December 14, 2017

Supplement To Official Statement Dated November 22, 2017

Relating to

$2,021,461,604.50
METROPOLITAN TRANSPORTATION AUTHORITY
Transportation Revenue Refunding Green Bonds, Series 2017C
(Climate Bond Certified)

The Official Statement dated November 22, 2017 (the Official Statement), for the above-referenced Bonds is hereby supplemented to update **Attachment 4** – "Refunded Bonds" to reflect the par amounts remaining outstanding, the pre-refunded CUSIP, and the unrefunded CUSIP for the partially refunded Transportation Revenue Bonds, Series 2011A maturing on November 15, 2041, Series 2011D maturing on November 15, 2036 and 2041, and Series 2012C maturing on November 15, 2041.

Attachment 4 appended to the Official Statement is replaced in its entirety with Attachment 4 attached hereto.

Please affix this Supplement to the Official Statement that you have in your possession and forward this Supplement to any party to whom you delivered a copy of the Official Statement.

ATTACHMENT 4

REFUNDED BONDS

The following table provides information regarding the Refunded Bonds. The Outstanding Bonds shown below are being refunded. The refunding is contingent upon the delivery of the Series 2017C Bonds.

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity	Interest Rate	Redemption Date	Redemption Price	Original CUSIP Number*	Pre-Refunded CUSIP Number*	Unrefunded CUSIP Number*
2008B-2	11/15/2012†	$ 5,245,000	$4,300,000	11/15/2023	5.000%	11/15/2022	100%	59259YWX3	59261AQP5	59261AQQ3
2008B-3	11/15/2013†	30,135,000	-	11/15/2024	5.000	11/15/2023	100	59259YP29	-	-
2008B-3	11/15/2013†	31,320,000	-	11/15/2025	5.000	11/15/2023	100	59259YP37	-	-
2008B-3	11/15/2013†	32,545,000	-	11/15/2026	5.000	11/15/2023	100	59259YP45	-	-
2008B-3	11/15/2013†	5,380,000	-	11/15/2027	5.000	11/15/2023	100	59259YP52	-	-
2010D	12/7/2010	27,030,000	-	11/15/2029	5.250	11/15/2020	100	59259YEN5	-	-
2010D	12/7/2010	28,450,000	-	11/15/2030	5.250	11/15/2020	100	59259YEP0	-	-
2010D	12/7/2010	57,870,000	-	11/15/2034	5.250	11/15/2020	100	59259YFG9	-	-
2010D	12/7/2010	71,390,000	-	11/15/2034	5.000	11/15/2020	100	59259YFH7	-	-
2010D	12/7/2010	250,180,000	-	11/15/2040	5.250	11/15/2020	100	59259YEQ8	-	-
2011A	7/20/2011	13,125,000	-	11/15/2030	5.000	11/15/2021	100	59259YHK8	-	-
2011A	7/20/2011	13,785,000	-	11/15/2031	4.750	11/15/2021	100	59259YHL6	-	-
2011A	7/20/2011	31,875,000	-	11/15/2036	5.000	11/15/2021	100	59259YHM4	-	-
2011A	7/20/2011	38,995,000	-	11/15/2037	5.000	11/15/2021	100	59259YHR3	-	-
2011A	7/20/2011	40,000,000	-	11/15/2038	5.250	11/15/2021	100	59259YHQ5	-	-
2011A	7/20/2011	27,220,000	43,950,000	11/15/2041	5.000	11/15/2021	100	59259YHN2	59261ASG3	59261ASH1
2011D	12/7/2011	3,000,000	-	11/15/2020	4.000	11/15/2020	100	59259YKV0	-	-
2011D	12/7/2011	1,260,000	-	11/15/2021	4.000	11/15/2021	100	59259YKW8	-	-
2011D	12/7/2011	19,830,000	-	11/15/2029	5.000	11/15/2021	100	59259YLE7	-	-
2011D	12/7/2011	11,560,000	-	11/15/2030	5.000	11/15/2021	100	59259YLW7	-	-
2011D	12/7/2011	9,265,000	-	11/15/2030	4.500	11/15/2021	100	59259YLF4	-	-
2011D	12/7/2011	21,820,000	-	11/15/2031	5.000	11/15/2021	100	59259YLG2	-	-
2011D	12/7/2011	12,835,000	9,665,000	11/15/2036	4.750	11/15/2021	100	59259YLH0	59261ASJ7	59261ASL2
2011D	12/7/2011	103,980,000	-	11/15/2036	5.000	11/15/2021	100	59259YLX5	-	-
2011D	12/7/2011	46,715,000	13,250,000	11/15/2041	5.250	11/15/2021	100	59259YLJ6	59261ASK4	59261ASM0
2012B	3/15/2012	7,330,000	-	11/15/2023	5.000	11/15/2022	100	59259YMN6	-	-
2012B	3/15/2012	9,220,000	-	11/15/2028	4.000	11/15/2022	100	59259YMT3	-	-
2012C	5/3/2012	4,075,000	-	11/15/2020	4.000	11/15/2020	100	59259YNM7	-	-
2012C	5/3/2012	870,000	-	11/15/2021	4.000	11/15/2021	100	59259YNN5	-	-
2012C	5/3/2012	760,000	-	11/15/2022	4.000	11/15/2022	100	59259YNP0	-	-
2012C	5/3/2012	14,885,000	-	11/15/2026	5.000	11/15/2022	100	59259YNT2	-	-
2012C	5/3/2012	4,295,000	-	11/15/2027	5.000	11/15/2022	100	59259YPJ2	-	-
2012C	5/3/2012	16,245,000	40,385,000	11/15/2028	5.000	11/15/2022	100	59259YNV7	59261AQR1	59261AQV2
2012C	5/3/2012	17,055,000	42,400,000	11/15/2029	5.000	11/15/2022	100	59259YNW5	59261AQS9	59261AQW0
2012C	5/3/2012	17,905,000	44,520,000	11/15/2030	5.000	11/15/2022	100	59259YNX3	59261AQT7	59261AQX8
2012C	5/3/2012	18,800,000	41,990,000	11/15/2031	5.000	11/15/2022	100	59259YPK9	59261AQU4	59261AQY6
2012C	5/3/2012	19,740,000	-	11/15/2032	5.000	11/15/2022	100	59259YNZ8	-	-
2012C	5/3/2012	21,555,000	164,315,000	11/15/2041	5.000	11/15/2022	100	59259YPH6	59261ASN8	59261ASP3
2012E	7/20/2012	7,660,000	5,955,000	11/15/2019	4.000	11/15/2019	100	59259YRU5	59261AQZ3	59261ARA7
2012E	7/20/2012	16,395,000	-	11/15/2023	5.000	11/15/2022	100	59259YRY7	-	-
2012E	7/20/2012	18,975,000	-	11/15/2026	5.000	11/15/2022	100	59259YSB6	-	-
2012E	7/20/2012	20,625,000	-	11/15/2028	5.000	11/15/2022	100	59259YSD2	-	-
2012E	7/20/2012	21,655,000	-	11/15/2029	5.000	11/15/2022	100	59259YSE0	-	-
2012E	7/20/2012	22,735,000	-	11/15/2030	5.000	11/15/2022	100	59259YSF7	-	-
2012E	7/20/2012	23,875,000	-	11/15/2031	5.000	11/15/2022	100	59259YSG5	-	-
2012H	11/15/2012	2,340,000	1,920,000	11/15/2019	3.000	11/15/2019	100	59259YVQ9	59261ARB5	59261ARN9
2012H	11/15/2012	1,500,000	1,230,000	11/15/2020	3.000	11/15/2020	100	59259YVR7	59261ARC3	59261ARP4
2012H	11/15/2012	4,510,000	3,695,000	11/15/2021	4.000	11/15/2021	100	59259YVS5	59261ARD1	59261ARQ2
2012H	11/15/2012	4,690,000	3,840,000	11/15/2022	4.000	11/15/2022	100	59259YVT3	59261ARE9	59261ARR0

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

† Date refers to most recent remarketing of such series.

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity	Interest Rate	Redemption Date	Redemption Price	Original CUSIP Number*	Pre-Refunded CUSIP Number*	Unrefunded CUSIP Number*
2012H	11/15/2012	$ 2,100,000	$1,720,000	11/15/2023	5.000%	11/15/2022	100%	59259YWP0	59261ARM1	59261ARY5
2012H	11/15/2012	5,615,000	4,600,000	11/15/2026	5.000	11/15/2022	100	59259YVX4	59261ARF6	59261ARS8
2012H	11/15/2012	5,895,000	4,830,000	11/15/2027	5.000	11/15/2022	100	59259YVY2	59261ARG4	59261ART6
2012H	11/15/2012	6,380,000	5,220,000	11/15/2029	5.000	11/15/2022	100	59259YWA3	59261ARH2	59261ARU3
2012H	11/15/2012	6,695,000	5,485,000	11/15/2030	5.000	11/15/2022	100	59259YWB1	59261ARJ8	59261ARV1
2012H	11/15/2012	7,030,000	5,760,000	11/15/2031	5.000	11/15/2022	100	59259YWC9	59261ARK5	59261ARW9
2012H	11/15/2012	7,625,000	6,240,000	11/15/2033	5.000	11/15/2022	100	59259YWE5	59261ARL3	59261ARX7
2013A	1/24/2013	5,285,000	-	11/15/2021	4.000	11/15/2021	100	59259YXH7	-	-
2013A	1/24/2013	755,000	4,530,000	11/15/2021	5.000	11/15/2021	100	59259YYB9	59261ARZ2	59261ASA6
2013A	1/24/2013	5,525,000	-	11/15/2022	4.000	11/15/2022	100	59259YXJ3	-	-
2013A	1/24/2013	12,080,000	-	11/15/2024	5.000	5/15/2023	100	59259YXL8	-	-
2013A	1/24/2013	12,680,000	-	11/15/2025	5.000	5/15/2023	100	59259YXM6	-	-
2013A	1/24/2013	13,315,000	-	11/15/2026	5.000	5/15/2023	100	59259YXN4	-	-
2013A	1/24/2013	13,980,000	-	11/15/2027	5.000	5/15/2023	100	59259YXP9	-	-
2013A	1/24/2013	8,365,000	-	11/15/2028	5.000	5/15/2023	100	59259YYG8	-	-
2013A	1/24/2013	15,350,000	-	11/15/2029	5.000	5/15/2023	100	59259YXR5	-	-
2013A	1/24/2013	16,925,000	-	11/15/2031	5.000	5/15/2023	100	59259YXT1	-	-
2013A	1/24/2013	17,770,000	-	11/15/2032	5.000	5/15/2023	100	59259YXU8	-	-
2013B	4/2/2013	3,000,000	-	11/15/2020	4.000	11/15/2020	100	59259YYY9	-	-
2013B	4/2/2013	1,140,000	-	11/15/2021	3.000	11/15/2021	100	59259YYZ6	-	-
2013B	4/2/2013	1,580,000	-	11/15/2022	4.000	11/15/2022	100	59259YZA0	-	-
2013B	4/2/2013	12,050,000	-	11/15/2024	5.000	5/15/2023	100	59259YZM4	-	-
2013B	4/2/2013	15,360,000	-	11/15/2029	5.000	5/15/2023	100	59259YZS1	-	-
2013B	4/2/2013	16,935,000	-	11/15/2031	5.000	5/15/2023	100	59259YZU6	-	-
2013B	4/2/2013	17,780,000	-	11/15/2032	5.000	5/15/2023	100	59259YZV4	-	-
2013C	6/11/2013	2,545,000	-	11/15/2019	3.000	11/15/2019	100	59259YB40	-	-
2013C	6/11/2013	3,350,000	-	11/15/2020	2.000	11/15/2020	100	59259YB57	-	-
2013C	6/11/2013	870,000	-	11/15/2021	3.000	11/15/2021	100	59259YB65	-	-
2013C	6/11/2013	16,995,000	-	11/15/2031	5.000	5/15/2023	100	59259YC72	-	-
2013C	6/11/2013	17,845,000	-	11/15/2032	5.000	5/15/2023	100	59259YC80	-	-
2013D	7/11/2013	8,040,000	-	11/15/2024	5.000	11/15/2023	100	59259YF95	-	-
2013D	7/11/2013	8,445,000	-	11/15/2025	5.000	11/15/2023	100	59259YG29	-	-
2013D	7/11/2013	8,865,000	-	11/15/2026	5.250	11/15/2023	100	59259YG37	-	-
2013D	7/11/2013	9,330,000	-	11/15/2027	5.250	11/15/2023	100	59259YG45	-	-
2013D	7/11/2013	9,820,000	-	11/15/2028	5.250	11/15/2023	100	59259YG52	-	-
2013D	7/11/2013	10,340,000	-	11/15/2029	5.250	11/15/2023	100	59259YG60	-	-
2013D	7/11/2013	11,450,000	-	11/15/2031	5.250	11/15/2023	100	59259YG86	-	-
2013D	7/11/2013	12,055,000	-	11/15/2032	5.250	11/15/2023	100	59259YG94	-	-
2013D	7/11/2013	12,685,000	-	11/15/2033	5.250	11/15/2023	100	59259YH28	-	-
2013E	11/15/2013	2,070,000	-	11/15/2020	4.000	11/15/2020	100	59259YK81	-	-
2013E	11/15/2013	3,435,000	-	11/15/2021	4.000	11/15/2021	100	59259YK99	-	-
2013E	11/15/2013	1,700,000	-	11/15/2022	4.000	11/15/2022	100	59259YL23	-	-
2013E	11/15/2013	12,215,000	-	11/15/2024	5.000	11/15/2023	100	59259YL49	-	-
2013E	11/15/2013	12,830,000	-	11/15/2025	5.000	11/15/2023	100	59259YL56	-	-
2013E	11/15/2013	13,470,000	-	11/15/2026	5.000	11/15/2023	100	59259YL64	-	-
2013E	11/15/2013	14,140,000	-	11/15/2027	5.000	11/15/2023	100	59259YL72	-	-
2013E	11/15/2013	14,850,000	-	11/15/2028	5.000	11/15/2023	100	59259YL80	-	-
2013E	11/15/2013	15,590,000	-	11/15/2029	5.000	11/15/2023	100	59259YL98	-	-
2013E	11/15/2013	17,190,000	-	11/15/2031	5.000	11/15/2023	100	59259YM30	-	-
2014A-1	2/28/2014	1,715,000	4,955,000	11/15/2020	4.000	11/15/2020	100	59259YQ44	59259Y8L6	59259Y8M4
2014A-1	2/28/2014	6,960,000	-	11/15/2021	4.000	11/15/2021	100	59259YQ51	-	-
2014A-1	2/28/2014	14,665,000	-	11/15/2029	5.250	11/15/2023	100	59259YQ77	-	-
2014A-1	2/28/2014	12,145,000	-	11/15/2031	5.000	11/15/2023	100	59259YQ85	-	-
2014A-1	2/28/2014	9,765,000	-	11/15/2033	5.250	11/15/2023	100	59259YR84	-	-
2014A-2	2/28/2014	1,700,000	-	11/15/2022	4.000	11/15/2022	100	59259YS34	-	-
2014A-2	2/28/2014	16,175,000	-	11/15/2024	5.000	11/15/2023	100	59259YS42	-	-
2014A-2	2/28/2014	16,650,000	-	11/15/2025	5.000	11/15/2023	100	59259YS59	-	-
2014A-2	2/28/2014	17,120,000	-	11/15/2026	5.000	11/15/2023	100	59259YS67	-	-

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

† Date refers to most recent remarketing of such series.

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity	Interest Rate	Redemption Date	Redemption Price	Original CUSIP Number*	Pre-Refunded CUSIP Number*	Unrefunded CUSIP Number*
2014A-2	2/28/2014	$17,605,000	-	11/15/2027	5.000%	11/15/2023	100%	59259YS75	-	-
2014A-2	2/28/2014	13,590,000	-	11/15/2028	5.000	11/15/2023	100	59259YS83	-	-
2014B	4/17/2014	12,010,000	-	11/15/2025	5.000	5/15/2024	100	59259YU72	-	-
2014B	4/17/2014	12,610,000	-	11/15/2026	5.000	5/15/2024	100	59259YU80	-	-
2014B	4/17/2014	13,240,000	-	11/15/2027	5.000	5/15/2024	100	59259YU98	-	-
2014B	4/17/2014	9,815,000	-	11/15/2028	5.000	5/15/2024	100	59259YW70	-	-
2014B	4/17/2014	14,545,000	-	11/15/2029	5.000	5/15/2024	100	59259YV30	-	-
2014C	6/26/2014	15,830,000	$27,670,000	11/15/2022	5.000	11/15/2022	100	59259YZ28	59261ASB4	59261ASC2
2014C	6/26/2014	27,155,000	-	11/15/2025	5.000	11/15/2024	100	59259YZ51	-	-
2014C	6/26/2014	7,760,000	-	11/15/2026	5.000	11/15/2024	100	59259YZ69	-	-
2014C	6/26/2014	18,400,000	-	11/15/2027	5.000	11/15/2024	100	59259YZ77	-	-
2014C	6/26/2014	14,070,000	-	11/15/2028	5.000	11/15/2024	100	59259YZ85	-	-
2014C	6/26/2014	14,775,000	-	11/15/2029	5.000	11/15/2024	100	59259YZ93	-	-
2014D-1	11/4/2014	14,175,000	-	11/15/2026	5.000	11/15/2024	100	59259Y2N8	-	-
2014D-1	11/4/2014	4,635,000	-	11/15/2027	5.000	11/15/2024	100	59259Y2P3	-	-
2014D-1	11/4/2014	10,115,000	-	11/15/2028	5.000	11/15/2024	100	59259Y2Q1	-	-
2014D-1	11/4/2014	10,620,000	-	11/15/2029	5.000	11/15/2024	100	59259Y2R9	-	-
2015B	3/19/2015	3,915,000	-	11/15/2026	5.000	5/15/2025	100	59259Y4W6	-	-
2015B	3/19/2015	4,235,000	-	11/15/2028	5.000	5/15/2025	100	59259Y4Y2	-	-

Refunded Bonds will be credited against the following mandatory redemption dates:

$57,870,000 5.25% Series 2010D Term Bonds Due November 15, 2034
CUSIP* Number: 59259YFG9

November 15	Refunded Amount
2031	$13,350,000
2032	14,070,000
2033	14,825,000
2034	15,625,000

$71,390,000 5.00% Series 2010D Term Bonds Due November 15, 2034
CUSIP* Number: 59259YFH7

November 15	Refunded Amount
2031	$16,590,000
2032	17,400,000
2033	18,255,000
2034	19,145,000

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

$250,180,000 5.25% Series 2010D Term Bonds Due November 15, 2040
CUSIP[*] Number: 59259YEQ8

November 15	Refunded Amount
2035	$36,550,000
2036	38,470,000
2037	40,490,000
2038	42,615,000
2039	44,850,000
2040	47,205,000

$31,875,000 5.00% Series 2011A Term Bonds Due November 15, 2036
CUSIP[*] Number: 59259YHM4

November 15	Refunded Amount
2032	$9,360,000
2033	9,830,000
2034	5,835,000
2035	3,045,000
2036	3,805,000

$38,995,000 5.00% Series 2011A Term Bonds Due November 15, 2037
CUSIP[*] Number: 59259YHR3

November 15	Refunded Amount
2032	$5,075,000
2033	5,325,000
2034	10,080,000
2035	5,875,000
2036	6,165,000
2037	6,475,000

$40,000,000 5.25% Series 2011A Term Bonds Due November 15, 2038
CUSIP[*] Number: 59259YHQ5

November 15	Refunded Amount
2035	$ 7,795,000
2036	7,595,000
2037	11,990,000
2038	12,620,000

[*] CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

$27,220,000 5.00% Series 2011A Term Bonds Due November 15, 2041
CUSIP* Number: 59259YHN2

November 15	Refunded Amount
2038	$ 6,800,000
2039	20,420,000

$12,835,000 4.75% Series 2011D Term Bonds Due November 15, 2036
CUSIP* Number: 59259YLH0

November 15	Refunded Amount
2032	$4,070,000
2033	4,275,000
2034	4,490,000

$103,980,000 5.00% Series 2011D Term Bonds Due November 15, 2036
CUSIP* Number: 59259YLX5

November 15	Refunded Amount
2032	$18,840,000
2033	19,770,000
2034	20,745,000
2035	21,775,000
2036	22,850,000

$46,715,000 5.25% Series 2011D Term Bonds Due November 15, 2041
CUSIP* Number: 59259YLJ6

November 15	Refunded Amount
2037	$10,800,000
2038	11,365,000
2039	11,960,000
2040	12,590,000

$21,555,000 5.00% Series 2012C Term Bonds Due November 15, 2041
CUSIP* Number: 59259YPH6

November 15	Refunded Amount
2034	$21,555,000

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

NEW ISSUE **BOOK-ENTRY-ONLY**

$2,021,461,604.50
METROPOLITAN TRANSPORTATION AUTHORITY
Transportation Revenue Refunding Green Bonds, Series 2017C
(Climate Bond Certified)

consisting of

$1,821,460,000.00	**$200,001,604.50**
Transportation Revenue Refunding Green Bonds, Subseries 2017C-1 (Climate Bond Certified)	**Transportation Revenue Refunding Green Bonds, Subseries 2017C-2 (Climate Bond Certified)**

DATED: Date of Delivery **DUE: November 15, as shown on the inside cover pages**

The Metropolitan Transportation Authority's (MTA) Transportation Revenue Refunding Green Bonds, Series 2017C (Climate Bond Certified) (the Series 2017C Bonds) consisting of Transportation Revenue Refunding Green Bonds, Subseries 2017C-1 (Climate Bond Certified) (the Subseries 2017C-1 CIBs) and Transportation Revenue Refunding Green Bonds, Subseries 2017C-2 (Climate Bond Certified) (the Subseries 2017C-2 CABs) are being issued to refund certain outstanding Transportation Revenue Bonds.

The Series 2017C Bonds —

- are MTA's special, not general, obligations, payable solely from the revenues of the transit and commuter systems and other sources pledged to Owners as described in this official statement, 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 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, under existing law and relying on certain representations by MTA and assuming the compliance by MTA with certain covenants, interest on the Series 2017C 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, but*
- *included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.*

Also in Co-Bond Counsel's opinion, under existing law, interest on the Series 2017C 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 Subseries 2017C-1 CIBs are being issued as current interest bonds, and the Subseries 2017C-2 CABs are being issued as Capital Appreciation Obligations, as described herein.

The Subseries 2017C-1 CIBs will bear interest at the rates shown on the inside cover pages hereof. The Subseries 2017C-2 CABs will have the approximate yield to their Maturity Dates shown on the inside cover pages hereof.

The Series 2017C Bonds are subject to redemption prior to maturity as described herein.

The Series 2017C 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 December 14, 2017.

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 2017C 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.

BofA Merrill Lynch

Citigroup **Goldman Sachs & Co. LLC** **J.P. Morgan** **The Williams Capital Group, L.P.**
PNC Capital Markets LLC
Joint Co-Senior Managers

Drexel Hamilton, LLC
Morgan Stanley
Jefferies LLC
RBC Capital Markets
Siebert Cisneros Shank & Co., L.L.C.
Loop Capital Markets
Ramirez & Co., Inc.

Academy Securities Inc.
Blaylock Van, LLC
Fidelity Capital Markets
Raymond James
Stifel
Alamo Capital
BNY Mellon Capital Markets
FTN Financial Capital Markets
Rice Financial Products Company
Barclays
Cabrera Capital Markets, LLC
KeyBanc Capital Markets Inc.
Stern Brothers & Co.
TD Securities

November 22, 2017

$2,021,461,604.50
Metropolitan Transportation Authority
Transportation Revenue Refunding Green Bonds, Series 2017C
(Climate Bond Certified)

consisting of

$1,821,460,000.00
Transportation Revenue Refunding Green Bonds,
Subseries 2017C-1
(Climate Bond Certified)*

Current Interest Bonds

Maturity (November 15)	Principal Amount	Interest Rate	Yield	CUSIP Number† (59261A)
2023	$ 44,980,000	5.000%	1.88%	PM3
2024	4,265,000	3.000	2.04	PN1
2024	4,310,000	4.000	2.04	PP6
2024	96,725,000	5.000	2.04	PQ4
2025	1,600,000	3.000	2.23	PT8
2025	1,125,000	4.000	2.23	PS0
2025	133,575,000	5.000	2.23	PR2
2026	1,825,000	3.000	2.36	PV3
2026	4,300,000	4.000	2.36	PU5
2026	173,050,000	5.000	2.36	PW1
2027	95,205,000	5.000	2.45	PX9
2028	146,960,000	5.000	2.56‡	PY7
2029	158,000,000	5.000	2.64‡	PZ4
2030	124,225,000	5.000	2.70‡	QA8
2031	68,945,000	4.000	2.97‡	QC4
2031	153,135,000	5.000	2.75‡	QB6
2032	99,240,000	4.000	3.05‡	QD2
2033	70,020,000	5.000	2.86‡	QE0
2034	21,840,000	4.000	3.16‡	QF7
2034	85,385,000	5.000	2.91‡	QG5
2035	85,030,000	4.000	3.22‡	QH3
2036	76,830,000	3.250	3.39	QK6
2036	11,580,000	4.000	3.27‡	QJ9
2037	28,775,000	3.375	3.42	QM2
2037	49,405,000	4.000	3.30‡	QL4
2038	81,130,000	4.000	3.32‡	QN0

The Series 2017C Bonds are subject to redemption as described under the caption "DESCRIPTION OF SERIES 2017C BONDS – Redemption Prior to Maturity" in **Part I**. The following summarizes the optional redemption provisions: The Subseries 2017C-1 CIBs maturing on and after November 15, 2028, are subject to redemption prior to maturity on any date on and after May 15, 2028, at the option of MTA, 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.

