

# OPERATING AND CAPITAL IMPROVEMENT BUDGET

Fiscal Year 2024  
July 1, 2023 – June 30, 2024



Pittsburgh Regional Transit



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Port Authority of Allegheny County  
Pennsylvania**

For the Fiscal Year Beginning

**July 01, 2022**

*Christopher P. Morill*

Executive Director

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## Introduction

I am pleased to present to you the FY2024 annual Pittsburgh Regional Transit (PRT) Operating and Capital budgets for fiscal year ending June 30, 2024. This budget document provides a financial plan to assist in the day-to-day decision making at PRT, as well as the basis for a forward-focused plan for a long-range view of the agency. Given the impact COVID-19 has had on the daily lives of our riders and employees as well as the greater organization and community, the financial plan takes on even added significance. The transit industry itself is faced with lower ridership levels and dwindling federal stimulus available to support operations in this post-pandemic world. Unfortunately, PRT is not immune to the changing transit landscape. The FY2024 budget will be used as a financial guide for stakeholders within the community as well as policy makers at both the Commonwealth and Federal levels who have the ability to ensure PRT has the necessary resources to operate into the future. Despite the challenges of a post-COVID world, PRT remains committed to providing safe, reliable, and affordable transportation to our riders.

## Background

FY2024 marks the first full fiscal year since FY2019 that PRT will not be operating under a COVID-19 national emergency. During a three-year period beginning in March 2020 to April 10, 2023, PRT has operated in a state of heightened awareness that has included many initiatives to increase the safety of our customers and employees alike. In FY2023, PRT acknowledged the selflessness of its front-line workers during the pandemic by making a one-time, “hero payment” to those employees that continued to work in-person to ensure service was available for the public.

PRT received over \$502.5 million in federal stimulus funding. Entering FY2024, PRT has \$146.6 million remaining in federal stimulus funding to mitigate the impact the pandemic has had on ridership and reduced passenger revenues. These funds will provide PRT flexibility if local transit ridership remains depressed. In addition to increased Federal resources that will sustain operations, PRT was the beneficiary of a \$10.2 million increase in State Operating Assistance in FY2024.

State Capital Funding also increased in FY2023 by \$11.75 million. In FY2023, one of the Commonwealth’s public transportation funding mechanisms changed under ACT 89. Prior to July 1, 2022, the main funding source of public transportation capital funding was via \$450 million in bond financing from the Pennsylvania Turnpike. Beginning in FY2023, \$400 million in Statewide

transportation funding originates from the Motor Vehicle Fund. Motor Vehicle Funding is a bondable source of revenue. This change is significant as PRT has an urgent need to begin replacement of its railcar fleet that can only be accomplished through some form of debt financing.

## **Advancements**

Significant progress has been made on the goals of our Strategic Plan as well as those of NEXTransit. The NEXTransit plan identifies values, programs and policies that are important to the communities PRT serves. One such project PRT began in FY2023 is a complete network re-design which is the first such re-design PRT has conducted in over a decade.

Overall, PRT's Network Redesign provides an opportunity to more effectively:

- Increase geographic access to frequent transit.
- Increase ridership and transit mode share.
- Promote equity, access to opportunity, and a more inclusive region.
- Ensure the network and service aligns with the adopted service guidelines and metrics.
- Streamline route design to reflect customer and operator needs and promote efficient scheduling of vehicle types.
- Simplify the bus network for customers.
- Align service with land use and socio-economic changes.
- Coordinate service with bus priority investments.
- Improve safety for operators, customers and pedestrians including considerations for safer routing patterns.

This Network Redesign in conjunction with new fare programs PRT has been piloting, such as a low-income and bulk pass programs, has the potential to increase ridership by more closely aligning transit with the needs of the community.

## **Future Challenges**

While PRT continues to experience increases in annual ridership levels, the long-term impact of the global pandemic is still very uncertain. PRT is confronting hiring difficulties at all levels which has made it challenging to fill a full-service schedule and provide reliable service. The company has made changes to its hiring processes in order to more quickly process applicants that is expected to result in filling critical driver vacancies.

PRT will continue to be nimble as it confronts the reality that customer habits have changed, including the convenience of grocery and food delivery as well as continued work from home opportunities. We continue to collaborate with transit agencies across the Commonwealth and various State and Local leaders on garnering support for additional financial resources that could

potentially delay the “fiscal cliff” with hopes that ridership would continue to increase over this time period.

While the pandemic has presented many organizational challenges, PRT has resumed making critical investments to its system. One such investment is the Bus Rapid Transit (BRT) project between Oakland and Downtown. This \$291 million project will enhance the rider’s experience in one of our region’s most heavily travelled corridors. This project will likely be our most challenging capital project since the North Shore Connector over a decade ago.

As a final mention, PRT has begun the long process of procuring replacement rail vehicles with the current vehicles at or past their useful life.

### **Acknowledgement**

I would like to thank PRT’s Board for their leadership and support during these trying times. I would also like to extend my appreciation to PRT’s employees for all they’ve done to keep transportation service available to the public. Most importantly, I would like to thank our loyal riders, who it is an honor to serve.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kelleman", written in a cursive style.

Katharine Kelleman  
Chief Executive Officer  
Pittsburgh Regional Transit

## Allegheny County

Allegheny County is located in the Southwestern corner of Pennsylvania. It was founded on September 24, 1788, by General John Forbes, who combined portions of Westmoreland and Washington Counties. At the center of the County, the Allegheny and the Monongahela rivers converge to create the headwaters of the Ohio River. The population, per the 2022 Census,



stands at 1,233,253 which makes it the second most populous county in Pennsylvania. The City of Pittsburgh, located in the heart of the three rivers, is the county seat. The County is 745-square miles; 730 square miles of land and 15 square miles of water. Much of Allegheny County is covered with forests and farmland. Temperatures are highest in July with an average of 83 degrees

and January is the coldest with an average low of 21 degrees. Average precipitation is 3.1 inches per month with approximately 142 days per year with some level of precipitation.

According to the most recent census, there were 606,131 households and 2.22 persons per household residing in Allegheny County. Population density was 1,713 per square mile of land. The racial makeup was 79.1% White, 13.5% Black or African American, 0.2% American Indian, 4.5% Asian, and 2.5% Hispanic or Latino. About 2.6% of the population were two or more races. 51.1% of the population was female. 18.4% of the population were 18 years of age or younger while 20.4% were 65 years of age or older.

The County is home to several Fortune 500 companies including PPG Industries, PNC Financial Services, United States Steel, Dicks Sporting Goods, Alcoa, and WESCO International. In addition to corporate headquarters, Allegheny County has world renowned cultural attractions. The Carnegie Museums, the Andy Warhol Museum of Art, the Pittsburgh Zoo, the National Aviary, and the Heinz History Center are all located in the region. These major employers and cultural attractions helped Pittsburgh and Allegheny County to be ranked No. 3 on the *2019 National Geographic Traveller Cool List*, and help Pittsburgh get ranked in the top 10 cities to live and travel to by various organizations including *WalletHub* and the *Economic Intelligence Unit*.

The County is governed under a Home Rule Charter. This structure was implemented in 2000 and abolished a three-commissioner system. Under the Home Rule Charter, the County residents elect a County Chief Executive Officer and a 15-member Council.

