses and Senior Lien Debt Service  
(\$ in thousands)**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Bridge and Tunnel Revenues:					
Robert F. Kennedy Bridge	\$437,735	\$449,086	\$463,134	\$355,004	\$466,908
Verrazano-Narrows Bridge	416,312	434,963	453,343	386,978	515,132
Bronx Whitestone Bridge	327,812	334,325	352,093	282,204	379,286
Throgs Neck Bridge	345,556	345,992	356,078	293,274	348,927
Henry Hudson Bridge	84,479	84,422	88,568	59,958	91,874
Marine Parkway Gil Hodges Memorial Bridge	18,182	17,526	18,507	16,560	20,381
Cross Bay Veterans' Memorial Bridge	18,662	18,647	19,543	17,741	21,392
Queens Midtown Tunnel	157,443	175,919	198,866	134,251	192,306
Hugh L. Carey Tunnel	105,677	114,783	121,279	93,783	133,671
Total Bridge and Tunnel Revenues:	<u>\$1,911,858</u>	<u>\$1,975,663</u>	<u>\$2,071,411</u>	<u>\$1,639,753</u>	<u>\$2,169,877</u>
Investment Income and Other <sup>(1)</sup>	<u>23,425</u>	<u>30,106</u>	<u>31,921</u>	<u>22,716</u>	<u>24,726</u>
<b>Total Revenues</b>	<b><u>\$1,935,283</u></b>	<b><u>\$2,005,769</u></b>	<b><u>\$2,103,332</u></b>	<b><u>\$1,662,469</u></b>	<b><u>\$2,194,603</u></b>
Operating Expenses <sup>(2)</sup>					
Personnel Costs (net of reimbursements)	\$254,621	\$275,410	\$286,792	\$254,547	\$234,823
Maintenance and Other Operating Expenses	<u>241,838</u>	<u>256,210</u>	<u>257,028</u>	<u>212,188</u>	<u>227,203</u>
<b>Total Operating Expenses</b>	<b><u>\$496,459</u></b>	<b><u>\$531,620</u></b>	<b><u>\$543,820</u></b>	<b><u>\$466,735</u></b>	<b><u>\$462,026</u></b>
<b>Net Revenues Available for Debt Service<sup>(3)</sup></b>	<b>\$1,438,824</b>	<b>\$1,474,149</b>	<b>\$1,559,512</b>	<b>\$1,195,734</b>	<b>\$1,732,577</b>
<b>MTA Bridges and Tunnels Senior Lien Debt Service<sup>(3)</sup></b>	<b>\$528,327</b>	<b>\$551,552</b>	<b>\$558,253</b>	<b>\$564,261</b>	<b>\$586,373</b>
<b>Senior Lien Coverage</b>	<b>2.72x</b>	<b>2.67x</b>	<b>2.79x</b>	<b>2.12x</b>	<b>2.95x</b>

<sup>(1)</sup> Includes the net revenues from the Battery Parking Garage, as well as E-ZPass administrative fees and miscellaneous other revenues. Investment earnings include interest earned on bond funds, including debt service funds that were applied to the payment of debt service as follows for the years 2017 through 2021, respectively (in thousands); \$1,824, \$3,582, \$4,793, \$970 and \$116. The amounts set forth in this footnote are derived from MTA Bridges and Tunnels' audited financial statements for the years 2017 through 2021.

<sup>(2)</sup> Excludes depreciation, other post-employment benefits other than pensions and asset impairment due to Superstorm Sandy.

<sup>(3)</sup> Net of Build America Bond interest subsidies of: \$8.1 million in 2017, \$8.5 million in 2018, \$8.4 million in 2019, \$8.6 million in 2020 and \$8.5 million in 2021.

The following should be noted in **Table 2**:

- Bridge and Tunnel Revenues – Traffic and revenues in 2021 increased compared to 2020, the height of the COVID-19 pandemic. Vehicle crossings were 307.3 million, an increase of 21.4% from 2020. In addition to the traffic recovery from the prior year, a toll increase was implemented in April 2021.
- Operating Expenses - Personnel Costs – The increase in 2018 was mainly due to the recent changes to accounting for Other Post Employment Benefit (OPEB) plans under GASB 75, a new accounting standard. The increase in 2019 was primarily due to an increase in retirement and other employee benefits. The decreases in 2020 and 2021 were primarily due to a decrease in salaries and benefits and other post-employment benefits as a result of lower headcount.
- Operating Expenses - Maintenance and Other Operating Expenses – In 2018, the increase in non-labor expenses was mainly due to higher costs relating to a full year of Cashless Tolling and additional major maintenance projects. In 2019, there was a slight increase in non-labor expenses mainly due to higher credit card fees associated with the toll increase implemented on March 31, 2019 and general inflationary adjustments across a variety of areas. The decrease in 2020 was mainly due to lower major maintenance and bridge painting costs, lower legal expenses and lower credit card fees. The increase in 2021 is mainly due to higher legal expenses, credit card and insurance, offset by lower major maintenance and bridge painting costs.

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**Table 3** sets forth certain revenues and expenses, including debt service, relating to MTA Bridges and Tunnels' Mid-Year Forecast 2022 and Preliminary Budget 2023 based on the July Financial Plan. The projection of estimated revenues and expenses set forth in the report by MTA Bridges and Tunnels' Independent Engineers (which is included by specific cross-reference in this official statement), is different from that set forth in the Mid-Year Forecast 2022 and Preliminary Budget 2023, as the projection is based upon conclusions formed independently based upon the Independent Engineers' own methodology and assumptions. Prospective investors should read the Independent Engineers' Report in its entirety, including the Independent Engineers' bringdown letter included herein as **Attachment 4**.

**Table 3**  
**MTA Bridges and Tunnels**  
**Mid-Year Forecast 2022 and Preliminary Budget 2023**  
**(\$ in thousands)<sup>(1)(2)</sup>**

	<b>Mid-Year Forecast 2022</b>	<b>Preliminary Budget 2023</b>
Operating Revenue		
Toll Revenue	\$2,315,385	\$2,322,793
Investment Income and Other Operating Revenue <sup>(3)</sup>	<u>21,489</u>	<u>20,176</u>
<b>Total Revenues</b>	<b><u>\$2,336,873</u></b>	<b><u>\$2,342,969</u></b>
Operating Expenses <sup>(4)</sup>		
Personnel Costs (net of reimbursements) <sup>(5)</sup>	\$251,692	\$263,271
Maintenance and Other Operating Expenses	<u>285,882</u>	<u>292,853</u>
<b>Total Operating Expenses</b>	<b><u>\$537,574</u></b>	<b><u>\$556,124</u></b>
<b>Net Revenues Available for Debt Service</b>	<b>\$1,799,299</b>	<b>\$1,786,846</b>
<b>MTA Bridges and Tunnels Senior Lien Debt Service<sup>(6)</sup></b>	<b>\$591,512</b>	<b>\$671,810</b>
<b>Senior Lien Coverage</b>	<b>3.04x</b>	<b>2.66x</b>

<sup>(1)</sup> See "BUSINESS – UPDATE REGARDING IMPACTS FROM THE CORONAVIRUS PANDEMIC AND CERTAIN MTA, FEDERAL AND STATE RESPONSES" in Part 1 of the **ADS** and the supplements and updates thereto, including the First Quarterly Update to the ADS, dated August 5, 2022, and included as **Attachment 5** hereto, for a description of impacts of the coronavirus and COVID-19 pandemic upon MTA Bridges and Tunnels revenues, expenses, operations and timing of capital projects' implementation. Also see **Appendix E** – History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority and the bringdown letter attached hereto as **Attachment 4**.

<sup>(2)</sup> Numbers may not add due to rounding.

<sup>(3)</sup> Includes the net revenues from the Battery Parking Garage, as well as E-ZPass administrative fees and miscellaneous other revenues. Investment earnings include interest earned on bond funds, including debt service funds that were applied to the payment of debt service as follows for the years 2017 through 2021, respectively (in thousands); \$1,824, \$3,582, \$4,793, \$970 and \$116. The amounts set forth in this footnote are derived from MTA Bridges and Tunnels' audited financial statements for the years 2017 through 2021.

<sup>(4)</sup> Excludes depreciation and other post-employment benefits other than pensions.

<sup>(5)</sup> Includes regular and overtime salaries and fringe annual benefits, less capitalized personnel reimbursements.

<sup>(6)</sup> Debt service is net of the expected receipt of annual Build America Bonds interest credit payments of approximately \$8.4 million in 2022 and \$8.3 million in 2023. Such interest credit payments do not constitute revenues under the MTA Bridges and Tunnels Senior Resolution. Debt service includes forecasted issuances and assumptions regarding interest rates set forth in the July Financial Plan.

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## SECURITY

General Revenue Bonds are general obligations of MTA Bridges and Tunnels payable solely from the Trust Estate (described below) pledged for the payment of the General Revenue Bonds and Parity Debt pursuant to the terms of the MTA Bridges and Tunnels Senior Resolution, after the payment of Operating Expenses. The MTA Bridges and Tunnels Senior Resolution, including the Standard Resolution Provisions, are included by specific cross-reference herein.

*General Revenue Bonds are not a debt of the State or the City or any other local governmental unit. MTA Bridges and Tunnels has no taxing power.*

### **Pledge Effected by the MTA Bridges and Tunnels Senior Resolution**

The Bonds and Parity Debt issued in accordance with the MTA Bridges and Tunnels Senior Resolution are secured by a net pledge of Revenues after the payment of Operating Expenses.

Pursuant to, and in accordance with, the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels has pledged to the holders of the General Revenue Bonds a “Trust Estate,” which consists of:

- Revenues,
- the proceeds from the sale of the General Revenue Bonds, and
- all funds, accounts and subaccounts established by the MTA Bridges and Tunnels Senior Resolution (except those established pursuant to a related supplemental resolution, and excluded by such supplemental resolution from the Trust Estate as security for all General Revenue Bonds in connection with variable interest rate obligations, put obligations, parity debt, subordinated contract obligations or subordinated debt).

### **Revenues and Additional MTA Bridges and Tunnels Projects**

***Revenues from MTA Bridges and Tunnels Facilities.*** For purposes of the pledge under the MTA Bridges and Tunnels Senior Resolution, Revenues of MTA Bridges and Tunnels generally include all tolls, revenues, rates, fees, charges, rents, proceeds of use and occupancy insurance on any portion of the MTA Bridges and Tunnels Facilities (including net revenues derived from the Battery Parking Garage) and of any other insurance which insures against loss of revenues therefrom payable to or for the account of MTA Bridges and Tunnels, and other income and receipts, as received by MTA Bridges and Tunnels directly or indirectly from any of MTA Bridges and Tunnels’ operations, including the ownership or operation of any MTA Bridges and Tunnels Facilities, subject to certain exceptions.

MTA Bridges and Tunnels does not currently derive any significant recurring Revenues from any sources other than the MTA Bridges and Tunnels Facilities and investment income. Income from capital projects for the Transit and Commuter Systems, MTA Bus and MTA Staten Island Railway financed by MTA Bridges and Tunnels is not derived by or for the account of MTA Bridges and Tunnels; consequently, no revenues from any portion of the capital projects for the Transit and Commuter Systems, MTA Bus and MTA Staten Island Railway financed by MTA Bridges and Tunnels are pledged to the payment of debt service on the General Revenue Bonds.

For a discussion of other projects that MTA Bridges and Tunnels is authorized to undertake, see Part 4 of the **ADS** – “TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY – *Authorized Projects of MTA Bridges and Tunnels.*”

***Additional MTA Bridges and Tunnels Projects that can become MTA Bridges and Tunnels Facilities.*** If MTA Bridges and Tunnels is authorized to undertake another project, whether or not a bridge or tunnel, that project can become an MTA Bridges and Tunnels Facility for purposes of the MTA Bridges and

Tunnels Senior Resolution if it is designated as such by MTA Bridges and Tunnels and it satisfies certain conditions more fully described in the MTA Bridges and Tunnels Senior Resolution included by specific cross-reference herein.

### **Flow of Revenues**

The MTA Bridges and Tunnels Senior Resolution establishes the following funds and accounts, each held by MTA Bridges and Tunnels:

- Revenue Fund,
- Proceeds Fund,
- Debt Service Fund, and
- General Fund.

Under the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels is required to pay into the Revenue Fund all Revenues as and when received and available for deposit.

MTA Bridges and Tunnels is required to pay out from the Revenue Fund, on or before the 25th day of each calendar month, the following amounts in the following order of priority:

- payment of reasonable and necessary Operating Expenses or accumulation in the Revenue Fund as a reserve (i) for working capital, (ii) for such Operating Expenses the payment of which is not immediately required, including amounts determined by MTA Bridges and Tunnels to be required as an operating reserve, or (iii) deemed necessary or desirable by MTA Bridges and Tunnels to comply with orders or rulings of an agency or regulatory body having lawful jurisdiction;
- transfer to the Debt Service Fund, the amount, if any, required so that the balance in the fund is equal to Accrued Debt Service to the last day of the current calendar month; provided, however, that in no event shall the amount to be so transferred be less than the amount required for all payment dates occurring prior to the 25th day of the next succeeding calendar month;
- transfer to another person for payment of, or accrual for payment of, principal of and interest on any Subordinated Indebtedness or for payment of amounts due under any Subordinated Contract Obligations; and
- transfer to the General Fund any remaining amount.

All amounts paid out by MTA Bridges and Tunnels for an authorized purpose (excluding transfers to any other pledged Fund or Account), or withdrawn from the General Fund in accordance with the MTA Bridges and Tunnels Senior Resolution, are free and clear of the lien and pledge created by the MTA Bridges and Tunnels Senior Resolution.

Under the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels is required to use amounts in the General Fund to make up deficiencies in the Debt Service Fund and the Revenue Fund, in that order. Subject to the preceding sentence and any lien or pledge securing Subordinated Indebtedness, the MTA Bridges and Tunnels Senior Resolution authorizes MTA Bridges and Tunnels to release amounts in the General Fund to be paid to MTA Bridges and Tunnels free and clear of the lien and pledge created by the MTA Bridges and Tunnels Senior Resolution.

MTA Bridges and Tunnels is required by law to transfer amounts released from the General Fund to MTA, and a statutory formula determines how MTA allocates that money between the Transit and Commuter Systems.

## Rate Covenant

Under the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels is required at all times to establish, levy, maintain and collect, or cause to be established, levied, maintained and collected, such tolls, rentals and other charges in connection with the MTA Bridges and Tunnels Facilities as shall always be sufficient, together with other money available therefor (including the anticipated receipt of proceeds of the sale of Obligations or other bonds, notes or other obligations or evidences of indebtedness of MTA Bridges and Tunnels that will be used to pay the principal of Obligations issued in anticipation of such receipt, but not including any anticipated or actual proceeds from the sale of MTA Bridges and Tunnels Facilities), to equal or exceed in each calendar year the greater of:

- an amount equal to the sum of amounts necessary in such calendar year
  - to pay all Operating Expenses of MTA Bridges and Tunnels, plus
  - to pay Calculated Debt Service, as well as the debt service on all Subordinated Indebtedness and all Subordinated Contract Obligations, plus
  - to maintain any reserve established by MTA Bridges and Tunnels pursuant to the MTA Bridges and Tunnels Senior Resolution, in such amount as may be determined from time to time by MTA Bridges and Tunnels in its judgment, or
- an amount such that Revenues less Operating Expenses shall equal at least 1.25 times Calculated Debt Service on all General Revenue Bonds for such calendar year.