---

* Interest to accrue from the date of issuance.

† CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Series 2017C Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2017C Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2017C 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 2017C Bonds.

‡ Priced at the stated yield to the May 15, 2028 optional redemption date at a redemption price of 100%.

$200,001,604.50
Transportation Revenue Refunding Green Bonds,
Subseries 2017C-2
(Climate Bond Certified)*

Capital Appreciation Obligations

Maturity (November 15)	Principal Amount	Approximate Yield to Maturity Date	Initial Offering Price per $5,000 at Maturity	Maturity Amount	CUSIP Number† (59261A)
2027	$21,259,751.45	2.91%	$3,754.15	$28,315,000	PF8
2029	43,070,738.75	3.09	3,469.25	62,075,000	PG6
2032	43,081,500.00	3.28	3,077.25	70,000,000	PH4
2033	25,841,031.30	3.34	2,950.90	43,785,000	PJ0
2039	38,844,791.70	3.57	2,302.05	84,370,000	PK7
2040	27,903,791.30	3.58	2,217.05	62,930,000	PL5

The Series 2017C Bonds are subject to redemption as described under the caption "DESCRIPTION OF SERIES 2017C BONDS – Redemption Prior to Maturity" in **Part I**. The Subseries 2017C-2 CABs are not subject to optional redemption prior to maturity.

* Interest to accrete from the date of issuance.

† CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Series 2017C Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2017C Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2017C 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 2017C Bonds.

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Metropolitan Transportation Authority
2 Broadway, 20th Floor
New York, New York 10004
(212) 878-7000
Website: www.mta.info

Joseph J. Lhota.. Chairman
Fernando Ferrer.. Vice-Chairman
Andrew B. Albert.. Non-Voting Member
Norman E. Brown.. Non-Voting Member
Randolph Glucksman.. Non-Voting Member
Ira R. Greenberg.. Non-Voting Member
David Jones.. Member
Susan G. Metzger.. Member
Charles G. Moerdler.. Member
John J. Molloy.. Member
Mitchell H. Pally.. Member
Scott Rechler.. Member
John Samuelsen.. Non-Voting Member
Andrew Saul.. Member
Lawrence Schwartz.. Member
Vincent Tessitore, Jr. .... Non-Voting Member
Polly Trottenberg.. Member
Veronica Vanterpool.. Member
James Vitiello.. Member
Peter Ward.. Member
Carl Weisbrod.. Member
Carl V. Wortendyke.. Member
Neal Zuckerman.. Member

Veronique Hakim.. Managing Director
Patrick Foye.. President
John N. Lieber.. Chief Development Officer
Phillip Eng.. Chief Operating Officer
Robert E. Foran.. Chief Financial Officer
Donna Evans.. Chief of Staff
Helene Fromm, Esq. .... Acting General Counsel
Patrick J. McCoy.. Director, Finance

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

BACKSTROM MCCARLEY BERRY & CO., LLC
San Francisco, California

Co-Financial Advisors

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

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

SUMMARY OF TERMS

MTA has prepared this Summary of Terms to describe the specific terms of the Series 2017C 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 and to the Transportation Revenue Refunding Green Bonds. Investors should carefully review that detailed information in its entirety before making a decision to purchase any of the Series 2017C Bonds being offered.

Issuer	Metropolitan Transportation Authority, a public benefit corporation of the State of New York.
Bonds Being Offered	Transportation Revenue Refunding Green Bonds, Series 2017C (Climate Bond Certified) (the Series 2017C Bonds), consisting of Transportation Revenue Refunding Green Bonds, Subseries 2017C-1 (Climate Bond Certified) (the Subseries 2017C-1 CIBs), being offered as current interest bonds, and Transportation Revenue Refunding Green Bonds, Subseries 2017C-2 (Climate Bond Certified) (the Subseries 2017C-2 CABs), being offered as Capital Appreciation Obligations.
Purpose of Issue	The Series 2017C Bonds are being issued to refund certain outstanding Transportation Revenue Bonds. See "APPLICATION OF PROCEEDS AND PLAN OF REFUNDING" in **Part I**.
Maturities and Rates	The Subseries 2017C-1 CIBs mature on the dates and bear interest at the rates shown on the inside cover pages of this official statement. The Subseries 2017C-2 CABs mature on the dates and in the Maturity Amounts (as defined herein) shown on the inside cover pages of this official statement.
Denominations	The Subseries 2017C-1 CIBs will be sold in denominations of $5,000 or any integral multiple thereof. The Subseries 2017C-2 CABs will be sold in amounts such that the Accreted Values (as defined herein) thereof at their respective maturity dates are in denominations of $5,000 or any integral multiple thereof.
Interest Payment Dates	Interest on the Subseries 2017C-1 CIBs shall be paid semiannually on May 15 and November 15, commencing May 15, 2018. Interest on the Subseries 2017C-2 CABs shall be compounded semiannually on May 15 and November 15 of each year, commencing on May 15, 2018, which interest is payable only at maturity or earlier redemption.
Redemption	See "DESCRIPTION OF SERIES 2017C BONDS – Redemption Prior to Maturity" in **Part I.**
Sources of Payment and Security	MTA's pledged transportation revenues from Transit and Commuter System operations, MTA Bus operations, MTA Bridges and Tunnels operating surplus, subsidies from State and local governmental entities and certain other sources, all as described in **Part II**.
Registration of the Bonds	DTC Book-Entry-Only System. No physical certificates evidencing ownership of a bond will be delivered, except to DTC.
Trustee	The Bank of New York Mellon, New York, New York.
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 **Part III**.
Ratings	*Rating Agency* — *Rating* Fitch: AA- KBRA: AA+ Moody's: A1 S&P: AA- See "RATINGS" in **Part III**.
Co-Financial Advisors	Public Resources Advisory Group, Inc., New York, New York, and Backstrom McCarley Berry & Co., LLC, San Francisco, California.
Underwriters	See cover page.
Underwriters' Discount	See "UNDERWRITING" in **Part III**.
Counsel to the Underwriters	Squire Patton Boggs (US) LLP, New York, New York.
Verification Agent	Samuel Klein and Company, Certified Public Accountants.

- ***No Unauthorized Offer.*** **This official statement is not an offer to sell, or the solicitation of an offer to buy, the Series 2017C Bonds in any jurisdiction where that would be unlawful. MTA 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 2017C 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 2017C 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's 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's beliefs, as well as assumptions made by, and information currently available to, the management and staff of MTA 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's 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 assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's 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 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's 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. 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's 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 assume no responsibility for, and disclaim any association with, the prospective financial information. Neither MTA's 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 and its other 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's 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 MTA's consolidated financial statements for the years ended December 31, 2016 and 2015, which is a matter of public record, is included by specific cross-reference in this official statement. Deloitte & Touche LLP has performed a review of the consolidated interim financial information of MTA for the six-month period ended June 30, 2017. As indicated in such review report which accompanies MTA's consolidated interim financial information, because Deloitte & Touche LLP did not perform an audit, Deloitte & Touche LLP expresses no opinion on that information. The consolidated interim financial information of MTA for the six-month period ended June 30, 2017 (except for the auditor's review report accompanying the consolidated interim financial information as described above) which has been included on MTA's website is included in this official statement by specific cross-reference. Deloitte & Touche LLP has not performed any procedures on any financial statements or other financial information of MTA, including without limitation any of the information contained in this official statement, since the date of such review report and has not been asked to consent to the inclusion, or incorporation by reference, of either its audit or review report in this official statement.**

- ***Climate Bonds Initiative*. The Climate Bonds Initiative has provided the following paragraphs for inclusion in this official statement: The certification of the Series 2017C Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bonds Standard 2.0 and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Series 2017C Bonds or any projects financed by the Series 2017C Bonds, including but not limited to this official statement or MTA.**

  The certification of the Series 2017C Bonds as Climate Bonds by the Climate Bonds Initiative is not a recommendation to any person to purchase, hold or sell the Series 2017C Bonds and such certification does not address the market price or suitability of the Series 2017C Bonds for a particular investor. The certification also does not address the merits of the decision by MTA or any third party to participate in this transaction and does not express, and should not be deemed to be an expression of, an opinion as to MTA or any aspect of any projects financed by the Series 2017C Bonds (including but not limited to the financial viability of any projects financed by the Series 2017C Bonds) other than with respect to compliance with the Climate Bonds Standard.

  In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative has assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative. The Climate Bonds Initiative does not assume or accept any responsibility to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any projects financed by the Series 2017C Bonds or of MTA. In addition, the Climate Bonds Initiative does not assume any obligation to conduct (and it has not conducted) any physical inspection of any projects financed by the Series 2017C Bonds. The certification may only be used in connection with the Series 2017C Bonds, including as provided in this official statement, and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

  The certification does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due on the Series 2017C Bonds. In the event MTA does not comply with Climate Bonds Initiative's required procedures for Climate Bonds, Climate Bonds Initiative, in its sole and absolute discretion, may withdraw its Climate Bond certification of the Series 2017C Bonds at any time, and there can be no assurance that such certification may not be withdrawn.

- ***No Guarantee of Information by Underwriters*. The Underwriters have provided the following sentences for inclusion in this official statement: The Underwriters have reviewed the information in this official statement in accordance with, and as part of, their respective 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 2017C Bonds, or**
  - **the tax-exempt status of the interest on the Series 2017C Bonds.**

- ***Overallotment and Stabilization*. The Underwriters may overallot or effect transactions that stabilize or maintain the market price of the Series 2017C Bonds at a level above that 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, and as that term is defined in, Rule 15c2-12 of the United States Securities and Exchange Commission, as amended, and in effect on the date hereof.**

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

TABLE OF CONTENTS

Page

Information Included by Specific Cross-reference. The following portions of MTA's 2017 Combined Continuing Disclosure Filings, dated April 28, 2017, as supplemented on June 22, 2017, and July 5, 2017, and as updated by a First Quarterly Update, dated August 14, 2017, and a Second Quarterly Update, dated November 17, 2017 (attached hereto as **Attachment 6**), each filed with the Electronic Municipal Market Access system (EMMA) of the Municipal Securities Rulemaking Board (MSRB), and as updated by the audited financial statements included in **Appendix B**, referred to below, which were filed with EMMA on June 30 2017, 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 2017C Bonds, together with any supplements or amendments thereto:

- **Part I** – MTA Annual Disclosure Statement (the **MTA Annual Disclosure Statement** or **ADS**)
- **Appendix B** – Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2016 and 2015

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

- Summary of Certain Provisions of the Transportation Resolution
- Definitions and Summary of Certain Provisions of the Standard Resolution Provisions
- Form of the Interagency Agreement
- MTA's Unaudited Consolidated Interim Financial Statements as of and for the Six-Month Period Ended June 30, 2017 (except that the auditor's review report accompanying the interim financial information does not express an opinion on the interim financial information because no audit was performed in connection therewith, and, consequently, the auditor's review report is not considered a part of this official statement)

For convenience, copies of most of these documents can be found on the MTA website (www.mta.info) under the caption "MTA Info–Financial Information–Budget and Financial Statements" in the case of MTA's Unaudited Consolidated Interim Financial Statements as of and for the Six-Month Period Ended June 30, 2017 and "MTA Info–Financial Information–Investor Information" in the case of the remaining documents, including the Audited Consolidated Financial Statements of Metropolitan Transportation Authority for the Years Ended December 31, 2016 and 2015. No statement on MTA's website is included by specific cross-reference herein. See "FURTHER INFORMATION" in **Part III**. Definitions of certain terms used in the summaries may differ from terms used in this official statement, such as the use herein of the popular names of the MTA affiliates and subsidiaries.

The consolidated financial statements of MTA for the years ended December 31, 2016 and 2015, 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 MTA's consolidated financial statements for the years ended December 31, 2016 and 2015, which is a matter of public record, is included in such consolidated financial statements. The consolidated interim financial information for the six-month period ended June 30, 2017 (except for the auditor's review report accompanying the consolidated interim financial information as described above) has also been incorporated 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, including without limitation any of the information contained in, or incorporated by specific cross-reference in, this official statement, since the date of such review report and has not been asked to consent to the inclusion, or incorporation by reference, of its report on the audited consolidated financial statements or its review report, as the case may be, in this official statement.

INTRODUCTION

MTA, MTA Bridges and Tunnels and Other Related Entities

The Metropolitan Transportation Authority (MTA) was created by special New York State (the State) legislation in 1965, as a public benefit corporation, which means that it is a corporate entity separate and apart from the State, without any power of taxation – frequently called a "public authority." MTA is governed by board members appointed by the Governor, with the advice and consent of the State Senate.

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 New York City (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; and the MTA Capital Construction Company. MTA issues debt obligations to finance a substantial portion of the capital costs of these systems.

Triborough Bridge and Tunnel Authority (MTA Bridges and Tunnels), another affiliate of MTA, is a public benefit corporation empowered to construct and operate toll bridges and tunnels and other public facilities in the City. MTA Bridges and Tunnels issues debt obligations to finance the capital costs of its facilities and the Transit and Commuter Systems. MTA Bridges and Tunnels' surplus amounts are used to fund certain transit and commuter operations and capital projects.

The board members of MTA serve as the board members of MTA's affiliates and subsidiaries, which, together with MTA, are referred to herein as the Related Entities. MTA and the other Related Entities are described in detail in **Part I** – MTA Annual Disclosure Statement to MTA's 2017 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.

Legal Name	Popular Name
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 Capital Construction Company	MTA Capital Construction
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 Transportation 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 memorandums 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, MTA Bridges and Tunnels and the other Related Entities.
- ***Part I*** provides specific information about the Series 2017C Bonds.
- ***Part II*** describes the sources of payment and security for all Transportation Revenue Bonds, including the Series 2017C Bonds.
- ***Part III*** provides miscellaneous information relating to the Series 2017C Bonds.
- ***Attachment 1*** sets forth certain provisions applicable to the book-entry-only system of registration to be used for the Series 2017C Bonds.
- ***Attachment 2*** sets forth a summary of certain provisions of a continuing disclosure agreement relating to the Series 2017C Bonds.
- ***Attachment 3*** is the form of approving opinions of Co-Bond Counsel in connection with the issuance of the Series 2017C Bonds.
- ***Attachment 4*** sets forth a list of the bonds of MTA to be refunded.
- ***Attachment 5*** sets forth a table of Accreted Values (as defined herein) for the Subseries 2017C-2 CABs.
- ***Attachment 6*** is the Second Quarterly Update to the Annual Disclosure Statement, dated November 17, 2017.
- ***Information Included by Specific Cross-reference*** in this official statement and identified under the caption "Information Included by Specific Cross-reference" following the Table of Contents may be obtained, as described below, from the MSRB and from MTA.

Information from the MSRB through EMMA. MTA files annual and other information with EMMA. Such information can be accessed at http://emma.msrb.org/.

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 2017C Bonds.**

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**.

PART I. SERIES 2017C BONDS

Part I of this official statement, together with the Summary of Terms, provides specific information about the Series 2017C Bonds.

APPLICATION OF PROCEEDS AND PLAN OF REFUNDING

MTA anticipates that the net proceeds of the Series 2017C Bonds (the principal amount thereof, plus a net original issue premium of $294,032,206.85, and less certain financing, legal and miscellaneous expenses of $10,178,008.74) in the total amount of $2,305,315,802.61, together with certain other funds of MTA in the amount of $8,240,319.79, will be issued to refund certain outstanding obligations of MTA (the Refunded Bonds) in the aggregate principal amount of $2,039,840,000.00, as further described in **Attachment 4** to this official statement.

MTA anticipates that the net proceeds of the Series 2017C Bonds, together with other funds, will be used to acquire direct obligations of, or obligations guaranteed by, the United States of America (the Government Obligations), the principal of and interest on which, when due, will provide, together with any moneys that may be deposited by MTA with The Bank of New York Mellon, acting as the Trustee, moneys sufficient to pay the redemption price of such Refunded Bonds, and the interest to become due on such Refunded Bonds, on and prior to their redemption date. The Government Obligations and such other moneys, if any, will be deposited with the Trustee upon the issuance and delivery of the Series 2017C Bonds and will be held in trust for the payment of the redemption price of and interest on such Refunded Bonds. Upon making such deposit with the Trustee and the issuance of certain irrevocable instructions to the Trustee pursuant to the Transportation Resolution, the Refunded Bonds will be deemed to have been paid and will no longer be outstanding under the Transportation Resolution.

Climate Bond Certified

The information set forth under this caption "Climate Bond Certified" concerning (1) the Climate Bonds Initiative (the Climate Bonds Initiative) and the process for obtaining Climate Bond Certification (the Climate Bond Certification), and (2) Sustainalytics (Sustainalytics) in its role as a verifier with respect to the Climate Bond Certification, all as more fully described below, has been extracted from materials provided by the Climate Bonds Initiative and Sustainalytics, respectively, for such purposes, and none of such information is guaranteed as to accuracy or completeness or is to be construed as a representation by MTA or the Underwriters. Additional information relating to the Climate Bonds Initiative, the Climate Bonds Standard, the Certification Process and the process for obtaining Climate Bond Certification can be found at www.climatebonds.net. This website is included for reference only and the information contained therein is not incorporated by reference in this official statement.

The terms "Climate Bond Certified" and "green bonds" are neither defined in, nor related to the Transportation Resolution, and their use herein is for identification purposes only and is not intended to provide or imply that a holder of the Series 2017C Bonds is entitled to any additional security other than as provided in the Transportation Resolution. MTA has no continuing legal obligation to maintain the Climate Bond Certification of the Series 2017C Bonds.

Introduction. MTA has requested, and the Climate Bonds Standard Board has approved, the Series 2017C Bonds as "Climate Bond Certified", based on the Climate Bonds Standard Verification Letter provided by Sustainalytics. Sustainalytics' factual findings assessed that $11.3 billion, which has been expended as of the date of the verification on eligible projects included in MTA's 2010-2014 transit and commuter capital program, conform to the Climate Bonds - Low Carbon Transport Standard. MTA expects to issue additional green bonds from time to time for approved transit and commuter capital program projects reviewed and approved by the Climate Bonds Standard Board.

The Climate Bonds Initiative and Climate Bond Certification. MTA has applied to the Climate Bonds Initiative under the Climate Bonds Standard & Certification Scheme (the Certification Process), for designation of the Series 2017C Bonds as "Climate Bond Certified." The Certification Process is a voluntary verification initiative which allows MTA to demonstrate to the investor market, the users of the MTA's transit and commuter systems and other stakeholders that the Series 2017C Bonds meet international standards for climate integrity, management of proceeds and transparency. The Certification Process provides a scientific framework for determining which projects and assets are consistent with a low carbon and climate resilient economy and, therefore, eligible for inclusion in a Certified Climate Bond. The requirements of the Certification Process relating to the Series 2017C Bonds are separated into pre-issuance and post-issuance requirements.

The pre-issuance requirements are designed to ensure that MTA has established appropriate internal processes and controls prior to issuance of the Series 2017C Bonds, and that these internal processes and controls are sufficient to enable conformance with the Certification Process after the Series 2017C Bonds have been issued and bond proceeds are being expended.

The post-issuance requirements require annual certification of compliance.

DESCRIPTION OF SERIES 2017C BONDS

General

Record Date. The Record Date for the payment of principal of, interest on and Sinking Fund Installments with respect to the Series 2017C Bonds shall be the May 1 or November 1 immediately preceding such payment date.

Book-Entry-Only System. The Series 2017C Bonds will be registered in the name of The Depository Trust Company, New York, New York, or its nominee (together, DTC) which will act as securities depository for the Series 2017C Bonds. Individual purchases of the Subseries 2017C-1 CIBs will be made in book-entry-only form, in denominations of $5,000 or any integral multiple thereof. Individual purchases of the Subseries 2017C-2 CABs will be made in book-entry-only form, in amounts such that the Accreted Values thereof at their respective maturity dates are in denominations of $5,000 or any integral multiple thereof. So long as DTC is the registered owner of the Series 2017C Bonds, all payments on the Series 2017C 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."

Interest Payments.

Subseries 2017C-1 CIBs. The Subseries 2017C-1 CIBs mature on the dates and in the principal amounts and will bear interest at the per annum rates shown on the inside cover pages of this official statement. Interest on the Subseries 2017C-1 CIBs will be paid semiannually on each May 15 and November 15, beginning May 15, 2018, calculated based on a 360-day year comprised of twelve 30-day months and will be payable to the Holders thereof on each Interest Payment Date.

Subseries 2017C-2 CABs. The Subseries 2017C-2 CABs mature on the dates and in the Maturity Amounts shown on the inside cover pages of this official statement. The "Maturity Amount" for the Subseries 2017C-2 CABs represents the total amount of principal paid therefor, and the accreted/compounded interest thereon to stated maturity. Interest on the Subseries 2017C-2 CABs will accrete from the date of their initial delivery to stated maturity at a rate which produces the approximate yields to maturity set forth on the inside cover pages of this official statement and will compound on May 15, 2018 and each November 15 and May 15 thereafter (each such date being a "Valuation Date"). Such accreted and compounded interest will be paid as part of the Maturity Amount at stated maturity. A table of Accreted Value for the Subseries 2017C-2 CABs per $5,000 Maturity Amount based on the initial offering prices and the approximate yields therefor set forth on the inside cover pages of this official statement is presented in **Attachment 5** attached hereto. Such table is provided for informational purposes only and may not reflect the price for the Subseries 2017C-2 CABs in the secondary market.

The term "Accreted Value," as used in this Official Statement with respect to the Subseries 2017C-2 CABs, means as of any particular date of calculation, the original principal amount thereof, plus all interest accreted and compounded thereon to the particular date of calculation, determined as follows:

(a) as of any Valuation Date, the amount shown as the Accreted Value for such Valuation Date in the Accreted Value Table; and

(b) as of any date that is not a Valuation Date, the amount set forth in the Accreted Value Table for the last preceding Valuation Date, plus the portion of the difference between such amount and the amount set forth in the Accreted Value Table for the next succeeding Valuation Date that the number of days (based on 30-day months) from such last preceding Valuation Date to the date for which determination is being made bears to the total number of days (based on 30-day months) from such last preceding Valuation Date to the next succeeding Valuation Date.

Transfers and Exchanges. So long as DTC is the securities depository for the Series 2017C Bonds, it will be the sole registered owner of the Series 2017C Bonds, and transfers of ownership interests in the Series 2017C Bonds will occur through the DTC Book-Entry-Only System.

Trustee and Paying Agent. The Bank of New York Mellon, New York, New York, is Trustee and Paying Agent with respect to the Series 2017C Bonds.

Redemption Prior to Maturity

Optional Redemption. The Subseries 2017C-1 CIBs maturing on and after November 15, 2028, are subject to redemption prior to maturity on any date on and after May 15, 2028, at the option of MTA, 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.

The Subseries 2017C-2 CABs are not subject to optional redemption prior to maturity.

State and City Redemption. Pursuant to the MTA Act, the State, upon providing sufficient funds, may require MTA to redeem the Subseries 2017C-1 CIBs prior to maturity, as a whole, on any interest payment date not less than twenty years after the date of issue of the Subseries 2017C-1 CIBs, at 105% of their face value and accrued interest or at such lower redemption price provided for the Subseries 2017C-1 CIBs in the case of redemption as a whole on the redemption date. The MTA Act further provides that the City, upon furnishing sufficient funds, may require MTA to redeem the Subseries 2017C-1 CIBs, as a whole, but only in accordance with the terms upon which the Subseries 2017C-1 CIBs are otherwise redeemable.

Pursuant to the MTA Act, the State, upon providing sufficient funds, may require MTA to redeem the Subseries 2017C-2 CABs prior to maturity, as a whole, on any interest payment date not less than twenty years after the date of issue of the Subseries 2017C-2 CABs, at 105% of their accreted value as of the interest payment date.

