

Washington Metropolitan Area Transit Authority, DC

- 1 Washington Metropolitan Area Transit Authority Second Lien Dedicated Revenue Bonds, Series 2023A (Green Bonds - Climate Bond Certified), \$797,800,000, Dated: August 17, 2023
- 2 Washington Metropolitan Area Transit Authority Dedicated Revenue Bonds, Series 2023A (Green Bonds - Climate Bond Certified), \$392,000,000, Dated: March 14, 2023
- 3 Washington Metropolitan Area Transit Authority Dedicated Revenue Bonds, Series 2021A (Green Bonds - Climate Bond Certified), \$784,425,000, Dated: June 8, 2021
- 4 Washington Metropolitan Area Transit Authority Dedicated Revenue Bonds, Series 2020A, \$545,000,000, Dated: June 11, 2020
- 5 Washington Metropolitan Area Transit Authority Gross Revenue Transit Bonds, Series 2018, \$239,920,000, Dated: December 18, 2018
- 6 Washington Metropolitan Area Transit Authority Gross Revenue Transit Bonds, Series 2017B, \$496,500,000, Dated: August 17, 2017
- 7 Washington Metropolitan Area Transit Authority Gross Revenue Transit Refunding Bonds, Series 2017A-1, \$148,515,000, Dated: July 12, 2017
- 8 Washington Metropolitan Area Transit Authority Gross Revenue Transit Refunding Bonds, Series 2017A-2 (2019 Crossover), \$48,855,000, Dated: July 12, 2017

Series 2017B, 2017A-1, A-2

Gross Revenues and Debt Service Coverage

Fiscal Year Ended June 30,

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Projected 2024</u>
Passenger Revenues	\$ 685,701,000	\$ 499,463,000	\$ 104,300,000	\$ 219,551,000	\$ 299,587,000	\$ 403,500,000
Other Pledged Revenues	\$ 79,812,000	\$ 69,122,000	\$ 48,794,000	\$ 53,245,000	\$ 77,812,000	\$ 103,000,000
Dedicated Revenues	\$ 111,191,663	\$ 468,383,000	\$ 460,228,000	\$ 464,596,000	\$ 487,125,000	\$ 500,000,000
Jurisdictional Subsidies	\$ 1,070,270,000	\$ 1,230,024,000	\$ 1,050,931,000	\$ 938,294,000	\$ 1,219,944,000	\$ 1,252,300,000
Total Gross Revenues	\$ 1,946,974,663	\$ 2,266,992,000	\$ 1,664,253,000	\$ 1,675,686,000	\$ 2,084,468,000	\$ 2,258,800,000
Debt Service	\$ 222,146,000	\$ 44,167,875	\$ 54,327,500	\$ 54,306,500	\$ 54,287,125	\$ 54,276,375
Debt Service Coverage Ratio	9x	51x	31x	31x	38x	42x

Series 2018, 2017B, 2017A-1, A-2

Gross Revenues and Debt Service Coverage

Fiscal Year Ended June 30,

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Projected 2024</u>
Passenger Revenues	\$ 685,701,000	\$ 499,463,000	\$ 104,300,000	\$ 219,551,000	\$ 299,587,000	\$ 403,500,000
Other Pledged Revenues	\$ 79,812,000	\$ 69,122,000	\$ 48,794,000	\$ 53,245,000	\$ 77,812,000	\$ 103,000,000
Operating Subsidies	\$ 1,070,270,000	\$ 1,230,024,000	\$ 1,050,931,000	\$ 938,294,000	\$ 1,219,944,000	\$ 500,000,000
Total Gross Revenues	\$ 1,798,609,000	\$ 1,204,025,000	\$ 1,204,025,000	\$ 1,211,090,000	\$ 1,597,343,000	\$ 1,006,500,000
Debt Service	\$ 222,146,000	\$ 50,165,875	\$ 71,491,000	\$ 71,473,125	\$ 71,452,875	\$ 71,441,625
Debt Service Coverage Ratio	8x	24x	17x	17x	22x	14x

Changes in Revenues, Expenses, and Net Assets (GAAP)