## Port Authority of Allegheny County, DBA Pittsburgh Regional Transit (PRT)

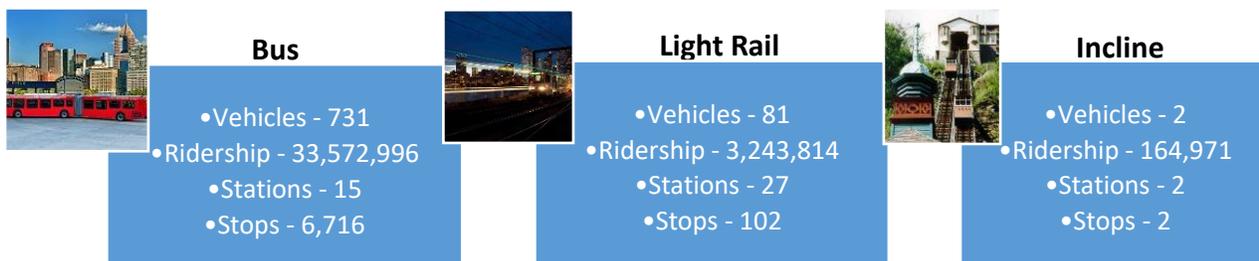
The Port Authority of Allegheny County was established in January of 1958 and operates pursuant to the Commonwealth of Pennsylvania’s Second-Class County Port Authority Act. The transit operations for the modern-day Port Authority began on March 1, 1964, with the formal consolidation of 33 private transportation carriers, including Pittsburgh Railways Company. The Authority was created for the purpose of planning, acquiring, and holding, constructing, improving, maintaining, and operating a comprehensive public transportation system within Allegheny County by utilizing the full powers of the Second-Class County Port Authority Act. The powers of the Authority also include the ability to borrow money for costs of projects related to the Authority and to issue negotiable, interest-bearing debt obligations. Any debt issuance by the Authority is the obligation of the Authority and shall not become indebted or an obligation to the Commonwealth or Allegheny County.

As of FY 2023 the organization is referred to as Pittsburgh Regional Transit. The name change is part of a re-branding campaign to be completed over the next few years. Pittsburgh Regional Transit operates within the 745-sq miles of the County, serving a population base of 1.233 million people. The transit network includes fixed route bus service, the light rail system, and the Monongahela Incline. The Agency also provides ACCESS service, a coordinated, shared-ride paratransit system offering door-to-door, advanced reservation transportation for elderly and handicapped persons. ACCESS has been recognized as one of the nation’s premier paratransit systems.

Pittsburgh Regional Transit directly operates approximately 730 buses that vary in size from 35 to 60 feet, 81 light rail vehicles, and the Monongahela Incline. PRT assets include 7 maintenance and storage garages, 3 exclusive busways (the 4.3-mile South Busway, the 9.2-mile Martin Luther King Jr. Busway, and the 5-mile West Busway), the Wabash Tunnel and the 26.2 mile “T” light rail system.

In 2013 the Commonwealth of Pennsylvania passed legislation that altered the composition of the Port Authority of Allegheny County’s Board of Directors. Under the new legislation the board increased to 11 members that are appointed by the Governor, two caucuses of the General Assembly, the County Executive, and County Council. The board structure provides representation from the funding stakeholders.

### FY2023





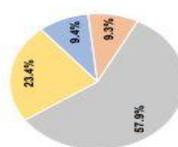
[NTD 2021 Agency Profile Link](#)

**General Information**

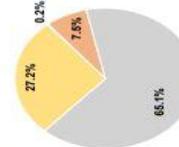
<b>Urbanized Area Statistics - 2010 Census</b> Pittsburgh, PA	<b>Service Consumption</b> 30,003,764 Annual Passenger Miles (PMT) 22,468,100 Annual Unlinked Trips (UPT) 71,642 Average Weekday Unlinked Trips 47,232 Average Saturday Unlinked Trips 29,587 Average Sunday Unlinked Trips	<b>Database Information</b> NTDID: 30022 Reporter Type: Full Reporter Asset Type: Tier I (Rail) Sponsor NTDID:
965 Square Miles 1,733,853 Population 27 Pop. Rank out of 498 UZAs	<b>Assets</b> Revenue Vehicles 1,076 Service Vehicles 286 Facilities 116 Track Miles 57.70 Lane Miles 56.50	

**Financial Information**

<b>Sources of Operating Funds Expended</b>	Fares and Directly Generated \$42,456,341	9.4%
	Local Funds \$41,878,537	9.3%
	State Funds \$261,002,565	57.9%
	Federal Assistance \$105,548,784	23.4%
<b>Total Operating Funds Expended</b>	<b>\$450,866,227</b>	<b>100.0%</b>



<b>Sources of Capital Funds Expended</b>	Fares and Directly Generated \$208,843	0.2%
	Local Funds \$6,735,467	7.5%
	State Funds \$58,549,393	65.1%
	Federal Assistance \$24,436,685	27.2%
<b>Total Capital Funds Expended</b>	<b>\$89,930,388</b>	<b>100.0%</b>



**Modal Characteristics**

<b>Service Area Statistics</b> 775 Square Miles 1,250,578 Population	<b>Service Supplied</b> 26,260,015 Annual Vehicle Revenue Miles (VRM) 2,088,008 Annual Vehicle Revenue Hours (VRH) 781 Vehicles Operated in Maximum Service (VOMS) 1,076 Vehicles Available for Maximum Service (VAMS)	<b>Uses of Capital Funds</b> Stations Guideways Systems and Stations Facilities and Stations Other Total

**Modal Characteristics**

<b>Modal Overview</b>	<b>Vehicles Operated in Maximum Service</b>	<b>Revenue</b>	<b>Systems and Guideways</b>	<b>Facilities and Stations</b>	<b>Other</b>	<b>Total</b>
Mode	Directly Operated	Purchased Transportation	Revenue Vehicles	Stations	Other	Total
Demand Response	2	\$0	\$0	\$0	\$0	\$0
Inclined Plane	2	\$0	\$0	\$0	\$0	\$0
Light Rail	24	\$2,635,607	\$15,365,390	\$5,990,413	\$191,729	\$24,174,139
Bus	561	\$29,458,748	\$17,088,518	\$15,295,056	\$2,516,304	\$64,938,626
<b>Total</b>	<b>567</b>	<b>\$32,094,355</b>	<b>\$33,024,908</b>	<b>\$22,103,092</b>	<b>\$2,708,033</b>	<b>\$89,930,388</b>

**Operation Characteristics**

<b>Mode</b>	<b>Operating Expenses</b>	<b>Fare Revenues</b>	<b>Capital Funds</b>	<b>Uses of Capital Funds</b>	<b>Annual Vehicle Revenue Miles</b>	<b>Annual Vehicle Revenue Hours</b>
Demand Response	\$30,776,792	\$7,207,692	\$0	4,419,541	687,101	398,684
Inclined Plane	\$1,222,377	\$242,104	\$817,623	23,936	12,347	5,283
Light Rail	\$71,145,337	\$1,950,155	\$24,174,139	5,707,414	1,460,121	118,690
Bus	\$341,419,659	\$28,493,730	\$64,938,626	82,792,873	20,136,048	1,565,751
<b>Total</b>	<b>\$444,564,164</b>	<b>\$37,893,681</b>	<b>\$89,930,388</b>	<b>93,093,764</b>	<b>22,468,100</b>	<b>2,088,408</b>

**Performance Measures**

<b>Mode</b>	<b>Operating Expenses per Vehicle Revenue Mile</b>	<b>Operating Expenses per Vehicle Revenue Hour</b>	<b>Mode</b>	<b>Operating Expenses per Passenger Mile</b>	<b>Operating Expenses per Passenger Trip</b>	<b>Unlinked Trips per Vehicle Revenue Mile</b>	<b>Unlinked Trips per Vehicle Revenue Hour</b>
Demand Response	\$5.83	\$77.20	Demand Response	\$6.87	\$46.14	0.1	1.7
Inclined Plane	\$99.00	\$231.38	Inclined Plane	\$51.07	\$5.97	16.6	38.8
Light Rail	\$48.33	\$599.42	Light Rail	\$12.47	\$48.73	1.0	12.3
Bus	\$17.51	\$218.05	Bus	\$4.12	\$16.96	1.0	12.9
<b>Total</b>	<b>\$16.93</b>	<b>\$212.87</b>	<b>Total</b>	<b>\$4.78</b>	<b>\$19.79</b>	<b>0.9</b>	<b>10.8</b>