Redemption Notices. So long as DTC is the securities depository for the Series 2017C Bonds, the Trustee must mail redemption notices to DTC at least 20 days before the redemption date. If the Series 2017C Bonds are not held in book-entry-only form, then the Trustee must mail redemption notices directly to Owners within the same time frame. A redemption of the Series 2017C 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 such optional redemption is conditioned upon receipt by the Trustee of money sufficient to pay the Redemption Price or upon the satisfaction of any other condition, or that such optional redemption 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.

Redemption Process. If the Trustee gives an unconditional notice of redemption, then on the redemption date the Series 2017C Bonds called for redemption will become due and payable. If the Trustee gives a conditional notice of redemption and holds money to pay the redemption price of the affected Series 2017C Bonds, and any other conditions included in such notice have been satisfied, then on the redemption date the Series 2017C Bonds called for redemption will become due and payable. In either case, after the redemption date, no interest will accrue on those Series 2017C Bonds, and an Owner's only right will be to receive payment of the redemption price upon surrender of those Series 2017C Bonds.

Please note that all redemptions are final – even if beneficial owners did not receive their notice and even if that notice had a defect.

DEBT SERVICE ON THE BONDS

Table 1 on the next page sets forth, on a cash basis (i) the debt service on the outstanding Transportation Revenue Bonds, (ii) debt service on the Series 2017C Bonds, and (iii) the aggregate debt service on all Transportation Revenue Bonds to be outstanding after the issuance of the Series 2017C Bonds.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Table 1
Aggregate Debt Service
($ in thousands)[1]

Year Ending December 31	Debt Service on Outstanding Bonds[2][3][4][5][6]	Series 2017C Bonds				Aggregate Debt Service[7]
		Principal	Interest	Compounded Interest	Total	
2018	$ 1,519,468	-	$ 78,004	-	$ 78,004	$ 1,597,472
2019	1,497,246	-	84,838	-	84,838	1,582,084
2020	1,476,968	-	84,838	-	84,838	1,561,806
2021	1,466,124	-	84,838	-	84,838	1,550,962
2022	1,450,771	-	84,838	-	84,838	1,535,609
2023	1,470,284	$ 44,980	84,838	-	129,818	1,600,102
2024	1,402,433	105,300	82,589	-	187,889	1,590,322
2025	1,352,422	136,300	77,452	-	213,752	1,566,175
2026	1,348,913	179,175	70,681	-	249,856	1,598,769
2027	1,406,773	116,465	61,801	$ 7,055	185,321	1,592,094
2028	1,381,057	146,960	57,041	-	204,001	1,585,058
2029	1,333,285	201,071	49,693	19,004	269,768	1,603,053
2030	1,422,741	124,225	41,793	-	166,018	1,588,759
2031	1,351,896	222,080	35,582	-	257,662	1,609,558
2032	1,387,188	142,322	25,167	26,919	194,407	1,581,595
2033	1,117,964	95,861	21,198	17,944	135,003	1,252,967
2034	1,124,731	107,225	17,697	-	124,922	1,249,653
2035	1,152,862	85,030	12,554	-	97,584	1,250,446
2036	964,205	88,410	9,153	-	97,563	1,061,768
2037	953,390	78,180	6,193	-	84,373	1,037,763
2038	881,099	81,130	3,245	-	84,375	965,474
2039	817,431	38,845	-	45,525	84,370	901,801
2040	737,778	27,904	-	35,026	62,930	800,708
2041	633,653	-	-		-	633,653
2042	580,871	-	-		-	580,871
2043	439,032	-	-		-	439,032
2044	290,476	-	-		-	290,476
2045	188,832	-	-		-	188,832
2046	132,276	-	-		-	132,276
2047	117,826	-	-		-	117,826
2048	108,817	-	-		-	108,817
2049	108,817	-	-		-	108,817
2050	108,814	-	-		-	108,814
2051	79,397	-	-		-	79,397
2052	79,394	-	-		-	79,394
2053	79,398	-	-		-	79,398
2054	79,395	-	-		-	79,395
2055	79,395	-	-		-	79,395
2056	63,684	-	-		-	63,684
2057	10,483	-	-		-	10,483
Total	$32,197,586	$2,021,462	$1,074,033	$151,473	$3,246,968	$35,444,554

(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; Subseries 2002G-1 Bonds at an assumed rate of 4.0% plus the current fixed spread, except Subseries 2002G-1g Bonds at an assumed rate of 4.0%; Series 2011B Bonds at an assumed rate of 4.0% plus the current fixed spread; fixed rate mandatory tender bonds at their respective fixed rates prior to the mandatory tender date.

(3) Excludes debt service on all outstanding Bond Anticipation Notes and Revenue Anticipation Notes.

(4) Includes debt service on a $146.5 million draw dated September 20, 2016 on the $967.1 million Railroad Rehabilitation and Improvement Financing Program loan (the RRIF Loan). MTA delivered its Transportation Revenue Bonds, Series 2015X to evidence its obligation to repay the RRIF Loan. The undrawn balance of the RRIF Loan is $820.6 million.

(5) 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 Transportation Resolution.

(6) Excludes debt service on the Refunded Bonds.

(7) Figures reflect amounts outstanding as of the date of delivery of the Series 2017C Bonds.

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 Transportation Revenue Bonds, including the Series 2017C Bonds.

SOURCES OF PAYMENT

Pledged Transportation Revenues

Under State law, the Transportation Revenue Bonds are MTA's special obligations, which means that they are payable solely from the money pledged for payment under the Transportation Resolution. They are not MTA's general obligations. Summaries of certain provisions of the Transportation Resolution and the form of the Interagency Agreement have been filed with the MSRB through EMMA as described under "INTRODUCTION – Where to Find Information."

MTA receives "transportation revenues" directly and through certain subsidiaries (currently, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus) and affiliates (currently, MTA New York City Transit and MaBSTOA), and its receipts from many of these sources are pledged for the payment of Transportation Revenue Bonds. MTA and its subsidiaries also receive operating subsidies from MTA Bridges and Tunnels and a number of other governmental sources. The Transportation Resolution provides that Owners are to be paid from pledged revenues prior to the payment of operating or other expenses, and as described in more detail below. MTA has covenanted to impose fares and other charges so that pledged revenues, together with other available moneys, will be sufficient to cover all debt service and operating and capital costs of the systems. See "Factors Affecting Revenues – Ability to Comply with Rate Covenant and Pay Operating and Maintenance Expenses" below.

Table 2a sets forth by general category the amount of pledged revenues, calculated in accordance with the Transportation Resolution, and the resulting debt service coverage for the five years ended December 31, 2016. A general description of the pledged revenues in the general categories referenced in **Table 2a** follows the table, and a more detailed description is set forth in Part 2 of the **ADS** under the heading "REVENUES OF THE RELATED ENTITIES."

Table 2a is a summary of historical revenues of MTA and its subsidiaries, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus, and MTA New York City Transit and its subsidiary MaBSTOA on a cash basis. This information in **Table 2a** may not be indicative of future results of operations and financial condition. The information contained in **Table 2a** has been prepared by MTA management based upon the historical financial statements and the notes thereto.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Table 2a
Summary of Pledged Revenues (Calculated in Accordance with the Transportation Resolution)
Historical Cash Basis ($ in millions)

	Years Ended December 31,				
	2012	**2013**	**2014**	**2015**	**2016**
Revenues from Systems Operations					
Fares from Transit System	$ 3,706	$ 4,060	$ 4,195	$ 4,396	$ 4,414
Fares from Commuter System	1,169	1,252	1,308	1,373	1,401
Fares from MTA Bus	202	219	225	223	233
Other Income[1]	197	230	270	248	248
Subtotal – Operating Revenues	**$5,274**	**$5,762**	**$5,999**	**$6,240**	**$6,296**
Revenues from MTA Bridges and Tunnels Surplus	**$509**	**$606**	**$623**	**$740**	**$742**
Revenues from Governmental Sources					
State and Local General Operating Subsidies	**$375**	**$376**	**$376**	**$370**	**$378**
Special Tax-Supported Operating Subsidies					
DTF Excess[2]	241	226	279	277	259
MMTOA Receipts	1,343	1,514	1,564	1,564	1,668
Urban Tax	408	595	806	941	811
Excess Mortgage Recording Taxes	25	25	25	25	25
MTA Aid Trust Account Receipts	306	303	313	285	300
Payroll Mobility Tax Receipts[3]	1,531	1,522	1,572	1,626	1,682
Subtotal Special Tax-Supported Operating Subsidies	**$3,853**	**$4,185**	**$4,559**	**$4,718**	**$4,745**
Station Maintenance and Service Reimbursements	**460**	**505**	**524**	**599**	**563**
City Subsidy for MTA Bus	**290**	**308**	**461**	**439**	**356**
Revenues from Investment of Capital Program Funds[4]	**11**	**7**	**7**	**8**	**13**
Subtotal – Non-Operating Revenues[5]	**$5,499**	**$5,987**	**$6,550**	**$6,874**	**$6,797**
Total Transportation Resolution Pledged Revenues	**$10,773**	**$11,748**	**$12,549**	**$13,114**	**$13,093**
Debt Service[6]	**$1,093**	**$1,257**	**$1,332**	**$1,399**	**$1,381**
Debt Service Coverage from Pledged Revenues	**9.9x**	**9.3x**	**9.4x**	**9.4x**	**9.5x**

(1) Other income in the case of the Transit System includes advertising revenue, interest income on certain operating funds, station concessions, Transit Adjudication Bureau collections, rental income and miscellaneous. Other income in the case of the Commuter System includes advertising revenues, interest income on certain operating funds, concession revenues (excluding Grand Central Terminal and Penn Station concessions), rental income and miscellaneous. Does not include Superstorm Sandy reimbursement funds.

(2) Calculated by subtracting the debt service payments on the Dedicated Tax Fund Bonds from the MTTF Receipts described in Part 3 of the **ADS** under the caption "DEDICATED TAX FUND BONDS."

(3) Payroll Mobility Tax Receipts for the years 2012, 2013, 2014, 2015 and 2016 include PMT Revenue Offset of $211 million, $307 million, $309 million, $309 million and $309 million, respectively.

(4) Represents investment income on capital program funds held for the benefit of the Transit and Commuter Systems on an accrual basis.

(5) Sum of (a) Revenues from MTA Bridges and Tunnels Surplus, (b) Revenues from Governmental Sources (including State and Local General Operating Subsidies and Special Tax-Supported Operating Subsidies), (c) Station Maintenance and Service Reimbursements, (d) City Subsidy for MTA Bus and (e) Revenues from Investment of Capital Program Funds.

(6) Debt service was reduced by approximately $59 million in 2012 and $54 million in each of 2013, 2014, 2015 and 2016 to reflect Build America Bonds interest credit payments relating to certain outstanding bonds. Such payments do not constitute Pledged Revenues under the Transportation Resolution.

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

- Decrease in Other Income in 2015 by $22 million derived from a decrease of $34 million from MTA New York City Transit mainly due to a deferred Paratransit reimbursement and school subsidy, offset by an increase of $12 million from the Commuter System.
- DTF Excess decreased in 2012 and 2013 due to lower MTTF Receipts and higher DTF debt service expenses. In 2014, there was an increase in DTF Excess due to higher MTTF Receipts, and 2015 remained at the same levels as the previous year. DTF Excess decreased in 2016 because debt service on DTF bonds increased by $19 million while MTTF Receipts remained largely the same as the previous year.
- MTA receives monthly payments beginning in May of MMTOA Receipts, with the first quarter of the State's appropriation for the succeeding year advanced into the fourth quarter of MTA's calendar year. MTA continues to monitor the effect of not having MMTOA Receipts available during the first quarter of the calendar year to determine if working capital borrowings may be necessary for cash flow needs. MTA has not borrowed for working capital since 2010. MMTOA Receipts increased in each year during the 2012-2014 period due to a more stable economy in accordance with the State's appropriation. In 2015, MMTOA Receipts remained at the same level as in 2014, because the State redirected a portion of MMTOA funds from the operating budget to the capital budget. In 2016, there was an increase from the lower 2015 levels of MMTOA Receipts.
- "Urban Tax" collection reflects the activity level of certain commercial real estate transactions in the City. For the years 2012-2015, Urban Tax revenues increased due to improvements in commercial real estate transactions in the City. Urban Tax revenues declined in 2016 due to lower activity level of certain commercial real estate transactions in the City.
- Mortgage recording taxes consist of two separate taxes: the MRT-1 Tax, which is imposed on borrowers of recorded mortgages of real property; and the MRT-2 Tax, which is a tax imposed on the institutional lender. These taxes are collected by the City and the seven other counties within MTA's service area. Mortgage recording taxes are used for Transit and Commuter Systems purposes after the payment of MTA Headquarters' expenses and MTA Bus debt service (beginning in 2009). Since 2009, due to declining mortgage recording tax receipts and increasing MTA Headquarters expenses, there have been no Excess Mortgage Recording Tax transfers to the Transit and Commuter Systems after payment of MTA Bus debt service of $25 million annually.
- In 2016, Station Maintenance increased by $1 million and Service Reimbursements were down due to a prepayment of fare reimbursements in 2015.
- City Subsidy for MTA Bus was down in 2016 due predominantly to timing.
- Revenues from Investment of Capital Program Funds – substantially all of the investment income is generated from bond proceeds, such as funds held in anticipation of expenditure on project costs.
- 2013 Debt Service reflects a cash defeasance of $57.9 million done in December of 2013. In 2016, $45.3 million of revenues on deposit in the Transportation Revenue Bonds debt service fund was replaced with proceeds of certain Transportation Revenue Bonds permitting such revenues to be used together with other available moneys to prepay outstanding 2 Broadway Certificates of Participation. As a result, 2016 Debt Service reported in **Table 2a** is lower by $45.3 million than it would have been if such transaction had not occurred.

Table 2b sets forth, by major category, for the five years ended December 31, 2016, all of the system operating revenues, expenses, adjustments, prior-year carryover and net cash balance. This information contained in **Table 2b** may not be indicative of future results of operations and financial condition. The information in **Table 2b** has been prepared by MTA management based on MTA financial plans.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Table 2b
MTA Consolidated Statement of Operations by Category
($ in millions)

Non-Reimbursable	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016
Operating Revenue					
Farebox Revenue	$5,079	$5,501	$5,709	$5,961	$6,050
Toll Revenue	1,491	1,645	1,676	1,809	1,870
Other Revenue	564	754	682	689	688
Capital and Other Reimbursements	0	0	0	0	0
Total Operating Revenue	**$7,134**	**$7,900**	**$8,068**	**$8,459**	**$8,608**
Operating Expense					
Labor Expenses:					
Payroll	$4,194	$4,333	$4,672	$4,696	$4,839
Overtime	574	621	730	755	771
Health & Welfare	813	896	962	1,050	1,172
OPEB Current Payment	413	473	479	502	562
Pensions	1,328	1,302	1,304	1,249	1,370
Other-Fringe Benefits	650	695	784	861	948
Reimbursable Overhead	(309)	(321)	(350)	(380)	(425)
Subtotal Labor Expenses	**$7,663**	**$7,997**	**$8,582**	**$8,732**	**$9,238**
Non-Labor Expenses:					
Electric Power	$472	$493	$516	$474	$406
Fuel	252	259	267	162	125
Insurance	8	39	51	57	(21)
Claims	136	300	269	331	464
Paratransit Service Contracts	361	367	366	379	384
Maintenance and Other Operating Contracts	452	497	549	579	631
Professional Service Contracts	277	297	283	380	401
Materials & Supplies	431	475	527	543	586
Other Business Expenses	144	167	180	196	193
Subtotal Non-Labor Expenses	**$2,530**	**$2,894**	**$3,007**	**$3,101**	**$3,168**
Other Expense Adjustments:					
Other	$63	$46	$45	$37	$47
General Reserve	0	0	0	0	0
Subtotal Other Expense Adjustments	**$63**	**$46**	**$45**	**$37**	**$47**
Total Operating Expense before Non-Cash Liability Adjustments	**$10,256**	**$10,937**	**$11,634**	**$11,871**	**$12,454**
Depreciation	$2,149	$2,174	$2,266	$2,443	$2,443
OPEB Liability Adjustment	1,786	1,920	2,035	1,490	1,562
GASB 68 Pension Expense Adjustment	0	0	0	(410)	(219)
Environmental Remediation	25	14	21	21	12
Total Operating Expense after Non-Cash Liability Adjustments	**$14,216**	**$15,046**	**$15,956**	**$15,414**	**$16,252**
Conversion to Cash Basis: Non-Cash Liability Adjustments	($3,959)	($4,109)	($4,322)	($3,543)	($3,798)
Debt Service (excludes Service Contract Bonds)	2,058	2,299	2,249	2,373	2,459
Total Operating Expense with Debt Service	**$12,315**	**$13,237**	**$13,882**	**$14,244**	**$14,912**
Dedicated Taxes and State/Local Subsidies	$5,502	$5,893	$6,375	$6,595	$6,666
Net Surplus/(Deficit) After Subsidies and Debt Service	**$321**	**$557**	**$561**	**$810**	**$362**
Conversion to Cash Basis: GASB Account	(90)	(86)	(50)	0	0
Conversion to Cash Basis: All Other	(297)	(262)	(626)	(660)	(581)
CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	**($66)**	**$209**	**($115)**	**$150**	**($232)**
ADJUSTMENTS	**0**	**0**	**0**	**0**	**0**
PRIOR-YEAR CARRYOVER	**301**	**235**	**445**	**330**	**480**
NET CASH BALANCE	**$235**	**$445**	**$330**	**$480**	**$248**

Table 3a sets forth the Summary of 2017 November Forecast and 2018 Final Proposed Budget Pledged Revenues based on the November Financial Plan prepared by MTA management. The information set forth in **Table 3a** is comparable to that set forth, with respect to the years 2012-2016, in **Table 2a.**

Table 3a

Summary of 2017 November Forecast and 2018 Final Proposed Budget Pledged Revenues (Calculated in Accordance with the Transportation Resolution) ($ in millions)

	2017 November Forecast	2018 Final Proposed Budget
Revenues from Systems Operations		
Fares from Transit System	$4,493	$4,551
Fares from Commuter System	1,474	1,507
Fares from MTA Bus	217	219
Other Income[1]	341	364
Subtotal – Operating Revenues	**$6,525**	**$6,641**
Revenues from MTA Bridges and Tunnels Surplus	**$697**	**$638**
Revenues from State and Local Governmental Sources		
State and Local General Operating Subsidies	**374**	**376**
Special Tax-Supported Operating Subsidies		
DTF Excess[2]	224	224
MMTOA Receipts	1,668	1,748
Urban Tax	565	528
Excess Mortgage Recording Taxes	25	24
Aid Trust Account Receipts[3]	305	307
Payroll Mobility Tax Receipts[3][4]	1,697	1,771
Subtotal Special Tax-Supported Operating Subsidies	**$4,485**	**$4,601**
Station Maintenance and Service Reimbursements	**552**	**515**
City Subsidy for MTA Bus	**572**	**498**
Revenues from Investment of Capital Program Funds	**1**	**1**
Subtotal – Non-Operating Revenues	**$6,681**	**$6,630**
Total Transportation Resolution Pledged Revenues	**$13,206**	**$13,271**
Budgeted Debt Service[5]	**$1,475**	**$1,550**
Debt Service Coverage from Pledged Revenues	**9.0x**	**8.6x**

(1) Other income in the case of the Transit System includes advertising revenue, interest income on certain operating funds, station concessions, Transit Adjudication Bureau collections, rental income and miscellaneous. Other income in the case of the Commuter System includes advertising revenues, interest income on certain operating funds, concession revenues (excluding Grand Central Terminal and Penn Station concessions), rental income and miscellaneous. Includes MTA Bus Other Income.

(2) Calculated by subtracting the debt service payments on the Dedicated Tax Fund Bonds from the MTTF Receipts described in Part 3 of the **ADS** under the caption "DEDICATED TAX FUND BONDS."

(3) See "PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – SOURCES OF PAYMENT – Description of Pledged Revenues – Additional Taxes and Fees" for a description of such additional revenues and MTA's current expectations for application of such revenues in the future.

(4) See also "PART II. SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – SOURCES OF PAYMENT – Description of Pledged Revenues – Additional Taxes and Fees" for a discussion of certain recent legislative changes affecting future Payroll Mobility Tax Receipts. Payroll Mobility Tax Receipts include PMT Revenue Offset of $244.3 million in 2017, a reduction of $65 million from 2016. As reflected in the July Financial Plan, in 2017, the State appropriated an additional $65 million to the MTA Capital Budget allowing the MTA to redirect that same amount of money from planned PAYGO back to the operating budget so the impact of the 2017 reduction was net neutral. The November Financial Plan assumes restoration of PMT Revenue Offset to $307 million per year, beginning in 2018.

(5) Net of annual Build America Bond interest credit payments on previously issued bonds of approximately $54.6 million in each of 2017 and 2018. Such payments do not constitute pledged revenues under the Transportation Resolution.

Table 3b sets forth, by major category, for the 2017 November Forecast and 2018 Final Proposed Budget, all of the system operating revenues, expenses, adjustments, prior-year carryover and net cash balance as published in the November Financial Plan. The information contained in **Table 3b** is comparable to that set forth, with respect to the years 2012-2016, in **Table 2b**.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Table 3b
MTA Consolidated Statement of Operations by Category
($ in millions)

Non-Reimbursable	2017 November Forecast	2018 Final Proposed Budget
Operating Revenue		
Farebox Revenue	$6,172	$6,277
Toll Revenue	1,906	1,923
Other Revenue	668	685
Capital and Other Reimbursements	0	0
Total Operating Revenue	**$8,747**	**$8,886**
Operating Expense		
Labor Expenses:		
Payroll	$5,040	$5,360
Overtime	879	829
Health & Welfare	1,214	1,364
OPEB Current Payment	569	638
Pensions	1,326	1,351
Other-Fringe Benefits	892	918
Reimbursable Overhead	(476)	(426)
Subtotal Labor Expenses	**$9,444**	**$10,033**
Non-Labor Expenses:		
Electric Power	$444	$505
Fuel	147	153
Insurance	30	30
Claims	314	320
Paratransit Service Contracts	391	416
Maintenance and Other Operating Contracts	746	858
Professional Service Contracts	573	518
Materials & Supplies	617	719
Other Business Expenses	209	206
Subtotal Non-Labor Expenses	**$3,471**	**$3,726**
Other Expense Adjustments:		
Other	$52	$49
General Reserve	155	160
Subtotal Other Expense Adjustments	**$207**	**$209**
Total Operating Expense before Non-Cash Liability Adjustments	**$13,122**	**$13,968**
Depreciation	$2,615	$2,674
OPEB Liability Adjustment	1,681	1,776
GASB 68 Pension Expense Adjustment	(172)	(235)
Environmental Remediation	4	6
Total Operating Expense after Non-Cash Liability Adjustments	**$17,250**	**$18,190**
Conversion to Cash Basis: Non-Cash Liability Adjustments	($4,128)	($4,222)
Debt Service (excludes Service Contract Bonds)	2,525	2,604
Total Operating Expense with Debt Service	**$15,647**	**$16,573**
Dedicated Taxes and State/Local Subsidies	$6,470	$6,659
Net Surplus/(Deficit) After Subsidies and Debt Service	**($430)**	**($1,028)**
Conversion to Cash Basis: GASB Account	0	(8)
Conversion to Cash Basis: All Other	88	9
CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	**($342)**	**($1,028)**
ADJUSTMENTS	**172**	**979**
PRIOR-YEAR CARRYOVER	**248**	**78**
NET CASH BALANCE	**$78**	**$30**

Description of Pledged Revenues

Each of the following revenues is described in more detail in Part 2 of the **ADS** under the caption "REVENUES OF THE RELATED ENTITIES." See also **Tables 2a, 2b, 3a** and **3b** above for both historical and forecasted results for each category of Pledged Revenues described below.

Revenues from Systems Operations.

- ***Fares from the Transit and Commuter Systems.*** The previously approved transit and commuter fare increases were implemented on March 19, 2017.

  The base subway, local bus and paratransit fares remained unchanged at $2.75 per trip and the base express bus fare remained unchanged at $6.50 per trip. The Pay-Per-Ride MetroCard bonus decreased from 11% to 5%, and the minimum purchase price to receive the bonus remained at $5.50. Single ride subway and bus tickets remained unchanged at $3.00. MTA New York City Transit increased the cost of 30-day and calendar monthly unlimited ride MetroCards from $116.50 to $121, the cost of a 7-day unlimited ride MetroCard from $31 to $32, and the 7-day Express Bus Plus unlimited ride MetroCard from $57.25 to $59.50.