Fiscal Year Ended June 30,

	<u>2019</u>	<u>2020</u>	<u>2021¹</u>	<u>2022</u>	<u>2023</u>
Operating Revenues					
Passenger revenue	\$ 685,701,000	\$ 499,463,000	\$ 104,300,000	\$ 219,551,000	\$ 299,578,000
Parking revenue	44,360,000	32,050,000	3,888,000	10,181,000	16,212,000
Advertising revenue	29,042,000	25,947,000	14,233,000	11,257,000	17,807,000
Rental revenue	30,265,000	24,823,000	23,009,000	23,719,000	31,072,000
Other revenue	310,000	291,000	3,000	6,000	164,000
Total Operating Revenues	\$ 789,678,000	\$ 582,574,000	\$ 145,433,000	\$ 264,714,000	\$ 364,833,000
Nonoperating Revenues					
Investment income	\$ 4,790,000	\$ 2,519,000	\$ 10,504,000	\$ 9,881,000	\$ 19,084,000
Gain on Disposition of Assets	-	-	-	22,700,000	2,921,000
Other	15,405,000	15,542,000	9,150,000	8,382,000	9,839,000
Total NonOperating Revenues	20,195,000	18,061,000	19,654,000	40,963,000	31,844,000
Total Revenues	\$ 809,873,000	\$ 600,635,000	\$ 165,087,000	\$ 305,677,000	\$ 396,677,000
Operating Expenses					
Labor and fringe benefits	\$ 1,347,638,000	\$ 1,485,709,000	\$ 1,290,965,000	\$ 1,401,633,000	\$ 1,801,804,000
Services	448,261,000	457,614,000	441,603,000	383,720,000	505,339,000
Materials and supplies	138,679,000	124,047,000	127,367,000	112,684,000	132,756,000
Utilities	88,578,000	85,420,000	79,683,000	80,548,000	101,339,000
Casualty and liability costs	34,502,000	20,691,000	26,121,000	43,592,000	38,611,000
Leases and rentals	9,298,000	8,199,000	3,148,000	1,929,000	6,641,000
Miscellaneous	6,118,000	4,672,000	7,056,000	10,645,000	12,708,000
Depreciation and amortization	1,014,981,000	1,020,525,000	1,106,609,000	1,102,003,000	1,107,700,000
Total Operating Expenses	\$ 3,088,055,000	\$ 3,206,877,000	\$ 3,082,552,000	\$ 3,136,754,000	\$ 3,706,898,000
Nonoperating Expenses					
Interest expense and fiscal charges	35,535,000	41,197,000	55,361,000	75,995,000	82,487,000
Loss on Disposition of Asset	165,618,000	2,951,000	7,282,000	-	-
Total Nonoperating Expenses	201,153,000	44,148,000	62,643,000	75,995,000	82,487,000
Total Expenses	\$ 3,289,208,000	\$ 3,251,025,000	\$ 3,145,195,000	\$ 3,212,749,000	\$ 3,789,385,000
Jurisdictional subsidies, capital grants, and capital subsidies	\$ 2,097,305,000	\$ 2,912,139,000	\$ 3,135,526,000	2,985,021,000	6,178,418,000
Restatements/Extraordinary items	-	\$ (1,748,000)	\$ (21,878,000)	-	-
Net position, beginning of year	\$ 8,485,368,000	\$ 8,103,338,000	\$ 8,363,339,000	\$ 8,496,879,000	\$ 8,574,828,000
Net position, ending of year	\$ 8,103,338,000	\$ 8,363,339,000	\$ 8,496,879,000	\$ 8,574,828,000	\$ 11,360,538,000

¹The adoption of GASB 87 resulted in the restatement of the Authority's basic financial statements as of July 1, 2020

Summary of Funding by Program and Source

	<u>Actual¹</u> <u>2023</u>	<u>Budget</u> <u>2024</u>
Operating Budget		
Passenger	\$ 291,609,775	\$ 403,500,000
Non-Passenger & Parking	\$ 86,000,000	\$ 103,200,000
State and Local	\$ 1,191,895,559	\$ 1,252,300,000
Reimbursable	\$ 2,302,444	\$ 9,200,000
Federal Relief	\$ 624,700,000	\$ 561,000,000
Subtotal	\$ 2,196,507,778	\$ 2,329,200,000
Contributions for Debt Service - Gross Revenue Bonds	\$ 72,195,000	\$ 72,200,000
Subtotal including Debt Service	\$ 2,268,702,778	\$ 2,401,400,000
Capital Budget		
Federal Formula/Other Grants	\$ 396,661,064	\$ 471,400,000
Federal Dedicated Funds (PRIIA)	\$ 96,391,625	\$ 143,500,000
State and Local Funds	\$ 736,104,036	\$ 442,600,000
Reimbursable Funds	\$ 94,374,077	\$ 33,200,000
Dedicated Revenue/Debt Utilization ²	\$ 954,658,061	\$ 1,297,800,000
Subtotal	\$ 2,278,188,863	\$ 2,388,500,000
Total	\$ 4,546,891,641	\$ 4,789,900,000