For a more complete description of the rate covenant and a description of the minimum tolls that can be charged at the MTA Bridges and Tunnels Facilities, see the MTA Bridges and Tunnels Senior Resolution included by specific cross-reference herein.

## Additional Bonds

Under the provisions of the MTA Bridges and Tunnels Senior Resolution, MTA Bridges and Tunnels may issue one or more series of Additional Bonds on a parity with the Series 2022A Bonds and other Outstanding Bonds to provide for Capital Costs.

***Certain Additional Bonds for MTA Bridges and Tunnels Facilities.*** MTA Bridges and Tunnels may issue Additional Bonds without satisfying any earnings or coverage test for the purpose of providing for Capital Costs relating to MTA Bridges and Tunnels Facilities for the purpose of keeping such MTA Bridges and Tunnels Facilities in good operating condition or preventing a loss of Revenues or Revenues after payment of Operating Expenses derived from such MTA Bridges and Tunnels Facilities.

***Additional Bonds for Other Purposes.*** MTA Bridges and Tunnels may issue Additional Bonds to pay or provide for the payment of all or part of Capital Costs (including payment when due on any obligation of MTA Bridges and Tunnels or any other Related Entity), relating to any of the following purposes:

- capital projects of the Transit and Commuter Systems and MTA Staten Island Railway,
- any Additional MTA Bridges and Tunnels Project (that does not become a MTA Bridges and Tunnels Facility), or
- any MTA Bridges and Tunnels Facilities other than for the purposes set forth in the preceding paragraph.

In the case of Additional Bonds issued other than for the improvement, reconstruction or rehabilitation of MTA Bridges and Tunnels Facilities as described under the preceding heading, in addition to meeting certain other conditions, all as more fully described in the MTA Bridges and Tunnels Senior Resolution included by specific cross-reference herein, an Authorized Officer must certify that the historical Twelve



Month Period Net Revenues are at least equal to 1.40 times the Maximum Annual Calculated Debt Service on all senior lien Bonds, including debt service on the Bonds to be issued.

### **Refunding Bonds**

Bonds may be issued for the purpose of refunding Bonds or Parity Debt if (a) the Maximum Annual Calculated Debt Service (including the refunding Bonds then proposed to be issued but not including the Bonds to be refunded) is equal to or less than the Maximum Annual Calculated Debt Service on the Bonds as calculated immediately prior to the refunding (including the refunded Bonds but not including the refunding Bonds) or (b) the conditions referred to above under Additional Bonds for the category of Bonds being refunded are satisfied.

For a more complete description of the conditions that must be satisfied before issuing refunding Bonds, see the MTA Bridges and Tunnels Senior Resolution included by specific cross-reference herein.

### **Parity Debt**

MTA Bridges and Tunnels may incur Parity Debt pursuant to the terms of the MTA Bridges and Tunnels Senior Resolution that, subject to certain exceptions, would be secured by a pledge of, and a lien on, the Trust Estate on a parity with the lien created by the MTA Bridges and Tunnels Senior Resolution with respect to the Bonds. Parity Debt may be incurred in the form of a Parity Reimbursement Obligation, a Parity Swap Obligation or any other contract, agreement or other obligation of MTA Bridges and Tunnels designated as constituting "Parity Debt" in a certificate of an Authorized Officer delivered to the Trustee.

### **Subordinate Obligations**

The MTA Bridges and Tunnels Senior Resolution authorizes the issuance or incurrence of subordinate obligations.

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## **THE CENTRAL BUSINESS DISTRICT TOLLING PROGRAM**

The Central Business District Tolling Program (CBD Tolling Program) was established pursuant to legislation, known as the MTA Reform and Traffic Mobility Act (the Traffic Mobility Act), as part of the State budget for Fiscal Year 2019-2020, adopted on April 1, 2019. As provided in the Traffic Mobility Act, on June 11, 2019, MTA Bridges and Tunnels entered into a Memorandum of Understanding (MOU) with the New York City Department of Transportation (NYCDOT). If the program receives federal approval, the CBD Tolling Program will charge a toll for vehicles entering or remaining in the Central Business District (CBD), defined as south of and inclusive of 60th Street in Manhattan, but excluding the FDR Drive, Route 9A (the West Side Highway), the Battery Park underpass, and any surface roadway portion of the Hugh L. Carey Tunnel connecting to West Street.

To implement the CBD Tolling Program on federal-aid roadways within the CBD, authorization is required from the Federal Highway Administration (FHWA) under its Value Pricing Pilot Program (VPPP). In accordance with the National Environmental Policy Act, MTA Bridges and Tunnels, New York State Department of Transportation (NYSDOT), and NYCDOT, in cooperation with FHWA, are preparing an Environmental Assessment (EA) with robust public outreach, based on guidance received from FHWA on March 30, 2021. The EA will assess the potential effects of the CBD Tolling Program across a 28-county study area in three states, which covers a population of over 22 million, including 12.3 million in Environmental Justice (EJ) communities. To date, 24 public webinars have been completed. More than 7,300 comments were received via the web, email, online recorded submissions, phone, and mail. Nine of the nineteen sessions were specifically focused on EJ communities. On July 27, 2022, MTA announced that the EA is anticipated to be released on or about August 10, 2022, on which date the comment period seeking public feedback will begin and will conclude on September 9, 2022. MTA and other stakeholders will also hold a series of six virtual public hearings between August 25, 2022 and August 31, 2022. MTA anticipates a federal decision and the start of construction in the first quarter of 2023.

MTA also announced on July 27, 2022 the establishment of the legally mandated Traffic Mobility Review Board (TMRB), to be chaired by Carl Weisbrod. The TMRB is required to make recommendations regarding the CBD toll rates and plans for CBD credits, discounts, and/or exemptions, then present its recommendations to the MTA Bridges and Tunnels Board for consideration before the CBD Tolling Program is implemented.

The overall budget for the CBD Tolling Program is \$503 million, including program and construction management, design, construction, and integration of toll technology systems and infrastructure; development of the customer service center software and build-out; environmental review; and public outreach and education. A contract with TransCore, LP (TransCore) was executed on October 31, 2019, to design, build, operate, and maintain the tolling system and infrastructure. The CBD Tolling Program is currently in the design phase. If the CBD Tolling Program receives FHWA approval, TransCore will have up to 310 days from the date of such approval to get the program operational.

The Traffic Mobility Act provides for payment or reimbursement to MTA Bridges and Tunnels for costs related to the CBD Tolling Program from revenues derived solely from the CBD Tolling Program. If the program receives FHWA approval and the CBD Tolling Program is fully implemented, consistent with statutory requirements, MTA Bridges and Tunnels expects that capital costs associated with the planning, design, installation, and construction of the CBD Tolling Program will be paid or reimbursed from funds available in the CBD Tolling Capital Lockbox Fund, which includes, among other things, certain City and State Sales Taxes and the Mansion Tax, and will also include all revenues received by MTA Bridges and Tunnels from the CBD Tolling Program. The CBD Tolling Program toll rates will ultimately be set by a vote of the Board of MTA Bridges and Tunnels, after the environmental review process and after the TMRB makes its recommendations. Since the toll rates and definitive date of implementation have not yet been established, it is unclear how the CBD Tolling Program will affect both transactions and revenues for MTA Bridges and Tunnels.

*Pledged revenues under the MTA Bridges and Tunnels Senior Resolution are not available to be expended on the implementation or administration of the CBD Tolling Program, unless the CBD Tolling Program qualifies as an Additional MTA Bridges and Tunnels Project, as defined in the MTA Bridges and Tunnels Senior Resolution. Revenues derived from the CBD Tolling Program are not available for debt service on the General Revenue Bonds of MTA Bridges and Tunnels issued to finance bridges and tunnel projects in the MTA Bridges and Tunnels Capital Program, unless the CBD Tolling Program qualifies as an Additional MTA Bridges and Tunnels Project. MTA Bridges and Tunnels has no present intention of qualifying the CBD Tolling Program as an Additional MTA Bridges and Tunnels Project. See “STATISTICAL INFORMATION – RIDERSHIP AND FACILITIES USE – Central Business District Tolling Program” in Part 5 of the ADS.*

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## **PART III. OTHER INFORMATION ABOUT THE SERIES 2022A BONDS**

**Part III** of this official statement provides miscellaneous additional information relating to the Series 2022A Bonds.

### **TAX MATTERS**

#### **General**

Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C. are Co-Bond Counsel for the Series 2022A Bonds. Each Co-Bond Counsel is of the opinion that, under existing law, relying on certain statements by MTA Bridges and Tunnels and assuming compliance by MTA Bridges and Tunnels with certain covenants, interest on the Series 2022A Bonds is:

- excluded from an Owner's federal gross income under Section 103 of the Internal Revenue Code of 1986, and
- not a specific preference item for an Owner in calculating the federal alternative minimum tax.

Each Co-Bond Counsel is also of the opinion that, under existing law, interest on the Series 2022A Bonds is exempt from personal income taxes of the State and any political subdivisions of the State, including the City. See **Attachment 3** to this official statement for the form of the opinions that Co-Bond Counsel expect to deliver when the Series 2022A Bonds are delivered.

#### **The Series 2022A Bonds**

The Internal Revenue Code of 1986 imposes requirements on the Series 2022A Bonds that MTA Bridges and Tunnels must continue to meet after the Series 2022A Bonds are issued. These requirements generally involve the way that Series 2022A Bond proceeds must be invested and ultimately used and the way that assets financed and refinanced with proceeds of the Series 2022A Bonds must be used. If MTA Bridges and Tunnels does not meet these requirements, it is possible that an Owner may have to include interest on the Series 2022A Bonds in its federal gross income on a retroactive basis to the date of issue. MTA Bridges and Tunnels has covenanted to do everything necessary to meet the requirements of the Internal Revenue Code of 1986.

An Owner who is a particular kind of taxpayer may also have additional tax consequences from owning the Series 2022A Bonds. This is possible if an Owner is:

- an S corporation,
- a United States branch of a foreign corporation,
- a financial institution,
- a property and casualty or a life insurance company,
- an individual receiving Social Security or railroad retirement benefits,
- an individual claiming the earned income credit, or
- a borrower of money to purchase or carry the Series 2022A Bonds.

If an Owner is in any of these categories, it should consult its tax advisor.

Co-Bond Counsel are not responsible for updating their respective opinions in the future. It is possible that future events could change the tax treatment of the interest on the Series 2022A Bonds or affect the market price of the Series 2022A Bonds. See also "Miscellaneous" below under this heading.

Co-Bond Counsel express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel on the federal income tax treatment of interest on the Series 2022A Bonds, or under State, local or foreign tax law.

### **Original Issue Discount**

Each maturity of the Series 2022A Bonds will have “original issue discount” if the price first paid by the purchasers (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) of a substantial amount of such Series 2022A Bonds is less than the principal amount of such Series 2022A Bonds. Original issue discount on these Series 2022A Bonds is excluded from gross income for federal income tax purposes to the same extent and subject to the same considerations discussed above as interest on the Series 2022A Bonds. In addition, original issue discount on these Series 2022A Bonds as it accrues is exempt from personal income taxes of the State and its political subdivisions, including the City. The tax accounting treatment of original issue discount is complex. It accrues on an actuarial basis, and, as it accrues, an Owner’s tax basis in these Series 2022A Bonds will be increased. If an Owner owns one of these Series 2022A Bonds, it should consult its tax advisor regarding the tax treatment of original issue discount.

### **Bond Premium**

If an Owner purchases a Series 2022A Bond for a price that is more than the principal amount, generally the excess is “bond premium” on that Series 2022A Bond. The tax accounting treatment of bond premium is complex. It is amortized over time and as it is amortized, an Owner’s tax basis in that Series 2022A Bond will be reduced. The Owner of a Series 2022A Bond that is callable before its stated maturity date may be required to amortize the premium over a shorter period, resulting in a lower yield on such Series 2022A Bond. An Owner in certain circumstances may realize a taxable gain upon the sale of a Series 2022A Bond with bond premium, even though the Series 2022A Bond is sold for an amount less than or equal to the Owner’s original cost. If an Owner owns any Series 2022A Bonds with bond premium, it should consult its tax advisor regarding the tax accounting treatment of bond premium.

### **Information Reporting and Backup Withholding**

Information reporting requirements apply to interest paid on tax-exempt obligations, such as the Series 2022A Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the interest recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Internal Revenue Code of 1986. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an Owner purchasing a Series 2022A Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2022A Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the Owner’s federal income tax once the required information is furnished to the Internal Revenue Service.

### **Miscellaneous**

Legislative or administrative actions and court decisions, at either the federal or state level, may cause interest on the Series 2022A Bonds to be subject, directly or indirectly, in whole or in part, to federal, state or local income taxation, and thus have an adverse impact on the value or marketability of the Series 2022A

Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion or exemption of the interest on the Series 2022A Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an impact on the federal or state income tax treatment of holders of the Series 2022A Bonds may occur. Prospective purchasers of the Series 2022A Bonds should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Series 2022A Bonds. Co-Bond Counsel have not undertaken to advise in the future whether any events after the date of issuance of the Series 2022A Bonds may affect the tax status of interest on the Series 2022A Bonds.

Prospective Owners should consult their own tax advisors regarding the foregoing matters.

### **BOARD POLICY REGARDING SENIOR LIEN COVERAGE**

In addition to the requirements of the rate covenant and the requirements for the issuance of additional bonds for certain purposes set forth under “SECURITY – Rate Covenant” and “–Additional Bonds”, respectively, in **Part II**, the Board of MTA Bridges and Tunnels has established a policy that it will “endeavor to maintain a ratio” of Net Revenues to senior lien Debt Service of at least 1.75x. MTA Bridges and Tunnels had been in compliance with this policy since its adoption in March 2002.

The policy does not constitute a covenant or agreement by MTA Bridges and Tunnels enforceable under the MTA Bridges and Tunnels Senior Resolution. While this policy has been in effect without change since 2002, the Board of MTA Bridges and Tunnels retains the right to amend, modify or repeal such policy and may do so at any time in its sole discretion without the consent or approval of the Trustee or any Bondholder under the MTA Bridges and Tunnels Senior Resolution.

### **LEGALITY FOR INVESTMENT**

The MTA Bridges and Tunnels Act provides that the Series 2022A Bonds are securities in which the following investors may properly and legally invest funds, including capital in their control or belonging to them:

- all public officers and bodies of the State and all municipalities and political subdivisions in the State,
- all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business,
- all administrators, guardians, executors, trustees and other fiduciaries, and
- all other persons whatsoever who are now or who may hereafter be authorized to invest in the obligations of the State.

Certain of those investors, however, may be subject to separate restrictions that limit or prevent their investment in the Series 2022A Bonds.

### **LITIGATION**

There is no pending litigation concerning the issuance of the Series 2022A Bonds.

MTA Bridges and Tunnels is a defendant in numerous claims and actions, the status of which is set forth in Part 6 of the **ADS** – “LITIGATION – MTA Bridges and Tunnels,” as that filing may be amended or supplemented to date.