  At MTA Metro-North Railroad and MTA Long Island Rail Road, all weekly and monthly passes increased 3.75% or less, and monthly tickets no more than $15. One way tickets had a range of increases due to the need for fares to round to $0.25 increments. One-way fares into New York City had a range of increases up to 6.45%. Other ticket types such as intermediates, half fares and other discounted tickets had larger increases up to 10%, again due to the need to round to $0.25 increments on a low ticket price. For these one-way fares, any increase greater than 6.0% was not more than $0.50 per ride. Increased fares also apply to UniTickets and MTA Metro-North Railroad-managed connecting services. CityTicket remains unchanged at $4.25.

- ***Other Income.*** MTA receives revenues from concessions to vendors and from advertising and other space it rents in subway and commuter rail cars, buses, stations and other facilities. Concession revenues from Grand Central Terminal (the main station for MTA Metro-North Railroad) and Penn Station (the main station for MTA Long Island Rail Road), however, are not included within these amounts pledged.

Revenues from MTA Bridges and Tunnels Surplus. MTA Bridges and Tunnels is required by law to transfer its annual operating surpluses (generally, tolls and other operating revenues from bridges and tunnels after payment of operating expenses and debt service costs) to MTA, and a statutory formula determines how MTA allocates that money between the Transit and Commuter Systems.

The previously approved toll increases were implemented on March 19, 2017, as follows:

- ***Cash/Tolls by Mail for Passenger Vehicles.*** Toll rates for fare media other than New York Customer Service Center (NYCSC) E-ZPass (which includes cash, Tolls by Mail and non-NYCSC E-ZPass) were increased by $0.50 at the Robert F. Kennedy, Bronx-Whitestone and Throgs Neck Bridges and Queens Midtown and Hugh L. Carey Tunnels (the major facilities) to $8.50, by $1.00 at the Verrazano-Narrows Bridge (the VNB) (where tolls are collected in the westbound direction only) to $17.00, by $0.50 at the Henry Hudson Bridge to $6.00, and by $0.25 at the Marine Parkway-Gil Hodges and Cross Bay Veterans Memorial Bridges (the Rockaway Bridges) to $4.25. Commercial vehicle tolls also increased.

- ***E-ZPass Tolls.*** E-ZPass tolls for passenger vehicles using tags issued by the NYCSC increased by $0.22 at major facilities, $0.44 at the VNB, $0.10 at the Henry Hudson Bridge and $0.08 at the Rockaway Bridges.

Revenues from State and Local Governmental Sources.

- ***General Operating Subsidies from the State and Local Governments.*** Under the State's Section 18-b program, MTA receives:
    - subsidies for the Transit System from the State and matching subsidies from the City, and
    - subsidies for the Commuter System from the State and matching subsidies from the City and the seven counties within the MCTD.
- ***Special Tax-Supported Operating Subsidies.*** MTA receives subsidies from a number of sources including:
    - portions of the following dedicated taxes pledged but not ultimately needed to pay debt service on MTA's Dedicated Tax Fund bonds:
        - a group of business privilege taxes imposed on petroleum businesses operating in the State, referred to as the PBT,
        - motor fuel taxes on gasoline and diesel fuel, and
        - certain motor vehicle fees administered by the State Department of Motor Vehicles, including both registration and non-registration fees; and
    - portions of the following mass transportation operating assistance or MMTOA taxes, which State law requires first be used to pay debt service on MTA's Dedicated Tax Fund bonds if the dedicated taxes described above are insufficient:
        - the regional PBT (in addition to the State-wide portion described above), which is referred to as the MMTOA PBT,
        - the sales and compensating use tax within the MCTD,
        - two franchise taxes imposed on certain transportation and transmission companies, and
        - a surcharge on a portion of the franchise tax imposed on certain corporations, banks, insurance, utility and transportation companies attributable to business activities within the MCTD; and
    - a portion of the amounts collected by the City for the benefit of the Transit System from certain mortgage transfer and recording taxes (the Urban Taxes).

Additional Taxes and Fees. On May 7, 2009, legislation was enacted in the State (the May 2009 Legislation) providing additional sources of revenues in the form of taxes, fees and surcharges to address the financial needs of MTA. The May 2009 Legislation (Chapter 25 of the Laws of 2009) among other things:

- imposed a payroll mobility tax (the PMT) of 0.34% on payroll expenses and net earnings from self-employment within the MCTD (effective as of March 1, 2009, except school districts, effective September 1, 2009);
- imposed a supplemental fee of one dollar for each six-month period of validity of a learner's permit or a driver's license issued to a person residing in the MCTD (effective September 1, 2009);
- imposed a supplemental fee of twenty-five dollars per year on the registration and renewals of registrants of motor vehicles who reside within the MCTD (effective September 1, 2009);
- imposed on taxicab owners a tax of fifty cents per ride on taxicab rides originating in the City and terminating within the MCTD (effective November 1, 2009); and
- imposed a supplemental tax of five percent of the cost of rentals of automobiles rented within the MCTD (effective June 1, 2009).

On December 9, 2011, Governor Andrew Cuomo signed into law legislation (the December 2011 Legislation) that made significant changes to the PMT eliminating or reducing the PMT imposed within the MCTD for certain taxpayers. Employers with payroll expense less than or equal to $312,500 in any calendar quarter, any public school district, a board of cooperative educational services, a public elementary or secondary school, a school serving students with disabilities of school age and any nonpublic elementary or secondary school that provides instruction in grade one or above are no longer required to pay the PMT, as of the quarter beginning April 1, 2012. In addition, individuals with net earnings from self-employment attributable to the MCTD that do not exceed $50,000 for the tax year are no longer subject to the PMT. Employers with payroll expense no greater than $375,000 in any calendar quarter are subject to a reduced tax rate of 0.11%; employers with payroll expense greater than $375,000 but not greater than $437,500 in any calendar quarter are subject to a reduced tax rate of 0.23%. Employers with payroll expense in excess of $437,500 in any calendar quarter will continue to pay a tax rate of 0.34%. The employer rate changes became effective beginning April 1, 2012.

The December 2011 Legislation further expressly provided that any reductions in aid to MTA attributable to these reductions in the payroll mobility tax "shall be offset through alternative sources that will be included in the state budget" (the PMT Revenue Offset).

The 2015-2016 State Enacted Budget included an amendment to the PMT legislation to eliminate the PMT for all public library systems as well as public and free association libraries. This change applies to taxable periods beginning on or after January 1, 2016. Based on a preliminary review by the New York State Division of the Budget, PMT revenue is projected to decline by $2 million per year. The 2017-2018 State Enacted Budget also includes an appropriation of $244.3 million to MTA for the PMT Revenue Offset.

The revenues from the PMT (the PMT Revenues) can be: (i) pledged by MTA to secure and be applied to the payment of bonds to be issued in the future to fund capital projects of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary and (ii) used by MTA to pay capital costs, including debt service of MTA, its subsidiaries and MTA New York City Transit and its subsidiary. Subject to the provisions of any such pledge, or in the event there is no such pledge, the PMT Revenues can be used by MTA to pay for costs, including operating costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary. Under the Transportation Resolution, the PMT Revenues constitute "Operating Subsidies" that are pledged to the payment of principal of and interest on the Transportation Revenue Bonds to the extent not required to be applied to the payment of debt service on bonds issued in the future by MTA that are secured in whole or in part by the PMT Revenues.

The revenues from other taxes and fees imposed by the May 2009 Legislation (the Aid Trust Account Monies) may be pledged by MTA or pledged to MTA Bridges and Tunnels to secure debt of MTA or MTA Bridges and Tunnels. Subject to the provisions of such pledge, or in the event there is no such pledge, such revenues can be used by MTA for the payment of operating and capital costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary as MTA shall determine. Under the Transportation Resolution, the Aid Trust Account Monies constitute "Non-Pledged Operating Subsidies" that are not pledged to the payment of principal of and interest on the Transportation Revenue Bonds, unless and until and to the extent MTA allocates such moneys to the payment of debt service on the Transportation Revenue Bonds or Operating and Maintenance Expenses. Although MTA has allocated such monies so as to constitute Pledged Revenues in prior years, no assurances can be given that MTA will allocate any of the Aid Trust Account Monies to the payment of debt service on the Transportation Revenue Bonds or Operating and Maintenance Expenses in the future.

MTA anticipates establishing a new credit secured in whole or in part by the PMT Revenues and the Aid Trust Account Monies. Such pledge would reduce the amounts of PMT Revenues and Aid Trust Account Monies available to constitute Operating Subsidies.

MTA currently expects that, unless and until amounts constituting the PMT Revenue Offset are pledged as part of the security for the new credit secured in whole or in part by PMT Revenues, such amounts would be treated as "Operating Subsidies" pledged to the payment of principal and interest on the Transportation Revenue Bonds.

Station Maintenance and Service Reimbursements. MTA is reimbursed by the City and the seven counties in the MCTD with respect to commuter stations located in each respective jurisdiction for the cost of staffing the stations, maintaining the stations and appurtenant land and buildings, and insurance. In addition, the City provides for the policing of the Transit System and contributes to support MTA New York City Transit's paratransit, senior citizen and school children programs. Also, MTA Metro-North Railroad receives certain payments from the Connecticut Department of Transportation (CDOT) for its share of the operating deficits of the New Haven rail line.

City Agreement with MTA Bus. In December 2004, the MTA Board approved a letter agreement with the City (the MTA Bus Letter Agreement) with respect to MTA Bus' establishment and operation of certain bus routes (the MTA Bus System) in areas then served by seven private bus companies pursuant to franchises granted by the City. The City's payments under the MTA Bus Letter Agreement are pledged to holders of the Transportation Revenue Bonds and are reflected in **Tables 2a, 2b, 3a** and **3b** above. The MTA Bus Letter Agreement with the City provides for the following:

- A lease by the City to MTA Bus of the bus assets to operate the MTA Bus System.
- The City agrees to pay MTA Bus the difference between the actual cost of operation of the MTA Bus System (other than certain capital costs) and all revenues and subsidies received by MTA Bus and allocable to the operation of the MTA Bus System.
- If the City fails to timely pay any of the subsidy amounts due for a period of 30 days, MTA Bus has the right, after an additional 10 days, to curtail, suspend or eliminate service and may elect to terminate the agreement. The City can terminate the agreement on one year's notice.

Revenues from Investment Income and Miscellaneous. MTA earns income, as do its subsidiaries and affiliates, from the temporary investment of money held in those of MTA's various funds and accounts that are pledged to holders of Transportation Revenue Bonds.

Factors Affecting Revenues

Ridership. The level of fare revenues depends to a large extent on MTA's ability to maintain and/or increase ridership levels on the Transit, Commuter and MTA Bus Systems. Those ridership levels are affected by safety and the quality and efficiency of systems operations, as well as by financial and economic conditions in the New York metropolitan area.

Fare Policy. MTA determines the rate or rates of fares charged to users of the Commuter System and MTA Bus System, and MTA New York City Transit and MaBSTOA, together with MTA, do the same for the Transit System. After adopting operating expense budgets and assessing the availability of governmental subsidies, each makes a determination of fares necessary to operate on a self-sustaining cash basis in compliance with State law and covenants in the Transportation Resolution. Considering the impact of increased fares on riders and on the regional economy, MTA may attempt to reduce costs or obtain additional revenues from other sources, mainly governmental sources, before increasing fares. As a result, even though MTA does not generally need other governmental approvals before setting fares, the amount and timing of fare increases may be affected by the federal, State and local government financial conditions, as well as by budgetary and legislative processes. MTA's obligation to obtain approval of fare increases on the New Haven line from CDOT can also affect the amount and timing of fare increases.

Ability to Comply with Rate Covenant and Pay Operating and Maintenance Expenses. The Transit, Commuter and MTA Bus Systems have depended, and are expected to continue to depend, upon government subsidies to meet capital and operating needs. Thus, although MTA is legally obligated by the Transportation Resolution's rate covenant to raise fares sufficiently to cover all capital and operating costs, there can be no assurance that there is any level at which Transit, Commuter and MTA Bus Systems fares alone would produce revenues sufficient to comply with the rate covenant, particularly if the current level (or the assumed level in the budget prepared in connection with 2018 and the forecasts prepared in connection with 2019, 2020 and 2021) of collection of dedicated taxes, operating subsidies, and expense reimbursements were to be discontinued or substantially reduced.

Operating Results and Projections. Based upon the November Financial Plan 2018-2021, the budgets of the Related Entities are expected to be substantially in balance through 2019, but there are projected deficits in 2020 and 2021. Any of the Transit System, the Commuter System or MTA Bus System or all of them may be forced to institute additional cost reductions (which, in certain circumstances, could affect service which, in turn, could adversely affect revenues) or take other additional actions to close projected budget gaps, which could include additional fare increases.

Financial Plans. The November Financial Plan 2018-2021, the 2010-2014 Capital Program, the 2015-2019 Capital Program and prior and future Capital Programs are interrelated, and any failure to fully achieve the various components of these plans could have an adverse impact on one or more of the other proposals contained in the November Financial Plan 2018-2021, the 2010-2014 Capital Program, the 2015-2019 Capital Program and prior and future Capital Programs, as well as on pledged revenues.

MTA Bridges and Tunnels Operating Surplus. The amount of MTA Bridges and Tunnels operating surplus to be used for the Transit and Commuter Systems is affected by a number of factors, including traffic volume, the timing and amount of toll increases, the operating and capital costs of MTA Bridges and Tunnels Facilities, and the amount of debt service payable from its operating revenues, including debt service on obligations issued for the benefit of MTA's affiliates and subsidiaries and for MTA Bridges and Tunnels' own capital needs.

Government Assistance. The level and timing of government assistance to MTA may be affected by several different factors, such as:

- Subsidy payments by the State may be made only if and to the extent that appropriations have been made by the Legislature and money is available to fund those appropriations.
- The Legislature may not bind or obligate itself to appropriate revenues during a future legislative session, and appropriations approved during a particular legislative session generally have no force or effect after the close of the State fiscal year for which the appropriations are made.
- The State is not bound or obligated to continue to pay operating subsidies to the Transit, Commuter or MTA Bus Systems or to continue to impose any of the taxes currently funding those subsidies.
- The financial condition of the State and the State of Connecticut, and the City and counties in the MCTD could affect the ability or willingness of the States and local governments to continue to provide general operating subsidies, the City and local governments to continue to provide reimbursements and station maintenance payments, and the State to continue to make special appropriations.
- Court challenges to the State taxes that are the sources of various State and City operating subsidies to MTA, if successful, could adversely affect the amount of pledged revenues generated by such State taxes.

Information Relating to the State. Information relating to the State, including the Annual Information Statement of the State, as amended or supplemented, is not a part of this official statement. Such information is on file with MSRB through EMMA with which the State was required to file, and the State has committed to update that information to the holders of its general obligation bonds in the manner specified in SEC Rule 15c2-12. Prospective purchasers of the Transportation Revenue Bonds wishing to obtain that information may refer to those filings regarding currently available information about the State. The State has not obligated itself to provide continuing disclosure in connection with the offering of the Transportation Revenue Bonds or the Series 2017C Bonds. MTA makes no representations about State information or its continued availability.

SECURITY

General

The Transportation Revenue Bonds, including the Series 2017C Bonds, are MTA's special obligations payable as to principal (including sinking fund installments), redemption premium, if any, and interest from the security, sources of payment, and funds specified in the Transportation Resolution.

- The payment of principal (including sinking fund installments, if any), redemption premium, if any, and interest on Transportation Revenue Bonds is secured by, among other sources described below, the transportation revenues discussed in the preceding section "SOURCES OF PAYMENT," which are, together with certain other revenues, referred to as "pledged revenues."
- Holders of Transportation Revenue Bonds are to be paid prior to the payment, from pledged revenues, of operating or other expenses of MTA, MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus. However, MTA's ability to generate major portions of the pledged revenues depends upon its payment of operating and other expenses.
- Transportation Revenue Bonds are not a debt of the State or the City, or any other local governmental unit.
- MTA has no taxing power.

Summaries of certain provisions of the Transportation Resolution and the form of the Interagency Agreement have been filed with the MSRB through EMMA. See "INTRODUCTION – Where to Find Information."

Pledge Effected by the Resolution

The Transportation Resolution provides that there are pledged to the payment of principal and redemption premium of, interest on, and sinking fund installments for, the Transportation Revenue Bonds and Parity Debt, in accordance with their terms and the provisions of the Transportation Resolution the following, referred to as the "Trust Estate":

- all pledged revenues as described above;
- the net proceeds of certain agreements pledged by MTA to the payment of transit and commuter capital projects;
- the proceeds from the sale of Transportation Revenue Bonds, until those proceeds are paid out for an authorized purpose;
- all funds, accounts and subaccounts established by the Transportation Resolution (except those established by a supplemental obligation resolution for variable interest rate obligations, put obligations, parity debt, subordinated contract obligations or subordinated debt); and
- the Amended and Restated Interagency Agreement dated as of April 1, 2006, among MTA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA New York City Transit, MaBSTOA and MTA Bus.

The Trustee may directly enforce an undertaking to operate the Transit System, the Commuter System or the MTA Bus System to ensure compliance with the Transportation Resolution.

Under the Transportation Resolution, the operators of the Transit, Commuter and MTA Bus Systems are obligated to transfer to the Trustee for deposit into the Revenue Fund virtually all pledged revenues as soon as practicable following receipt or, with respect to revenues in the form of cash and coin, immediately after being counted and verified. The pledge of money located in the State of Connecticut may not be effective until that money is deposited under the Transportation Resolution.

Flow of Revenues

The Transportation Resolution creates the following funds and accounts:

- Revenue Fund (held by the Trustee),
- Debt Service Fund (held by the Trustee), and
- Proceeds Fund (held by MTA).

The Transportation Resolution requires the Trustee, promptly upon receipt of the pledged revenues in the Revenue Fund, to deposit the revenues into the following funds and accounts, in the amounts and in the order of priority, as follows:

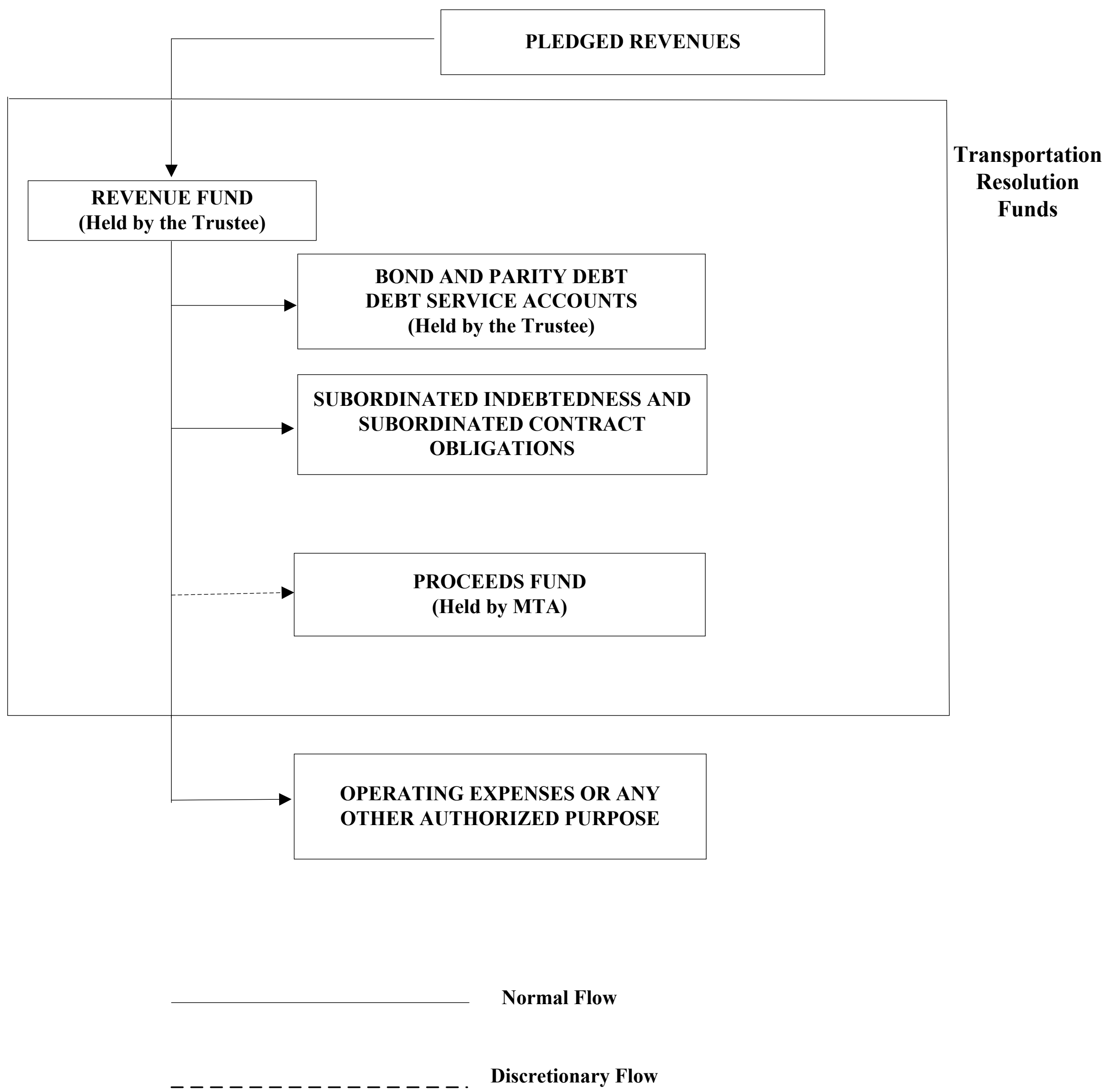
- to the debt service accounts, the net amount, if any, required to make the amount in the debt service accounts equal to the accrued debt service for Transportation Revenue Bonds and Parity Debt to the last day of the current calendar month;
- to pay, or accrue to pay, principal of and interest on any Subordinated Indebtedness or for payment of amounts due under any Subordinated Contract Obligation;
- to MTA for deposit in the Proceeds Fund, as directed by one of MTA's authorized officers, to fund Capital Costs of the Transit, Commuter and MTA Bus Systems; and
- to accounts held by MTA or any of the Related Transportation Entities for payment of operating expenses or any other authorized purpose.

All amounts paid out by MTA or the Trustee either for an authorized purpose (excluding transfers to any other pledged fund or account) or under the last bullet point above are free and clear of the lien and pledge created by the Transportation Resolution.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

The following chart illustrates the basic elements of the flow of revenues described above:

TRANSPORTATION REVENUE OBLIGATIONS – FLOW OF PLEDGED REVENUES



Covenants

Rate Covenants. MTA must fix the transit and commuter fares and other charges and fees to be sufficient, together with other money legally available or expected to be available, including from government subsidies –

- to pay the debt service on all the Transportation Revenue Bonds;
- to pay any Parity Debt;
- to pay any Subordinated Indebtedness and amounts due on any Subordinated Contract Obligations; and
- to pay, when due, all operating and maintenance expenses and other obligations of its transit and commuter affiliates and subsidiaries.

See "SOURCES OF PAYMENT – Factors Affecting Revenues" above.

Operating and Maintenance Covenants.

- MTA, MaBSTOA, MTA New York City Transit, MTA Metro-North Railroad, MTA Long Island Rail Road and MTA Bus are required at all times to operate, or cause to be operated, the systems properly and in a sound and economical manner and maintain, preserve, reconstruct and keep the same or cause the same to be maintained, preserved, reconstructed and kept in good repair, working order and condition.
- Nothing in the Transportation Resolution prevents MTA from ceasing to operate or maintain, or from leasing or disposing of, all or any portion of the systems if, in MTA's judgment it is advisable to do so, but only if the operation is not essential to the maintenance and continued operation of the rest of the systems and this arrangement does not materially interfere with MTA's ability to comply with MTA's rate covenants.

Additional Bonds. The Transportation Resolution permits MTA to issue additional Transportation Revenue Bonds and to issue or enter into Parity Debt, from time to time, to pay or provide for the payment of qualifying costs, without meeting any specific debt-service-coverage level, as long as MTA certifies to meeting the rate covenant described above for the year in which the additional debt is being issued. Under the Transportation Resolution, MTA may only issue additional Transportation Revenue Bonds if those bonds are issued to fund projects pursuant to an approved MTA Capital Program, if an approved capital program is then required.

There is no covenant with Owners limiting the aggregate principal amount of additional Transportation Revenue Bonds or Parity Debt that MTA may issue. There is a limit under current State law that covers the Transportation Revenue Bonds and certain other securities. See Part 3 of the **ADS** under the caption "GENERAL – Financing of Capital Projects and Statutory Ceiling" for a description of the current statutory cap.