¹Non-GAAP

² Includes dedicated revenue and debt utilized from dedicated revenue bonds

Dedicated Capital Funding Revenues and Virginia Non-Restricted Funds

<u>Date</u>	<u>Virginia Restricted Funds</u>	<u>Virginia Non-Restricted Funds</u>	<u>Maryland Funds</u>	<u>District of Columbia Funds</u>
Jan-23	\$ 2,080,423	\$ 10,794,577	\$ 40,915,000	\$ -
Feb-23	\$ 2,360,044	\$ 10,514,956	\$ -	\$ -
Mar-23	\$ 6,488,305	\$ 6,386,695	\$ -	\$ -
Apr-23	\$ 3,698,801	\$ 9,176,199	\$ 40,915,000	\$ 89,250,000
May-23	\$ 2,870,969	\$ 10,004,031	\$ -	\$ -
Jun-23	\$ 4,168,940	\$ 8,706,060	\$ -	\$ -
Jul-23	\$ 1,617,389	\$ 11,257,611	\$ 42,585,000	\$ -
Aug-23	\$ 1,270,215	\$ 11,604,785	\$ -	\$ -
Sep-23	\$ 6,264,224	\$ 6,610,776	\$ -	\$ -
Oct-23	\$ 1,377,840	\$ 11,497,160	\$ 42,585,000	\$ 89,250,000
Nov-23	\$ 1,360,325	\$ 11,514,675	\$ -	\$ -
Dec-23	\$ 6,236,232	\$ 6,638,769	\$ -	\$ -
Total	\$ 39,793,709	\$ 114,706,292	\$ 167,000,000	\$ 178,500,000

Available Dedicated Capital Funding Revenue and Projected Dedicated Revenue Bond Debt Service Coverage