## **CO-FINANCIAL ADVISORS**

Public Resources Advisory Group, Inc. and Sycamore Advisors, LLC are MTA Bridges and Tunnels' Co-Financial Advisors for the Series 2022A Bonds. The Co-Financial Advisors have provided MTA Bridges and Tunnels advice on the plan of finance and reviewed the pricing of the Series 2022A Bonds. The Co-Financial Advisors have not independently verified the information contained in this official statement and do not assume responsibility for the accuracy, completeness or fairness of such information.

## **UNDERWRITING**

The Underwriters for the Series 2022A Bonds, acting through Morgan Stanley & Co. LLC, as representative, have agreed, subject to certain conditions, to purchase from MTA Bridges and Tunnels the Series 2022A Bonds described on the inside cover page of this official statement at an aggregate purchase price of \$ \_\_\_\_\_, reflecting an original issue premium of \$ \_\_\_\_\_ and an underwriters' discount of \$ \_\_\_\_\_, and to reoffer such Series 2022A Bonds at the public offering prices or yields set forth on the inside cover page.

The Series 2022A Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2022A Bonds into investment trusts) at prices lower or yields higher than such public offering prices or yields and prices or yields may be changed, from time to time, by the Underwriters.

The Underwriters' obligation to purchase the Series 2022A Bonds is subject to certain conditions precedent, and they will be obligated to purchase all such Series 2022A Bonds if any Series 2022A Bonds are purchased.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by MTA Bridges and Tunnels as Underwriters) for the distribution of the Series 2022A Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for MTA Bridges and Tunnels, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of MTA Bridges and Tunnels. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

## **RATINGS**

The Summary of Terms identifies the ratings of the credit rating agencies that are assigned to the Series 2022A Bonds. Those ratings reflect only the views of the organizations assigning them. An

explanation of the significance of the ratings or any outlooks or other statements given with respect thereto from each identified agency may be obtained as follows:

Fitch Ratings Hearst Tower 300 W. 57th Street New York, New York 10019 (212) 908-0500	Kroll Bond Ratings Agency, Inc. 805 Third Avenue, 29 <sup>th</sup> Floor New York, New York 10022 (212) 702-0707
Moody's Investors Service, Inc. 7 World Trade Center New York, New York 10007 (212) 553-0300	S&P Global Ratings 55 Water Street New York, New York 10041 (212) 438-2000

MTA Bridges and Tunnels has furnished information to each rating agency rating the Series 2022A Bonds, including information not included in this official statement, about MTA Bridges and Tunnels and such bonds. Generally, rating agencies base their ratings on that information and on independent investigations, studies and assumptions made by each rating agency. A securities rating is not a recommendation to buy, sell or hold securities. There can be no assurance that ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by a rating agency if, in the judgment of that rating agency, circumstances warrant the revision or withdrawal. Those circumstances may include, among other things, changes in or unavailability of information relating to MTA Bridges and Tunnels or the Series 2022A Bonds. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the Series 2022A Bonds.

## LEGAL MATTERS

All legal proceedings in connection with the issuance of the Series 2022A Bonds are subject to the approval of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA Bridges and Tunnels. The form of the opinion to be delivered by each Co-Bond Counsel is **Attachment 3** to this official statement.

The Underwriters have appointed Norton Rose Fulbright US LLP as counsel to the Underwriters in connection with the underwriting of the Series 2022A Bonds, which firm will pass upon certain legal matters.

Certain legal matters will be passed on by Hawkins Delafield & Wood LLP, Special Disclosure Counsel to MTA Bridges and Tunnels.

Certain legal matters regarding MTA Bridges and Tunnels will be passed on by its Acting General Counsel.

## CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

As more fully stated in **Attachment 2**, MTA Bridges and Tunnels has agreed to provide certain financial information and operating data by no later than 120 days following the end of each fiscal year. That information is to include, among other things, information concerning MTA Bridges and Tunnels annual audited financial statements prepared in accordance with generally accepted accounting principles, or if unavailable, unaudited financial statements will be delivered until audited statements become available. MTA Bridges and Tunnels has undertaken to file such information (the Annual Information) with EMMA.



MTA Bridges and Tunnels has further agreed to deliver notice to EMMA of any failure to provide the Annual Information. MTA Bridges and Tunnels is also obligated to deliver, in a timely manner not in excess of ten business days after the occurrence of each event, notices of the following events to EMMA:

- principal and interest payment delinquencies;
- non-payment related defaults, if material;
- unscheduled draws on debt service reserves reflecting financial difficulties;
- unscheduled draws on credit enhancements reflecting financial difficulties;
- substitution of credit or liquidity providers, or their failure to perform;
- adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- modifications to the rights of security holders, if material;
- bond calls, if material, and tender offers;
- defeasances;
- release, substitution, or sale of property securing repayment of the Bonds, if material;
- rating changes;
- bankruptcy, insolvency, receivership of MTA Bridges and Tunnels or similar event;
- consummation of a merger, consolidation or acquisition involving an obligated person or sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;
- appointment of a successor or additional trustee or the change in name of a trustee, if material;
- incurrence of a financial obligation, as defined in Rule 15c2-12, of MTA Bridges and Tunnels, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of MTA Bridges and Tunnels, any of which affect security holders, if material; and
- default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation of MTA Bridges and Tunnels, any of which reflect financial difficulties.

MTA Bridges and Tunnels has not failed to comply, in any material respect, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

MTA Bridges and Tunnels is not responsible for any failure by EMMA or any nationally recognized municipal securities information repository to timely post disclosure submitted to it by MTA Bridges and Tunnels or any failure to associate such submitted disclosure to all related CUSIPs.

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## **FURTHER INFORMATION**

MTA Bridges and Tunnels may place a copy of this official statement on MTA's website at <https://new.mta.info/investors>. No statement on MTA's website or any other website is included by specific cross-reference herein.

Although MTA Bridges and Tunnels and MTA have prepared the information on MTA's website for the convenience of those seeking that information, no decision in reliance upon that information should be made. Typographical or other errors may have occurred in converting the original source documents to their digital format, and MTA Bridges and Tunnels and MTA assume no liability or responsibility for errors or omissions contained on any website. Further, MTA Bridges and Tunnels and MTA disclaim any duty or obligation to update or maintain the availability of the information contained on any website or any responsibility or liability for any damages caused by viruses contained within the electronic files on any website. MTA Bridges and Tunnels and MTA also assume no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

## **TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY**

By: \_\_\_\_\_  
Patrick J. McCoy  
Deputy Chief, Financial Services  
Metropolitan Transportation Authority and  
Authorized Officer  
Triborough Bridge and Tunnel Authority  
(MTA Bridges and Tunnels)

## **ATTACHMENT 1**

### **BOOK-ENTRY-ONLY SYSTEM**

1. The Depository Trust Company (DTC), New York, NY, will act as securities depository for the Series 2022A Bonds. The Series 2022A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2022A Bond will be issued for each maturity of the Series 2022A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity of the Series 2022A Bonds exceeds \$500 million, one Bond of such maturity will be issued with respect to each \$500 million of principal amount, and an additional Bond will be issued with respect to any remaining principal amount of such maturity.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (Direct Participants) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants). DTC has an S&P rating of AA+. The DTC Rules applicable to Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Series 2022A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2022A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2022A Bond (Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2022A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2022A Bonds, except in the event that use of the book-entry-only system for the Series 2022A Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2022A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2022A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2022A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2022A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2022A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2022A Bond documents. For example, Beneficial Owners of the Series 2022A Bonds may wish to ascertain that the nominee holding the Series 2022A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2022A Bonds of any maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2022A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to MTA Bridges and Tunnels as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2022A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds and principal and interest payments on the Series 2022A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from MTA Bridges and Tunnels or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or MTA Bridges and Tunnels, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of MTA Bridges and Tunnels or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Series 2022A Bonds at any time by giving reasonable notice to MTA Bridges and Tunnels or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2022A Bonds are required to be printed and delivered.

10. MTA Bridges and Tunnels may decide to discontinue use of the system of book-entry transfers through DTC (or a successor depository). In that event, certificates for the Series 2022A Bonds will be printed and delivered.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT MTA BRIDGES AND TUNNELS BELIEVES TO BE RELIABLE, BUT MTA BRIDGES AND TUNNELS TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

## ATTACHMENT 2

### CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), MTA Bridges and Tunnels and the Trustee will enter into a written agreement (the “Disclosure Agreement”) for the benefit of holders of the Series 2022A Bonds to provide continuing disclosure. MTA Bridges and Tunnels will undertake to provide certain financial information and operating data by no later than 120 days after the end of each MTA Bridges and Tunnels fiscal year, commencing with the fiscal year ending December 31, 2022 (the “Annual Information”), and to provide notices of the occurrence of certain enumerated events. The Annual Information will be filed by or on behalf of MTA Bridges and Tunnels with the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board (MSRB). Notices of enumerated events will be filed by or on behalf of MTA Bridges and Tunnels with EMMA. The nature of the information to be provided in the Annual Information and the notices of events is set forth below.

Pursuant to Rule 15c2-12, MTA Bridges and Tunnels will undertake for the benefit of holders of Series 2022A Bonds to provide or cause to be provided either directly or through the Trustee, audited financial statements by no later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2022, when and if such audited financial statements become available and, if such audited financial statements are not available on the date which is 120 days after the end of a fiscal year, the unaudited financial statements for such fiscal year. MTA Bridges and Tunnels annual financial statements will be filed with EMMA.

The required Annual Information will include at least the following:

1. information of the type included in the **MTA Annual Disclosure Statement** (the **ADS**) under the following captions:

- a. “TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY — MTA Bridges and Tunnels Facilities,”
- b. “TRIBOROUGH BRIDGE AND TUNNEL AUTHORITY — Authorized Projects of MTA Bridges and Tunnels,”
- c. “RIDERSHIP AND FACILITIES USE — MTA Bridges and Tunnels — Total Revenue Vehicles,”
- d. “RIDERSHIP AND FACILITIES USE — Toll Rates,”
- e. “RIDERSHIP AND FACILITIES USE — Competing Facilities and Other Matters,”  
and
- f. “EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST EMPLOYMENT OBLIGATIONS — MTA Bridges and Tunnels.”

2. information regarding the capital programs of MTA Bridges and Tunnels, as well as of related public authorities whose operating needs, financing activities and capital programs may have a material impact on the operations and financing activities of MTA Bridges and Tunnels,

3. a presentation of changes to indebtedness issued by MTA Bridges and Tunnels under both the MTA Bridges and Tunnels Senior Resolution and Subordinate Resolution, as well as information concerning changes to MTA Bridges and Tunnels’ debt service requirements on such indebtedness payable from Revenues,

4. historical information concerning traffic, revenues, operating expenses, MTA Bridges and Tunnels Senior Resolution debt service and debt service coverage of the type included in this official statement

in **Table 2** and included by specific cross-reference in Part 2 of the **ADS** under the heading “REVENUES OF THE RELATED ENTITIES – MTA Bridges and Tunnels Surplus,”

5. material litigation related to any of the foregoing, and
6. such narrative explanation as may be necessary to avoid misunderstanding and to assist the reader in understanding the presentation of financial information and operating data concerning, and in judging the financial condition of, MTA Bridges and Tunnels.

All or any portion of the Annual Information as well as required audited financial statements may be incorporated therein by specific reference to any other documents which have been filed with (a) EMMA or (b) the Securities and Exchange Commission (the “SEC”). Annual Information for any fiscal year containing any amended operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such amendment and the impact of the change on the type of operating data or financial information in the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such information shall present a comparison between the financial statements or information prepared on the basis of the amended accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information. To the extent feasible, such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent to EMMA.

MTA Bridges and Tunnels will undertake, for the benefit of holders of the Series 2022A Bonds, to provide or cause to be provided:

1. to EMMA, in a timely manner, not in excess of 10 business days after the occurrence of the event, notice of any of the events listed under the heading “CONTINUING DISCLOSURE UNDER SEC RULE 15c2-12” in this official statement with respect to the Series 2022A Bonds, and
2. to EMMA, in a timely manner, notice of a failure to provide any Annual Information required by such undertaking or any required audited financial statements.

The Disclosure Agreement provides that if any party to the Disclosure Agreement fails to comply with any provisions of its undertaking described herein, then any holder of the Series 2022A Bonds (which will include beneficial owners during any period that DTC acts as securities depository for, and DTC or its nominee is the registered owner of, the Series 2022A Bonds) may enforce, for the equal benefit and protection of all holders similarly situated, by mandamus or other suit or proceeding at law or in equity, the undertaking against such party and any of its officers, agents and employees, and may compel such party or any of its officers, agents or employees to perform and carry out their duties thereunder; provided that the sole and exclusive remedy for breach under the undertaking is an action to compel specific performance, and no person or entity, including any holder of Series 2022A Bonds, may recover monetary damages thereunder under any circumstances, and provided further that any challenge to the adequacy of any information under the undertaking may be brought only by the Trustee or the holders of 25 percent in aggregate principal amount of the Series 2022A Bonds at the time Outstanding which are affected thereby. Each of MTA Bridges and Tunnels and the Trustee reserves the right, but shall not be obligated to, enforce the obligations of the others. Failure to comply with any provisions of the undertaking shall not constitute a default under the MTA Bridges and Tunnels Senior Resolution nor give right to the Trustee or any Bondholder to exercise any remedies under the MTA Bridges and Tunnels Senior Resolution. In addition, if all or any part of Rule 15c2-12 ceases to be in effect for any reason, then the information required to be provided under the undertaking insofar as the provision of Rule 15c2-12 no longer in effect required the provision of such information, shall no longer be required to be provided.

The foregoing is intended to set forth a general description of the type of financial information and operating data that will be provided; the descriptions are not intended to state more than general categories of financial information and operating data; and where MTA Bridges and Tunnels' undertaking calls for information that no longer can be generated or is no longer relevant because the operations to which it related have been materially changed or discontinued, a statement to that effect will be provided. MTA Bridges and Tunnels does not anticipate that it often will be necessary to amend the undertaking. The undertaking, however, may be amended or modified under certain circumstances set forth therein and the undertaking will continue until the earlier of the date the Series 2022A Bonds have been paid in full or legally defeased pursuant to the MTA Bridges and Tunnels Senior Resolution or the date the undertaking is no longer required by law. Copies of the undertaking when executed by the parties will be on file at the office of MTA Bridges and Tunnels.

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### ATTACHMENT 3

#### FORM OF APPROVING OPINIONS OF CO-BOND COUNSEL

**Upon delivery of the Series 2022A Bonds in definitive form, each of Nixon Peabody LLP, New York, New York, and D. Seaton and Associates, P.A., P.C., New York, New York, Co-Bond Counsel to MTA Bridges and Tunnels, proposes to render its final approving opinion in substantially the following form:**

[Date of Closing]

Triborough Bridge and Tunnel Authority  
Triborough Station, Box 35  
New York, New York 10035

Ladies and Gentlemen:

We have examined a certified copy of the record of proceedings of the Triborough Bridge and Tunnel Authority (“TBTA”) and other proofs submitted to us relative to the issuance of \$\_\_\_\_\_ aggregate principal amount of Triborough Bridge and Tunnel Authority General Revenue Bonds, Series 2022A (the “Series 2022A Bonds”).