Refunding Bonds. MTA may issue Transportation Revenue Bonds to refund all or any portion of the Transportation Revenue Bonds or Parity Debt. Transportation Revenue Bonds may also be issued to refund any pre-existing indebtedness of any Related Entity issued to fund transit and commuter projects. The MTA Board has adopted a refunding policy which must be complied with prior to the issuance of any refunding Bonds.

Non-Impairment. Under State law, the State has pledged to MTA that it will not limit or change MTA's powers or rights in such a way that would impair the fulfillment of MTA's promises to holders of the Transportation Revenue Bonds.

No Bankruptcy. State law specifically prohibits MTA, its Transit System affiliates, its Commuter System subsidiaries or MTA Bus from filing a bankruptcy petition under Chapter 9 of the U.S. Federal Bankruptcy Code. As long as any Transportation Revenue Bonds are outstanding, the State has covenanted not to change the law to permit MTA or its affiliates or subsidiaries to file such a petition. Chapter 9 does not provide authority for creditors to file involuntary bankruptcy proceedings against MTA or other Related Entities.

Parity Debt

MTA may incur Parity Debt pursuant to the terms of the Transportation 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 Transportation Resolution with respect to Transportation Revenue 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 designated as constituting "Parity Debt" in a certificate of an Authorized Officer delivered to the Trustee.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

PART III. OTHER INFORMATION ABOUT THE SERIES 2017C BONDS

Part III of this official statement provides miscellaneous additional information relating to the Series 2017C Bonds.

TAX MATTERS

General

Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., are Co-Bond Counsel for the Series 2017C Bonds. Each Co-Bond Counsel is of the opinion that, under existing law, relying on certain statements by MTA and assuming compliance by MTA with certain covenants, interest on the Series 2017C 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, but
- included in the adjusted current earnings of certain corporations in calculating the federal corporate alternative minimum tax.

Each Co-Bond Counsel is also of the opinion that, under existing law, interest on the Series 2017C 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 each expect to deliver when the Series 2017C Bonds are delivered.

The Series 2017C Bonds

The Internal Revenue Code of 1986 imposes requirements on the Series 2017C Bonds that MTA must continue to meet after the Series 2017C Bonds are issued. These requirements generally involve the way that Series 2017C Bond proceeds must be invested and ultimately used and the way that assets financed and refinanced with proceeds of the Series 2017C Bonds must be used. If MTA does not meet these requirements, it is possible that an Owner may have to include interest on the Series 2017C Bonds in its federal gross income on a retroactive basis to the date of issue. MTA 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 2017C 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 2017C 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 2017C Bonds or affect the market price of the Series 2017C 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 2017C Bonds, or under State, local or foreign tax law.

Original Issue Discount

Co-Bond Counsel is further of the opinion that the excess of the "stated redemption price at maturity" of the Subseries 2017C-1 CIBs maturing on November 15, 2036 bearing interest at 3.250%, the Subseries 2017C-1 CIBs maturing on November 15, 2037 bearing interest at 3.375%, and each maturity of the Subseries 2017C-2 CABs, over the "issue price" of such maturity of these Series 2017C Bonds constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on such Series 2017C Bonds described above. The "stated redemption price at maturity" of each maturity of the Subseries 2017C-1 CIBs equals the principal amount of such Subseries 2017C-1 CIBs, and the "stated redemption price at maturity" of each maturity of the Subseries 2017C-2 CABs equals the Maturity Amount of such Subseries 2017C-2 CABs. The "issue price" of each maturity of the Series 2017C Bonds is the price at which a substantial amount of such maturity of the Series 2017C Bonds was sold to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers). Such original issue discount accrues actuarially on a constant interest rate basis over the term of each Series 2017C Bond and the basis of each Series 2017C Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Series 2017C Bonds, even though there will not be a corresponding cash payment. In addition, original issue discount on these Series 2017C Bonds as it accrues is exempt from personal income taxes of the State and its political subdivisions, including the City. Owners of the Series 2017C Bonds are advised that they should consult with their own tax advisors with respect to the accrual of original issue discount and related tax consequences of owning or disposing of such Series 2017C Bonds.

Bond Premium

If an Owner purchases a Series 2017C Bond for a price that is more than the principal amount, generally the excess is "bond premium" on that Series 2017C 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 2017C Bond will be reduced. The Owner of a Series 2017C 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 2017C Bond. An Owner in certain circumstances may realize a taxable gain upon the sale of a Series 2017C Bond with bond premium, even though the Series 2017C Bond is sold for an amount less than or equal to the Owner's original cost. If an Owner owns any Series 2017C 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 2017C 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 2017C 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 2017C 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 2017C 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 2017C 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 2017C Bonds from gross income for federal or state income tax purposes, or otherwise. For example, presidential budget proposals in recent years have proposed legislation that would limit the extent of the exclusion from gross income of interest on obligations of states and political subdivisions under Section 103 of the Internal Revenue Code of 1986 (including the Series 2017C Bonds) for taxpayers whose income exceeds certain thresholds. In addition, there is legislation currently pending in the U.S. Congress which, if enacted, would significantly change the individual and corporate income tax rates and eliminate the alternative minimum tax for individuals and corporations effective for tax years beginning after 2017. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2017C Bonds may occur. Prospective purchasers of the Series 2017C Bonds should consult their own tax advisors regarding the impact of any change in law or proposed change in law on the Series 2017C Bonds. Co-Bond Counsel have not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2017C Bonds may affect the tax status of interest on the Series 2017C Bonds.

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

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations was independently verified by Samuel Klein and Company, Certified Public Accountants (the Verification Agent). These computations indicate (i) the sufficiency of the receipts from the Government Obligations together with an initial cash deposit, to pay at early redemption, the principal of and interest on the Refunded Bonds, and (ii) the yields to be considered in determining that the Series 2017C Bonds are not "arbitrage bonds" under Section 148 of the Internal Revenue Code. The Verification Agent relied upon assumptions and information supplied by the co-financial advisors on behalf of MTA and has not made any study or examination of them, except as noted in its report. The Verification Agent has not expressed an opinion on the reasonableness of the assumptions or the likelihood that the debt service requirements of the Refunded Bonds will be satisfied as described in its report.

LEGALITY FOR INVESTMENT

The MTA Act provides that the Series 2017C 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 2017C Bonds.

LITIGATION

There is no pending litigation concerning the Series 2017C Bonds.

MTA is the defendant in numerous claims and actions, as are its affiliates and subsidiaries, including MTA New York City Transit, MaBSTOA, MTA Long Island Rail Road, MTA Metro-North Railroad, MTA Bus and MTA Bridges and Tunnels. Certain of these claims and actions, either individually or in the aggregate, are potentially material to MTA, or its affiliates or subsidiaries. MTA does not believe that any of these claims or actions would affect the application of the sources of payment for the Series 2017C Bonds. A summary of certain of these potentially material claims and actions is set forth in Part 6 of the **ADS** under the caption “LITIGATION,” as that filing may be amended or supplemented to date.

CO-FINANCIAL ADVISORS

Public Resources Advisory Group, Inc. and Backstrom McCarley Berry & Co., LLC are MTA’s Co-Financial Advisors for the Series 2017C Bonds. The Co-Financial Advisors have provided MTA advice on the plan of refunding and reviewed the pricing of the Series 2017C 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 2017C Bonds, acting through Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Representative, have agreed, subject to certain conditions, to purchase from MTA the Series 2017C Bonds described on the inside cover pages of this official statement at an aggregate purchase price of \$2,306,496,462.98, reflecting a net original issue premium of \$294,032,206.85 and an underwriters’ discount of \$8,997,348.37 and to reoffer such Series 2017C Bonds at the public offering prices or yields set forth on the inside cover pages.

The Series 2017C Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2017C 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’ obligations to purchase the Series 2017C Bonds are subject to certain conditions precedent, and they will be obligated to purchase all such Series 2017C Bonds if any Series 2017C Bonds are purchased.

Two Underwriters, PNC Capital Markets LLC and The Williams Capital Group, L.P., have entered into a joint-venture arrangement. Such joint-venture arrangement provides for sharing of Underwriters’ discount in connection with orders for the Series 2017C Bonds.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by MTA as Underwriters) for the distribution of the Series 2017C 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. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for MTA, 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. 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 2017C 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 33 Whitehall Street New York, New York 10004 (212) 908-0500	Kroll Bond Rating Agency, Inc. 845 Third Avenue 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 has furnished information to each rating agency rating the bonds being offered, including information not included in this official statement, about MTA and the 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 or the bonds. Any downward revision or withdrawal of a rating may have an adverse effect on the market price of the bonds.

LEGAL MATTERS

All legal proceedings in connection with the issuance of the bonds being offered are subject to the approval of Nixon Peabody LLP and D. Seaton and Associates, P.A., P.C., Co-Bond Counsel to MTA. The form of the opinions of Co-Bond Counsel is **Attachment 3** to this official statement.

The Underwriters have appointed Squire Patton Boggs (US) LLP as Counsel to the Underwriters in connection with the underwriting of the Series 2017C Bonds, which firm will pass upon certain legal matters.

Certain legal matters will be passed upon by Hawkins Delafield & Wood LLP, Special Disclosure Counsel to MTA.

Certain legal matters regarding MTA will be passed upon by its Acting General Counsel.

CONTINUING DISCLOSURE

As more fully stated in **Attachment 2**, MTA 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's 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 has undertaken to file such information (the Annual Information) with EMMA.

MTA has further agreed to deliver notice to EMMA of any failure to provide the Annual Information. MTA 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 securities, if material;
- rating changes;
- bankruptcy, insolvency, receivership of MTA 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; and
- appointment of a successor or additional trustee or the change in name of a trustee, if material.

Additional Continuing Disclosure Requirements

Consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA, as described above under "APPLICATION OF PROCEEDS AND PLAN OF REFUNDING – Climate Bond Certified", will add the following requirements to its continuing disclosure filing obligation with respect to the Series 2017C Bonds:

- within one year of the issuance of the Series 2017C Bonds, and annually thereafter until the maturity or prior redemption of the Series 2017C Bonds, MTA will file a post-issuance compliance certificate as required by the Certification Process;
- in a timely manner not in excess of 10 business days after the occurrence of the event:
    - any event of material non-conformance with the Certification Process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and
    - any revocation of the Climate Bond Certification by the Climate Bonds Initiative.

MTA 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 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 or any failure to associate such submitted disclosure to all related CUSIPs.

FURTHER INFORMATION

MTA may place a copy of this official statement on MTA's website at http://web.mta.info/mta/investor/. No statement on MTA's website or any other website is included by specific cross-reference herein.

Although MTA has prepared the information on its 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 assumes no liability or responsibility for errors or omissions contained on any website. Further, MTA disclaims 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 also assumes no liability or responsibility for any errors or omissions or for any updates to dated information contained on any website.

METROPOLITAN TRANSPORTATION AUTHORITY

By: /s/ Patrick J. McCoy
Patrick J. McCoy
Director, Finance

ATTACHMENT 1

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company (DTC), New York, NY, will act as securities depository for the Series 2017C Bonds. The Series 2017C 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 2017C Bond will be issued for each maturity of the Series 2017C 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 2017C 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.

3. Purchases of Series 2017C Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017C Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017C 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 2017C 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 2017C Bonds, except in the event that use of the book-entry-only system for the Series 2017C Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2017C 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 2017C 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 2017C Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017C 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 2017C Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017C Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017C Bond documents. For example, Beneficial Owners of the Series 2017C Bonds may wish to ascertain that the nominee holding the Series 2017C 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 2017C 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 2017C 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 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 2017C 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 2017C 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 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, 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 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 Participants.

9. DTC may discontinue providing its services as depository with respect to the Series 2017C Bonds at any time by giving reasonable notice to MTA or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2017C Bonds are required to be printed and delivered.

10. MTA 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 2017C Bonds will be printed and delivered.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT MTA BELIEVES TO BE RELIABLE, BUT MTA 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 and the Trustee will enter into a written agreement (the Disclosure Agreement) for the benefit of holders of the Series 2017C Bonds to provide continuing disclosure. MTA will undertake to provide certain financial information and operating data relating to the Related Transportation Entities (currently, MTA and its subsidiaries MTA Long Island Rail Road, MTA Metro-North Railroad and MTA Bus, and MTA New York City Transit and its subsidiary MaBSTOA) by no later than 120 days after the end of each MTA fiscal year, commencing with the fiscal year ending December 31, 2017 (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 with the Electronic Municipal Market Access System (EMMA) of the Municipal Securities Rulemaking Board (the MSRB). Notices of enumerated events will be filed by or on behalf of MTA with EMMA. The nature of the information to be provided in the Annual Information and the notices of material events is set forth below.

Pursuant to Rule 15c2-12, MTA will undertake for the benefit of holders of Series 2017C Bonds to provide or cause to be provided, either directly or through the Trustee, audited consolidated financial statements of MTA New York City Transit and the audited consolidated financial statements of MTA by no later than 120 days after the end of each fiscal year commencing with the fiscal year ending December 31, 2017, when and if such audited financial statements become available and, if such audited financial statements of either MTA New York City Transit or MTA are not available on the date which is 120 days after the end of a fiscal year, the unaudited financial statements of MTA New York City Transit or MTA for such fiscal year. MTA New York City Transit's and MTA's annual financial statements will be filed by or on behalf of such parties by MTA with EMMA. In the event that such audited financial statements of MTA New York City Transit cease to be separately published, the obligation of MTA hereunder to provide such financial statements shall cease.

The required Annual Information shall consist of at least the following:

1. a description of the systems operated by the Related Transportation Entities and their operations,
2. a description of changes to the fares or fare structures charged to users of the systems operated by the Related Transportation Entities,
3. operating data of the Related Transportation Entities, including data of the type included in the MTA Annual Disclosure Statement (the **ADS**) under the following captions:
    a. "TRANSIT SYSTEM,"
    b. "RIDERSHIP AND FACILITIES USE – Transit System (MTA New York City Transit and MaBSTOA) Ridership,"
    c. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – MTA New York City Transit and MaBSTOA,"
    d. "COMMUTER SYSTEM,"
    e. "RIDERSHIP AND FACILITIES USE – Commuter System Ridership,"
    f. "EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – Commuter System,"
    g. "MTA BUS COMPANY,"
    h. "RIDERSHIP AND FACILITIES USE – MTA Bus Ridership," and

i. “EMPLOYEES, LABOR RELATIONS AND PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS – MTA Bus.”

4. information regarding the Capital Programs of the Related Transportation Entities, including information of the type included in the **ADS** under the caption “FINANCIAL PLANS AND CAPITAL PROGRAMS,”

5. a presentation of the financial results of the Related Transportation Entities prepared in accordance with GAAP for the most recent year for which that information is then currently available (currently, MTA New York City Transit prepares consolidated financial statements and MTA prepares consolidated financial statements),

6. a presentation of changes to indebtedness issued by MTA under the Transportation Resolution, as well as information concerning changes to MTA’s debt service requirements on such indebtedness payable from pledged revenues,

7. information concerning the amounts, sources, material changes in and material factors affecting pledged revenues and debt service incurred under the Transportation Resolution,

8. financial information of the type included in this official statement in **Table 2a** and **Table 2b** under the caption “SOURCES OF PAYMENT—Pledged Transportation Revenues” and included in the **ADS** under the caption “REVENUES OF THE RELATED ENTITIES,”

9. material litigation related to any of the foregoing, and

10. 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, the Related Entities.

All or any portion of the Annual Information as well as required audited financial statements may be incorporated therein by specific cross-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 will undertake, for the benefit of holders of the Series 2017C 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 caption “CONTINUING DISCLOSURE” in this official statement with respect to the Series 2017C 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 of any of the Related Transportation Entities.

Consistent with the requirements of the Climate Bonds Standard and Certification Process, MTA will cause to be provided to EMMA:

1. within one year of the issuance of the Series 2017C Bonds, and annually thereafter until the maturity or prior redemption of the Series 2017C Bonds, MTA will file a post-issuance compliance certificate as required by the Certification Process;

2. in a timely manner not in excess of 10 business days after the occurrence of the event:

    a. any event of material non-conformance with the Certification Process and the action MTA is taking or expecting to take to bring the projects and/or assets into conformance; and

    b. any revocation of the Climate Bond Certification by the Climate Bonds Initiative.

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 2017C 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 2017C 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 2017C 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 2017C Bonds at the time Outstanding which are affected thereby. Each of MTA 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 Transportation Resolution nor give right to the Trustee or any Owner to exercise any remedies under the Transportation 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's 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 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 2017C Bonds have been paid in full or legally defeased pursuant to the Transportation 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.

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

ATTACHMENT 3

FORM OF APPROVING OPINION OF CO-BOND COUNSEL

Upon delivery of the Series 2017C 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, proposes to render its final approving opinions in substantially the following form:

[Date of Delivery]

Metropolitan Transportation Authority
New York, New York

Ladies and Gentlemen:

We have examined a certified record of proceedings of the Metropolitan Transportation Authority ("MTA") and other proofs submitted to us relative to the issuance of $2,021,461,604.50 aggregate principal amount of Metropolitan Transportation Authority Transportation Revenue Refunding Green Bonds, Series 2017C (Climate Bond Certified), consisting of $1,821,460,000.00 aggregate principal amount of Transportation Revenue Refunding Green Bonds, Subseries 2017C-1 (Climate Bond Certified) (the "Subseries 2017C-1 Bonds") and $200,001,604.50 aggregate principal amount of Transportation Revenue Refunding Green Bonds, Subseries 2017C-2 (Climate Bond Certified) (the "Subseries 2017C-2 Bonds" and, collectively with the Subseries 2017C-1 Bonds, the "Series 2017C Bonds").

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

The Series 2017C Bonds are issued under and pursuant to the Constitution and statutes of the State of New York (the "State"), including the Metropolitan Transportation Authority Act, being Title 11 of Article 5 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 MTA duly taken, including a resolution adopted by the members of MTA on March 26, 2002 entitled "General Resolution Authorizing Transportation Revenue Obligations," as supplemented by a resolution of said members adopted on December 14, 2016 (collectively, the "Resolution"). The Series 2017C Bonds are dated, mature and are payable and bear interest all as provided in the Resolution.

The Subseries 2017C-1 Bonds are hereby issued as current interest bonds (the "Subseries 2017C-1 CIBs") and the Subseries 2017C-2 Bonds are hereby issued as Capital Appreciation Obligations (the "Subseries 2017C-2 CABs"), 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 2017C Bonds in order that interest on the Series 2017C 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 MTA, dated the date hereof (the "Arbitrage and Use of Proceeds Certificate"), in which MTA 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 2017C Bonds, including, but not limited to, certain representations with respect to the use of the proceeds of the Series 2017C Bonds and the investment of certain funds. The Arbitrage and Use of Proceeds Certificate obligates MTA to take certain actions necessary to cause interest on the Series 2017C 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 2017C 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. MTA has covenanted in the Resolution to maintain the exclusion of the interest on the Series 2017C Bonds from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

In rendering the opinion in paragraph 6 hereof, we have relied upon and assumed 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 2017C Bonds from gross income for federal income tax purposes under Section 103 of the Code and compliance by MTA with procedures and covenants set forth in the Arbitrage and Use of Proceeds Certificate as to such tax matters.

A portion of the proceeds of the Series 2017C Bonds is being used to refund certain of the Outstanding Obligations of MTA issued pursuant to the Resolution. Such bonds are as described in the hereinafter defined Escrow Agreement as being refunded with proceeds of the Series 2017C Bonds (the "Refunded Bonds"). A portion of the proceeds of the Series 2017C Bonds, together with any other amounts made available by MTA (the "Defeasance Deposit"), has been used to purchase direct obligations of the United States of America in an aggregate amount sufficient, together with any amounts held uninvested, to pay when due the principal or applicable redemption price and interest due and to become due on said Refunded Bonds (the "Defeasance Requirement"). Such Defeasance Deposit is being held in trust under the escrow agreement, dated the date of closing (the "Escrow Agreement"), by and between MTA and The Bank of New York Mellon, as escrow agent thereunder and as Trustee under the Resolution. MTA has given the Trustee, in form satisfactory to it, irrevocable instructions to give notice in accordance with the Resolution of the redemption of the Refunded Bonds and the deposit of the Defeasance Deposit. Samuel Klein and Company, Certified Public Accountants, have prepared a report stating that they have reviewed the accuracy of the mathematical computations of the adequacy of the Defeasance Deposit, as invested, to pay in full the Defeasance Requirement when due. We have undertaken no independent verification of the adequacy of the Defeasance Deposit.

We have also examined one of said Series 2017C Bonds as executed and, in our opinion, the form of said Series 2017C Bond and its execution are regular and proper.

We are of the opinion that:

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

2. MTA has the right and power under the Issuer Act to adopt the Resolution. The Resolution has been duly and lawfully adopted by MTA, is in full force and effect, is valid and binding upon MTA, 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 2017C 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 special obligations of MTA, 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. MTA has no taxing power and the Series 2017C Bonds are not debts of the State or of any other political subdivision thereof. MTA 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 2017C Bonds.

4. MTA, the holders of the Series 2017C Bonds, or the holders of any evidence of indebtedness of MTA do not and will not have a pledge of or lien on (i) the dedicated mass transportation trust fund

established by Section 89-c of the State Finance Law, (ii) the metropolitan transportation authority financial assistance fund established by Section 92-ff of the State Finance Law, (iii) the metropolitan mass transportation operating assistance account established in the mass transportation operating assistance fund pursuant to Section 88-a of the State Finance Law, or (iv) the taxes or moneys deposited therein.

5. The Series 2017C 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.

6. Under existing statutes and court decisions (i) interest on the Series 2017C Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code, and (ii) interest on the Series 2017C Bonds is not treated as a specific preference item in calculating the federal alternative minimum tax imposed on individuals and corporations under the Code; however, we note that interest is included in the adjusted current earnings of certain corporations for purposes of calculating the federal corporate alternative minimum tax.

Co-Bond Counsel is further of the opinion that (i) the difference between the principal amount of the Subseries 2017C-1 CIBs maturing on November 15, 2036 bearing interest at 3.250%, and the Subseries 2017C-1 CIBs maturing on November 15, 2037 bearing interest at 3.375% (collectively, the "Discount CIBs") and the initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount CIBs of the same maturity was sold, and (ii) the difference between the Maturity Amount of each of the Subseries 2017C-2 CABs (collectively, the "Discount CABs", and together with the Discount CIBs, the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount CABs of the same maturity was sold, constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2017C Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment.

7. Under existing statutes, interest on the Series 2017C Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

8. The Escrow Agreement has been duly authorized, executed and delivered by MTA and, assuming the due authorization, execution and delivery by the Trustee, the Escrow Agreement is a valid and binding obligation of MTA, enforceable in accordance with its terms. The Refunded Bonds have been paid within the meaning and with the effect expressed in the Resolution, and the covenants, agreements and other obligations of MTA to the holders of the Refunded Bonds have been discharged and satisfied.

The opinions expressed in paragraphs 2, 3 and 8 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 6 and 7, 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 2017C 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 2017C 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 2017C 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 2017C 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

ATTACHMENT 4

REFUNDED BONDS

The following table provides information regarding the Refunded Bonds. The Outstanding Bonds shown below are being refunded. The refunding is contingent upon the delivery of the Series 2017C Bonds.