Fiscal Year Ending June 30	(A)	(B)	(C=A-B)	(D)	(E)	(F=D+E)	(G=A/F)	(F=C/D)
	Dedicated Capital Funding	Pre-2018 Bonds Debt Service	Available Dedicated Capital Funding	Outstanding Senior Lien Bonds Debt Service	Second Lien Series 2023A Bonds Debt Service	Dedicated Capital Revenue Bonds Debt Service Total	Gross Combined Debt Service Coverage	Net Debt Service Coverage
2024	\$ 470,000,000	\$ 54,276,000	\$ 415,724,000	\$ 107,384,277	\$ 16,665,376	\$ 124,049,653	2.81x	2.48x
2025	\$ 470,000,000	\$ 54,256,000	\$ 415,744,000	\$ 117,034,844	\$ 50,511,650	\$ 167,546,494	2.81x	2.48x
2026	\$ 470,000,000	\$ 54,244,000	\$ 415,756,000	\$ 117,030,344	\$ 50,512,025	\$ 167,542,369	2.81x	2.48x
2027	\$ 470,000,000	\$ 54,226,000	\$ 415,774,000	\$ 117,032,094	\$ 50,510,525	\$ 167,542,619	2.81x	2.48x
2028	\$ 470,000,000	\$ 54,210,000	\$ 415,790,000	\$ 117,034,594	\$ 50,510,775	\$ 167,545,369	2.81x	2.48x
2029	\$ 470,000,000	\$ 54,186,000	\$ 415,814,000	\$ 117,032,344	\$ 50,511,275	\$ 167,543,619	2.81x	2.48x
2030	\$ 470,000,000	\$ 54,172,000	\$ 415,828,000	\$ 117,034,469	\$ 50,510,525	\$ 167,544,994	2.81x	2.48x
2031	\$ 470,000,000	\$ 54,157,000	\$ 415,843,000	\$ 117,034,719	\$ 50,511,900	\$ 167,546,619	2.81x	2.48x
2032	\$ 470,000,000	\$ 54,139,000	\$ 415,861,000	\$ 117,031,719	\$ 50,513,650	\$ 167,545,369	2.81x	2.48x
2033	\$ 470,000,000	\$ 54,142,000	\$ 415,858,000	\$ 117,033,594	\$ 50,509,150	\$ 167,542,744	2.81x	2.48x
2034	\$ 470,000,000	\$ 54,106,000	\$ 415,894,000	\$ 117,033,094	\$ 50,511,525	\$ 167,544,619	2.81x	2.48x
2035	\$ 470,000,000	\$ 54,050,000	\$ 415,950,000	\$ 117,033,769	\$ 50,508,775	\$ 167,542,544	2.81x	2.59x
2036	\$ 470,000,000	\$ 35,522,000	\$ 434,478,000	\$ 117,032,544	\$ 50,513,775	\$ 167,546,319	2.81x	2.59x
2037	\$ 470,000,000	\$ 35,520,000	\$ 434,480,000	\$ 117,033,569	\$ 50,509,400	\$ 167,542,969	2.81x	2.59x
2038	\$ 470,000,000	\$ 35,523,000	\$ 434,477,000	\$ 117,034,619	\$ 50,508,525	\$ 167,543,144	2.81x	2.59x
2039	\$ 470,000,000	\$ 35,519,000	\$ 434,481,000	\$ 117,033,819	\$ 50,508,650	\$ 167,542,469	2.81x	2.59x
2040	\$ 470,000,000	\$ 35,519,000	\$ 434,481,000	\$ 117,034,369	\$ 50,512,150	\$ 167,546,519	2.81x	2.59x
2041	\$ 470,000,000	\$ 35,520,000	\$ 434,480,000	\$ 117,029,069	\$ 50,516,275	\$ 167,545,344	2.81x	2.59x
2042	\$ 470,000,000	\$ 35,522,000	\$ 434,478,000	\$ 117,028,569	\$ 50,513,400	\$ 167,541,969	2.81x	2.59x
2043	\$ 470,000,000	\$ 35,521,000	\$ 434,479,000	\$ 117,032,669	\$ 50,510,775	\$ 167,543,444	2.81x	2.81x
2044	\$ 470,000,000	--	\$ 470,000,000	\$ 117,031,919	\$ 50,510,275	\$ 167,542,194	2.81x	2.81x
2045	\$ 470,000,000	--	\$ 470,000,000	\$ 117,029,413	\$ 50,513,525	\$ 167,542,938	2.81x	2.81x
2046	\$ 470,000,000	--	\$ 470,000,000	\$ 117,032,900	\$ 50,512,150	\$ 167,545,050	2.81x	2.81x
2047	\$ 470,000,000	--	\$ 470,000,000	\$ 77,889,422	\$ 89,654,025	\$ 167,543,447	6.25x	6.25x
2048	\$ 470,000,000	--	\$ 470,000,000	\$ 25,869,013	\$ 49,332,775	\$ 49,332,775	6.25x	6.25x
2049	\$ 470,000,000	--	\$ 470,000,000	\$ 25,867,513	\$ 49,332,025	\$ 49,332,025	6.25x	6.25x
2050	\$ 470,000,000	--	\$ 470,000,000	\$ 25,865,400	\$ 49,336,894	\$ 49,336,894	6.25x	6.25x
2051	\$ 470,000,000	--	\$ 470,000,000	\$ 25,869,950	\$ 49,333,038	\$ 49,333,038	6.25x	6.25x
2052	\$ 470,000,000	--	\$ 470,000,000	\$ 25,867,313	\$ 49,332,606	\$ 49,332,606	6.25x	6.25x
2053	\$ 470,000,000	--	\$ 470,000,000	--	\$ 75,202,363	\$ 75,202,363	6.25x	6.25x
2054	\$ 470,000,000	--	\$ 470,000,000	--	\$ 75,203,600	\$ 75,203,600	6.25x	6.30x