All terms defined in the Resolution (hereinafter defined) and used herein shall have the respective meanings assigned in the Resolution, except where the context hereof otherwise requires.

The Series 2022A Bonds are issued under and pursuant to the Constitution and statutes of the State of New York (the “State”), including the Triborough Bridge and Tunnel Authority Act, being Title 3 of Article 3 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended to the date of this opinion letter (herein called the “Issuer Act”), and under and pursuant to proceedings of TBTA duly taken, including a resolution adopted by the members of TBTA on March 26, 2002 entitled “General Resolution Authorizing General Revenue Obligations”, as supplemented by a resolution of said members adopted on December 15, 2021 (collectively, the “Resolution”).

The Series 2022A Bonds are dated, mature, are payable, bear interest and are subject to redemption, all as provided in the Resolution.

The Internal Revenue Code of 1986, as amended (the “Code”), establishes certain requirements that must be met subsequent to the issuance and delivery of the Series 2022A Bonds in order that interest on the Series 2022A Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. We have examined the Arbitrage and Use of Proceeds Certificate of TBTA, dated the date hereof (the “Arbitrage and Use of Proceeds Certificate”), in which TBTA has made representations, statements of intention and reasonable expectation, certifications of fact and covenants relating to the federal tax status of interest on the Series 2022A Bonds, including, but not limited to, certain representations with respect to the use of the proceeds of the Series 2022A Bonds and the investment of certain funds. The Arbitrage and Use of Proceeds Certificate obligates TBTA to take certain actions necessary to cause interest on the Series 2022A Bonds to be excluded from gross income pursuant to Section 103 of the Code. Noncompliance with the requirements of the Code could cause interest on the Series 2022A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance, irrespective of the date on which such noncompliance occurs or is ascertained. TBTA has covenanted in the Resolution to maintain the exclusion of the interest on the

Series 2022A Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In rendering the opinion in paragraph 5 hereof, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectation and certifications of fact contained in the Arbitrage and Use of Proceeds Certificate with respect to matters affecting the exclusion of interest on the Series 2022A Bonds from gross income for federal income tax purposes under Section 103 of the Code and (ii) compliance by TBTA with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

We have also examined one of said Series 2022A Bonds as executed and, in our opinion, the form of said Series 2022A Bond and its execution are regular and proper.

We are of the opinion that:

1. TBTA is duly created and validly existing under the laws of the State, including the Constitution of the State and the Issuer Act.

2. TBTA has the right and power under the Issuer Act to adopt the Resolution. The Resolution has been duly and lawfully adopted by TBTA, is in full force and effect, is valid and binding upon TBTA, and is enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Trust Estate, subject only to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The Series 2022A Bonds have been duly and validly authorized and issued in accordance with the laws of the State, including the Constitution of the State and the Issuer Act, and in accordance with the Resolution, and are valid and binding direct and general obligations of TBTA, enforceable in accordance with their terms and the terms of the Resolution, payable solely from the Trust Estate as provided in the Resolution, and are entitled to the benefits of the Issuer Act and the Resolution. TBTA has no taxing power and the Series 2022A Bonds are not debts of the State or of any political subdivision thereof. TBTA reserves the right to issue additional Obligations and to incur Parity Debt on the terms and conditions, and for the purposes, provided in the Resolution, on a parity as to security and payment with the Series 2022A Bonds.

4. The Series 2022A Bonds are securities in which all public officers and bodies of the State and all municipalities and political subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons who are or may be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them to the extent that the legality of such investment is governed by the laws of the State; and which may be deposited with and shall be received by all public officers and bodies of the State and all municipalities and political subdivisions for any purpose for which the deposit of bonds or other obligations of the State is or may be authorized.

5. Under existing statutes and court decisions (i) interest on the Series 2022A Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (ii) interest on the Series 2022A Bonds is not treated as a specific preference item in calculating the federal alternative minimum tax.

6. Under the Issuer Act, interest on the Series 2022A Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

The opinions expressed in paragraphs 2 and 3 above are subject to applicable bankruptcy, insolvency, receivership, reorganization, arrangements, fraudulent conveyances, moratorium and other laws heretofore or hereafter enacted affecting creditors' rights and are subject to the application of principles of equity relating to or affecting the enforcement of contractual obligations, whether such enforcement is considered in a proceeding in equity or at law.

Except as stated in paragraphs 5 and 6, we express no opinion regarding any other federal, state, local or foreign tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2022A Bonds. We express no opinion regarding the federal, state, local or foreign tax consequences of any action hereafter taken or not taken in reliance upon an opinion of other counsel with respect to the Series 2022A Bonds.

We express no opinion as to the accuracy or sufficiency of any financial or other information which has been or will be supplied to purchasers of the Series 2022A Bonds. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Series 2022A Bonds and express no opinion with respect thereto.

This opinion letter is rendered solely with regard to the matters expressly opined on above and does not consider or extend to any documents, agreements, representations or other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any future actions, facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any reason whatsoever.

Very truly yours,

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**ATTACHMENT 4**

**COPY OF BRINGDOWN LETTER OF STANTEC CONSULTING SERVICES INC.**

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To:	Triborough Bridge and Tunnel Authority	From:	Rick Gobeille, PE Stantec Consulting Services, Inc
	Triborough Station, Box 35 New York, New York 10035		475 Fifth Avenue, 12th Floor New York, NY 10017-7239
File:	Bringdown Letter of Stantec Consulting Services Inc.	Date:	August 5, 2022

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Ladies and Gentlemen:

Our report entitled “History and Projection of Traffic, Toll Revenues and Expenses and Review of Physical Conditions of the Facilities of Triborough Bridge and Tunnel Authority,” dated April 29, 2022 (the “Report”), based on actual traffic and revenue data through February 2022, as well as preliminary unaudited traffic volumes through April 25, 2022, was reviewed in connection with, and included by specific reference in, the Preliminary Official Statement dated August 5, 2022 of the Triborough Bridge and Tunnel Authority (MTA Bridges and Tunnels) with respect to its General Revenue Bonds, Series 2022A.

We have reviewed transaction and revenue data from March through May 2022. Additionally, we have reviewed underlying economic factors from the Report. Based on this analysis, this letter reaffirms the conclusions made in the Report and is relevant for use in connection with the Preliminary Official Statement dated August 5, 2022 of the Triborough Bridge and Tunnel Authority (MTA Bridges and Tunnels) with respect to its General Revenue Bonds, Series 2022A. The assumptions and projections contained in the Report are reasonable and nothing has occurred in the interim that would cause us to change our underlying assumptions for the forecast as presented in the Report or negatively impact the traffic and revenue projections presented, therefore the toll traffic and revenue projections in the Report remain valid. Additionally, the conclusions as to the physical conditions and expected useful lives of the MTA Bridges and Tunnels facilities set forth in the Report remain valid.

At the time the Report was published, Stantec expected some level of economic downturn in the short-term associated with a sharp increase in gas prices. As reported on July 28, 2022, the gross domestic product fell for the second quarter in a row. When the US economy contracts for two consecutive quarters, this indicates a potential recessionary period and is consistent with our forecast assumptions.

Please see Attachment A for a detailed comparison of available actual 2022 transactions and toll revenue data to both 2021 and the Report.

Very truly yours,

**STANTEC CONSULTING SERVICES INC.**



Rick Gobeille, PE  
Senior Principal

## ATTACHMENT A

### TOLL TRANSACTION VOLUMES

Stantec's development of transaction and toll revenue forecasts for 2022 took into account the economic condition of the region, fuel prices, unusual weather events, construction projects, and the ongoing COVID-19 Pandemic ("Pandemic"), among other factors. Projected toll transactions for 2022 in the Report were based on actual performance through February 2022 and projected 2022 transaction volumes for the March – December period.

Elasticity factors used in estimating the impacts of the revised toll schedules were based on factors developed by Stantec in analyzing the elasticity exhibited by historical toll increases, including the 2017 and 2019 toll increases, as well as trends at MTA Bridges and Tunnels facilities, Port Authority of New York and New Jersey facilities, and at competing toll-free East River crossings. A shift of transactions from Tolls by Mail to E-ZPass tolls was also included in the forecast, since the differential between the E-ZPass and Tolls by Mail rates increased, making E-ZPass more attractive.

Actual 2022 transactions for January and February (the period available at the time of the Report) and for March through May (the period for which actual data are now available) are compared to actual 2021 transactions in Table 1. At the time of the Report, actual 2022 transactions were 15.8 percent higher than the same period in 2021. It was forecast that the base transaction levels for the remaining ten months of 2022 would increase at an average rate of 2.7 percent. For the full year 2022, transactions were projected to increase 4.4 percent. As shown in Table 1, actual 2022 transactions through May 2022 are 11.9 percent greater than the same period in 2021, and are 1.0 percent greater than Stantec's comparable forecasts for the first five months of 2022. Actual transactions for the March through May period are 9.9 percent greater than for the same period in 2021; this is 7.2 percent above the average of 2.7 percent that Stantec projected for the remainder of the 2022 year. Actual 2022 transactions for January and February (the period available at the time of the Report) and for March 2022 through May 2022 (the period for which actual data are now available) are compared to the Stantec forecast in Figure 1.

While year-to-date transactions exceed the Report forecast, Stantec believes that the forecast continues to be valid.



## ATTACHMENT A

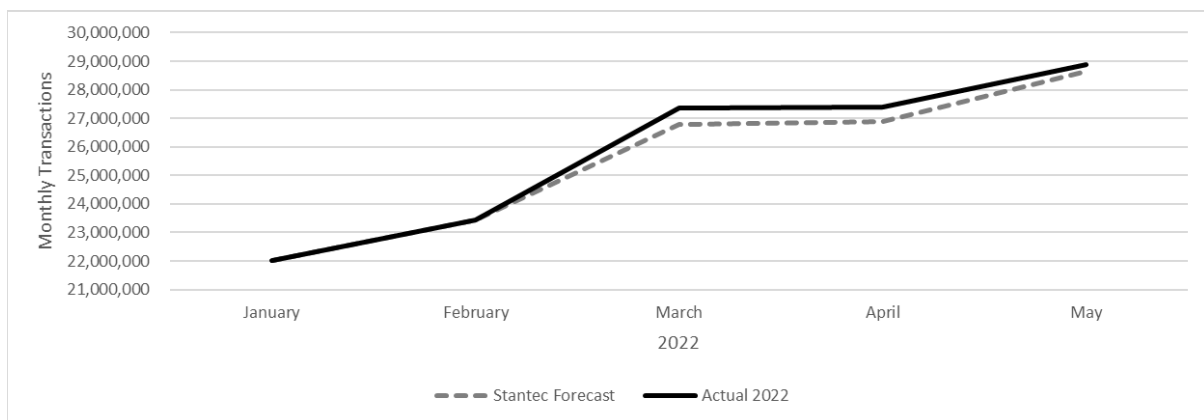
**Table 1 Systemwide MTA Bridges and Tunnels Transactions**  
(Subject to Final Audit)

Time Period	2021	2022	Percent Change
January - February	39,270,280	45,480,396	15.8%
March-May	76,080,205	83,622,583	9.9%
Total 5 Months	115,350,485	129,102,979	11.9%

Time Period	2021 Actual	2022 Forecast	Percent Change
Actual 2021 v. Forecast 2022 (Full Year in the Report)	307,302,128	320,727,388	4.4%

Time Period	2022 Forecast	2022 Actual	Percent Change
Forecast 2022 v. Actual 2022 (January - May)	127,798,044	129,102,979	1.0%

**Figure 1 Stantec Forecast v. 2022 Actual Transactions**  
(Actual MTA Bridges and Tunnels Transactions Subject to Final Audit)



## TOLL REVENUE

Forecast total 2022 toll revenues shown in the Report were based on actual data through February 2022, projected transaction volumes for March to December 2022, and past and current toll rates (implemented April 11, 2021). Actual toll revenues for January and February 2022 (the period available at the time of the Report) and for March through May (the period for which actual traffic and revenue data are now available) are compared to actual January through May 2021 toll revenues in Table 2.

In our Report, Stantec forecast total 2022 toll revenues of \$2,350.7 million, a forecast increase of 9.3 percent above the actual 2021 toll revenue. Five months of actual toll revenue data through May 2022 are currently available, and are 18.9 percent greater than the actual first five months of 2021. The first five months of actual 2022 toll revenues are 0.4 percent higher than Stantec's comparable five-month 2022 forecast toll revenues. Actual monthly toll revenues from 2022 are compared to the forecast in Figure 2.

## ATTACHMENT A

**Table 2 Systemwide MTA Bridges and Tunnels Toll Revenue**

(Subject to Final Audit)

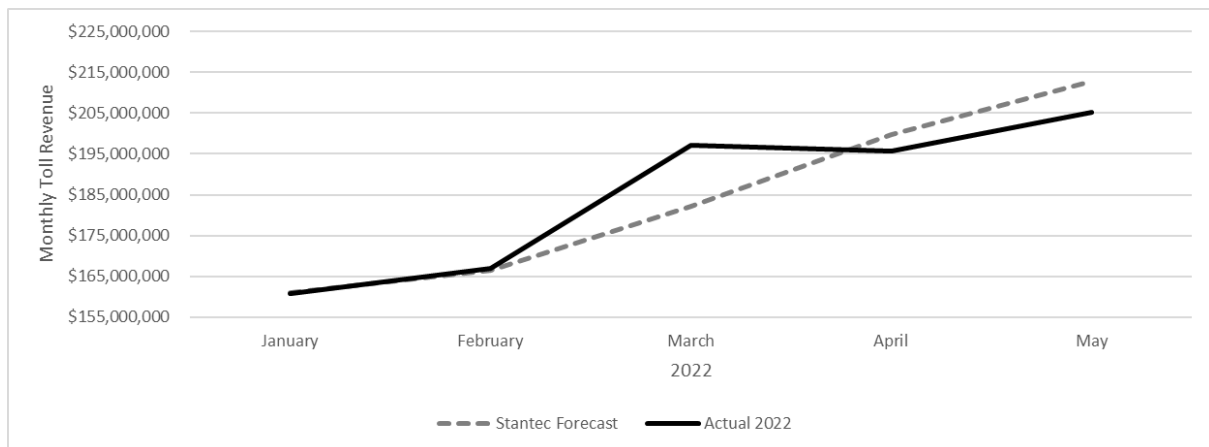
Time Period	2021	2022	Percent Change
January - February	\$ 255,525,173	\$ 327,827,886	28.3%
March-May	\$ 522,876,465	\$ 598,001,408	14.4%
Total 5 Months	\$ 778,401,638	\$ 925,829,294	18.9%

Time Period	2021 Actual	2022 Forecast	Percent Change
Actual 2021 v. Forecast 2022 (Full Year in the Report)	\$ 2,149,869,470	\$ 2,350,749,429	9.3%

Time Period	2022 Forecast	2022 Actual	Percent Change
Forecast 2022 v. Actual 2022 (January - May)	\$ 922,348,854	\$ 925,829,294	0.4%

**Figure 2 Forecast v. 2022 Actual Toll Revenue**

(Actual MTA Bridges and Tunnels Revenue Subject to Final Audit)



**ATTACHMENT 5**

**FIRST QUARTERLY UPDATE TO THE ADS, DATED AUGUST 5, 2022**

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**MTA ANNUAL DISCLOSURE STATEMENT UPDATE**  
**(2022 ADS First Quarterly Update)**  
**August 5, 2022**

**This Metropolitan Transportation Authority (MTA) Annual Disclosure Statement Update (including Attachment A hereto, the First Quarterly Update), dated August 5, 2022, is the first quarterly update to the Annual Disclosure Statement (the ADS) of MTA, dated April 29, 2022, as supplemented on June 22, 2022, and contains information only through its date. MTA expects to file this First Quarterly Update with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access system and may incorporate such information herein by specific cross-reference. Such information, together with the complete July Plan hereinafter referred to, is also posted on the MTA website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA's website or any other website is included by specific cross-reference herein. All of the information in this First Quarterly Update is accurate as of its date. MTA retains the right to update and supplement specific information contained herein as events warrant.**

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

**MTA ANNUAL DISCLOSURE STATEMENT UPDATE**  
**(2022 ADS First Quarterly Update)**  
**August 5, 2022**

**Introduction**

This update, dated August 5, 2022 (First Quarterly Update), is the first quarterly update to the Annual Disclosure Statement (ADS) of the Metropolitan Transportation Authority (MTA), dated April 29, 2022, as supplemented on June 22, 2022. This First Quarterly Update contains information only through August 5, 2022, and should be read in its entirety, together with the ADS as previously supplemented. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ADS.