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity	Interest Rate	Redemption Date	Redemption Price	Original CUSIP Number*	Pre-Refunded CUSIP Number*	Unrefunded CUSIP Number*
2008B-2	11/15/2012†	$ 5,245,000	$4,300,000	11/15/2023	5.000%	11/15/2022	100%	59259YWX3	59261AQP5	59261AQQ3
2008B-3	11/15/2013†	30,135,000	-	11/15/2024	5.000	11/15/2023	100	59259YP29	-	-
2008B-3	11/15/2013†	31,320,000	-	11/15/2025	5.000	11/15/2023	100	59259YP37	-	-
2008B-3	11/15/2013†	32,545,000	-	11/15/2026	5.000	11/15/2023	100	59259YP45	-	-
2008B-3	11/15/2013†	5,380,000	-	11/15/2027	5.000	11/15/2023	100	59259YP52	-	-
2010D	12/7/2010	27,030,000	-	11/15/2029	5.250	11/15/2020	100	59259YEN5	-	-
2010D	12/7/2010	28,450,000	-	11/15/2030	5.250	11/15/2020	100	59259YEP0	-	-
2010D	12/7/2010	57,870,000	-	11/15/2034	5.250	11/15/2020	100	59259YFG9	-	-
2010D	12/7/2010	71,390,000	-	11/15/2034	5.000	11/15/2020	100	59259YFH7	-	-
2010D	12/7/2010	250,180,000	-	11/15/2040	5.250	11/15/2020	100	59259YEQ8	-	-
2011A	7/20/2011	13,125,000	-	11/15/2030	5.000	11/15/2021	100	59259YHK8	-	-
2011A	7/20/2011	13,785,000	-	11/15/2031	4.750	11/15/2021	100	59259YHL6	-	-
2011A	7/20/2011	31,875,000	-	11/15/2036	5.000	11/15/2021	100	59259YHM4	-	-
2011A	7/20/2011	38,995,000	-	11/15/2037	5.000	11/15/2021	100	59259YHR3	-	-
2011A	7/20/2011	40,000,000	-	11/15/2038	5.250	11/15/2021	100	59259YHQ5	-	-
2011A	7/20/2011	27,220,000	-	11/15/2041	5.000	11/15/2021	100	59259YHN2	-	-
2011D	12/7/2011	3,000,000	-	11/15/2020	4.000	11/15/2020	100	59259YKV0	-	-
2011D	12/7/2011	1,260,000	-	11/15/2021	4.000	11/15/2021	100	59259YKW8	-	-
2011D	12/7/2011	19,830,000	-	11/15/2029	5.000	11/15/2021	100	59259YLE7	-	-
2011D	12/7/2011	11,560,000	-	11/15/2030	5.000	11/15/2021	100	59259YLW7	-	-
2011D	12/7/2011	9,265,000	-	11/15/2030	4.500	11/15/2021	100	59259YLF4	-	-
2011D	12/7/2011	21,820,000	-	11/15/2031	5.000	11/15/2021	100	59259YLG2	-	-
2011D	12/7/2011	12,835,000	-	11/15/2036	4.750	11/15/2021	100	59259YLH0	-	-
2011D	12/7/2011	103,980,000	-	11/15/2036	5.000	11/15/2021	100	59259YLX5	-	-
2011D	12/7/2011	46,715,000	-	11/15/2041	5.250	11/15/2021	100	59259YLJ6	-	-
2012B	3/15/2012	7,330,000	-	11/15/2023	5.000	11/15/2022	100	59259YMN6	-	-
2012B	3/15/2012	9,220,000	-	11/15/2028	4.000	11/15/2022	100	59259YMT3	-	-
2012C	5/3/2012	4,075,000	-	11/15/2020	4.000	11/15/2020	100	59259YNM7	-	-
2012C	5/3/2012	870,000	-	11/15/2021	4.000	11/15/2021	100	59259YNN5	-	-
2012C	5/3/2012	760,000	-	11/15/2022	4.000	11/15/2022	100	59259YNP0	-	-
2012C	5/3/2012	14,885,000	-	11/15/2026	5.000	11/15/2022	100	59259YNT2	-	-
2012C	5/3/2012	4,295,000	-	11/15/2027	5.000	11/15/2022	100	59259YPJ2	-	-
2012C	5/3/2012	16,245,000	40,385,000	11/15/2028	5.000	11/15/2022	100	59259YNV7	59261AQR1	59261AQV2
2012C	5/3/2012	17,055,000	42,400,000	11/15/2029	5.000	11/15/2022	100	59259YNW5	59261AQS9	59261AQW0
2012C	5/3/2012	17,905,000	44,520,000	11/15/2030	5.000	11/15/2022	100	59259YNX3	59261AQT7	59261AQX8
2012C	5/3/2012	18,800,000	41,990,000	11/15/2031	5.000	11/15/2022	100	59259YPK9	59261AQU4	59261AQY6
2012C	5/3/2012	19,740,000	-	11/15/2032	5.000	11/15/2022	100	59259YNZ8	-	-
2012C	5/3/2012	21,555,000	-	11/15/2041	5.000	11/15/2022	100	59259YPH6	-	-
2012E	7/20/2012	7,660,000	5,955,000	11/15/2019	4.000	11/15/2019	100	59259YRU5	59261AQZ3	59261ARA7
2012E	7/20/2012	16,395,000	-	11/15/2023	5.000	11/15/2022	100	59259YRY7	-	-
2012E	7/20/2012	18,975,000	-	11/15/2026	5.000	11/15/2022	100	59259YSB6	-	-
2012E	7/20/2012	20,625,000	-	11/15/2028	5.000	11/15/2022	100	59259YSD2	-	-
2012E	7/20/2012	21,655,000	-	11/15/2029	5.000	11/15/2022	100	59259YSE0	-	-
2012E	7/20/2012	22,735,000	-	11/15/2030	5.000	11/15/2022	100	59259YSF7	-	-
2012E	7/20/2012	23,875,000	-	11/15/2031	5.000	11/15/2022	100	59259YSG5	-	-
2012H	11/15/2012	2,340,000	1,920,000	11/15/2019	3.000	11/15/2019	100	59259YVQ9	59261ARB5	59261ARN9
2012H	11/15/2012	1,500,000	1,230,000	11/15/2020	3.000	11/15/2020	100	59259YVR7	59261ARC3	59261ARP4
2012H	11/15/2012	4,510,000	3,695,000	11/15/2021	4.000	11/15/2021	100	59259YVS5	59261ARD1	59261ARQ2
2012H	11/15/2012	4,690,000	3,840,000	11/15/2022	4.000	11/15/2022	100	59259YVT3	59261ARE9	59261ARR0

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

† Date refers to most recent remarketing of such series.

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity	Interest Rate	Redemption Date	Redemption Price	Original CUSIP Number*	Pre-Refunded CUSIP Number*	Unrefunded CUSIP Number*
2012H	11/15/2012	$ 2,100,000	$1,720,000	11/15/2023	5.000%	11/15/2022	100%	59259YWP0	59261ARM1	59261ARY5
2012H	11/15/2012	5,615,000	4,600,000	11/15/2026	5.000	11/15/2022	100	59259YVX4	59261ARF6	59261ARS8
2012H	11/15/2012	5,895,000	4,830,000	11/15/2027	5.000	11/15/2022	100	59259YVY2	59261ARG4	59261ART6
2012H	11/15/2012	6,380,000	5,220,000	11/15/2029	5.000	11/15/2022	100	59259YWA3	59261ARH2	59261ARU3
2012H	11/15/2012	6,695,000	5,485,000	11/15/2030	5.000	11/15/2022	100	59259YWB1	59261ARJ8	59261ARV1
2012H	11/15/2012	7,030,000	5,760,000	11/15/2031	5.000	11/15/2022	100	59259YWC9	59261ARK5	59261ARW9
2012H	11/15/2012	7,625,000	6,240,000	11/15/2033	5.000	11/15/2022	100	59259YWE5	59261ARL3	59261ARX7
2013A	1/24/2013	5,285,000	-	11/15/2021	4.000	11/15/2021	100	59259YXH7	-	-
2013A	1/24/2013	755,000	4,530,000	11/15/2021	5.000	11/15/2021	100	59259YYB9	59261ARZ2	59261ASA6
2013A	1/24/2013	5,525,000	-	11/15/2022	4.000	11/15/2022	100	59259YXJ3	-	-
2013A	1/24/2013	12,080,000	-	11/15/2024	5.000	5/15/2023	100	59259YXL8	-	-
2013A	1/24/2013	12,680,000	-	11/15/2025	5.000	5/15/2023	100	59259YXM6	-	-
2013A	1/24/2013	13,315,000	-	11/15/2026	5.000	5/15/2023	100	59259YXN4	-	-
2013A	1/24/2013	13,980,000	-	11/15/2027	5.000	5/15/2023	100	59259YXP9	-	-
2013A	1/24/2013	8,365,000	-	11/15/2028	5.000	5/15/2023	100	59259YYG8	-	-
2013A	1/24/2013	15,350,000	-	11/15/2029	5.000	5/15/2023	100	59259YXR5	-	-
2013A	1/24/2013	16,925,000	-	11/15/2031	5.000	5/15/2023	100	59259YXT1	-	-
2013A	1/24/2013	17,770,000	-	11/15/2032	5.000	5/15/2023	100	59259YXU8	-	-
2013B	4/2/2013	3,000,000	-	11/15/2020	4.000	11/15/2020	100	59259YYY9	-	-
2013B	4/2/2013	1,140,000	-	11/15/2021	3.000	11/15/2021	100	59259YYZ6	-	-
2013B	4/2/2013	1,580,000	-	11/15/2022	4.000	11/15/2022	100	59259YZA0	-	-
2013B	4/2/2013	12,050,000	-	11/15/2024	5.000	5/15/2023	100	59259YZM4	-	-
2013B	4/2/2013	15,360,000	-	11/15/2029	5.000	5/15/2023	100	59259YZS1	-	-
2013B	4/2/2013	16,935,000	-	11/15/2031	5.000	5/15/2023	100	59259YZU6	-	-
2013B	4/2/2013	17,780,000	-	11/15/2032	5.000	5/15/2023	100	59259YZV4	-	-
2013C	6/11/2013	2,545,000	-	11/15/2019	3.000	11/15/2019	100	59259YB40	-	-
2013C	6/11/2013	3,350,000	-	11/15/2020	2.000	11/15/2020	100	59259YB57	-	-
2013C	6/11/2013	870,000	-	11/15/2021	3.000	11/15/2021	100	59259YB65	-	-
2013C	6/11/2013	16,995,000	-	11/15/2031	5.000	5/15/2023	100	59259YC72	-	-
2013C	6/11/2013	17,845,000	-	11/15/2032	5.000	5/15/2023	100	59259YC80	-	-
2013D	7/11/2013	8,040,000	-	11/15/2024	5.000	11/15/2023	100	59259YF95	-	-
2013D	7/11/2013	8,445,000	-	11/15/2025	5.000	11/15/2023	100	59259YG29	-	-
2013D	7/11/2013	8,865,000	-	11/15/2026	5.250	11/15/2023	100	59259YG37	-	-
2013D	7/11/2013	9,330,000	-	11/15/2027	5.250	11/15/2023	100	59259YG45	-	-
2013D	7/11/2013	9,820,000	-	11/15/2028	5.250	11/15/2023	100	59259YG52	-	-
2013D	7/11/2013	10,340,000	-	11/15/2029	5.250	11/15/2023	100	59259YG60	-	-
2013D	7/11/2013	11,450,000	-	11/15/2031	5.250	11/15/2023	100	59259YG86	-	-
2013D	7/11/2013	12,055,000	-	11/15/2032	5.250	11/15/2023	100	59259YG94	-	-
2013D	7/11/2013	12,685,000	-	11/15/2033	5.250	11/15/2023	100	59259YH28	-	-
2013E	11/15/2013	2,070,000	-	11/15/2020	4.000	11/15/2020	100	59259YK81	-	-
2013E	11/15/2013	3,435,000	-	11/15/2021	4.000	11/15/2021	100	59259YK99	-	-
2013E	11/15/2013	1,700,000	-	11/15/2022	4.000	11/15/2022	100	59259YL23	-	-
2013E	11/15/2013	12,215,000	-	11/15/2024	5.000	11/15/2023	100	59259YL49	-	-
2013E	11/15/2013	12,830,000	-	11/15/2025	5.000	11/15/2023	100	59259YL56	-	-
2013E	11/15/2013	13,470,000	-	11/15/2026	5.000	11/15/2023	100	59259YL64	-	-
2013E	11/15/2013	14,140,000	-	11/15/2027	5.000	11/15/2023	100	59259YL72	-	-
2013E	11/15/2013	14,850,000	-	11/15/2028	5.000	11/15/2023	100	59259YL80	-	-
2013E	11/15/2013	15,590,000	-	11/15/2029	5.000	11/15/2023	100	59259YL98	-	-
2013E	11/15/2013	17,190,000	-	11/15/2031	5.000	11/15/2023	100	59259YM30	-	-
2014A-1	2/28/2014	1,715,000	4,955,000	11/15/2020	4.000	11/15/2020	100	59259YQ44	59259Y8L6	59259Y8M4
2014A-1	2/28/2014	6,960,000	-	11/15/2021	4.000	11/15/2021	100	59259YQ51	-	-
2014A-1	2/28/2014	14,665,000	-	11/15/2029	5.250	11/15/2023	100	59259YQ77	-	-
2014A-1	2/28/2014	12,145,000	-	11/15/2031	5.000	11/15/2023	100	59259YQ85	-	-
2014A-1	2/28/2014	9,765,000	-	11/15/2033	5.250	11/15/2023	100	59259YR84	-	-
2014A-2	2/28/2014	1,700,000	-	11/15/2022	4.000	11/15/2022	100	59259YS34	-	-
2014A-2	2/28/2014	16,175,000	-	11/15/2024	5.000	11/15/2023	100	59259YS42	-	-
2014A-2	2/28/2014	16,650,000	-	11/15/2025	5.000	11/15/2023	100	59259YS59	-	-
2014A-2	2/28/2014	17,120,000	-	11/15/2026	5.000	11/15/2023	100	59259YS67	-	-

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

† Date refers to most recent remarketing of such series.

Series	Dated Date	Refunded Par Amount	Remaining Outstanding Par Amount	Final Maturity	Interest Rate	Redemption Date	Redemption Price	Original CUSIP Number*	Pre-Refunded CUSIP Number*	Unrefunded CUSIP Number*
2014A-2	2/28/2014	$17,605,000	-	11/15/2027	5.000%	11/15/2023	100%	59259YS75	-	-
2014A-2	2/28/2014	13,590,000	-	11/15/2028	5.000	11/15/2023	100	59259YS83	-	-
2014B	4/17/2014	12,010,000	-	11/15/2025	5.000	5/15/2024	100	59259YU72	-	-
2014B	4/17/2014	12,610,000	-	11/15/2026	5.000	5/15/2024	100	59259YU80	-	-
2014B	4/17/2014	13,240,000	-	11/15/2027	5.000	5/15/2024	100	59259YU98	-	-
2014B	4/17/2014	9,815,000	-	11/15/2028	5.000	5/15/2024	100	59259YW70	-	-
2014B	4/17/2014	14,545,000	-	11/15/2029	5.000	5/15/2024	100	59259YV30	-	-
2014C	6/26/2014	15,830,000	$27,670,000	11/15/2022	5.000	11/15/2022	100	59259YZ28	59261ASB4	59261ASC2
2014C	6/26/2014	27,155,000	-	11/15/2025	5.000	11/15/2024	100	59259YZ51	-	-
2014C	6/26/2014	7,760,000	-	11/15/2026	5.000	11/15/2024	100	59259YZ69	-	-
2014C	6/26/2014	18,400,000	-	11/15/2027	5.000	11/15/2024	100	59259YZ77	-	-
2014C	6/26/2014	14,070,000	-	11/15/2028	5.000	11/15/2024	100	59259YZ85	-	-
2014C	6/26/2014	14,775,000	-	11/15/2029	5.000	11/15/2024	100	59259YZ93	-	-
2014D-1	11/4/2014	14,175,000	-	11/15/2026	5.000	11/15/2024	100	59259Y2N8	-	-
2014D-1	11/4/2014	4,635,000	-	11/15/2027	5.000	11/15/2024	100	59259Y2P3	-	-
2014D-1	11/4/2014	10,115,000	-	11/15/2028	5.000	11/15/2024	100	59259Y2Q1	-	-
2014D-1	11/4/2014	10,620,000	-	11/15/2029	5.000	11/15/2024	100	59259Y2R9	-	-
2015B	3/19/2015	3,915,000	-	11/15/2026	5.000	5/15/2025	100	59259Y4W6	-	-
2015B	3/19/2015	4,235,000	-	11/15/2028	5.000	5/15/2025	100	59259Y4Y2	-	-

Refunded Bonds will be credited against the following mandatory redemption dates:

$57,870,000 5.25% Series 2010D Term Bonds Due November 15, 2034
CUSIP* Number: 59259YFG9

November 15	Refunded Amount
2031	$13,350,000
2032	14,070,000
2033	14,825,000
2034	15,625,000

$71,390,000 5.00% Series 2010D Term Bonds Due November 15, 2034
CUSIP* Number: 59259YFH7

November 15	Refunded Amount
2031	$16,590,000
2032	17,400,000
2033	18,255,000
2034	19,145,000

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

$250,180,000 5.25% Series 2010D Term Bonds Due November 15, 2040
CUSIP* Number: 59259YEQ8

November 15	Refunded Amount
2035	$36,550,000
2036	38,470,000
2037	40,490,000
2038	42,615,000
2039	44,850,000
2040	47,205,000

$31,875,000 5.00% Series 2011A Term Bonds Due November 15, 2036
CUSIP* Number: 59259YHM4

November 15	Refunded Amount
2032	$9,360,000
2033	9,830,000
2034	5,835,000
2035	3,045,000
2036	3,805,000

$38,995,000 5.00% Series 2011A Term Bonds Due November 15, 2037
CUSIP* Number: 59259YHR3

November 15	Refunded Amount
2032	$5,075,000
2033	5,325,000
2034	10,080,000
2035	5,875,000
2036	6,165,000
2037	6,475,000

$40,000,000 5.25% Series 2011A Term Bonds Due November 15, 2038
CUSIP* Number: 59259YHQ5

November 15	Refunded Amount
2035	$ 7,795,000
2036	7,595,000
2037	11,990,000
2038	12,620,000

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

$27,220,000 5.00% Series 2011A Term Bonds Due November 15, 2041
CUSIP* Number: 59259YHN2

November 15	Refunded Amount
2038	$ 6,800,000
2039	20,420,000

$12,835,000 4.75% Series 2011D Term Bonds Due November 15, 2036
CUSIP* Number: 59259YLH0

November 15	Refunded Amount
2032	$4,070,000
2033	4,275,000
2034	4,490,000

$103,980,000 5.00% Series 2011D Term Bonds Due November 15, 2036
CUSIP* Number: 59259YLX5

November 15	Refunded Amount
2032	$18,840,000
2033	19,770,000
2034	20,745,000
2035	21,775,000
2036	22,850,000

$46,715,000 5.25% Series 2011D Term Bonds Due November 15, 2041
CUSIP* Number: 59259YLJ6

November 15	Refunded Amount
2037	$10,800,000
2038	11,365,000
2039	11,960,000
2040	12,590,000

$21,555,000 5.00% Series 2012C Term Bonds Due November 15, 2041
CUSIP* Number: 59259YPH6

November 15	Refunded Amount
2034	$21,555,000

* CUSIP numbers have been assigned by an organization not affiliated with MTA and are included solely for the convenience of the holders of the Refunded Bonds. MTA is not responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Refunded Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Refunded 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 Refunded Bonds.

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

ATTACHMENT 5

ACCRETED VALUE TABLE*

Transportation Revenue Refunding Green Bonds, Subseries 2017C-2 (Climate Bond Certified)

Date	11/15/2027 2.91%	11/15/2029 3.09%	11/15/2032 3.28%	11/15/2033 3.34%	11/15/2039 3.57%	11/15/2040 3.58%
12/14/2017	$3,754.15	$3,469.25	$3,077.25	$2,950.90	$2,302.05	$2,217.05
5/15/2018	3,799.90	3,514.15	3,119.55	2,992.20	2,336.50	2,250.25
11/15/2018	3,855.20	3,568.45	3,170.70	3,042.15	2,378.20	2,290.55
5/15/2019	3,911.30	3,623.60	3,222.70	3,092.95	2,420.65	2,331.55
11/15/2019	3,968.20	3,679.55	3,275.55	3,144.60	2,463.85	2,373.30
5/15/2020	4,025.90	3,736.40	3,329.30	3,197.15	2,507.85	2,415.75
11/15/2020	4,084.50	3,794.15	3,383.90	3,250.50	2,552.60	2,459.00
5/15/2021	4,143.95	3,852.75	3,439.40	3,304.80	2,598.15	2,503.05
11/15/2021	4,204.25	3,912.30	3,495.80	3,360.00	2,644.55	2,547.85
5/15/2022	4,265.40	3,972.75	3,553.10	3,416.10	2,691.75	2,593.45
11/15/2022	4,327.45	4,034.10	3,611.40	3,473.15	2,739.80	2,639.85
5/15/2023	4,390.40	4,096.45	3,670.60	3,531.15	2,788.70	2,687.10
11/15/2023	4,454.30	4,159.75	3,730.80	3,590.15	2,838.50	2,735.20
5/15/2024	4,519.10	4,224.00	3,792.00	3,650.10	2,889.15	2,784.20
11/15/2024	4,584.85	4,289.25	3,854.20	3,711.05	2,940.70	2,834.00
5/15/2025	4,651.60	4,355.55	3,917.40	3,773.00	2,993.20	2,884.75
11/15/2025	4,719.25	4,422.80	3,981.65	3,836.05	3,046.65	2,936.40
5/15/2026	4,787.95	4,491.15	4,046.95	3,900.10	3,101.00	2,988.95
11/15/2026	4,857.60	4,560.55	4,113.30	3,965.20	3,156.35	3,042.45
5/15/2027	4,928.25	4,631.00	4,180.75	4,031.45	3,212.70	3,096.90
11/15/2027	5,000.00	4,702.55	4,249.35	4,098.75	3,270.05	3,152.35
5/15/2028	-	4,775.20	4,319.00	4,167.20	3,328.45	3,208.75
11/15/2028	-	4,849.00	4,389.85	4,236.80	3,387.85	3,266.20
5/15/2029	-	4,923.90	4,461.85	4,307.55	3,448.30	3,324.65
11/15/2029	-	5,000.00	4,535.00	4,379.50	3,509.85	3,384.20
5/15/2030	-	-	4,609.40	4,452.65	3,572.50	3,444.75
11/15/2030	-	-	4,685.00	4,527.00	3,636.30	3,506.45
5/15/2031	-	-	4,761.85	4,602.60	3,701.20	3,569.20
11/15/2031	-	-	4,839.90	4,679.45	3,767.25	3,633.10
5/15/2032	-	-	4,919.30	4,757.60	3,834.50	3,698.10
11/15/2032	-	-	5,000.00	4,837.05	3,902.95	3,764.30
5/15/2033	-	-	-	4,917.85	3,972.65	3,831.70
11/15/2033	-	-	-	5,000.00	4,043.55	3,900.30
5/15/2034	-	-	-	-	4,115.70	3,970.10
11/15/2034	-	-	-	-	4,189.20	4,041.15
5/15/2035	-	-	-	-	4,263.95	4,113.50
11/15/2035	-	-	-	-	4,340.10	4,187.15
5/15/2036	-	-	-	-	4,417.55	4,262.10
11/15/2036	-	-	-	-	4,496.40	4,338.35
5/15/2037	-	-	-	-	4,576.65	4,416.05
11/15/2037	-	-	-	-	4,658.35	4,495.05
5/15/2038	-	-	-	-	4,741.50	4,575.55
11/15/2038	-	-	-	-	4,826.15	4,657.45
5/15/2039	-	-	-	-	4,912.30	4,740.80
11/15/2039	-	-	-	-	5,000.00	4,825.65
5/15/2040	-	-	-	-	-	4,912.05
11/15/2040	-	-	-	-	-	5,000.00

* For all dates not listed, Accreted Value is calculated based on straight line interpolation between the closest dates listed in the table. See "DESCRIPTION OF SERIES 2017C BONDS – General – *Interest Payments – Subseries 2017C-2 CABs*".

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

ATTACHMENT 6

SECOND QUARTERLY UPDATE TO THE ANNUAL DISCLOSURE STATEMENT, DATED NOVEMBER 17, 2017

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

MTA ANNUAL DISCLOSURE STATEMENT UPDATE
(2017 Second Quarterly Update)
November 17, 2017

This Metropolitan Transportation Authority ("MTA") Annual Disclosure Statement Update (including Attachment A hereto, "Second Quarterly Update") is dated November 17, 2017, is the second quarterly update to the Annual Disclosure Statement ("ADS") of MTA, dated April 28, 2017, as supplemented June 22, 2017 and July 5, 2017, and as further supplemented by the first quarterly update (the "First Quarterly Update") dated August 14, 2017, and contains information only through its date. MTA expects to file this Second 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 November Plan hereinafter referred to, is also posted on the MTA website under "MTA Info – Financial Information" at www.mta.info. No statement on MTA's website or any other website is included by specific cross-reference herein. All of the information in this Second Quarterly Update is accurate as of its respective 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 Second Quarterly Update contains forecasts, projections, and estimates that are based on expectations and assumptions, which existed at the time they were prepared, and contains statements relating to future results and economic performance that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "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 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 involve 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. 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. These forward-looking statements speak only as of the date of this Second Quarterly Update.

MTA ANNUAL DISCLOSURE STATEMENT UPDATE
(2017 Second Quarterly Update)
November 17, 2017

Introduction

This update, dated November 17, 2017 (the "Second Quarterly Update"), is the second quarterly update to the Annual Disclosure Statement ("ADS") of the Metropolitan Transportation Authority ("MTA"), dated April 28, 2017, as supplemented June 22, 2017 and July 5, 2017, and as further supplemented by the first quarterly update (the "First Quarterly Update") dated August 14, 2017. This Second Quarterly Update contains information only through November 17, 2017, and should be read in its entirety, together with the ADS as so previously updated and supplemented. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ADS.