Series 2018, 2017B, 2017A-1, A-2,

Summary of State and Local Funding for Operating and Capital Budgets

	Operating Budget				Capital Budget		Fiscal Year 2023	
	Operating Subsidy		Debt Service		2023 (Actual)	2024 (Budget)	Total	As Percent of Total
	2023 (Actual)	2024 (Budget)	2023 (Actual)	2024 (Budget)				
District of Columbia								
District of Columbia	\$ 426,709,679	\$ 448,199,205	\$ 33,284,167	\$ 33,291,547	\$ 331,157,842	\$ 334,200,000	\$ 791,151,688	36%
Maryland								
Montgomery County	\$ 183,306,214	\$ 196,744,232	\$ 15,414,850	\$ 15,418,272	\$ 48,366,778	\$ 49,000,000	\$ 247,087,842	11%
Prince George's County	\$ 268,815,520	\$ 277,044,380	\$ 15,814,275	\$ 15,817,542	\$ 49,043,331	\$ 50,500,000	\$ 333,673,126	15%
Regional ¹					\$ 216,500,000	\$ 216,500,000	\$ 216,500,000	10%
Subtotal	\$ 452,121,735	\$ 473,788,612	\$ 31,229,125	\$ 31,235,814	\$ 313,910,109	\$ 316,000,000	\$ 797,260,969	36%
Virginia								
Alexandria	\$ 50,799,376	\$ 54,582,814	\$ 1,776,390	\$ 1,777,134	\$ 13,168,880	\$ 13,400,000	\$ 65,744,646	3%
Arlington County	\$ 79,611,055	\$ 85,021,150	\$ -	\$ -	\$ 23,950,117	\$ 24,100,000	\$ 103,561,172	5%
City of Fairfax	\$ 2,906,361	\$ 3,264,561	\$ 111,549	\$ 111,595	\$ 752,579	\$ 700,000	\$ 3,770,489	0%
Fairfax County	\$ 163,105,592	\$ 167,873,114	\$ 5,617,993	\$ 5,620,343	\$ 42,620,843	\$ 42,900,000	\$ 211,344,428	10%
City of Falls Church	\$ 3,610,665	\$ 3,755,959	\$ 176,276	\$ 176,317	\$ 805,958	\$ 800,000	\$ 4,592,899	0%
Loudoun County	\$ 13,031,096	\$ 15,764,959	\$ -	\$ -	\$ 5,873,247	\$ 5,700,000	\$ 18,904,343	1%
Regional ¹					\$ 203,959,467	\$ 204,900,000	\$ 203,959,467	9%
Subtotal	\$ 313,064,145	\$ 330,262,557	\$ 7,682,208	\$ 7,685,389	\$ 291,131,091	\$ 292,500,000	\$ 611,877,444	28%
Reimbursable ²					\$ -	\$ 33,200,000	\$ -	0%
Total	\$ 1,191,895,559	\$ 1,252,250,374	\$ 72,195,500	\$ 72,212,750	\$ 936,199,042	\$ 975,900,000	\$ 2,200,290,101	100%

¹ Regional funding included Dedicated Funding totaling \$500 million (\$178.5 million from DC, \$167 million from Maryland, \$154.5 million from Virginia)

² Operating figures exclude reimbursable projects

Series 2018, 2017B, 2017A-1, A-2

Ridership and Passenger Revenues

Fiscal Year Ended June 30, 2023

Fiscal Year	Peak Base Fare				Metrorail	Metrobus	MetroAccess	Total Ridership	Passenger Fare Revenues
	Rail	Bus							
2017	\$ 2.15	\$ 1.75	176,972,016	121,732,199	2,367,878	301,072,093	\$ 678,392,454		
2018	\$ 2.25	\$ 2.00	175,817,191	119,681,096	2,330,764	297,829,051	\$ 689,093,284		
2019	\$ 2.25	\$ 2.00	175,255,450	123,916,023	2,348,042	301,519,515	\$ 666,310,293		
2020	\$ 2.25	\$ 2.00	132,573,940	96,254,118	1,794,596	230,622,654	\$ 484,977,345		
2021	\$ 2.25	\$ 2.00	28,156,728	52,096,502	1,064,502	81,317,732	\$ 102,039,185		
2022	\$ 2.25	\$ 2.00	60,120,000	80,790,000	1,307,000	142,217,000	\$ 213,532,549		
2023	\$ 2.25	\$ 2.00	85,875,000	79,269,000	1,415,000	166,559,000	\$ 315,790,000		
2024 Budget	\$ 2.00	\$ 2.00	95,800,000	102,500,000	1,400,000	199,700,000	\$ 403,500,000		