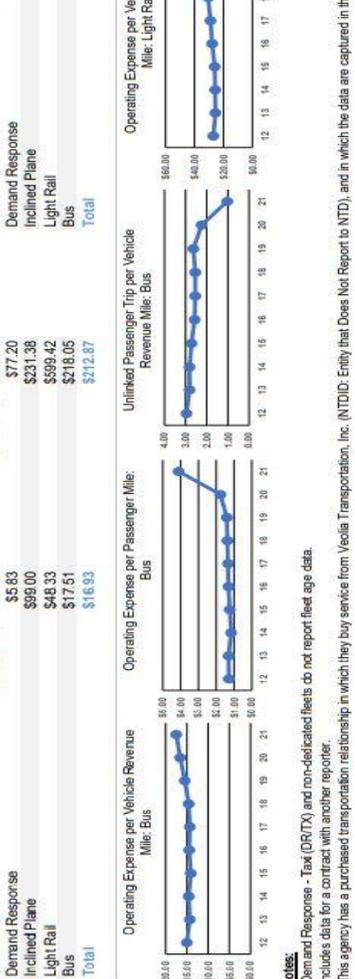
**Service Efficiency**

<b>Mode</b>	<b>Operating Expenses per Vehicle Revenue Mile</b>	<b>Operating Expenses per Vehicle Revenue Hour</b>	<b>Mode</b>	<b>Operating Expenses per Passenger Mile</b>	<b>Operating Expenses per Passenger Trip</b>	<b>Unlinked Trips per Vehicle Revenue Mile</b>	<b>Unlinked Trips per Vehicle Revenue Hour</b>
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**Service Effectiveness**

<b>Mode</b>	<b>Operating Expenses per Vehicle Revenue Mile</b>	<b>Operating Expenses per Vehicle Revenue Hour</b>	<b>Mode</b>	<b>Operating Expenses per Passenger Mile</b>	<b>Operating Expenses per Passenger Trip</b>	<b>Unlinked Trips per Vehicle Revenue Mile</b>	<b>Unlinked Trips per Vehicle Revenue Hour</b>
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**Service Effectiveness**



**Notes:**  
 \*Demand Response - Taxi (DRTX) and non-dedicated fleets do not report fleet age data.  
 \*Includes data for a contract with another reporter.  
 \*This agency has a purchased transportation relationship in which they buy service from Veolia Transportation, Inc. (NTDID: Entity that Does Not Report to NTD), and in which the data are captured in this report for mode DRPT.

## Pittsburgh Regional Transit Ridership Profile

The following charts provide a representation of typical adult passengers utilizing Pittsburgh Regional Transit as a means of transportation and were derived from the data recorded as part of the FY 2023 Title VI Fare Survey. This analysis was conducted by Campos, who was contracted by the Agency, to analyze the degree to which various subgroups of the population riders would be impacted by various fare programs. Among other information, the analysis provides details relating to the demographic composition of public transit riders within Allegheny County. The overall margin of error for the survey data is approximately 1%.



### Rider Profile at a Glance

Characteristics	% Breakdown
Age	8% 16 - 19 / 12% 20 - 24 / <b>52% 25 - 44</b> / 11% 45 - 54 / 4% 55 - 59 / 12% 60+
Gender	<b>51% Female</b> / 49% Male / 1% Other
Race/Ethnicity	<b>55% White</b> / 33% Black or African American / 8% Hispanic or Latino / 7% Asian / 1% American Indian or Alaska Native / 1% Native Hawaiian or Pacific Islander
Primary Language	<b>99% English</b> / 1% Spanish
Household Income	<b>51% \$24.9k to less</b> / 17% 25k - 34.9k / 15% 35 - 49.9k / 10% 50k - 74.9k / 7% 75k+
Household Size	29% 1 person / <b>34% 2 people</b> / 18% 3 people / 12% 4 people / 7% 5+ people

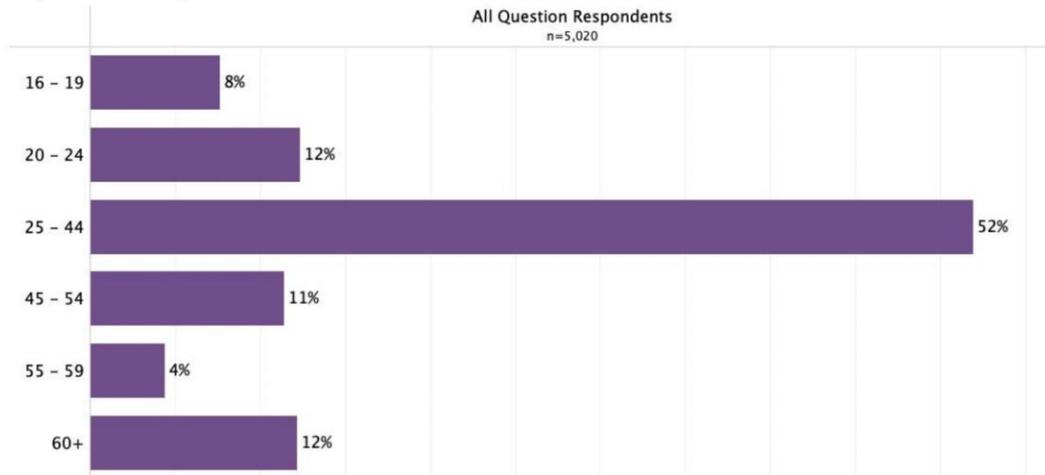
\*PNTA = Prefer Not To Answer



## Age

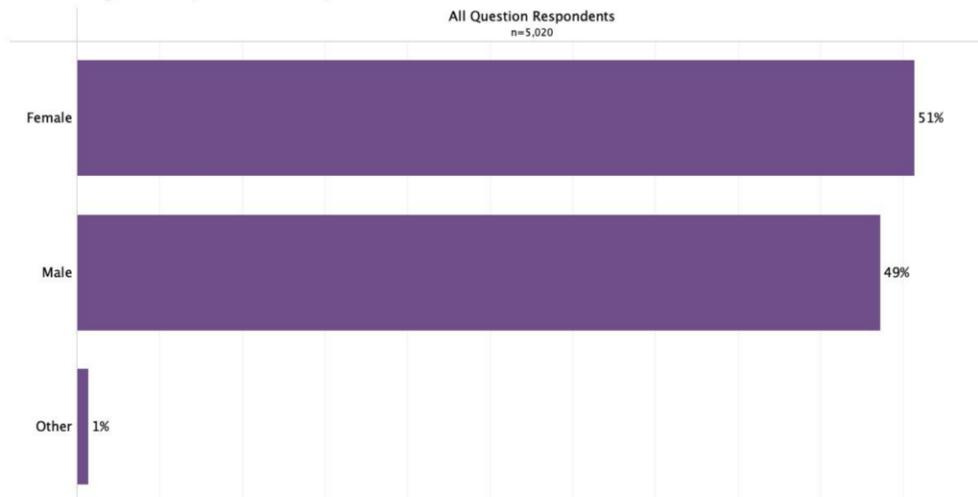
What is your age?

Respondents under age 16 were terminated.