In this First Quarterly Update, readers will find:

1. A summary of recent events and changes to MTA's 2022-2025 Financial Plan released by MTA in February 2022 (February Plan), made since the date of the ADS, to reflect provisions of the 2022 MTA July Financial Plan presented to the MTA Board on July 27, 2022 (July Plan). The complete July Plan is posted on MTA's website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA's website or any other website is included by specific cross-reference herein. The updated information reflected in the July Plan includes the 2022 Mid-Year Forecast, the 2023 Preliminary Budget and a Financial Plan for fiscal years 2023 through 2026.
2. **Attachment A** to this First Quarterly Update, which presents the consolidated July Plan in tabular form and includes Financial Plan tables that summarize MTA's July Plan projected receipts and expenditures for fiscal years, 2022, 2023 (preliminary budget) through 2026, in each case prepared by MTA management.

**Overview**

This First Quarterly Update discusses important features of the July Plan derived from the 2022 Mid-Year Forecast, the 2023 Preliminary Budget, the 2023-2026 Financial Plan, and updates to the February Plan. When used in this Third Quarterly Update, the term "above-the-line" refers to items that are incorporated in the Agency (which, for the purposes of this First Quarterly Update includes MTA, the Related Entities and FMTAC) and corporate-wide (such as subsidies and debt service) financials. Items are "below-the-line" for one or more of several reasons, such as: (i) they are a late adjustment and MTA cannot revise the aforementioned financials (the FEMA reimbursement, for example); (ii) they are proposed actions that require future Board approval (such as fare and toll increases); or (iii) they are actions which have yet to be allocated to each Agency (such as yet unidentified non-personnel savings from the Transformation Plan).

The July Plan, as with all plans beginning with the 2020 July Plan, reflects the impact that the novel coronavirus outbreak and the ensuing pandemic has had on the MTA region, forcing MTA to focus on financial survival while at the same time providing the service needed to keep the region moving during the height of the pandemic, during this late-pandemic period, and eventually under a post-pandemic "new normal".

## **The February Plan**

The February Plan projected annual balanced budgets through 2025. This balancing was only achieved with the awarding of \$10.5 billion in federal aid from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act of 2021 (ARPA), which was in addition to the \$4 billion received in 2020 from the Coronavirus Aid, Relief and Economic Security (CARES) Act, the implementation of the four percent fare and toll rate increases proposed for 2023 and 2025, and the use of \$499 million in deficit borrowing proceeds in 2025. The federal funding, however, masked the structural imbalance of MTA's finances. Without the fare and toll increases, ARPA and the use of deficit borrowing proceeds, 2025 was projected to be \$2.7 billion out of balance. Even if the fare and toll increases were fully implemented in 2023 and 2025, 2025 would still be out of balance by an estimated \$2.2 billion without federal funding and the deficit borrowing proceeds. With the COVID-19 pandemic related federal funding expected to be exhausted in 2025, significant budget deficits loomed beyond 2025 if actions to address the structural imbalance are not implemented.

The February Plan also reflected additional funding resources dedicated in the 2022-2023 New York State Executive Budget of \$337 million in 2022 appropriated Metropolitan Mass Transportation Operating Assistance (MMTOA) and Petroleum Business Tax (PBT) subsidies for MTA. Out-year projections of \$481 million in 2023, \$544 million in 2024 and \$565 million in 2025, based on estimates provided by New York State (the State), were also expected; over the Financial Plan period, these estimated State subsidies total \$1.9 billion. With the appropriation of additional subsidy revenue, the proposed mid-2022 four percent fare rate increase – initially proposed for implementation in March 2021 and deferred in subsequent financial plans – was removed from the February Plan.

## **The July Plan and Changes to the February Plan**

Prior to the outbreak of the Omicron variant of COVID-19, the MTA region was taking significant positive strides towards the post-pandemic “new normal.” The rollout of COVID-19 vaccines, in combination with continued measures to control the spread of the virus, allowed businesses to reopen. New York City public schools began the 2021-2022 school year in September with full in-person instruction, and Broadway theaters and other entertainment, sports, dining, and cultural venues began operating at capacity. Over the course of 2021, ridership and traffic volumes continued to gradually increase until close to year end, when Omicron took hold. November 2021 ridership, compared with the pre-pandemic level, was down 42% for subway, 37% for MTA New York City Transit bus, 31% for MTA Bus, 55% for MTA Staten Island Railway, 44% for MTA Long Island Rail Road and 48% for MTA Metro-North Railroad. In January 2022, ridership recovery had slipped, and ridership compared with the pre-pandemic level was down 53% for subway, 48% for MTA New York City Transit bus, 42% for MTA Bus, 67% for MTA Staten Island Railway, 61% for MTA Long Island Rail Road and 65% for MTA Metro-North Railroad. Ridership has gradually improved, and by April 2022, subway and bus ridership had recovered to the November 2021 level—subway 42% below the pre-pandemic level, MTA New York City Transit bus 38% below the pre-pandemic level and MTA Bus 31% below the pre-pandemic level, although MTA Staten Island Railway worsened to 61% below the pre-pandemic level—while the commuter railroads improved beyond November's results, with Long Island Rail

Road 42% below the pre-pandemic level and MTA Metro-North Railroad 41% below the pre-pandemic level.

Despite ridership levels that continue to remain significantly below pre-pandemic levels, MTA is providing service to accommodate both current riders and those who are expected to return to pre-pandemic travel routines. Subway and bus service are scheduled at 100% of pre-pandemic levels with expectations of meeting that schedule daily, while MTA Long Island Rail Road is providing service at approximately 88% of its pre-pandemic level, and MTA Metro-North Railroad is providing approximately 89% of pre-pandemic service.

As the impact of the pandemic started to become more entrenched (particularly following the emergence of the Omicron variant), MTA re-engaged with McKinsey & Co. to develop an updated post-pandemic recovery analysis. The new “midpoint” recovery percentages from the results of this analysis are incorporated in this July Plan for transit and commuter rail farebox revenue. Due to the full recovery with respect to bridge and tunnel traffic, toll revenue is forecast based on traffic at approximately 100% of pre-pandemic levels.

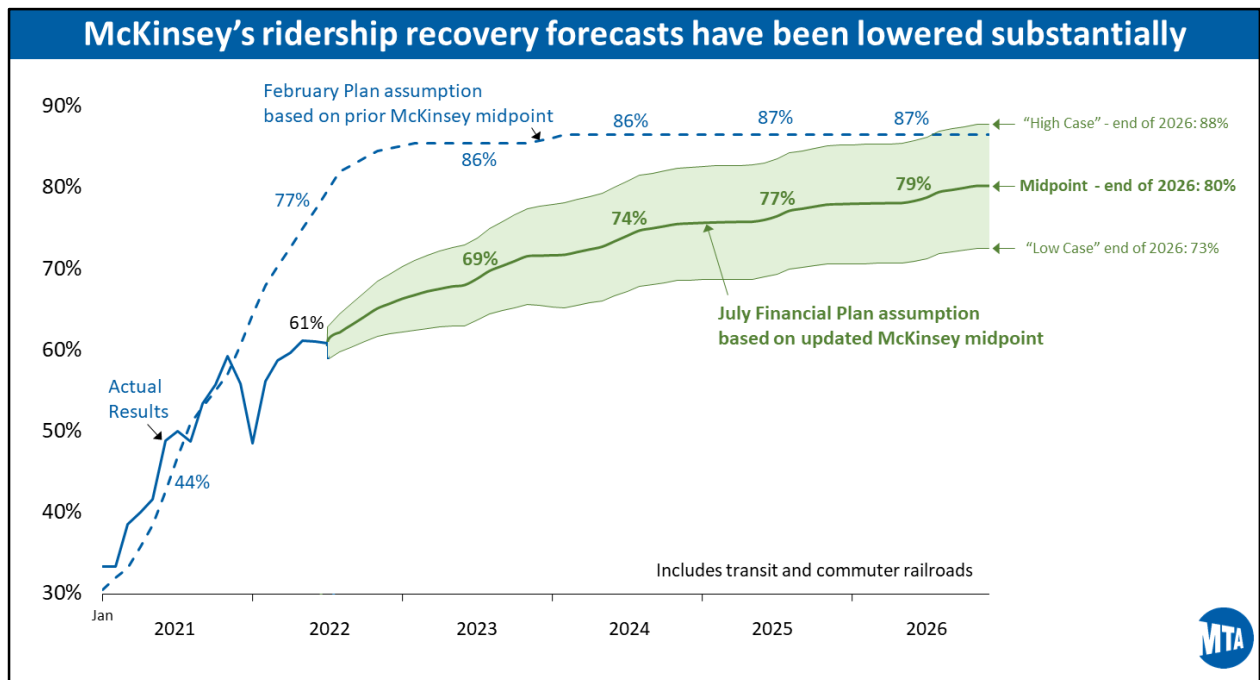
Actual revenue and ridership results through April were used in combination with these new McKinsey projections. Fare revenue through the first four months of 2022 was \$239 million below previous budgeted amounts, while toll revenue from MTA Bridges and Tunnels was \$58 million above budgeted amounts. The updated McKinsey projections are centered around behavioral changes that began during the pandemic and the degree to which those changes become more permanent or longer lasting. McKinsey prepared two scenarios – a “high case” and a “low case”.

The “high case” scenario projects a higher level of ridership recovery due to in-person work increasing during the projection period from current levels for the sectors that have the ability for hybrid work arrangements, loss of non-work trips from factors such as e-commerce, telehealth, etc. declining over time, and additional consumer sentiment factors which negatively impact ridership, such as COVID-19 concerns and safety perception also declining over time. It should be noted that even under this “high case” scenario, a lower “new normal” in ridership is forecast reflecting the more permanent impact of these factors.

The “low case” scenario projects a lower level of ridership recovery due to higher levels of remote work persisting, non-work trips rebounding more slowly, and other customer factors leading to slower returns to transit utilization over time.

The graph below illustrates the range of ridership forecasts for transit and the commuter railroads (and excluding MTA Bridges and Tunnels) based on the new McKinsey analysis (“High Case”, “Midpoint” and “Low Case”) as compared to the midpoint forecast from the prior McKinsey analysis.





As a result of the slower recovery and the lower “new normal” projections, updates to consolidated farebox revenue forecasts show lower consolidated fare and toll revenue by the following amounts:

Projected Baseline Fare and Toll Revenue Is Lower vs. February Plan (\$ millions)	
2022	\$ (1,020)
2023	(1,043)
2024	(757)
2025	(619)
2026	(488)

The changes in farebox revenue also impact the additional farebox revenue expected to be generated from fare rate increases proposed in the July Plan. Further, the revised ridership recovery projections affect estimates of City Subsidy for MTA Bus and MTA Staten Island Railway. These subsidy changes are also captured below-the-line in the July Plan.

MTA Bridges and Tunnels traffic and associated toll revenue have returned to pre-pandemic levels, as anticipated in the late 2020 McKinsey “best case” scenario, and this is reaffirmed in McKinsey’s updated preliminary analysis.

Beyond the unfavorable impact from the latest preliminary McKinsey ridership recovery analysis, farebox revenue compared with the February Plan is expected to be lower through 2025 by \$319 million, reflecting the shortfall through April as well as lower fare media liability at MTA New York City Transit as MetroCard usage is replaced by OMNY market share increases. MTA

Bridges and Tunnels toll revenue through 2025 is expected to be improved from the February Plan by \$213 million, reflecting higher toll revenue of \$30 million through April and changes in the mix of vehicles and payment methods used.

Minor changes in Related Entities' baseline farebox and toll revenue levels increase the amount of revenue expected to be generated by \$10 million from each of the 2023 and 2025 proposed fare and toll increases. The latest McKinsey projections also impact the 2023 and 2025 proposed fare and toll increases, lowering the expecting revenue generated by \$127 million over the four-year Financial Plan period.

In addition to farebox and toll revenue, baseline Agencies' re-estimates include \$325 million in MTA management identified new needs (New Needs) and other investment expenses through 2025. Major New Needs and other investments include the transfer of post-COVID-19 cleaning functions being provided under contract to in-house forces, better alignment of responsibilities at the Rail Control Center, relocating the Jamaica Bus Terminal and office space currently located at 180 Livingston Plaza, and funding for additional Staten Island bus dispatchers and Eagle Teams for bus fare collection enforcement at MTA New York City Transit; using laser cleaning technology to reduce rail sliding at MTA Staten Island Railway; expanded training for conductors and the safety department, and added maintenance for the car fleet and facilities at the MTA Long Island Rail Road; increasing service to 89% of pre-pandemic levels, providing additional service and maintenance for Connecticut operations, and additional resources for operations support and training at MTA Metro-North Railroad; installation of driver-protection barriers on express buses at MTA Bus; and the relocation of certain MTA police facilities to improve functionality, investments in staffing resources, and safety initiatives for Grand Central Madison at MTA Headquarters.

Other Agencies' baseline re-estimates result in higher costs of \$242 million through 2025, with electric power, fuel and health and welfare expenses higher by \$873 million and pension expenses and other re-estimates lower by \$631 million.

The net impact from debt service payable from the operating budget is that costs are forecasted to increase by an estimated \$253 million. Although this net increase in debt service is primarily attributable to higher interest rates, it incorporates several adjustments in the July Plan related to debt service payable from the operating budget:

- (1) Gross debt service "above-the line" is lower by \$975 million because some of the debt issuance is now assumed to be paid directly from the Capital Lockbox, and debt was issued by the State directly in connection with the State funding commitment for the 2015 – 2019 Capital Program.
- (2) Moving debt issuance to either the Capital Lockbox or to the State lowered reimbursement shown in the operating budget from such sources for debt service by \$670 million.
- (3) Debt service related to bonding of the Federal Reserve Municipal Liquidity Facility note was moved below-the-line and is now re-estimated at \$558 million.