Series 2018, 2017B, 2017A-1, A-2

Outstanding Bonds

Fiscal Year Ended June 30, 2023

	Amount Outstanding	Final Maturity Date	Source of Payment	Priority of Payment	Crossover Date
Series 2017A1 Bonds	\$ 129,735,000	1-Jul-32	Gross Revenues	Senior	None
Series 2017A2 Bonds	\$ 48,855,000	1-Jul-34	Gross Revenues	Senior	None
Series 2017B Bonds	\$ 449,125,000	1-Jul-42	Gross Revenues	Senior	None
Series 2018 Bonds	\$ 223,185,000	1-Jul-43	Gross Revenues	Senior	None
Series 2020A Bonds	\$ 545,000,000	15-Jul-45	Dedicated Revenues	Senior	None
Series 2021A Bonds	\$ 784,425,000	15-Jul-46	Dedicated Revenues	Senior	None
Series 2023A Bonds	\$ 392,000,000	16-Jul-52	Dedicated Revenues	Senior	None
Second Lien Series 2023A Bonds	\$ 797,800,000	17-Jul-54	Dedicated Revenues	Subordinate	None

Series 2018, 2017B, 2017A-1, A-2

Pension Plan Membership

Fiscal Year Ended June 30, 2023

<u>Plan Membership</u>	<u>Retirement Plan</u>	<u>Local 689 Plan</u>	<u>Transit Police Plan</u>	<u>Local 922 Plan</u>	<u>Local 2 Plan</u>	<u>Total</u>
Active	123	8,639	379	456	20	9,617
Inactive (receiving benefits)	1,202	5,737	297	294	345	7,875
Inactive (not receiving benefits)	313	1,460	129	45	41	1,988
Total Membership	1,638	15,836	805	795	406	19,480

Series 2018, 2017B, 2017A-1, A-2

Status of Authority Pension Plans

Fiscal Year Ended June 30, 2023

<u>Plan</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>	<u>Funded Ratio</u>
Retirement Plan	\$ 522,189,000	\$ 347,331,000	\$ 174,858,000	67%
Local 689	\$ 5,342,609,000	\$ 4,074,504,000	\$ 1,268,105,000	76%
Transit Police	\$ 370,646,000	\$ 280,885,000	\$ 89,761,000	76%
Local 922	\$ 276,943,000	\$ 238,949,000	\$ 37,994,000	86%
Local 2	\$ 172,464,000	\$ 141,694,000	\$ 30,770,000	82%
Total Plans	\$ 6,684,851,000	\$ 5,083,363,000	\$ 1,601,488,000	76%

Series 2018, 2017B, 2017A-1, A-2

Changes in Net OPEB Liability

Fiscal Year Ended June 30, 2023

<u>Fiscal Year ended June 30,</u>	<u>Net OPEB Liability</u>		
	<u>Balance Beginning of Year</u>	<u>Changes for Year</u>	<u>Balance End of Year</u>
2018	\$ 2,266,318,000	\$ (117,769,000)	\$ 2,148,549,000
2019	\$ 2,148,549,000	\$ (27,652,000)	\$ 2,120,897,000
2020	\$ 2,120,897,000	\$ 213,935,000	\$ 2,334,832,000
2021	\$ 2,334,832,000	\$ (102,433,000)	\$ 2,232,399,000
2022	\$ 2,232,399,000	\$ (106,170,000)	\$ 2,126,229,000
2023	\$ 2,126,229,000	\$ (357,829,000)	\$ 1,768,400,000

To the extent any amendment to the CDA results in a change in the type of financial information or operating data provided pursuant to this Agreement, the first Annual Financial Information provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. If an amendment is made pursuant to Section 3.2(a) of the CDA to the accounting principles to be followed by the Authority in preparing its financial statements, the Annual Financial Information for the Fiscal Year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible, quantitative 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 any amendment to the CDA results in a change in the type of financial information or operating data provided pursuant to this Agreement, the first Annual Financial Information provided thereafter shall include a narrative explanation of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. If an amendment is made pursuant to Section 3.2(a) of the CDA to the accounting principles to be followed by the Authority in preparing its financial statements, the Annual Financial Information for the Fiscal Year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative and, to the extent reasonably feasible, quantitative 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.

N/A