## Gender

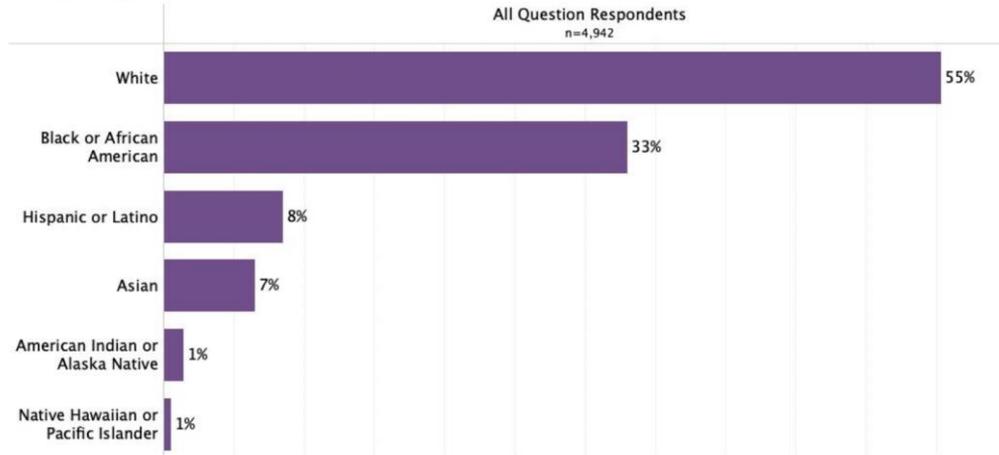
With which gender do you most identify?





## Race/Ethnicity

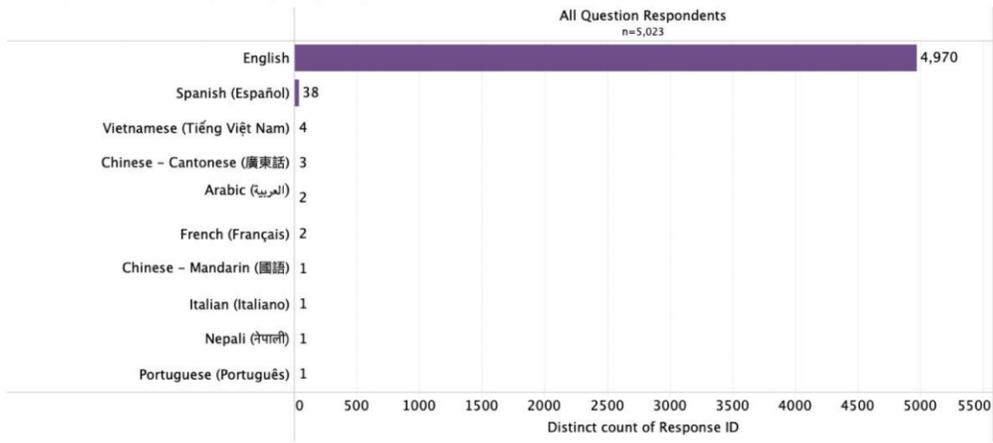
How do you identify yourself?  
Select all that apply.



## Primary Language

What is your primary language?

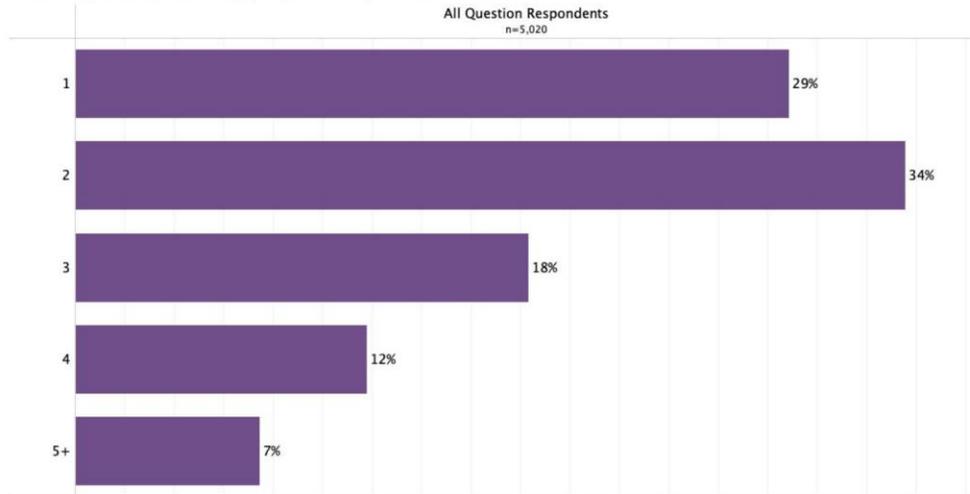
Note: item was asked of all approached riders, including those who did not qualify for or want to continue participating in the survey. Results represent more respondents than the scope of the primary survey collection.





## Household Size

Including yourself, how many people live in your household?



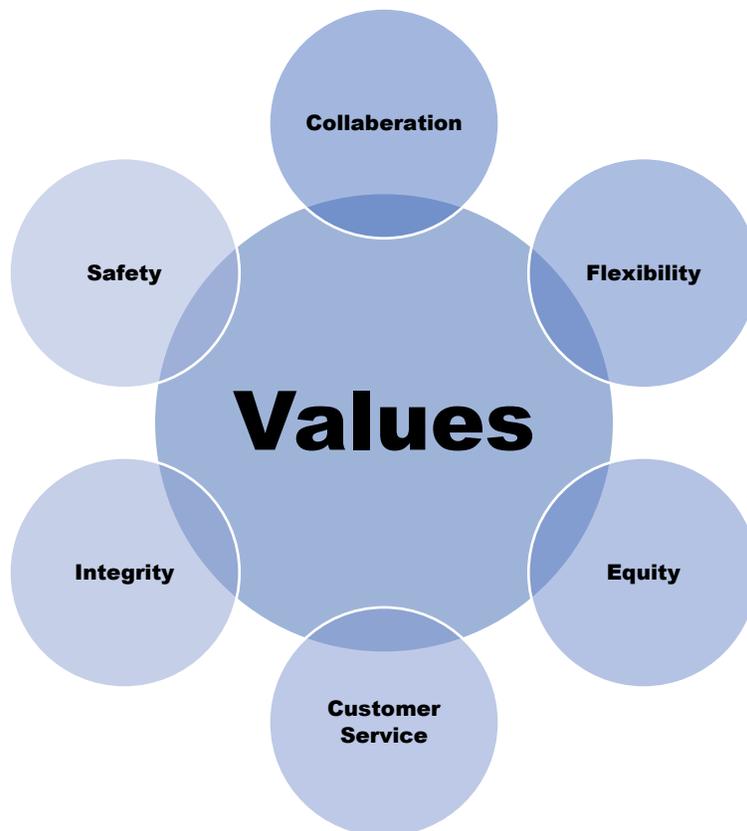
## Rider Characteristics

Characteristics	% Breakdown
Rider Frequency	28% 6+ Days per Week / <b>42% 4-5 Days per Week</b> / 21% 2-3 Days per Week / 10% >1 per week
Vehicle Access	33% Yes / <b>67% No</b>
Smartphone Access	<b>51% Yes iPhone</b> / 36% Yes Android / 5% Yes Other Smartphone / 8% No
Vehicle Access	<b>67% No</b> / 33% Yes
Banking Access	29% 1 person / <b>34% 2 people</b> / 18% 3 people / 12% 4 people / 7% 5+ people
Benefits Received	15% Yes / 79% No / 4% PNTA / 2% Unsure

\*PNTA = Prefer Not To Answer

## Strategic Plan

In the first half of calendar year 2022, over the course of six months, Pittsburgh Regional Transit developed a strategic plan for fiscal years 2023-2028. The plan is intended to offer insight into the strategic direction, communicate goals and objectives, and guide the agency’s leadership and workforce into the future. This plan establishes the framework for PRT to adapt to a changing environment, maintain resiliency, and be a catalyst for positive change within the region.