These three adjustments result in an estimated aggregate increase in the net debt service burden to the operating budget of the above mentioned \$253 million.

Overall, subsidies are improved by \$54 million. Receipts from State and local subsidies and dedicated taxes are projected to have improved by \$27 million through 2025 compared with the February Plan, primarily reflecting year-to-date results. The transfer of capital lockbox receipts from the Mansion and Internet Marketplace Taxes into the operating budget is projected to be lower by \$318 million, reflecting lower coverage requirements for debt service expenses. Such transfers are limited to payment of debt service for the issuance of debt for 2020-2024 Capital Program projects by non-lockbox bond credits such as the TBTA PMT Obligation Resolution. Subsidies from New York City for MTA Bus and MTA Staten Island Railway and from the Connecticut Department of Transportation for its share of Metro-North Railroad's New Haven Line are estimated favorable by \$344 million through 2025 to cover increases in deficits of those operations; this includes the forecasted impact due to the revised McKinsey projections on City Subsidies for MTA Bus and MTA Staten Island Railway.

Savings targets, anticipated to generate \$150 million in annual savings starting in 2022 and earmarked as "Transformation Savings" in the February Plan, have been replaced with a "Fiscal Baseline Reset" program, with all Agencies focused on developing efficiencies across MTA. The July Plan projects annual savings of \$100 million from these efforts starting in 2023. Through 2025, this change reduces savings by \$300 million.

Reimbursement of direct COVID-related expenses through the Federal Emergency Management Agency (FEMA) are expected to increase by \$210 million in this Plan due to the extension of the full coverage period through the end of June 2022 and followed by 90% coverage.

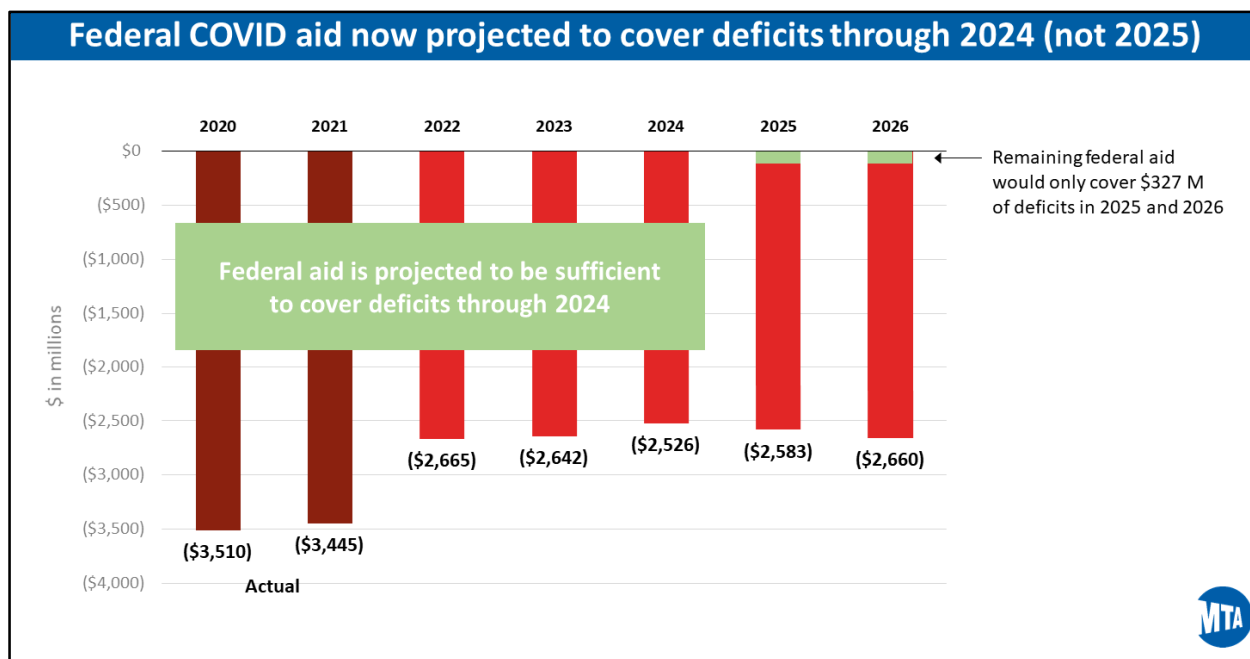
The timing of the use of formula based ARPA federal aid and the granting of discretionary ARPA funding, results in a favorable change from the February Plan of \$406 million through 2025. The July Plan also includes the use of the remaining \$201 million in federal funds in 2026.

The February Plan included the use of \$499 million in proceeds from deficit borrowing available through the Federal Reserve's Municipal Liquidity Facility. While the use of deficit borrowing proceeds is not reflected in the July Plan, which is an unfavorable impact of \$499 million in 2025, the debt service associated with borrowing is included in the Plan as it was in the February Plan.

Lastly, the February Plan included the repayment of a \$300 million line of credit. The July Plan reflects that no proceeds from the line of credit were ultimately needed to balance the budget, and as a result, there is no longer any unpaid balance related to the line of credit. This is a favorable improvement of \$300 million from the February Plan.

### **Summary of July Plan Conclusions**

In total, the cumulative impact of the changes since the February Plan is projected balanced budgets through 2024. The balanced budgets through 2024 are based on federal COVID-19 relief funds that have already been awarded to MTA and are expected to be sufficient to cover projected underlying deficits through 2024. Unfunded deficits of approximately \$2.6 to \$2.7 billion are projected in each of 2025 and 2026. This is illustrated in the following graph.



As illustrated above, the federal funding temporarily covers the structural imbalance in MTA's finances, which is evident from the approximate \$2.5 to \$2.7 billion deficits in 2025 and 2026, after all but \$327 million of federal aid is projected to be exhausted by the end of 2024. Without federal COVID-19 relief funds, each year of the Financial Plan would be in substantial deficit. In addition, the deficits would be higher without the assumed 4% fare and toll increases in 2023 and 2025 built into the July Plan, with the annual deficit in 2026 increasing to approximately \$3 billion, if the fare and toll increases are not implemented.

### Challenges and Significant Risks Remain

There are a variety of challenges and significant risks affecting MTA, implementation of the July Plan and the ability to fully address the deficits still projected in the July Plan. Even with federal funding, the financial plan is out of balance, with ridership forecast to recover slowly over the plan period and remain substantially below pre-pandemic levels. Additional risks to the July Plan include:

- *Ridership Improvements Can Fall Short of Projections.* The July Plan anticipates ridership recovery based on the midpoint between the new "high case" and "low case" McKinsey scenarios, as described above. Should ridership be lower than the new midpoint forecast, loss of projected revenue could be significant.
- *Economy Slows or Falls Into Recession.* The dedicated taxes MTA relies on to cover its operating budget are sensitive to economic downturns, and a significant decline in economic activity could reduce dedicated tax receipts.
- *Inflation and Potentially Higher Interest Rates than Forecast.* The July Plan assumes inflation reverts to about two percent annually from current levels, and includes interest rate assumptions consistent with the Federal Open Markets Committee's

(FOMC) and FOMC's substantial interest rate increases implemented to date. At its July 27, 2022 meeting, FOMC raised interest rates by 0.75 points to 2.25%. However, inflationary growth beyond the FOMC's inflation target could lead to a further increasing of the federal funds rate. Projected additional interest rate actions by FOMC as well as capital market dynamics could lead to an increase in interest rates for MTA capital borrowing even higher than projected in the July Plan.

- *Achieving Affordable Wage Settlements.* MTA is committed to honoring the terms of its existing contracts and is committed to negotiating affordable wage settlements with its unions. At the conclusion of existing labor contracts, the July Plan assumes annual wage increases of two percent.
- *Implementation of Biennial Fare and Toll Increases in 2023 and 2025.* Through 2026, the July Plan assumes a combined \$1.49 billion in additional fare and toll revenue from the projected 2023 and 2025 fare and toll increases, net of subsidy changes.
- *Finding and Implementing Innovative Savings Actions.* MTA must remain focused on existing cost control efforts by identifying additional savings throughout the organization as part of a multifaceted approach to addressing MTA's structural imbalance. With centralized departments in place to better serve agency operations, the focus of management has shifted to developing additional efficiencies across the organization, with further savings of \$400 million through 2026 targeted in the July Plan. It should be noted that many costs in the operating budget are outside of MTA's direct control (e.g., energy, health and welfare, and pension contributions).
- *Working with MTA's Funding Partners to Identify New Recurring and Sustainable Funding Sources.* With substantially lower projected revenue from ridership and unavoidable expense growth, particularly labor expenses, new and sustainable funding sources will be a critical part of solving MTA's fiscal structural imbalance.
- *Responding to Developing Economic Environment.* MTA's finances are highly influenced by economic factors. Passenger and toll revenues, dedicated taxes and subsidies (including real estate transaction revenue), debt service, pensions and energy costs are all impacted by the health of the MTA region, State and national economies. If the economic and other assumptions reflected in MTA's current financial plan are unrealized, particularly in the face of the continuing impacts of the COVID-19 pandemic (notwithstanding more widespread availability of vaccines and other treatments, a gradual recovery and substantial federal aid), inflation, or the conflict in Ukraine, the July Plan's projected results could be materially adversely affected.

See also "CERTAIN RISK FACTORS" in the ADS.

## **Central Business District Tolling Program (CBD Tolling Program).**

On April 11, 2019, as part of the State Fiscal Year 2019-2020 Enacted Budget, legislation was signed into law enabling MTA Bridges and Tunnels to implement the nation's first ever CBD Tolling Program. The planning, design, construction, operation and maintenance of the CBD Tolling Program is the responsibility of MTA Bridges and Tunnels, though it requires the involvement of several local and regional agencies and stakeholders. It further requires authorization by the U.S. Department of Transportation's Federal Highway Administration; to that end, an Environmental Assessment is currently underway.

On July 27, 2022, the MTA announced that the Environmental Assessment is anticipated to be released on or about August 10, 2022, on which date the comment period seeking public feedback will begin and will conclude on September 9, 2022. MTA and other stakeholders will also hold a series of six virtual public hearings between August 25, 2022 and August 31, 2022. MTA anticipates a federal decision and the start of construction in the first quarter of 2023.

MTA also announced on July 27, 2022, the establishment of the legally mandated Traffic Mobility Review Board (TMRB), to be chaired by Carl Weisbrod. The TMRB is required to make a recommendation regarding the CBD toll amounts and also recommend plans for CBD credits, discounts, and/or exemptions, then present its recommendations to the MTA Bridges and Tunnels Board for consideration before the CBD Tolling Program is implemented.

## **MTA Liquidity Resources.**

As of August 3, 2022, MTA had liquidity resources in the approximate amount of \$12.434 billion, consisting of a current running cash balance of \$1.172 billion, internal available flexible funds totaling \$2.483 billion, MTA PMT BANs for working capital, plus interest, totaling \$2.909 billion, and applicable undrawn commercial bank lines of credit totaling \$1.2 billion, and available ARPA receipts of approximately \$4.670 billion. *These funds provide a temporary funding "bridge" to a permanent solution to lost revenues and higher expenses. Certain of these funds must be repaid or replaced. Use of these monies will leave MTA with a significant gap in funding for both the operating budget and capital plan over the longer term and will likely result in additional debt issuance and unfunded operating needs.*

## **Financing Agreements.**

On August 2, 2022, MTA entered into a taxable revolving credit agreement (the JPMorgan Revolving Credit Agreement) with JPMorgan Chase Bank, National Association (JPMorgan), dated as of August 2, 2022, and a taxable revolving credit agreement (the Bank of America Revolving Credit Agreement) and together with the JPMorgan Revolving Credit Agreement, the Revolving Credit Agreements) with Bank of America, N.A. (Bank of America), dated as of August 2, 2022. The JPMorgan Revolving Credit Agreement provided for a commitment to lend an aggregate principal amount of up to \$800,000,000 and the Bank of America Revolving Credit Agreement provided for a commitment to lend an aggregate principal amount of up to \$400,000,000, in each case, in the form of revolving loans (each, a Revolving Loan) from time to time to be made pursuant to the conditions set forth therein. The Revolving Credit Agreements

are available for revolving loan borrowings through August 1, 2025, unless otherwise extended or terminated, as provided therein.

Each Revolving Loan made pursuant to the Revolving Credit Agreements will be evidenced by revenue anticipation notes (each, a RAN). Whenever a Revolving Loan has been made and a corresponding RAN has been issued or repaid, it will be noted on the MTA investor website under menu item “Financing Agreements – Lines of Credit.”

The JPMorgan Revolving Credit Agreement replaces that Revolving Credit Agreement dated as of August 24, 2017, between MTA and JPMorgan, as amended, which was terminated pursuant to its terms, and the Bank of America Revolving Credit Agreement replaces that Revolving Credit Agreement dated as of August 16, 2019, between MTA and Bank of America, as amended, which was terminated pursuant to its terms.

### **Governance.**

On June 3, 2022, the State Senate confirmed six new MTA Board members and three returning MTA Board members. The new MTA Board members are Lisa Sorin, Midori Valdivia, Frankie Miranda, Sherif Soliman, Sammy Chu and Blanca López. The three reconfirmed members are Frank Borelli, Jr., David Mack and Harold Porr III.

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**Attachment A to MTA Annual Disclosure Statement**  
**First Quarterly Update**  
**August 5, 2022**

**MTA July Financial Plan**

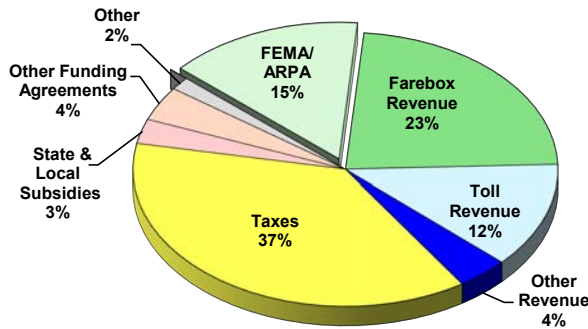
This **Attachment A** to the 2022 ADS First Quarterly Update sets forth the consolidated July Plan in tabular form and includes Financial Plan tables that summarize MTA's July Plan, which includes the 2022 Mid-Year Forecast, the 2023 Preliminary Budget and a Financial Plan for the fiscal years 2023 through 2026, in each case prepared by MTA management. The complete July Plan is posted on MTA's website: <https://new.mta.info/transparency/financial-information/financial-and-budget-statements>. No statement on MTA's website or any other website is included by specific cross-reference herein.