In this Second Quarterly Update, readers will find:

1. A summary of recent events and changes to the MTA's 2018-2021 Financial Plan released by MTA in July 2017 (the "July Plan"), made since the date of the ADS, to reflect provisions of the 2017 MTA November Financial Plan presented to the MTA Board on November 15, 2017 (the "November Plan"). The complete November Plan is posted on the MTA's website under "MTA Info – Financial Information – Budget and Financial Statements" at www.mta.info. No statement on MTA's website or any other website is included by specific cross-reference herein. The updated information reflected in the November Plan includes revised July Plan projections for fiscal years 2017 through 2021.

2. **Attachment A** to this Second Quarterly Update, which presents the MTA November Plan in tabular form and includes Financial Plan tables that summarize the MTA's November Plan for fiscal year 2016 (actual) and projected receipts and expenditures for fiscal years 2017 through 2021, in each case prepared by MTA management.

The November Plan, which includes the 2017 November Forecast, the 2018 Final Proposed Budget and a Financial Plan for the years 2018-2021, updates the July Plan. Since 2010, MTA financial plans have included MTA management initiatives to achieve operational efficiencies and recurring cost reductions to moderate the amount of revenues needed from biennial fare and toll increases and governmental subsidies and provide funding for the Capital Program and enhanced maintenance. The plans also have added service when sustainable while also addressing long-term costs such as pensions, health care, paratransit, and debt service.

The July Plan

The July Plan was based on three key inter-related elements: (i) fare and toll price increases of 4% in 2019 and 2021; (ii) annually recurring cost reduction/cost containment targets that will increase the level of annual savings to $2.3 billion per year by 2021; and (iii) support for $100 million in additional funding needed for the amended Capital Program. The July Plan also funded important new investments over the 2017-2021 plan period, including $484 million for improved maintenance/operations and customer experience enhancements.

The July Plan included certain MTA actions to address unfavorable changes from the February Plan, most notably a significant reduction in real estate transaction revenue, which remain in the November Plan assumptions:

- Increased savings targets by $150 million per year, starting in 2018 with an incremental increase of $50 million per year thereafter, growing to $300 million in 2021;
- Restoration of Payroll Mobility Tax replacement funds from New York State to $307 million per year beginning in 2018, after a $65 million reduction in 2017;
- Suspended contributions to the MTA Bridges and Tunnels Necessary Reconstruction Reserve Fund from 2018-2021 ($158 million);
- Use of $135 million of the $155 million in MTA's 2017 General Reserve; and
- Suspended planned contributions to the GASB 45 OPEB reserves, set aside to fund OPEB (principally retiree healthcare costs) beginning in 2018 ($59 million).

The July Plan was balanced through 2019 with projected funding gaps of $112 million in 2020 and $493 million in 2021.

Changes Since The July Plan

Changes and re-estimates resulting in lower projected revenues over the plan period (2017-2021):

- Lower farebox/toll revenue estimates ($281 million)
- Lower real estate transaction revenue forecasts ($147 million)
- Lower advertising revenue ($143 million)
- Lower MMTOA receipts ($80 million)

Changes and re-estimates yielding improved financial results over the plan period (2017-2021):

- Lower debt service costs ($189 million)

In total, changes and re-estimates, including the above, are $309 million unfavorable for the plan period. A reconciliation of changes from the July Plan to the November Plan is included in **Attachment A** to this Second Quarterly Update.

Revenue projections for farebox/toll and real estate transactions were reduced in July, and actual collections have fallen short of those lower projections; the November Plan, therefore, projects a further reduction of those revenues. Lower subway and bus ridership at MTA New York City Transit are driving the reduction in passenger revenue while the reduction in MTA Bridges and Tunnels toll revenue is the result of greater E-ZPass usage, which has lowered the average paid toll. Urban tax collections have been affected by a continuing slowdown in commercial real estate activity in New York City. The 2018 forecast for MMTOA receipts was also reduced based on slower projected economic growth in the MTA region.

Finally, the November Plan forecasts lower advertising revenue, reflecting the repayment to the vendor for funding the replacement of existing non-digital mediums with a state-of-the-art digital platform. Once completed, the digital screen advertising network will provide opportunities for dynamic messaging that will enable MTA to quickly disseminate customer and emergency information, target specific customer markets and integrate messaging on mobile devices. An additional benefit of the new advertising contract is that future advertising revenue (beyond the 2017-2021 plan period) is expected to substantially increase once the vendor's capital investments are repaid from the revenue streams.

Serving as a partial offset to the lower revenue forecasts are projected debt service savings that reflect: interest rate savings from refunding transactions, the impact of projected favorable interest rates on existing variable rate debt, the accelerated use of PAYGO and other cash previously programmed for capital purposes, and reducing near-term debt issuance.

Highlights of the November Plan

The November Plan continues to follow the approach reflected in earlier plans and contains many noteworthy items:

Subway Action Plan. The MTA management developed a subway action plan ("Subway Action Plan" or "SAP") announced by Chairman Lhota on July 25, 2017, in part in response to Governor Cuomo's June 29, 2017 declaration of a State of Emergency relating to the MTA New York City Transit system. This proposed $1.5 billion investment over the 2017-2021 plan period targets the key causes of 79 percent of the major incidents that result in service delays, including signals, track and power issues. It also addresses water-related damage and corrosion, track fires, car breakdowns, police activity and station issues. The investment funds the following core areas: track/infrastructure, signals, power, fleet, stations and communications. The following chart details the projected cost of the program through the plan period.

Elements of the Subway Action Plan and ongoing efforts

Subway Action Plan - Budget

All $ in Millions	2017	2018	2019	2020	2021	Five-year total
Operating						
Track/Infrastructure	$ 29	$ 86	$ 83	$ 61	$ 61	$ 320
Signals	3	14	22	14	13	66
Power	1	4	3	3	3	14
Car Equipment	25	145	96	104	104	474
Stations	12	89	57	53	53	264
Communications/Other	30	70	81	66	66	313
Total Operating Costs	**$ 100**	**$ 408**	**$ 342**	**$ 301**	**$ 300**	**$ 1,451**
Capital						
Track/Infrastructure	$ 4	$ 28	$ 20	$ -	$ -	$ 52
Signals	1	33	-	-	-	34
Power	56	22	-	-	-	78
Car Equipment	-	175	-	-	-	175
Other	2	7	-	-	-	9
Total Net Capital Investments	**$ 63**	**$ 265**	**$ 20**	**$ -**	**$ -**	**$ 348**
Overall Total	**$ 163**	**$ 673**	**$ 362**	**$ 301**	**$ 300**	**$ 1,799**
Total 2017 and 2018 Costs for SAP:		**$ 836**				

Using existing reserves and available cash, MTA will provide the initial operating and capital cash-flow funding of this work with the expectation of full reimbursement in 2018. Governor Cuomo has committed to securing New York State funding for one half of the costs of the Subway Action Plan. If new funding commitments for the remaining cost of the program are not forthcoming, the Subway Action Plan will be scaled back to a sustainable level and the February Plan to be presented to the MTA Board in February 2018 will be adjusted accordingly. The following chart details Subway Action Plan funding assumptions:

Funding the Subway Action Plan and ongoing efforts
($ in millions)

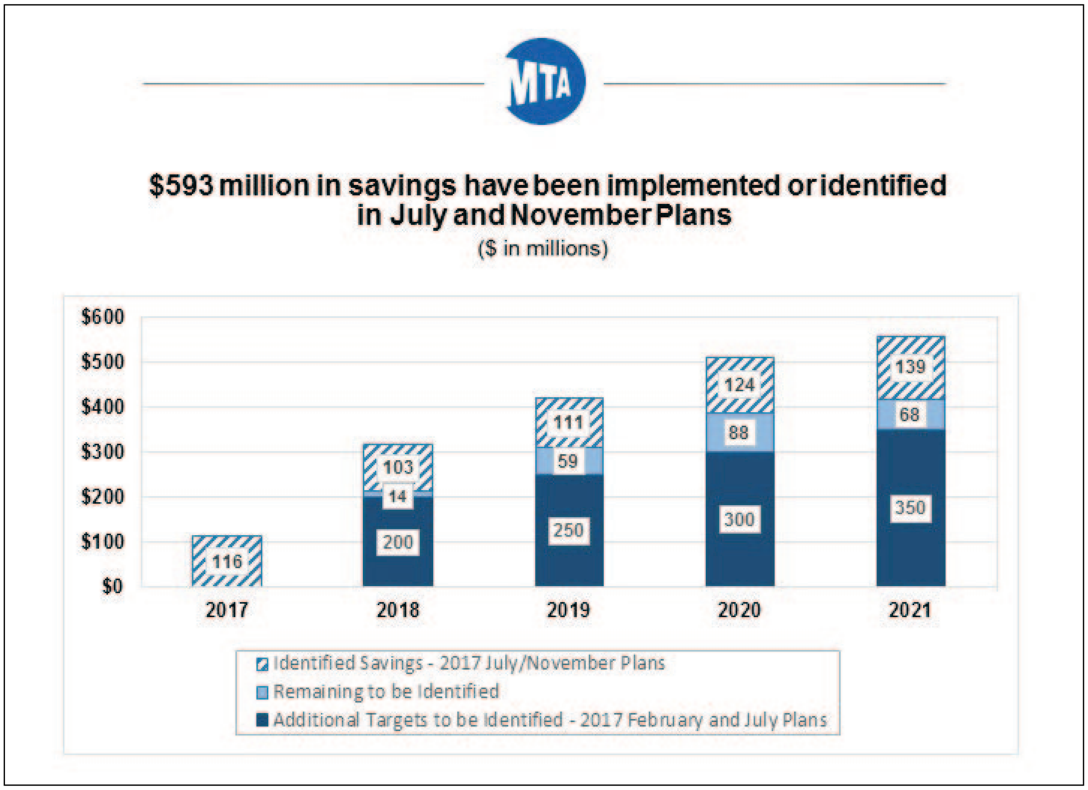
	2017	2018	2019	2020	2021	Five-year total
SAP - Operating Costs	(100)	(408)	(342)	(301)	(300)	(1,451)
Debt Service Expenses for SAP Capital Costs	-	(20)	(21)	(21)	(21)	(83)
Acceleration of 2018 Capital Expenses[1]	(63)	63				-
Additional State Funding for SAP	-	264[2]	182	161	161	767
New Sources of Funding for SAP	-	264[2]	182	161	161	767
Drawdown/(Redeposit) GASB Reserves	80	(80)	-	-	-	-
Drawdown/(Redeposit) Remaining 2017 General Reserve	20	(20)	-	-	-	-
Net Total	**$ (63)**	**$ 63**	**$ -**	**$ -**	**$ -**	**$ -**

[1] Funded by operating cash until reimbursement with bond proceeds in 2018.
[2] Assumes reimbursement of MTA advances from 9/17.

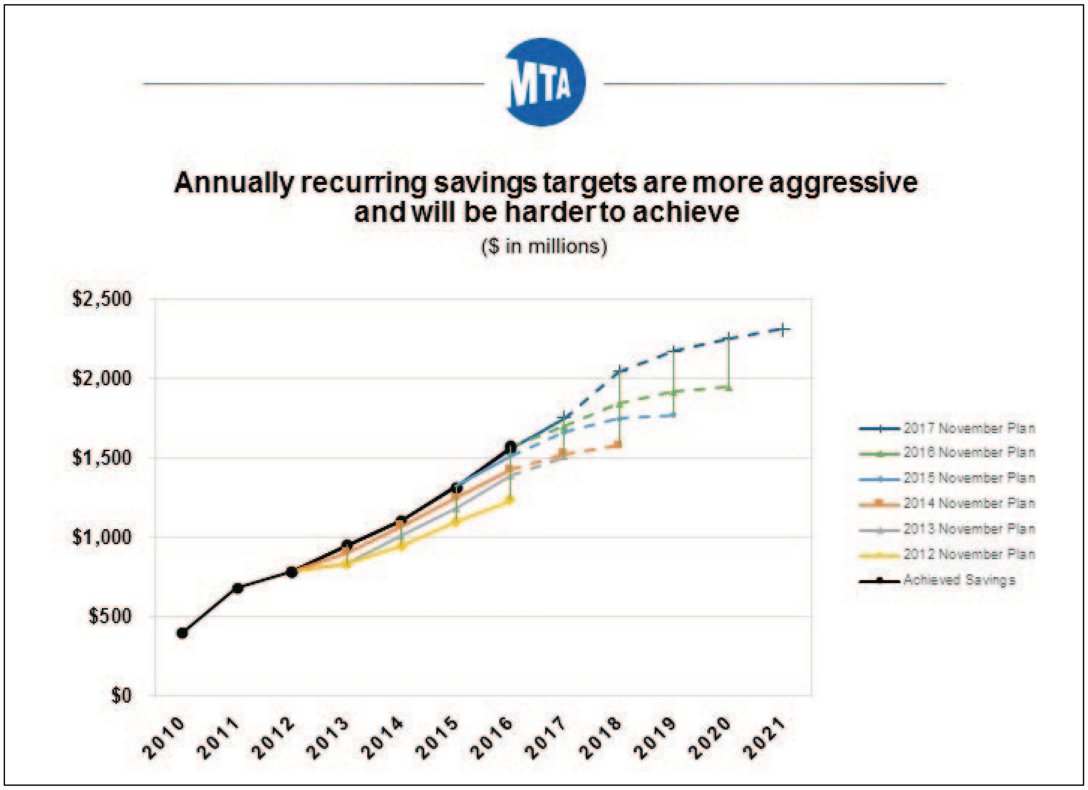
The 2018 operating costs are reflected in the proposed 2018 budget. All capital costs will be presented in a proposed amendment to the 2015-2019 Capital Plan. The proposed 2018 budget and 2015-2019 Capital Program amendment are expected to be presented to the MTA Board for approval in December 2017.

Hold projected fare/toll increases to 4% in 2019 and 2021. The November Plan continues to project 4% biennial fare/toll increases (the equivalent of 2% per year) which is lower than the projected two-year inflation rates of 5.5% and 5.3% in 2019 and 2021, respectively. Consistent with recent plans, a March 1st implementation is assumed for both the 2019 and 2021 increases. The annualized yield of these increases is projected to be $321 million and $336 million, respectively.

Increase annually recurring savings targets. The November Plan maintains the annual savings targets proposed in February and July ($200 million in 2018, $250 million in 2019, $300 million in 2020 and $350 million in 2021). While these savings targets will be harder to achieve, MTA remains committed to meeting them. As shown on the bar chart below, $593 million in savings have been implemented or identified in the July and November Plans. The July Plan captured savings in areas including: health & welfare, headcount efficiencies, Enterprise Asset Management program, paratransit, maintenance, and Information Technology. The November Plan identifies $84 million in additional savings including reduced prescription benefit costs at MTA New York City Transit and operational efficiencies at MTA Bridges and Tunnels.

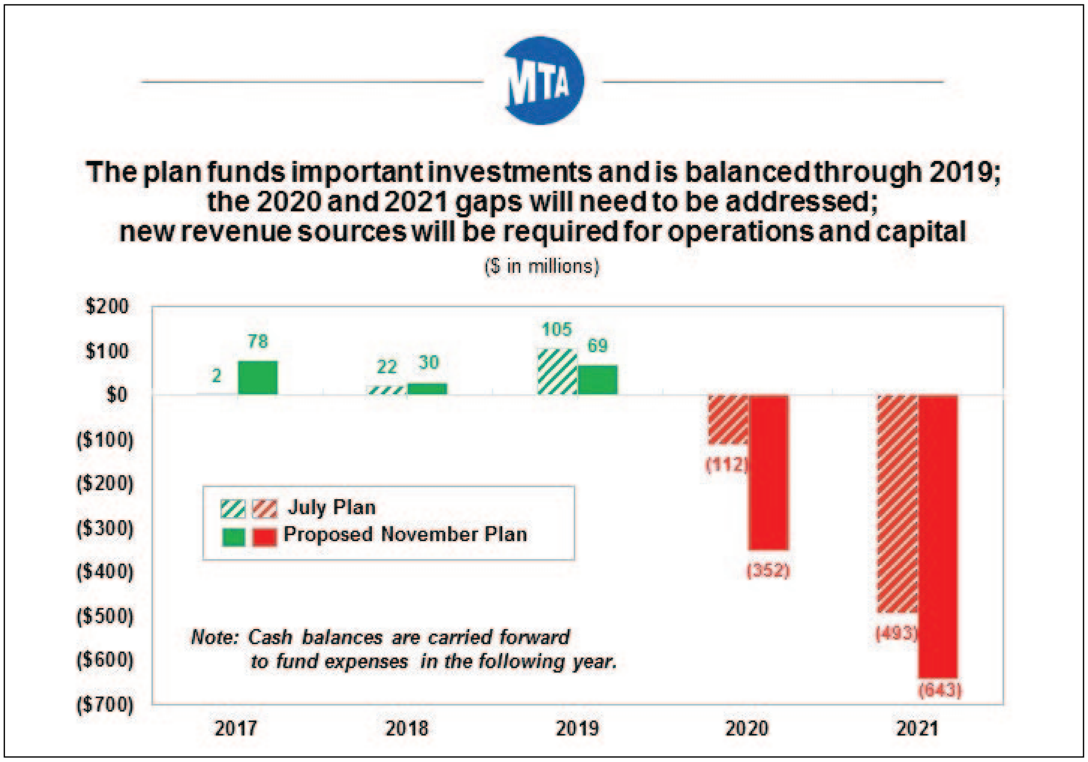


The chart below identifies MTA's cost reduction/cost containment targets for the current and prior Financial Plans. As indicated on the chart, we have increased our targets each year and have consistently achieved our goals. Since 2010, MTA has implemented initiatives with annualized savings of $1.9 billion. These programs, when combined with the additional targets from February and July are projected to result in annual savings of $2.3 billion by 2021.



Other MTA Actions. As previously described, the July Plan was balanced in part by using $135 million from MTA's $155 million 2017 General Reserve and by suspending planned funding to certain reserve accounts. In addition, the July Plan assumed the restoration of Payroll Mobility Tax replacement funds from New York State of $307 million per year beginning in 2018, after a $65 million reduction in 2017. The November Plan retains all of those assumptions. In addition, it assumes that the $149 million GASB 45 OPEB Reserve and the remaining $20 million from MTA's 2017 General Reserve used to advance the funding of the Subway Action Plan in 2017 and early 2018, will be reimbursed by New York State and other funding sponsors and then used to offset operating expenses in 2018.

In summary, the above noted changes, and re-estimates and recommendations are projected to result in a net worsening to MTA's financial forecast over the plan period. As detailed in the following chart, the November Plan is balanced through 2019; however, projected gaps for 2020 and 2021 of $112 million and $362 million are projected to increase to $352 million and $643 million, respectively.



Challenges Going Forward

Challenges and risks facing MTA in implementing the November Plan goals include:

Secure full funding for the Subway Action Plan. The implementation of the Subway Action Plan will provide critical and measurable improvements to the performance of the subway system and in the quality of service provided to MTA New York City Transit customers. As previously mentioned, MTA has received a commitment from Governor Cuomo for the State of New York to fund half of the Subway Action Plan's cost. If an additional funding commitment to fully fund the plan is not forthcoming, the Subway Action Plan and the 2018 February Plan will be adjusted commensurate with available funding.

Secure new sustainable funding for operations and capital. The November Plan assumes aggressive cost-cutting, yet is still projecting significant out-year deficits. In order to sustain operations and protect investments made to date and/or planned, MTA will almost certainly require a new source of future funding for both its operating and capital budgets.

Biennial fare and toll increases. While MTA management will continue to work to control costs, combined fares and tolls only cover approximately half of operating costs and a little more than a third of total costs, including capital costs. Moreover, many costs are dependent on pricing factors beyond MTA's direct control (*e.g.*, energy, health and welfare and pensions). If projected fare and toll increases are not implemented, MTA's financial situation will quickly deteriorate as revenue will not keep pace with inflation and other cost growth.

Achieve cost reduction targets. Efforts to reduce costs will continue, but it becomes increasingly challenging as many of the previously identified opportunities to achieve cost savings have been realized. Unidentified savings targets are $214 million in 2018, $309 million in 2019, $388 million in 2020, and $418 million in 2021.

Increased investments in maintenance/operations and customer experience enhancements. MTA management's challenge is to continue maintaining and improving operations, even as ridership growth has put more demands on aging infrastructure, including MTA New York City Transit's 113-year old subway system.

General economic conditions. The finances of MTA are highly influenced by economic factors. Passenger and toll revenues, dedicated taxes and subsidies (including real estate transaction tax revenue), debt service, pensions and energy costs are all impacted by the health of the national and regional economies. If the economic assumptions reflected in the November Plan are not realized, the November Plan projected results could be adversely affected.

Potential impact of changes in federal law. MTA's finances are also influenced by federal public transportation funding levels and provisions and by federal tax law. The current Presidential administration and Congress are currently considering budgetary and programmatic changes in law relating to federal public transportation and infrastructure finance, and comprehensive federal tax reform. Current proposals for federal tax reform include potential changes in personal and corporate tax rates and deductions, and may adversely impact MTA's opportunities for federal tax exempt financing, including certain refunding for debt service savings. Proposed elimination or reduction of mortgage interest deductibility and other changes, could, if enacted, also adversely impact the New York region's real estate market and levels of MTA real estate related tax subsidies. Although MTA management is monitoring federal legislative activity, at this time it is not possible to assess the financial or programmatic impacts upon MTA's finances of current federal proposals.

Potentially higher interest rates higher than forecast. Since 2008, MTA has benefitted from historically low interest rates. In December 2015, the Federal Open Markets Committee ("FOMC") increased the federal funds rate for the first time since late 2008, by a quarter point to a target range of 0.25% to 0.50%. This increase has been followed by additional quarter point increases in December 2016, March 2017 and June 2017, with the target range now at 1.00% to 1.25%. The FOMC continues to expect that, with gradual adjustments in the stance of monetary policy, economic activity and labor market conditions will lead inflation to stabilize around the FOMC's 2 percent objective over the medium term. While the November Plan includes interest rate assumptions in line with the FOMC's recent actions and policy statements on future actions, a sudden and unexpected increase in economic activity may result in inflationary growth beyond the FOMC's inflation target, which in turn could lead to a further increasing of the federal funds rate. Such an increase could lead to an increase in interest rates for MTA capital borrowing which are higher than projected in the November Plan.

MTA Award of New Fare Program System Contract

On October 25, 2017, the MTA Board approved the award of a competitively negotiated contract for a New Fare Payment System to Cubic Transportation Systems, Inc. ("Cubic") to: (i) design/build, furnish, install, test, integrate and implement a New Fare Payment System ("NFPS") for MTA New York City Transit, MTA Bus, MTA Metro-North Railroad and MTA Long Island Rail Road in the total amount of $539,513,665 for a term of 69 months to substantial completion followed by seven years of base contract support services; (ii) to exercise $14,314,174 in contract options for award with the base contract; and (iii) to exercise, if needed, $19,659,279 in contract options for bus equipment. The total contract amount approved by the MTA Board was $573,487,118. The contract includes additional options subject to future MTA Board approval and, which, if fully exercised by MTA, would raise the overall cost of the NFPS project to over $880 million in accordance with the Cubic bid.

This design/build project is expected to provide MTA with a state-of-the-art, integrated, reliable and convenient fare payment system and improve the customer experience by replacing disparate fare media systems currently in use by MTA with an integrated next-generation system. The NFPS will be an account-based, open-payment system based on proven payment industry standards and open architecture principles, allowing customers to pay fares using diverse options, including mobile apps, digital wallets, contactless bank cards and MTA-issued contactless transit cards. The NFPS will provide customers with multiple 24/7 self-service options for managing their accounts and options to purchase and reload fare media online and at local retailers.

The base contract includes the following design and implementation phases:

- Phase 1: Development of core backend NFPS and initial launch of acceptance of contactless open payments using customer-furnished media (contactless bank cards and mobile phones with digital wallets) in some subway stations and buses (18 months).
- Phase 2: Completion of the roll-out of contactless acceptance to all subway stations and buses (35 months).
- Phase 3: Creation of retail sales and reload network for MTA-issued contactless transit cards and introduction of new NFPS all-agency mobile payment and ticketing app that has current commuter railroad eTix app functionality (39 months).
- Phase 4: Implementation of new vending machines for MTA New York City Transit and the commuter railroads, and new commuter railroad ticket office machines (52 months).
- Phase 5: Completion of system implementation and full revenue system acceptance testing of the entire NFPS (56 months).