The development of this strategic plan originally resulted in four strategic goals, which included accountability, customer experience, organizational resilience, and sustainability. As the plan progressed forward, sustainability was eliminated as a stand along goal and instead incorporated into the remaining three goals. The strategic plan provides objectives for each goal, which are outlined below, and then goes into further detail by providing strategies for successfully obtaining the objectives.



## Accountability

- Demonstrate high organization efficiency and effectiveness
- Implement financial practices that improve the viability of the organization
- Provide and facilitate equitable opportunities for economic prosperity in our neighborhoods and communities
- Establish social responsibility through active community engagement and consistent presence with our neighbors
- Achieve recognition as a national leader in implementing sustainable and innovative environmental solutions and climate initiatives.



## Customer Experience

- Provide exemplary service to all internal and external Pittsburgh Regional Transit customers by listening to feedback and proactively identifying and responding to their needs
- Operate an equitable transit system that supports thriving communities
- Maintain safety incident rates at or below the annually set Safety Performance Targets consistent with the Agency Safety Plan



## Organizational Resilience

- Create long term financial stability through diversification of additional revenue sources
- Implement a Risk Management Program to evaluate, leverage and respond to organizational risks and opportunities
- Develop and maintain a culture that supports innovation through data-driven decisions
- Attract, develop, and retain an agile workforce
- Develop the infrastructure needed to deploy a zero emission fleet by 2045

In addition to the goals and objectives, the strategic plan provides insight into Pittsburgh Regional Transits mission, vision, values, and themes on which the agency will rely upon to guide policy and programs needed to deliver a premier transit experience to the region. Further details behind the methodology of developing the strategic plan and a greater insight into the plan itself can be found on the Agency's website at [www.RidePRT.org](http://www.RidePRT.org) or by clicking the following link: [PRT Strategic Plan](#).

## NEXTransit

NEXTransit is Pittsburgh Regional Transit’s long range transportation plan that provides a roadmap for the policies, programs, and projects that are needed to guide the agency into a future that is accessible, efficient, environmentally sustainable, and equitable. In order to implement this plan, PRT will utilize The Strategic Plan as an organizational tool to balance and prioritize the integration of new services, while preserving a State of Good Repair on existing infrastructure. As previously mentioned, the Plan was a culmination of an 18-month public process that resulted in several themes based on public input. Each theme of public engagement throughout the project was designed to request and gather critical data and answer questions from stakeholders, elected officials, and the public to ensure a plan was developed that could be widely supported for implementation. It identifies values, programs and policies that are important to the communities PRT serves. Below is a table that illustrates a high-level cost projection of these Policies and Programs.

Policies and Programs	Proposed New Full-time Staff	Annual Operating Costs	One-time Capital Costs	Annual Capital Costs
Sidewalk Quality & Access	1	\$120,000	N/A	\$1,000,000
Affordable Fare Policy	-	\$0	\$50,000	\$1,000,000
ADA System Access Program	1	\$120,000	N/A	\$2,000,000
System-Wide Signage & Wayfinding	1	\$120,000	N/A	\$100,000
Bus Network Redesign	-	\$0	\$1,000,000	N/A
Community Circulators	1	\$5,000,000	\$2,500,000	Needs further study
Affordable Housing	1	\$120,000	N/A	N/A
Agency-Wide Sustainability Program	2	\$300,000	N/A	\$880,000
Transit Signal Priority	3	\$360,000	N/A	N/A
Pilot Projects (Tactical Urbanism)	1	\$120,000	N/A	\$1,000,000
Bottleneck Bypass Lanes	1	\$120,000	N/A	N/A
Vehicle Electrification / Fuel Diversification	1	\$120,000	\$80,000,000	\$11,250,000 (years 1-5)
HR Staffing Program	3	\$360,000	N/A	\$500,000
Mobility Technology Innovation	1	\$120,000	N/A	Needs further study
Vehicle Design and Amenities	1	\$120,000	N/A	N/A
Parking Management	1	\$120,000	N/A	N/A
Bus Stop Balancing	1	\$120,000	N/A	Supported with Sidewalk Program
<b>TOTAL</b>	<b>20</b>	<b>\$7,340,000</b>	<b>\$83,550,000</b>	<b>\$17,730,000</b>

While these are estimates that will likely change and become more detailed as the programs advance in their development, it's important for PRT to recognize the budgetary needs. It helps to identify the potential resource requirements necessary for implementation of the actions to improve transit within Allegheny County.

NEXTransit then identifies potential projects to enhance system efficiency or provide opportunities for further expansion and groups them into one of four project phases along the path of the 25-year period. These phases include the NEXT phase, 1-5 Year Phase, 6-15 Year Phase, and 16-25 Year Phase. In order to grow and achieve the transit future the region wants, the system must grow to meet tomorrow's needs. Below is a table that provides an illustration of what total project costs might look like if completed throughout various phases according to the plan.

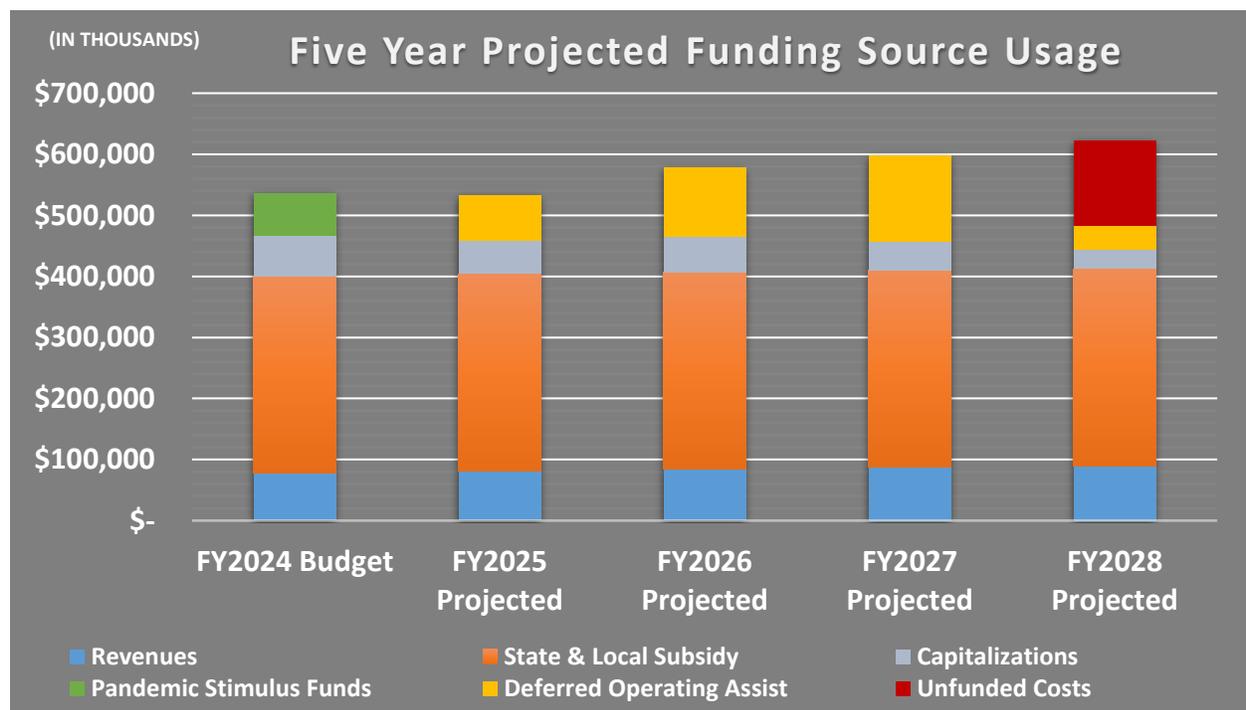
Project Name	Top 10 Project?	Low Capital Cost Estimate	High Capital Cost Estimate	Estimated Local Capital Contribution*
Facilities Master Plan and Expansion of Bus Facilities	Y	\$177M	\$234M	\$41M
Downtown Transit Center	Y	\$60M	\$118M	\$18M
Airport Corridor Rapid Transit	Y	\$274M	\$325M	\$60M
Ohio River LRT Extension		\$688M	\$826M	\$151M
Northside LRT Extension (C)		\$710M	\$852M	\$156M
Library Line Best Use Study		TBD	TBD	TBD
East Busway Phased Extensions	Y	\$121M	\$151M	\$27M
East Busway to Monroeville Rapid Transit	Y	\$117M	\$141M	\$26M
East/Central Pittsburgh River to River Connection	Y	\$168M	\$218M	\$39M
Allentown Line Best Use Study	Y	\$8M	\$10M	\$2M
Allegheny Valley Rapid Transit	Y	\$231M	\$298M	\$53M
North Hills Rapid Transit		\$45M	\$54M	\$10M
West Busway Extension to Bridgeville		\$176M	\$210M	\$39M
McKnight Road Upgraded Transit	Y	\$57M	\$68M	\$12M
Freeport Road Upgraded Transit		\$44M	\$54M	\$10M
Homestead to McKeesport Upgraded Transit	Y	\$47M	\$58M	\$11M
Brownsville Rd and Route 51 Upgraded Transit		\$39M	\$49M	\$9M
Mon Valley to South Hills Upgraded Transit		\$35M	\$44M	\$8M
<b>TOTAL</b>		<b>\$3.0B</b>	<b>\$3.7B</b>	<b>\$671M</b>