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



**MTA 2023 Preliminary Budget**  
**Baseline Revenues and Expenses After Below-the-Line (BTL) Adjustments**  
**Non-Reimbursable**

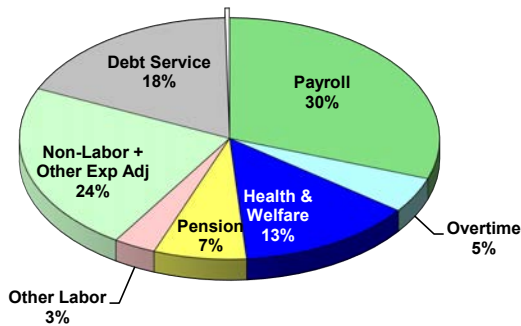
**Where the Dollars Come From ...**



By Revenue Source (\$ in millions)	
Farebox Revenue	\$4,467
Toll Revenue	2,403
Other Revenue	758
Taxes	7,222
State and Local	564
Other Funding Agreements	788
Other <sup>1</sup>	298
FEMA/ARPA	2,877
<b>Total <sup>2</sup></b>	<b>\$19,379</b>

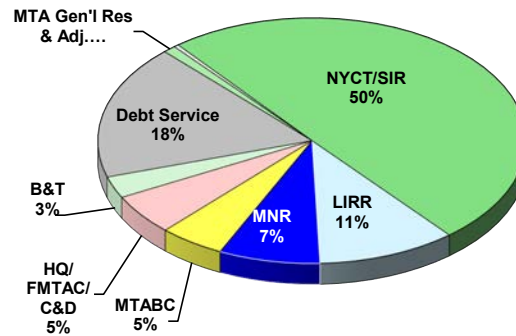
**Where the Dollars Go ...**

**By Expense Category**



By Expense Category <sup>3</sup> includes below-the-line adjustments (\$ in millions)	
Payroll	\$5,878
Overtime	921
Health & Welfare	2,614
Pension	1,378
Other Labor	625
<b>Total Labor</b>	<b>\$11,416</b>
Non-Labor + Other Exp Adj	4,574
Debt Service	3,456
BTL Adjustments for Expenses <sup>4</sup>	(68)
<b>Total <sup>2</sup></b>	<b>\$19,379</b>

**By MTA Agency**



By MTA Agency <sup>3</sup> includes below-the-line adjustments (\$ in millions)	
NYCT/SIR	\$9,700
LIRR	2,044
MNR	1,490
MTABC	963
HQ/FMTAC/C&D	1,048
B&T	556
Debt Service	3,456
MTA Gen'l Res & Adjs	190
BTL Adjustments for Expenses <sup>4</sup>	(68)
<b>Total <sup>2</sup></b>	<b>\$19,379</b>

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

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

<sup>3</sup> Expenses exclude Depreciation, GASB 75 OPEB Adjustment, GASB 68 Pension Adjustment and Environmental Remediation.

<sup>4</sup> The "BTL Adjustments for Expenses" cannot be segmented by expense category or by Agency.

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

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2023 - 2026**  
**MTA Consolidated Accrued Statement of Operations By Category**  
(\$ in millions)

	Actual 2021	Mid-Year Forecast 2022	Preliminary Budget 2023	2024	2025	2026
<b>Non-Reimbursable</b>						
<b>Operating Revenues</b>						
Farebox Revenue	\$3,048	\$3,836	\$4,326	\$4,701	\$4,821	\$4,960
Toll Revenue	2,170	2,315	2,323	2,332	2,335	2,338
Other Revenue	4,706	650	758	797	808	830
Capital and Other Reimbursements	0	0	0	0	0	0
<b>Total Revenues</b>	<b>\$9,924</b>	<b>\$6,801</b>	<b>\$7,407</b>	<b>\$7,830</b>	<b>\$7,964</b>	<b>\$8,128</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$5,214	\$5,648	\$5,878	\$6,046	\$6,184	\$6,343
Overtime	965	908	921	919	946	966
Health and Welfare	1,405	1,609	1,738	1,853	1,974	2,107
OPEB Current Payments	722	794	876	952	1,035	1,124
Pension	1,410	1,369	1,378	1,314	1,261	1,205
Other Fringe Benefits	816	1,001	1,054	1,104	1,155	1,207
Reimbursable Overhead	(372)	(449)	(428)	(435)	(431)	(434)
<b>Total Labor Expenses</b>	<b>\$10,160</b>	<b>\$10,880</b>	<b>\$11,416</b>	<b>\$11,752</b>	<b>\$12,125</b>	<b>\$12,518</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$430	\$628	\$631	\$606	\$610	\$623
Fuel	163	281	253	231	224	209
Insurance	26	43	68	100	124	156
Claims	426	433	449	458	469	483
Paratransit Service Contracts	346	424	475	505	527	561
Maintenance and Other Operating Contracts	765	910	875	877	890	873
Professional Services Contracts	499	756	594	599	602	610
Materials and Supplies	486	729	773	783	798	800
Other Business Expenses	200	245	239	243	252	252
<b>Total Non-Labor Expenses</b>	<b>\$3,341</b>	<b>\$4,451</b>	<b>\$4,357</b>	<b>\$4,402</b>	<b>\$4,497</b>	<b>\$4,568</b>
<b><u>Other Expense Adjustments:</u></b>						
Other	\$21	\$26	\$28	\$23	\$23	\$23
General Reserve	(335)	185	190	195	200	205
<b>Total Other Expense Adjustments</b>	<b>(\$314)</b>	<b>\$211</b>	<b>\$218</b>	<b>\$218</b>	<b>\$223</b>	<b>\$228</b>
<b>Total Expenses Before Non-Cash Liability Adjs.</b>	<b>\$13,187</b>	<b>\$15,542</b>	<b>\$15,991</b>	<b>\$16,372</b>	<b>\$16,844</b>	<b>\$17,315</b>
Depreciation	\$3,159	\$3,194	\$3,210	\$3,257	\$3,306	\$3,354
GASB 75 OPEB Expense Adjustment	1,075	1,402	1,451	1,450	1,446	1,439
GASB 68 Pension Expense Adjustment	(917)	(64)	(51)	(145)	(71)	(122)
Environmental Remediation	37	6	6	6	6	6
<b>Total Expenses After Non-Cash Liability Adjs.</b>	<b>\$16,541</b>	<b>\$20,080</b>	<b>\$20,607</b>	<b>\$20,940</b>	<b>\$21,531</b>	<b>\$21,992</b>
Conversion to Cash Basis: Non-Cash Liability Adjs.	(\$3,354)	(\$4,538)	(\$4,616)	(\$4,569)	(\$4,687)	(\$4,677)
Debt Service	2,787	3,062	3,456	3,388	3,569	3,510
<b>Total Expenses with Debt Service</b>	<b>\$15,974</b>	<b>\$18,604</b>	<b>\$19,447</b>	<b>\$19,759</b>	<b>\$20,413</b>	<b>\$20,825</b>
Dedicated Taxes & State and Local Subsidies	\$7,679	\$8,617	\$8,847	\$8,991	\$9,194	\$9,344
<b>Net Surplus/(Deficit) After Subsidies and Debt Service</b>	<b>\$1,628</b>	<b>(\$3,187)</b>	<b>(\$3,192)</b>	<b>(\$2,939)</b>	<b>(\$3,255)</b>	<b>(\$3,352)</b>
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	\$0	\$0	\$0
Conversion to Cash Basis: All Other	(961)	600	298	266	100	296
<b>Cash Balance Before Prior-Year Carryover</b>	<b>\$668</b>	<b>(\$2,586)</b>	<b>(\$2,894)</b>	<b>(\$2,673)</b>	<b>(\$3,155)</b>	<b>(\$3,057)</b>
Below the Line Adjustments	\$0	\$1,420	\$2,894	\$2,673	\$698	\$599
Prior Year Carryover Balance	499	1,166	0	0	0	0
<b>Net Cash Balance</b>	<b>\$1,166</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,457)</b>	<b>(\$2,458)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2023 - 2026**  
**Plan Adjustments**  
(\$ in millions)

	Actual 2021	Mid-Year Forecast 2022	Preliminary Budget 2023	2024	2025	2026
<b>Cash Balance Before Prior-Year Carryover</b>	<b>\$668</b>	<b>(\$2,586)</b>	<b>(\$2,894)</b>	<b>(\$2,673)</b>	<b>(\$3,155)</b>	<b>(\$3,057)</b>
<b>Fare and Toll Increases:</b>						
<i>Fare/Toll Increase, March 2023 (4% Yield)</i>		\$0	\$221	\$270	\$263	\$269
<i>Subsidy Impacts - Fare/Toll Increase, March 2023</i>		0	(12)	(8)	(8)	(8)
<i>Fare/Toll Increase, March 2025 (4% Yield)</i>		0	0	0	239	286
<i>Subsidy Impacts- Fare/Toll Increase, March 2025</i>		0	0	0	(12)	(9)
<b>Subtotal:</b>		<b>\$0</b>	<b>\$208</b>	<b>\$263</b>	<b>\$482</b>	<b>\$539</b>
<b>MTA Initiatives:</b>						
<i>Fiscal Baseline Reset</i>		\$0	\$100	\$100	\$100	\$100
<b>Subtotal:</b>		<b>\$0</b>	<b>\$100</b>	<b>\$100</b>	<b>\$100</b>	<b>\$100</b>
<b>MTA Re-estimates:</b>						
<i>Grand Central Madison</i>		(\$19)	(\$32)	(\$32)	(\$33)	(\$33)
<b>Subtotal</b>		<b>(\$19)</b>	<b>(\$32)</b>	<b>(\$32)</b>	<b>(\$33)</b>	<b>(\$33)</b>
<b>Other:</b>						
<i>FEMA COVID Reimbursement</i>		\$0	\$235	\$235	\$235	\$0
<i>ARPA Federal Aid Usage</i>		1,498	2,642	2,526	126	201
<i>City Subsidy Revision (MTA Bus/SIR) due to ARPA</i>		(59)	(260)	(240)	(23)	(19)
<i>Debt Service for Deficit Borrowing</i>		0	0	(178)	(190)	(190)
<b>Subtotal:</b>		<b>\$1,439</b>	<b>\$2,618</b>	<b>\$2,343</b>	<b>\$148</b>	<b>(\$8)</b>
<b>TOTAL ADJUSTMENTS</b>		<b>\$1,420</b>	<b>\$2,894</b>	<b>\$2,673</b>	<b>\$698</b>	<b>\$599</b>
<i>Prior Year Carryover Balance</i>	\$499	\$1,166	\$0	\$0	\$0	\$0
<b>Net Cash Surplus/(Deficit)</b>	<b>\$1,166</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,457)</b>	<b>(\$2,458)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## July Financial Plan 2023 - 2026

### Cash Receipts and Expenditures

(\$ in millions)

	Actual 2021	Mid-Year Forecast 2022	Preliminary Budget 2023	2024	2025	2026
<b>Cash Receipts and Expenditures</b>						
<b>Receipts</b>						
Farebox Revenue	\$3,079	\$3,826	\$4,321	\$4,696	\$4,816	\$4,955
Other Revenue	4,048	1,363	777	817	830	853
Capital and Other Reimbursements	1,831	2,457	2,075	2,051	2,061	2,088
<b>Total Receipts</b>	<b>\$8,958</b>	<b>\$7,646</b>	<b>\$7,174</b>	<b>\$7,565</b>	<b>\$7,706</b>	<b>\$7,897</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$5,651	\$6,346	\$6,400	\$6,572	\$6,860	\$6,880
Overtime	1,132	1,120	1,097	1,094	1,126	1,156
Health and Welfare	1,451	1,666	1,789	1,905	2,026	2,159
OPEB Current Payments	701	782	865	940	1,023	1,112
Pension	1,486	1,489	1,453	1,393	1,343	1,290
Other Fringe Benefits	1,178	1,160	1,044	1,080	1,127	1,157
Contribution to GASB Fund	0	0	0	0	0	0
Reimbursable Overhead	0	0	0	0	0	0
<b>Total Labor Expenditures</b>	<b>\$11,599</b>	<b>\$12,563</b>	<b>\$12,649</b>	<b>\$12,984</b>	<b>\$13,505</b>	<b>\$13,753</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$433	\$637	\$639	\$614	\$618	\$629
Fuel	152	278	250	229	222	207
Insurance	5	58	68	94	127	152
Claims	239	315	309	316	326	338
Paratransit Service Contracts	344	422	473	503	525	559
Maintenance and Other Operating Contracts	689	885	804	805	790	773
Professional Services Contracts	544	913	639	610	632	644
Materials and Supplies	639	854	871	898	907	910
Other Business Expenses	177	222	211	222	237	246
<b>Total Non-Labor Expenditures</b>	<b>\$3,222</b>	<b>\$4,582</b>	<b>\$4,264</b>	<b>\$4,291</b>	<b>\$4,384</b>	<b>\$4,458</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	\$12	\$90	\$124	\$81	\$84	\$88
General Reserve	(335)	185	190	195	200	205
<b>Total Other Expenditure Adjustments</b>	<b>(\$323)</b>	<b>\$275</b>	<b>\$314</b>	<b>\$276</b>	<b>\$284</b>	<b>\$293</b>
<b>Total Expenditures</b>	<b>\$14,498</b>	<b>\$17,420</b>	<b>\$17,227</b>	<b>\$17,551</b>	<b>\$18,173</b>	<b>\$18,504</b>
<b>Net Cash Balance before Subsidies and Debt Service</b>	<b>(\$5,539)</b>	<b>(\$9,774)</b>	<b>(\$10,054)</b>	<b>(\$9,987)</b>	<b>(\$10,467)</b>	<b>(\$10,607)</b>
Dedicated Taxes & State and Local Subsidies	\$8,295	\$9,503	\$9,759	\$9,845	\$9,952	\$10,102
Debt Service	(2,089)	(2,315)	(2,599)	(2,532)	(2,640)	(2,551)
<b>Cash Balance Before Prior-Year Carryover</b>	<b>\$668</b>	<b>(\$2,586)</b>	<b>(\$2,894)</b>	<b>(\$2,673)</b>	<b>(\$3,155)</b>	<b>(\$3,057)</b>
Adjustments	\$0	\$1,420	\$2,894	\$2,673	\$698	\$599
Prior-Year Carryover Balance	499	1,166	0	0	0	0
<b>Net Cash Balance</b>	<b>\$1,166</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,457)</b>	<b>(\$2,458)</b>

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**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2023-2026**  
**MTA Consolidated July Financial Plan Compared with February Financial Plan**  
**Cash Reconciliation after Below-the-Line Adjustments**  
(\$ in millions)