This project is funded by MTA and will be managed by MTA's office of Fare Payment Programs. The total contract amount of $573.5 million approved by the MTA Board is funded as follows: $480.8 million in capital and $92.7 million in operating funding. Funding for the capital project is available through both the 2010-2014 and 2015-2019 Capital Programs. The base contract, $539.5 million, is funded as follows: $457.5 million in capital funding and $82.0 million in operating funding. The options, $34.0 million, are funded as follows: $23.3 million in capital funding and $10.7 million in operating funding. A portion of in-house support costs will be funded in the next Capital Program.

Status of MTA Bridges and Tunnels Open Road Tolling Initiative

In October 2016, Governor Cuomo announced the New York Crossings Project. This project included a one-year schedule for all MTA Bridges and Tunnels crossings to change from cash and gated E-ZPass toll plazas to cashless Open-Road Tolling ("ORT"). ORT eliminates traditional toll plazas by allowing tolls to be collected in a free-flow environment through E-ZPass sensors and license-plate cameras mounted on overhead gantries. Drivers without E-ZPass receive a "Tolls by Mail" invoice mailed to the vehicle's registered owner. The project and related enforcement modalities are further described in the ADS in PART 5 under "RIDERSHIP AND FACILITIES USE – MTA Bridges and Tunnels – Cashless Open Road Tolling".

Implementation of ORT is now complete at all nine MTA Bridges and Tunnels crossings. Capital costs of approximately $501.7 million have been incurred by MTA Bridges and Tunnels for the overall New York Crossings Project, the bulk of which is for ORT. Additional operating expenses for ORT are mainly for the contracted back-office costs of administering the Tolls by Mail program, which run approximately $50 million per year, net of headcount savings achieved through attrition.

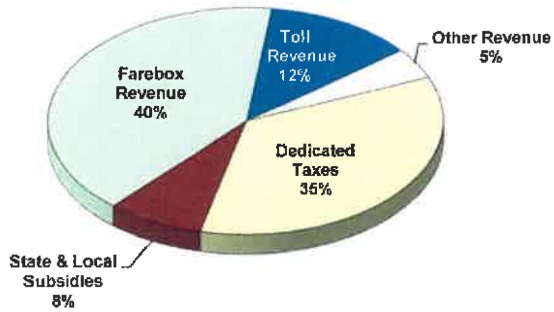
Attachment A to MTA Annual Disclosure Statement
Second Quarterly Update
November 17, 2017

MTA November Plan

This **Attachment A** to the 2017 Second Quarterly Update sets forth MTA November Plan in tabular form and includes Financial Plan tables that summarize the MTA's November Plan for fiscal year 2017 and projected receipts and disbursements for fiscal years 2018 through 2021, in each case prepared by MTA management. The complete November Plan is posted on MTA's website under "MTA Info – Financial Information – Budget and Financial Statements" at www.mta.info. No statement on MTA's website or any other website is included by specific cross-reference herein.

MTA 2018 Proposed Budget
Baseline Expenses Before Below-the-Line Adjustments
Non-Reimbursable

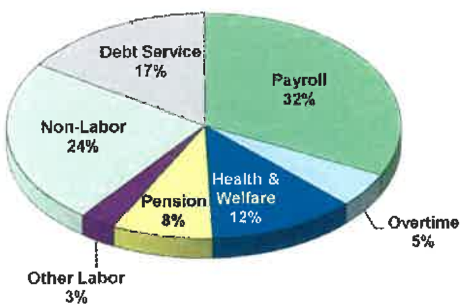
Where the Dollars Come From ...



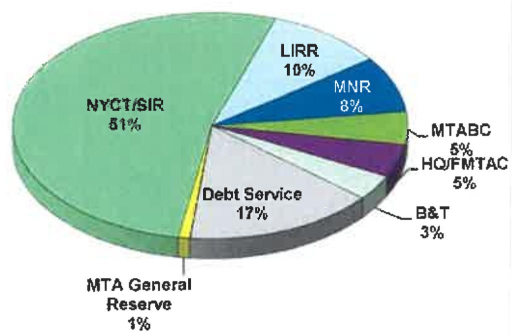
By Revenue Source ($ in millions)	
Farebox Revenue	$6,277
Toll Revenue	1,923
Other Revenue	685
Dedicated Taxes	5,434
State & Local Subsidies	1,224
Total [1]	**$15,544**

Where the Dollars Go ...

By Expense Category



By MTA Agency



By Expense Category [2] ($ in millions)	
Payroll	$5,360
Overtime	829
Health & Welfare	2,002
Pension	1,351
Other Labor	492
Non-Labor	3,935
Debt Service	2,604
Total [1]	**$16,573**

By MTA Agency [2] ($ in millions)	
NYCT/SIR	$8,695
LIRR	1,620
MNR	1,339
MTABC	773
HQ/FMTAC	785
B&T	596
Debt Service	2,604
MTA General Reserve	160
Total [1]	**$16,573**

[1] *Totals may not add due to rounding.*

[2] *Expenses exclude Depreciation, OPEB Obligation and Environmental Remediation. MTA Capital Construction is not included, as its budget contains reimbursable expenses only.*

Note: The revenues and expenses reflected in these charts are on an accrued basis and exclude cash adjustments, carry-over balances and those "below-the-line" adjustments that are captured in Volume 1. Any comparison of revenues versus expenses will not directly correspond to the cash balances reflected in the Statement of Operations.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2018-2021
MTA Consolidated Statement Of Operations By Category
($ in millions)

Line No.	Non-Reimbursable	Actual 2016	November Forecast 2017	Final Proposed Budget 2018	2019	2020	2021
10	***Operating Revenue***						
11	Farebox Revenue	$6,050	$6,172	$6,277	$6,308	$6,347	$6,353
12	Toll Revenue	1,870	1,906	1,923	1,937	1,946	1,953
13	Other Revenue	688	668	685	697	730	732
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	**Total Operating Revenue**	**$8,608**	**$8,747**	**$8,886**	**$8,942**	**$9,023**	**$9,038**
16							
17	***Operating Expense***						
18	**Labor Expenses:**						
19	Payroll	$4,839	$5,040	$5,360	$5,552	$5,676	$5,799
20	Overtime	771	879	829	806	819	849
21	Health & Welfare	1,172	1,214	1,364	1,469	1,556	1,655
22	OPEB Current Payment	562	569	638	692	751	816
23	Pensions	1,370	1,326	1,351	1,371	1,369	1,384
24	Other-Fringe Benefits	948	892	918	951	985	1,015
25	Reimbursable Overhead	(425)	(476)	(426)	(410)	(388)	(384)
26	**Total Labor Expenses**	**$9,238**	**$9,444**	**$10,033**	**$10,433**	**$10,768**	**$11,133**
27							
28	**Non-Labor Expenses:**						
29	Electric Power	$406	$444	$505	$519	$547	$604
30	Fuel	125	147	153	152	177	187
31	Insurance	(21)	30	30	33	38	44
32	Claims	464	314	320	328	329	330
33	Paratransit Service Contracts	384	391	416	440	467	492
34	Maintenance and Other Operating Contracts	631	746	858	780	783	810
35	Professional Service Contracts	401	573	518	466	460	458
36	Materials & Supplies	586	617	719	709	730	728
37	Other Business Expenses	193	209	206	217	225	230
38	**Total Non-Labor Expenses**	**$3,168**	**$3,471**	**$3,726**	**$3,644**	**$3,757**	**$3,883**
39							
40	**Other Expense Adjustments:**						
41	Other	$47	$52	$49	$50	$52	$53
42	General Reserve	0	155	160	165	175	180
43	**Total Other Expense Adjustments**	**$47**	**$207**	**$209**	**$215**	**$227**	**$233**
44							
45	**Total Operating Expense before Non-Cash Liability Adj.**	**$12,454**	**$13,122**	**$13,968**	**$14,292**	**$14,752**	**$15,249**
46							
47	Depreciation	$2,443	$2,615	$2,674	$2,741	$2,808	$2,870
48	OPEB Liability Adjustment	1,562	1,681	1,776	1,871	1,975	2,084
49	GASB 68 Pension Expense Adjustment	(219)	(172)	(235)	(228)	(246)	(284)
50	Environmental Remediation	12	4	6	6	6	6
51		$3,798	$4,128	$4,222	$4,390	$4,542	$4,677
52	**Total Operating Expense after Non-Cash Liability Adj.**	**$16,252**	**$17,250**	**$18,190**	**$18,681**	**$19,294**	**$19,926**
53							
54	Conversion to Cash Basis: Non-Cash Liability Adjs.	($3,798)	($4,128)	($4,222)	($4,390)	($4,542)	($4,677)
55							
56	Debt Service (excludes Service Contract Bonds)	2,459	2,525	2,604	2,800	3,029	3,225
57							
58	**Total Operating Expense with Debt Service**	**$14,912**	**$15,647**	**$16,573**	**$17,092**	**$17,781**	**$18,474**
59							
60	Dedicated Taxes and State/Local Subsidies	$6,666	$6,470	$6,659	$6,949	$7,119	$7,340
61							
62	**Net Surplus/(Deficit) After Subsidies and Debt Service**	**$362**	**($430)**	**($1,028)**	**($1,201)**	**($1,639)**	**($2,097)**
63							
64	Conversion to Cash Basis: GASB Account	0	0	(8)	(18)	(29)	(42)
65	Conversion to Cash Basis: All Other	(594)	88	9	207	97	24
66							
67	**CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER**	**($232)**	**($342)**	**($1,028)**	**($1,012)**	**($1,572)**	**($2,114)**

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2018-2021
MTA Consolidated Accrued Statement of Operations By Agency
($ in millions)

Non-Reimbursable		Actual 2016	November Forecast 2017	Final Proposed Budget 2018	2019	2020	2021
Total Operating Revenue							
New York City Transit		$4,859	$4,919	$4,995	$5,032	$5,079	$5,096
Bridges and Tunnels		1,895	1,925	1,942	1,956	1,965	1,972
Long Island Rail Road		768	787	794	798	801	804
Metro-North Railroad		769	799	829	833	851	836
MTA Bus Company		234	237	240	241	242	242
MTA Headquarters		61	54	59	55	58	60
Staten Island Railway		9	9	9	9	9	9
First Mutual Transportation Assurance Company		13	16	17	17	18	18
Other		0	0	0	0	0	0
	Total	**$8,608**	**$8,747**	**$8,886**	**$8,942**	**$9,023**	**$9,038**
Total Operating Expenses before Non-Cash Liability Adjs. [1]							
New York City Transit		$7,981	$8,108	$8,659	$8,880	$9,172	$9,429
Bridges and Tunnels		465	546	596	610	621	640
Long Island Rail Road		1,376	1,455	1,620	1,674	1,798	1,965
Metro-North Railroad		1,230	1,310	1,339	1,385	1,409	1,440
MTA Bus Company		717	727	773	765	776	792
MTA Headquarters		595	699	722	696	717	728
Staten Island Railway		64	76	60	60	59	60
First Mutual Transportation Assurance Company		(23)	18	14	12	1	(11)
Other		47	184	185	190	201	207
	Total	**$12,454**	**$13,122**	**$13,968**	**$14,282**	**$14,752**	**$15,249**
Depreciation							
New York City Transit		$1,650	$1,778	$1,828	$1,878	$1,928	$1,978
Bridges and Tunnels		135	150	137	146	156	167
Long Island Rail Road		334	338	341	343	346	350
Metro-North Railroad		236	236	247	247	247	247
MTA Bus Company		57	54	54	54	54	55
MTA Headquarters		23	52	60	65	68	65
Staten Island Railway		8	8	8	8	8	8
First Mutual Transportation Assurance Company		0	0	0	0	0	0
	Total	**$2,443**	**$2,615**	**$2,674**	**$2,741**	**$2,808**	**$2,870**
OPEB Liability Adjustment							
New York City Transit		$1,193	$1,269	$1,350	$1,437	$1,529	$1,627
Bridges and Tunnels		67	72	75	79	83	87
Long Island Rail Road		90	88	90	93	96	99
Metro-North Railroad		57	58	58	58	58	58
MTA Bus Company		64	100	100	100	100	100
MTA Headquarters		85	87	94	96	101	106
Staten Island Railway		7	8	8	8	8	8
	Total	**$1,562**	**$1,681**	**$1,776**	**$1,871**	**$1,975**	**$2,084**
GASB 68 Pension Expense Adjustment							
New York City Transit		($184)	($296)	($306)	($296)	($303)	($309)
Bridges and Tunnels		(7)	12	15	17	20	21
Long Island Rail Road		(12)	0	0	0	0	0
Metro-North Railroad		(10)	(7)	4	0	(7)	(24)
MTA Bus Company		(6)	115	46	45	40	31
MTA Headquarters		0	4	5	5	3	(2)
Staten Island Railway		(0)	0	1	1	(0)	(1)
	Total	**($219)**	**($172)**	**($235)**	**($229)**	**($246)**	**($284)**
Environmental Remediation							
New York City Transit		$10	$0	$0	$0	$0	$0
Bridges and Tunnels		0	0	0	0	0	0
Long Island Rail Road		(2)	2	2	2	2	2
Metro-North Railroad		4	2	4	4	4	4
MTA Bus Company		0	0	0	0	0	0
Staten Island Railway		0	0	0	0	0	0
	Total	**$12**	**$4**	**$6**	**$6**	**$6**	**$6**
Net Surplus/(Deficit) [1]							
New York City Transit		($5,791)	($5,940)	($6,536)	($6,867)	($7,246)	($7,630)
Bridges and Tunnels		1,235	1,146	1,118	1,103	1,084	1,056
Long Island Rail Road		(1,018)	(1,095)	(1,259)	(1,314)	(1,439)	(1,612)
Metro-North Railroad		(748)	(799)	(822)	(860)	(859)	(888)
MTA Bus Company		(598)	(759)	(734)	(743)	(729)	(735)
MTA Headquarters		(642)	(788)	(823)	(807)	(832)	(838)
Staten Island Railway		(69)	(83)	(67)	(67)	(65)	(65)
First Mutual Transportation Assurance Company		36	(2)	2	5	17	30
Other		(47)	(184)	(185)	(190)	(201)	(207)
	Total	**($7,843)**	**($8,503)**	**($9,304)**	**($9,740)**	**($10,271)**	**($10,889)**

Notes: [1] Excludes Debt Service

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2018-2021
MTA Consolidated Cash Receipts and Expenditures
($ in millions)

Cash Receipts and Expenditures	Actual 2016	November Forecast 2017	Final Proposed Budget 2018	2019	2020	2021
Receipts						
Farebox Revenue	$6,083	$6,190	$6,283	$6,314	$6,353	$6,358
Other Operating Revenue	706	715	681	819	762	745
Capital and Other Reimbursements	1,780	2,150	2,237	2,056	1,890	1,854
Total Receipts	**$8,569**	**$9,056**	**$9,201**	**$9,188**	**$9,005**	**$8,957**
Expenditures						
Labor:						
Payroll	$5,303	$5,529	$5,912	$6,075	$6,160	$6,267
Overtime	972	1,095	984	945	958	986
Health and Welfare	1,192	1,256	1,403	1,507	1,589	1,688
OPEB Current Payment	554	559	626	680	739	803
Pensions	1,405	1,376	1,412	1,429	1,422	1,438
Other Fringe Benefits	841	870	904	920	936	958
Contribution to GASB Fund	0	0	8	18	29	42
Reimbursable Overhead	(0)	0	0	0	0	0
Total Labor Expenditures	**$10,266**	**$10,686**	**$11,250**	**$11,574**	**$11,834**	**$12,181**
Non-Labor:						
Electric Power	$405	$443	$500	$514	$541	$598
Fuel	120	143	150	148	173	184
Insurance	(29)	34	31	32	38	38
Claims	295	256	252	259	261	264
Paratransit Service Contracts	379	391	414	438	465	490
Maintenance and Other Operating Contracts	578	701	761	654	636	678
Professional Service Contracts	406	614	593	510	470	455
Materials & Supplies	598	762	899	845	847	839
Other Business Expenditures	200	215	191	202	202	206
Total Non-Labor Expenditures	**$3,051**	**$3,560**	**$3,792**	**$3,601**	**$3,633**	**$3,752**
Other Expenditure Adjustments:						
Other	$130	$89	$143	$90	$133	$144
General Reserve	0	155	160	165	175	180
Total Other Expenditure Adjustments	**$130**	**$244**	**$303**	**$255**	**$308**	**$324**
Total Expenditures	**$13,446**	**$14,489**	**$15,345**	**$15,430**	**$15,775**	**$16,258**
Net Cash Deficit Before Subsidies and Debt Service	**($4,878)**	**($5,433)**	**($6,144)**	**($6,242)**	**(6,770)**	**(7,301)**
Dedicated Taxes and State/Local Subsidies	$5,439	$6,952	$7,036	$7,294	$7,447	$7,591
Debt Service (excludes Service Contract Bonds)	($1,793)	($1,860)	($1,920)	($2,063)	($2,250)	($2,404)
CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	**($232)**	**($342)**	**($1,028)**	**($1,012)**	**($1,572)**	**($2,114)**

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2018-2021

MTA Consolidated Cash Statement of Operations By Agency

($ in millions)

Line Number	Cash Receipts and Expenditures		Actual 2016	November Forecast 2017	Final Proposed Budget 2018	2019	2020	2021
9	***Total Receipts***							
10	New York City Transit		$5,818	$6,220	$6,262	$6,226	$6,167	$6,165
11	Long Island Rail Road		1,098	1,144	1,157	1,117	1,090	1,084
12	Metro-North Railroad		1,033	1,056	1,159	1,114	1,101	1,078
13	MTA Bus Company		238	246	248	252	253	254
14	MTA Headquarters		326	325	301	403	318	301
15	Staten Island Railway		13	14	11	11	10	10
16	Capital Construction Company		31	35	46	47	47	47
17	First Mutual Transportation Assurance Company		13	16	17	17	18	18
18	Other		-	-	-	-	-	-
19		**Total**	**$8,569**	**$9,056**	**$9,201**	**$9,188**	**$9,006**	**$8,957**
20								
21	***Total Expenditures***							
22	New York City Transit		$8,678	$9,154	$9,641	$9,824	$10,043	$10,304
23	Long Island Rail Road		1,677	1,819	2,018	2,006	2,099	2,268
24	Metro-North Railroad		1,543	1,639	1,727	1,717	1,737	1,700
25	MTA Bus Company		669	727	757	770	761	778
26	MTA Headquarters		762	879	961	862	899	898
27	Staten Island Railway		70	84	61	61	58	59
28	Capital Construction Company		31	35	46	47	47	47
29	First Mutual Transportation Assurance Company		13	16	17	17	18	18
30	Other		3	135	118	127	114	185
31		**Total**	**$13,446**	**$14,489**	**$15,346**	**$15,430**	**$15,775**	**$16,258**
32								
33	***Net Cash Surplus/(Deficit)***							
34	New York City Transit		($2,860)	($2,934)	($3,379)	(3,598)	(3,876)	(4,139)
35	Long Island Rail Road		(579)	(675)	(861)	(888)	(1,009)	(1,184)
36	Metro-North Railroad		(510)	(584)	(568)	(602)	(636)	(622)
37	MTA Bus Company		(431)	(481)	(509)	(518)	(508)	(524)
38	MTA Headquarters		(436)	(555)	(660)	(459)	(580)	(597)
39	Staten Island Railway		(57)	(69)	(49)	(49)	(48)	(49)
40	Capital Construction Company		-	-	-	-	-	-
41	First Mutual Transportation Assurance Company		-	-	-	-	-	-
42	Other		(3)	(135)	(118)	(127)	(114)	(185)
43		**Total**	**($4,878)**	**($5,433)**	**($6,144)**	**($6,242)**	**($6,770)**	**($7,301)**

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2018-2021
MTA Consolidated November Financial Plan Compared with July Financial Plan
Cash Reconciliation before Below-the-Line Adjustments

($ in millions)

	Favorable/(Unfavorable)				
	2017	2018	2019	2020	2021
JULY FINANCIAL PLAN 2018-2021 CASH BALANCE BEFORE PRIOR YEAR CARRYOVER	**($323)**	**($333)**	**($642)**	**($1,084)**	**($1,683)**
Agency Baseline Adjustments	***$131***	***($249)***	***($14)***	***($134)***	***($97)***
Farebox/Toll Revenue	*(56)*	*(65)*	*(64)*	*(54)*	*(43)*
Other Operating Revenue [1]	*(17)*	*(22)*	*(34)*	*(34)*	*(35)*
Rates:					
Pensions	*(0)*	*2*	*0*	*1*	*4*
Health & Welfare (includes retirees)	*10*	*8*	*5*	*2*	*6*
Energy	*6*	*(5)*	*(1)*	*(9)*	*(6)*
Timing	*178*	*(203)*	*72*	*(31)*	*(4)*
Other Baseline Re-estimates [2,4]	*10*	*35*	*7*	*(10)*	*(21)*
New Needs/Investments	***($175)***	***($465)***	***($404)***	***($363)***	***($369)***
Subway Action Plan [3]	*(100)*	*(408)*	*(342)*	*(301)*	*(301)*
Maintenance/Operations and Customer Experience Enhancements	*(65)*	*(42)*	*(32)*	*(24)*	*(35)*
All Other New Needs [4]	*(10)*	*(15)*	*(30)*	*(38)*	*(34)*
Savings Programs	***$27***	***$14***	***$15***	***$16***	***$16***
2017 BRP Savings	*27*	*14*	*15*	*16*	*16*
Changes in Dedicated Taxes & State and Local Subsidies	***($40)***	***($148)***	***($43)***	***($28)***	***($24)***
MMTOA	*(0)*	*(80)*	*(0)*	*(0)*	*(0)*
Real Estate Taxes	*(38)*	*(33)*	*(30)*	*(28)*	*(19)*
Other Subsidies/Cash Adjustments	*(3)*	*(35)*	*(13)*	*(0)*	*(6)*
Other Subsidies	***$8***	***$46***	***$41***	***$25***	***$24***
Other Funding Agreements	*(3)*	*29*	*33*	*20*	*19*
B&T Operating Surplus Transfer	*11*	*17*	*8*	*6*	*6*
Debt Service	***$32***	***$107***	***$35***	***($4)***	***$18***
Debt Service Savings	*32*	*107*	*35*	*(4)*	*18*
NOVEMBER FINANCIAL PLAN 2018-2021 CASH BALANCE BEFORE PRIOR YEAR CARRYOVER	**($342)**	**($1,028)**	**($1,012)**	**($1,572)**	**($2,114)**

* *Totals may not add due to rounding*

[1] *Changes capture adjustments to advertising and Railroad commissary revenue.*

[2] *Changes capture updated reimbursable assumptions, revised inflation forecasts, and adjustments for operating capital and cash. The B&T Operating Surplus Transfer is captured as a subsidy, while B&T's impacts are also capture in the individual reconciliation.*

[3] *Includes programs with non-rate adjustments to pensions, health and welfare, and energy.*

[4] *Includes adjustments for safety, information technology and centralized functions.*

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2018 - 2021
Farebox Recovery and Operating Ratios

FAREBOX RECOVERY RATIOS

	November Forecast 2017	Final Proposed Budget 2018	Plan 2019	Plan 2020	Plan 2021
New York City Transit	37.6%	36.1%	35.2%	34.2%	33.2%
Staten Island Railway	8.3%	9.9%	9.9%	10.1%	10.1%
Long Island Rail Road	32.6%	30.8%	30.1%	28.6%	26.8%
Metro-North Railroad	40.1%	39.7%	39.0%	38.9%	38.9%
MTA Bus Company	22.2%	23.1%	23.0%	23.5%	23.3%
MTA-Wide Farebox Recovery Ratio	**36.2%**	**34.9%**	**34.1%**	**33.3%**	**32.3%**

FAREBOX OPERATING RATIOS

	November Forecast 2017	Final Proposed Budget 2018	Plan 2019	Plan 2020	Plan 2021
New York City Transit	56.3%	53.5%	52.4%	51.1%	49.7%
Staten Island Railway	11.4%	14.5%	14.6%	15.0%	14.7%
Long Island Rail Road	50.0%	45.1%	44.5%	41.6%	38.2%
Metro-North Railroad	55.3%	54.1%	54.2%	53.5%	54.2%
MTA Bus Company	31.6%	30.2%	29.9%	30.4%	29.8%
MTA-Wide Farebox Operating Ratio	**53.6%**	**50.8%**	**50.0%**	**48.7%**	**47.2%**

Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 20% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.

Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain costs that are not subject to Agency control, but are provided centrally by MTA.

In the agenda materials for the Meeting of the Metro-North and Long Island Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

[THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

Printed by: ImageMaster, LLC
www.imagemaster.com