These estimates are built around knowledge of similar projects that have been constructed around North America in recent years and should be seen as a guideline for investment. The plan provides Pittsburgh Regional Transit a framework for advancing future projects, policies and programs. It aids the agency in providing a vision into the future and looking beyond the day-to-day considerations of budgetary constraints. For a more in-depth review of the NEXTransit 25-year Plan, please visit <https://nextransit.network/>.

## Long Range Financial Plan

Funding Categories Amount in Thousands ('000)	FY2024 Budget	FY2025 Projected	FY2026 Projected	FY2027 Projected	FY 2028 Projected
Revenues	\$77,870	\$81,419	\$84,416	\$87,207	\$89,926
State & Local Subsidy	322,440	322,440	322,440	322,440	322,440
Capitalizations	65,497	54,995	57,319	47,603	32,198
Pandemic Stimulus Funds	69,553	-	-	-	-
Deferred Operating Assist	-	74,199	113,527	140,263	38,194
Unfunded Costs	-	-	-	-	139,971
<b>Total</b>	<b>\$535,360</b>	<b>\$533,054</b>	<b>\$577,703</b>	<b>\$597,513</b>	<b>\$622,730</b>

Chart 1



<b>Expense Categories</b> Amount in Thousands ('000)	<b>FY2024</b> <b>Budget</b>	<b>FY2025</b> <b>Projected</b>	<b>FY2026</b> <b>Projected</b>	<b>FY2027</b> <b>Projected</b>	<b>FY2028</b> <b>Projected</b>
Wages and Salaries	\$199,294	\$207,266	\$215,557	\$224,179	\$233,146
Pension & Employee Benefits	188,115	173,563	204,864	210,790	223,349
Materials and Supplies	56,417	59,124	61,964	64,945	66,290
Provision for Injuries and Damages	8,877	9,216	9,571	9,944	10,335
Purchased Services	24,508	24,396	24,884	25,382	25,889
Utilities	9,766	10,095	10,436	10,791	11,160
Other Expenses	13,072	13,376	13,689	14,010	14,340
Leases & Rentals	2,186	2,229	2,274	2,319	2,366
Interest Expense	-	-	-	-	-
ACCESS Services	33,125	33,787	34,463	35,152	35,855
<b>Total</b>	<b>\$535,360</b>	<b>\$533,054</b>	<b>\$577,703</b>	<b>\$597,513</b>	<b>\$622,730</b>

As shown in chart 1 on the previous page, FY2024 will be the final year PRT has pandemic stimulus funding available to help offset rising expenses. As is the case with transit agencies across the country, PRT will face a “fiscal cliff” in the future if ridership doesn’t rebound to pre-pandemic levels or other sources of subsidy are identified to continue current service levels. While ridership has recovered to around 60% of pre-pandemic levels, operating costs have increased substantially since 2019, widening the gap further. With this in mind, there will be an emphasis placed on funding strategies to help ensure longevity and the success of Pittsburgh Regional Transit.

A budget represents a financial plan based on the best available information at a point in time. The Pittsburgh Regional Transit's (PRT) annual operating budget, along with the performance against it, is the most visible element of fiscal responsibility. This fiscal responsibility is necessary to assure the long-term success of the PRT and stable service for customers and the region.

## Operating Budget Process

Pittsburgh Regional Transit begins its budget preparation cycle each January. Kickoff of the budget process begins with the Finance department providing the Budget Request Forms to each department. The forms are completed by all divisions and reviewed by the Financial Planning & Budgets Department. From February until mid-March, Finance meets with each department and division to review and finalize the budget submissions. Between April and May, all divisional budgets are compiled into one preliminary Operating Budget and presented to Senior Staff and the Board's Planning and Stakeholder Relations Committee. Any changes deemed necessary are made and in June the final budget is presented to the Board of Directors and approved at the Board Meeting. At the end of June, the new fiscal year budget data is uploaded into the PeopleSoft Database.

See Operating Budget Development Timeline on Page 27.

## Capital Budget Process

The development of the Capital Improvement Program (CIP) originates with the review of the Port Authority's Capital Needs Study. The objective of this review is to evaluate assets, assess risk, prioritize needs, and forecast necessary capital expenditures to enhance transit service while maintaining the integrity of our current infrastructure. A large portion of capital project span more than one fiscal year because of the necessary scope of work to complete the project. As with the Operating Budget, the Capital Budget process begins in January when the Budget Request Forms are made available for completion by all department Directors and AGMs. During this time, on-site visits are performed by Technical Support personnel to review and discuss current and future projects. In March, the request forms are reviewed and compiled by the Finance department and in April the requests are ranked by the Capital Planning Committee along with company-wide capital revenue projections. The initial Capital Budget is complete in April and presented to Senior Staff with adjustments being made as needed through May. In June the final budget is presented to the

Board of Directors and approved at the Board Meeting. At the end of June, the new fiscal year Project Budgets data is uploaded into the PeopleSoft Database.

See Capital Budget Development Timeline on Page 28.

The Operating and Capital Budgets at Pittsburgh Regional Transit must be considered and submitted for approval together, as they have become increasingly interdependent as certain sources of funds can be used interchangeably. Balancing this usage of Capital funding for operating purposes with expansion and state of good repair projects is the only way to address the daily requirements of the organization, assess future Capital needs, and achieve the company vision and organizational goals established by the Agency.