	Favorable/(Unfavorable)			
	2022	2023	2024	2025
<b>FEBRUARY FINANCIAL PLAN 2022-2025</b>				
<b>NET CASH SURPLUS/(DEFICIT)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Agency Baseline Re-estimates</b>	<b>(\$1,140)</b>	<b>(\$1,202)</b>	<b>(\$724)</b>	<b>(\$483)</b>
Revenue				
Farebox Revenue	(1,020)	(1,067)	(777)	(655)
Toll Revenue	58	55	59	41
Rates and Related Assumptions <sup>1</sup>				
Electric Power	(120)	(114)	(84)	(75)
Fuel	(77)	(59)	(43)	(32)
Health & Welfare (including retirees)	(40)	(73)	(78)	(78)
Pensions	46	99	187	276
Other Baseline Re-estimates (including Timing) <sup>2</sup>	13	(44)	12	42
<b>New Needs/Investments</b>	<b>(\$27)</b>	<b>(\$104)</b>	<b>(\$117)</b>	<b>(\$77)</b>
Maintenance <sup>3</sup>	38	(3)	(33)	(15)
Safety & Security	(4)	(9)	(3)	(4)
Service/Service Support	(26)	(52)	(49)	(49)
All Other New Needs	(35)	(41)	(33)	(9)
<b>B&amp;T Adjustments</b>	<b>(\$77)</b>	<b>(\$64)</b>	<b>(\$75)</b>	<b>(\$64)</b>
B&T Net Baseline Impacts <sup>4</sup>	(77)	(64)	(75)	(64)
<b>Debt Service (Cash)</b>	<b>\$56</b>	<b>\$112</b>	<b>\$257</b>	<b>\$195</b>
<b>Subsidies (Cash)</b>	<b>\$348</b>	<b>\$301</b>	<b>\$222</b>	<b>\$147</b>
Petroleum Business Tax (PBT) Receipts	(22)	0	0	0
Real Estate Taxes	172	(10)	(10)	(10)
Payroll Mobility Tax (PMT)	40	0	0	0
MTA Aid	(46)	0	0	0
For-Hire Vehicle (FHV) Surcharge	(51)	(61)	(42)	(22)
Lockbox Revenues to fund Debt Service	(46)	(58)	(95)	(120)
Forward Energy Contracts Program	55	23	0	0
City Subsidy for MTA Bus	60	271	221	167
City Subsidy for Staten Island Railway	(9)	23	21	24
CDOT Subsidy for Metro-North Railroad	30	35	44	38
B&T Surplus Transfer	166	73	78	66
Other Subsidies and Subsidy Adjustments	(1)	4	4	4
<b>Below-the-Line (BTL) Adjustments</b>	<b>(\$322)</b>	<b>\$957</b>	<b>\$438</b>	<b>(\$2,175)</b>
<b>Fare/Toll Increases:</b>				
Fare/Toll Increase - March 2023 (4% Yield)	0	(31)	(28)	(36)
Fare/Toll Increase - March 2025 (4% Yield)	0	0	0	(26)
Subsidy Impacts - Fare/Toll Increase, March 2023	0	1	1	14
Subsidy Impacts - Fare/Toll Increase, March 2025	0	0	0	(12)
<b>MTA Initiatives:</b>				
Fiscal Baseline Reset	(150)	(50)	(50)	(50)
<b>MTA Re-estimates:</b>				
State Aid for the 2015-19 Capital Program	(37)	(38)	(38)	(38)
Repayment of Revolving Line of Credit	300	0	0	0
Grand Central Madison	0	0	0	0
<b>Other:</b>				
FEMA COVID Reimbursement	(330)	70	235	235
ARPA Federal Aid Usage	(46)	1,266	736	(1,550)
City Subsidy Revision (MTA Bus/SIR) due to ARPA	(59)	(260)	(240)	(23)
Debt Service for Deficit Borrowing	0	0	(178)	(190)
Proceeds from MLF Deficit Bonding	0	0	0	(499)
<b>Prior Year Carryover</b>	<b>\$1,163</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>JULY FINANCIAL PLAN 2023-2026</b>				
<b>NET CASH SURPLUS/(DEFICIT)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,457)</b>

*Totals may not add due to rounding.*

- <sup>1</sup> Rates and Related Assumptions do not include Health & Welfare and Pension expenses for NYCT's COVID Cleaning Initiative and Eagle Teams new needs which are captured within the Maintenance and Service/Service Support lines, respectively, and for Electric Power and Fuel expenses for MNR's Service Increase to 89% new need which are captured within the Service/Service Support line.
- <sup>2</sup> In addition to timing, includes OTPS and reimbursable adjustments, operating capital, adjusted COVID-related expenditures, and cash adjustments.
- <sup>3</sup> Favorable results for 2022 are primarily due to savings of \$31 million (switch from third-party contractor to in-house forces for COVID cleaning at NYCT) and the rescheduling of SMS at NYCT and M3 life extension at the LIRR.
- <sup>4</sup> While B&T Operating Surplus Transfer is captured as a subsidy, B&T's baseline impacts are captured in individual reconciliation categories in the Agency Baseline Adjustments above. To avoid duplication, B&T's baseline impacts are eliminated within this line. Included within this B&T Net Baseline Impacts are reversals for higher toll revenue and favorable OTPS adjustments which are captured above.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2023 - 2026**  
**Consolidated Subsidies**  
**Cash Basis**  
(\$ in Millions)

	Actual 2021	Mid-Year Forecast 2022	Preliminary Budget 2023	2024	2025	2026
<b>MMTOA, PBT &amp; Real Estate Taxes</b>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$2,247.5	\$2,601.0	\$2,763.4	\$2,763.4	\$2,763.4	\$2,763.4
Petroleum Business Tax (PBT)	584.6	596.9	619.4	620.3	620.3	620.3
Mortgage Recording Tax (MRT)	647.6	626.7	633.0	649.0	674.7	684.8
MRT Transfer to Suburban Counties	(13.3)	(20.9)	(11.6)	(12.0)	(12.4)	(12.4)
MTA Bus Debt Service	(12.3)	(12.3)	(12.3)	(12.3)	(12.6)	(14.5)
Interest	0.3	0.3	0.3	0.3	0.3	0.3
Urban Tax	429.3	652.9	500.1	537.1	576.8	592.6
Other Investment Income	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
	<b>\$3,883.8</b>	<b>\$4,444.9</b>	<b>\$4,492.5</b>	<b>\$4,546.0</b>	<b>\$4,610.8</b>	<b>\$4,634.8</b>
<b>PMT and MTA Aid</b>						
Payroll Mobility Tax (PMT)	\$1,713.2	\$1,781.6	\$1,785.9	\$1,829.8	\$1,874.3	\$1,916.6
Payroll Mobility Tax Replacement Funds	293.1	244.3	244.3	244.3	244.3	244.3
MTA Aid	<u>263.3</u>	<u>258.9</u>	<u>310.5</u>	<u>310.9</u>	<u>311.2</u>	<u>311.2</u>
	<b>\$2,269.7</b>	<b>\$2,284.8</b>	<b>\$2,340.7</b>	<b>\$2,385.0</b>	<b>\$2,429.7</b>	<b>\$2,472.0</b>
<b>For-Hire Vehicle (FHV) Surcharge</b>						
Subway Action Plan Account	\$235.8	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0
Less: Transfer to Committed to Capital for SAP	0.0	0.0	0.0	0.0	0.0	0.0
Outerborough Transportation Account (OBTA)	0.0	41.4	50.0	50.0	50.0	50.0
Less: OBTA Projects	0.0	(41.4)	(50.0)	(50.0)	(50.0)	(50.0)
General Transportation Account	<u>0.0</u>	<u>0.0</u>	<u>28.7</u>	<u>47.6</u>	<u>67.5</u>	<u>69.6</u>
	<b>\$235.8</b>	<b>\$300.0</b>	<b>\$328.7</b>	<b>\$347.6</b>	<b>\$367.5</b>	<b>\$369.6</b>
<b>Bus Lane Violations (General Transportation Account)</b>	<b>\$4.4</b>	<b>\$2.9</b>	<b>\$2.9</b>	<b>\$2.9</b>	<b>\$2.9</b>	<b>\$2.9</b>
<b>Capital Program Funding from Lockbox Revenues</b>						
Central Business District Tolling Program (CBDTP)	\$0.0	\$0.0	\$250.0	\$1,000.0	\$1,000.0	\$1,000.0
Real Property Transfer Tax Surcharge (Mansion Tax)	374.5	414.7	311.7	320.6	332.8	335.7
Internet Marketplace Tax	344.9	325.6	328.9	331.1	334.4	337.8
Less: Transfer Lockbox Revenues to Committed to Capital	<u>(717.0)</u>	<u>(728.4)</u>	<u>(849.3)</u>	<u>(1,590.7)</u>	<u>(1,563.2)</u>	<u>(1,513.5)</u>
	<b>\$2.3</b>	<b>\$11.9</b>	<b>\$41.3</b>	<b>\$61.0</b>	<b>\$104.0</b>	<b>\$159.9</b>
<b>State and Local Subsidies</b>						
State Operating Assistance	\$225.5	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	184.9	187.9	187.9	187.9	187.9	187.9
Station Maintenance	<u>178.5</u>	<u>182.2</u>	<u>185.7</u>	<u>189.5</u>	<u>193.7</u>	<u>198.2</u>
	<b>\$588.9</b>	<b>\$558.0</b>	<b>\$561.5</b>	<b>\$565.4</b>	<b>\$569.6</b>	<b>\$574.1</b>
<b>Other Subsidy Adjustments</b>						
NYCT Charge Back of MTA Bus Debt Service	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)	(\$11.5)
Forward Energy Contracts Program - Gain/(Loss)	14.4	69.6	23.0	0.1	0.0	0.0
Fuel Hedge Collateral	(40.0)	0.0	0.0	0.0	0.0	0.0
MNR Repayment of 525 North Broadway	0.0	(4.9)	0.0	0.0	0.0	0.0
Committed to Capital Program Contributions	<u>(367.3)</u>	<u>(120.2)</u>	<u>(114.1)</u>	<u>(108.8)</u>	<u>(103.8)</u>	<u>(99.0)</u>
	<b>(\$404.4)</b>	<b>(\$67.0)</b>	<b>(\$102.6)</b>	<b>(\$120.2)</b>	<b>(\$115.3)</b>	<b>(\$110.5)</b>
<b>Subtotal: Taxes &amp; State and Local Subsidies</b>	<b>\$6,580.6</b>	<b>\$7,535.6</b>	<b>\$7,664.9</b>	<b>\$7,787.6</b>	<b>\$7,969.2</b>	<b>\$8,102.8</b>
<b>Other Funding Agreements</b>						
City Subsidy for MTA Bus Company	\$455.3	\$533.6	\$802.5	\$768.1	\$756.9	\$793.6
City Subsidy for Staten Island Railway	18.6	24.4	76.5	75.9	75.8	82.0
CDOT Subsidy for Metro-North Railroad	<u>312.8</u>	<u>256.7</u>	<u>235.2</u>	<u>242.2</u>	<u>248.9</u>	<u>263.4</u>
	<b>\$786.7</b>	<b>\$814.6</b>	<b>\$1,114.2</b>	<b>\$1,086.1</b>	<b>\$1,081.6</b>	<b>\$1,139.0</b>
<b>Subtotal, including Other Funding Agreements</b>	<b>\$7,367.3</b>	<b>\$8,350.3</b>	<b>\$8,779.1</b>	<b>\$8,873.8</b>	<b>\$9,050.8</b>	<b>\$9,241.8</b>
<b>Inter-agency Subsidy Transactions</b>						
B&T Operating Surplus Transfer	<u>\$928.0</u>	<u>\$1,152.6</u>	<u>\$979.5</u>	<u>\$971.4</u>	<u>\$900.8</u>	<u>\$860.1</u>
	<b>\$928.0</b>	<b>\$1,152.6</b>	<b>\$979.5</b>	<b>\$971.4</b>	<b>\$900.8</b>	<b>\$860.1</b>
<b>TOTAL SUBSIDIES</b>	<b>\$8,295.3</b>	<b>\$9,502.9</b>	<b>\$9,758.6</b>	<b>\$9,845.2</b>	<b>\$9,951.7</b>	<b>\$10,101.8</b>



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

	2022	2023	2024	2025
<b>MMTOA, PBT and Real Estate Taxes</b>				
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$0.0	\$0.0	\$0.0	\$0.0
Petroleum Business Tax (PBT)	(21.8)	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0
MRT Transfer to Suburban Counties	(14.1)	(4.5)	(4.5)	(4.5)
Interest	(5.1)	(5.1)	(5.1)	(5.1)
Urban Tax	190.8	0.0	0.0	0.0
Other Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$149.8</b>	<b>(\$9.5)</b>	<b>(\$9.5)</b>	<b>(\$9.5)</b>
<b>PMT and MTA Aid</b>				
Payroll Mobility Tax (PMT)	\$40.5	\$0.0	\$0.0	\$0.0
Payroll Mobility Tax Replacement Funds	0.0	0.0	0.0	0.0
MTA Aid	<u>(46.1)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>(\$5.6)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>For-Hire Vehicle (FHV) Surcharge</b>				
Subway Action Plan Account	\$0.0	\$0.0	\$0.0	\$0.0
Less: Transfer to Committed to Capital for SAP	0.0	0.0	0.0	0.0
Outerborough Transportation Account (OBTA)	(8.6)	0.0	0.0	0.0
Less: OBTA Projects	8.6	0.0	0.0	0.0
General Transportation Account	<u>(51.3)</u>	<u>(61.0)</u>	<u>(42.1)</u>	<u>(22.2)</u>
	<b>(\$51.3)</b>	<b>(\$61.0)</b>	<b>(\$42.1)</b>	<b>(\$22.2)</b>
<b>Bus Lane Violations (General Transportation Account)</b>				
	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Capital Program Funding from Lockbox Revenues</b>				
Central Business District Tolling Program (CBDTP)	\$0.0	(\$750.0)	\$0.0	\$0.0
Real Property Transfer Tax Surcharge (Mansion Tax)	107.4	0.0	0.0	0.0
Internet Marketplace Tax	6.6	6.6	6.7	6.7
Less: Transfer Lockbox Revenues to Committed to Capital	<u>(159.5)</u>	<u>685.6</u>	<u>(101.2)</u>	<u>(126.6)</u>
	<b>(\$45.6)</b>	<b>(\$57.8)</b>	<b>(\$94.6)</b>	<b>(\$119.9)</b>
<b>State and Local Subsidies</b>				
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0
Station Maintenance	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>
	<b>\$1.2</b>	<b>\$1.2</b>	<b>\$1.2</b>	<b>\$1.2</b>
<b>Other Subsidy Adjustments</b>				
NYCT Charge Back of MTA Bus Debt Service	\$0.0	\$0.0	\$0.0	\$0.0
Forward Energy Contracts Program - Gain/(Loss)	55.2	22.9	0.1	0.0
MNR Repayment of 525 North Broadway	(2.4)	2.4	2.4	2.4
Committed to Capital Program Contributions	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$52.8</b>	<b>\$25.4</b>	<b>\$2.5</b>	<b>\$2.4</b>
<b>Subtotal: Taxes &amp; State and Local Subsidies</b>	<b>\$101.3</b>	<b>(\$101.7)</b>	<b>(\$142.4)</b>	<b>(\$147.9)</b>
<b>Other Funding Agreements</b>				
City Subsidy for MTA Bus Company	\$59.8	\$271.3	\$221.0	\$167.1
City Subsidy for Staten Island Railway	(8.6)	23.5	21.5	24.0
CDOT Subsidy for Metro-North Railroad	<u>30.2</u>	<u>34.6</u>	<u>43.8</u>	<u>37.9</u>
	<b>\$81.4</b>	<b>\$329.3</b>	<b>\$286.3</b>	<b>\$229.0</b>
<b>Subtotal, including Other Funding Agreements</b>	<b>\$182.7</b>	<b>\$227.6</b>	<b>\$143.9</b>	<b>\$81.1</b>
<b>Inter-agency Subsidy Transactions</b>				
B&T Operating Surplus Transfer	<u>\$165.7</u>	<u>\$73.2</u>	<u>\$77.8</u>	<u>\$66.0</u>
	<b>\$165.7</b>	<b>\$73.2</b>	<b>\$77.8</b>	<b>\$66.0</b>
<b>TOTAL SUBSIDIES</b>	<b>\$348.5</b>	<b>\$300.8</b>	<b>\$221.7</b>	<b>\$147.1</b>

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