# Fiscal Year 2024 Capital Budget Timeline

	January	February	March	April	May	June	July
	12 17 22 27	1 6 11 16 21 26	3 8 13 18 23 28	2 7 12 17 22 27	2 7 12 17 22 27	1 6 11 16 21 26	1
<b>Completed By:</b>							
Technical Support Personnel Department Directors Division AGMs	Facility On-Site visits performed by Technical Support personnel. FY2024 Capital budget request forms made available and completed by all department Directors and Division AGMs.						
Grants & Capital Programs Personnel Technical Support Personnel			Capital budget request are reviewed and compiled by department.				
Grants & Capital Programs Personnel Capital Planning Committee				Budget requests discussed and ranked by the Capital Planning Committee. Highest ranked requests are compiled along with company-wide capital revenue.			
Grants & Capital Programs Personnel				Completion of initial FY2024 Capital Budget.			
Grants & Capital Programs Personnel Senior Staff					Preliminary FY2024 Capital Budget presented to the Chief Executive Officer and Senior Staff. Preliminary Budget presented to the Board's Planning and Stakeholder Relations Committee and ACTC during this period.		
Grants & Capital Programs Personnel Senior Staff						Final FY2024 Budget presented to the Board of Directors. Approval of Final FY2024 Budget at the June Board Meeting.	
Grants & Capital Programs Personnel							Final FY2024 Budget data uploaded to the PeopleSoft Database.

The COVID-19 Pandemic has had a tremendous financial impact on public transit nationwide. Even with emergency funding, public transit agencies are still facing significant shortfalls. Nationally, transit providers are coping with higher costs related to training, reduced ridership, and growing labor costs. PRT has experienced similar challenges to its fiscal resources. The long-term impacts to the agency's business model remain unclear, but to project expenses and revenues for FY 2024, it was necessary to make several key assumptions. These are briefly outlined below under the following categories: Fare and Service Levels, Ridership, Passenger Revenues, Expenses and Operating Grants.

## **Fare and Service Levels**

- Pittsburgh Regional Transit implemented fare structure changes in FY 2022. The updated structure can be found under the Revenue Structure of the Financial Planning Policies section. PRT will continue to develop model scenarios showing the effects of fare changes against the subsequent change in ridership.
- Minor service adjustments with the aim to continue to improve the overall performance of the system due to changing utilization patterns from the COVID-19 pandemic and address issues with maintaining full staffing levels.

## **Ridership**

- Ridership in FY2023 had rebounded by approximately 60% from the pandemic lows of FY 2021. The FY 2024 budget forecasts an 11% ridership increase as in-person economic activity increases and local universities continue on-site classes.

## **Passenger Revenues**

- Passenger revenues are budgeted at levels consistent with FY 2023 actual revenues plus a 14% growth factor.

## **Expenses**

- FY2024 budgeted operating expenses total \$535.36 million, an increase of 11.5%, or approximately \$55.28 million over the FY 2023 actuals. Most of the additional expenses are attributable to a 19% increase in the Agency's Pension obligations, as well as a \$9.3 million increase over FY 2023 actuals in Salaries and Wages and \$7.2 million increase in healthcare benefit expense primarily due to vacant positions in FY2023. These two expense accounts make up a little more than 72% of expenses. Purchased Services is projected to increase by

46.76% due to the expectation that initiatives that have been delayed by the pandemic will resume.

**Operating Subsidy**

- Pittsburgh Regional Transit receives operating assistance from multiple sources which include federal, state, and county governments as well as recent stimulus funding related to the COVID-19 pandemic. For FY 2024, these funds are budgeted at a total of \$457.49 million, which is a decrease of just over \$91 million compared to FY 2023 actuals. This reduction is primarily due a lower amount of budgeted federal stimulus in FY2024 than was invoiced in FY2023. The Agency made the decision to draw down additional stimulus funding beyond what was planned to capitalize on additional interest income. A significant portion of federal stimulus funding will assist in offsetting the reduction in passenger revenues.

# FY 2024 Operating Budget Summary

FY 2024

Amounts in Thousands ('000)	FY 2024 Operating Budget	
<b>Revenues:</b>		
Passenger Revenue	\$	47,877
ACCESS (Shared Ride) Service		10,300
Contract Services		13,041
Advertising		2,400
Interest Income		3,673
Other Income		579
<b>Total Operating Revenues</b>	<b>\$</b>	<b>77,870</b>
<b>Expenses:</b>		
Wages and Salaries	\$	199,294
Pensions and Employee Benefits		188,115
Materials and Supplies		56,417
Provision for Injuries and Damages		8,877
Purchased Services		24,508
Utilities		9,766
Other Expense		13,072
Leases and Rentals		2,186
ACCESS (Shared Ride) Service		33,125
<b>Total Gross Operating Expenses</b>	<b>\$</b>	<b>535,360</b>
<b>Deficit Before Subsidy</b>	<b>\$</b>	<b>(457,490)</b>
<b>Subsidy Source</b>		
Federal	\$	43,406
State		294,563
Local		46,967
Regional Asset District		3,000
Other		1
Stimulus Funding		69,553
Deferred State Operating Assistance		-
<b>Total Subsidy</b>	<b>\$</b>	<b>457,490</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$</b>	<b>-</b>

The purposes of the financial and budgetary policies at Pittsburgh Regional Transit are to ensure and support sound fiscal management consistent with good business practices.

## Financial Planning Policies

### Fiscal Year

Pittsburgh Regional Transit's budget is prepared, and adopted by the Board of Directors, on a fiscal year basis, which begins July 1 and ends on June 30.

### Balanced Budget

The Agency is required to adopt balanced Operating and Capital budgets each fiscal year based on anticipated operating requirements. A balanced budget is defined as a budget where revenues are equal to expenses. It is a policy of the Port Authority that the balanced budgets are presented to the Port Authority Board of Directors to be adopted at the June board meeting, prior to the start of the fiscal year on July 1<sup>st</sup>. If a variance from the balanced budget occurs, this is reported as an Operating Surplus or Deficit.

### Reserve Funds

Board adopted, it is a policy that PRT maintains a Reserve Fund for operating budget deficits. The amount of the Reserve Fund is equivalent to one month of the Agency's operating expenses and may be adjusted from time to time by the Board based on the recommendations of the Controller.

### Basis of Accounting

As Pittsburgh Regional Transit is a governmental entity, the basis of accounting conforms to the Governmental Accounting Standards Board (GASB) Statement No. 11. Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. The accrual basis of accounting is used in measuring financial position and operating results in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. Under accrual basis of accounting, revenues are recognized in the accounting period in which they are earned, and expenditures are recognized in the accounting period in which the liability is incurred.

For accounting purposes, the budget for each department is broken down into various account categories and classified as the one of the following:

- Salaries & Wages
- Fringe Benefits
- Purchased Services
- Materials & Supplies
- Utilities
- Casualty & Liability Costs
- Taxes
- Purchased Services
- Miscellaneous Expense
- Other Expenses
- Interest Expense
- Leases & Rentals
- Depreciation Expense

### **Basis of Budgeting**

The basis of budgeting refers to the methodology used to include revenues and expenditures in the budget. The budget is prepared on the same basis of accounting as the financial statements, except that depreciation and other post-employment benefits are not budgeted. The revenues and expenditures are assumed to be collected or spent during the period appropriated. Knowing this, the current year revenues are compared to expenditures to ensure that each fund has sufficient revenues to cover expenditures during the budget year or that there are sufficient cash reserves to cover any revenue shortfalls. At the end of each fiscal year, outstanding encumbrances are, by approval, re-appropriated in the subsequent fiscal year. All transactions are accounted for in a single enterprise fund that combines both operating budget and capital budget activities into a consolidated financial statement.

### **Fund Balances**

Pittsburgh Regional Transit currently utilizes a single enterprise fund for operating purposes. The General Fund is specifically established for the appropriation of revenues and expenses associated with transit operations. The Agency does not utilize fund accounting in the traditional sense. Consequently, Pittsburgh Regional Transit reports total equity rather than fund balance.

### **Revenue Policies**

Pittsburgh Regional Transit has both Operating and Non-Operating Revenue sources. Operating revenues consist of those revenues that result directly from the ongoing principal operations of the company. These consist primarily of user charges. Non-Operating revenues are related to grants and subsidies received as well as other financing and investing activities. All revenues are recorded when they are earned.

### **Fare Structure**

Pittsburgh Regional Transit currently operates under a Single Zone fare structure. This replaced the former two zone, distance-based structure in FY 2017. It is the intent of the Agency to develop and implement a Fare Structure that is efficient, user friendly, and equitable to attract increased ridership. Act 89 legislation requires Pittsburgh Regional Transit to adopt a fare policy that allows

for the periodic review of fares. This policy was adopted by the Port Agency in FY 2016 and most recently enacted through the adoption of the FY 2022 Fare Structure Changes.

FY 2022 Fare Structure:

Stored Value Full Fare	\$2.75
Stored Value Half Fare	\$1.35
3 Hour Pass Full Fare	\$2.75
3 Hour Pass Half Fare	\$1.35
Day Pass	\$7.00
Calendar Weekly Full Fare	\$25.00 (Corporate Web Portal Only)
Calendar Weekly Half Fare	\$12.50 (Via Corporate Web Portal Only)
7 Day Pass Full Fare	\$25.00
7 Day Pass Half Fare	\$12.50
Calendar Monthly Full Fare	\$97.50 (Via Corporate Web Portal Only)
Calendar Monthly Half Fare	\$48.75 (Via Corporate Web Portal Only)
31 Day Pass Full Fare	\$97.50
31 Day Pass Half Fare	\$48.75
Annual Pass	\$1,072.50
Connect Card Fee	\$1.00
Incline – 3 Hour Round Trip Full Fare	\$2.75
Incline – 3 Hour Round Trip Kids Pass	\$1.35

All fares are applicable to all Pittsburgh Regional Transit transportation modes excluding U-Pass participants and other contractual fare agreements, and ACCESS.

**Diversification of Revenues**

Pittsburgh Regional Transit will continue to explore areas for revenue diversification that can supplement passenger revenue and subsidies. Some of these areas include growing the footprint of our advertising program, expanding and improving our current Park and Ride system and developing new business and community partnerships.

**Budget Control and Monitoring**

Budgetary controls are established at various levels to have effective control over expenditures within PRT. The budget is prepared after analyzing both current and historical information. This analysis is used to project both revenues and expenses at the departmental level. Each fiscal year the Operating and Capital budgets go through many levels of review prior to final board adoption. This budget approval process provides control over expenditures and ensures that the budget reflects the strategies and goals that are adopted by Pittsburgh Regional Transit’s Board of Directors.

All divisions within the Agency are expected to adhere to budgeted guidelines. Each division manager is held accountable to operate within their respective budget.

During the fiscal year, Financial Planning & Budgets staff will provide each department with monthly budget reports reflecting actual expenditures and obligations. Along with these monthly reports, each department in the organization must review monthly and quarterly variance reports and answer for any variance that exceeds a predetermined amount. Also, quarterly meetings are held with each division head to review their respective division's year-to-date expenses and budget availability by account. All department and division managers can access their budget performance on a monthly or quarterly basis electronically as needed.

## **Expenditures**

Numerous financial safeguards and controls are prevalent throughout the agency to reduce and eliminate unnecessary spending. The majority of disbursements being made from Pittsburgh Regional Transit are handled through purchase orders which allow for tracking of actual costs compared to budget. Final payment by our Accounts Payable department will not be made unless the disbursement passes budget check.

## **Debt Policy**

A Debt Issuance Policy is being established by the Department of Finance to service as a guideline for the issuance of Obligations, mitigate risk, and facilitate the compliance of federal, state, and local securities law. The issuance of bonds, notes, certificates of participation and other securities (Obligations) by PRT can have a significant impact upon the customers of PRT, the taxpayers of Allegheny County, and the Commonwealth. The Chief Executive Officer in consultation with PRT's Finance Department team determine which type of financing will be issued after considering the following principles:

- Equity – Ensure customer and taxpayer equity.
- Effectiveness – once the transaction is completed, it accomplishes its intent and the identified revenue source for repayment is adequate to meet debt service.
- Efficiency – the relative cost of obtaining funds; including the costs of the financing and the cost of collecting pledged revenues, is better than competing alternatives.

## **Policy Statement**

Under the governance and guidance of its various indentures and loan documents, PRT may periodically enter into debt obligations to finance the construction of infrastructure and purchase of capital assets, to refinance existing debt, and for the purpose of meeting its responsibilities. It is PRT's desire and direction to assure that such debt obligations are issued and administered in such fashion as to obtain the best long-term financial advantage to PRT.

PRT will limit long-term borrowing to fund primarily capital improvements, projects, or equipment that cannot be financed from current financial resources. In an effort to maximize capital funding availability, PRT shall utilize a reasonable mix of borrowing and pay-as-you-go

funding. PRT will not fund current operations or normal maintenance of PRT from the proceeds of long-term financing.

PRT shall seek to maintain investment grade bond ratings so borrowing costs are minimized and access to credit is preserved. It is imperative that PRT demonstrates to rating agencies, investors, creditors and users of the transit system that PRT officials are following a prescribed financial plan and adhering to a sound financial policy. PRT will follow a practice of full disclosure by regularly communicating with bond rating agencies and Electronic Municipal Market Access (EMMA) operated by the Municipal Securities Rulemaking Board (MSRB) to inform them of PRT's current financial condition and future financial outlook. PRT will strive to conduct a periodic review of this Debt Management Policy and update it on a timely basis as necessary.

### **Constraints, Ratios and Measures**

The following constraints, ratios and measures shall govern the issuance and administration of debt obligations.

- **Purposes of Issuance** - PRT will issue debt obligations for acquiring, constructing, reconstructing or renovating Capital Improvements or for refinancing existing debt obligations for any other permitted purpose.
- **Maximum Maturity** - All debt obligations shall have a maximum maturity of the earlier of: (i) the estimated useful life of the Capital Improvements being financed; or, (ii) forty years (unless a longer term is recommended by external advisors); or, (iii), in the event they are being issued to refinance outstanding debt obligations, the final maturity of the existing debt obligations being refinanced, or the latest estimate of the useful life of the capital improvements originally financed with the refunded bonds.
- **Annual Debt Service** - PRT will strive to structure debt issues to maintain a level or declining overall annual debt service structure.
- **Variable Rate Debt** –PRT will strive to maintain unhedged variable rate debt levels no greater than 10% of its total outstanding debt. On a periodic basis PRT will reassess its acceptable level of variable rate debt assets in order to maintain a relative balance that mitigates potential long-term interest rate risk exposure under conditions of either rising or declining market interest rates.
- **Present Value Savings** – PRT shall continually monitor its outstanding debt for the purpose of determining if existing financial marketplace conditions afford PRT the opportunity to refund existing issues and lessen debt service costs. In order to consider and favorably recommend the possible refunding of an issue, PRT will generally look to attain at least a minimum acceptable threshold level of net Present Value (PV) savings over the life of the respective issue.

- **Bond Covenants and Laws** - PRT shall comply with all covenants and requirements of existing and future bond documents and state and federal laws authorizing and governing the issuance and administration of debt obligations. Further, PRT shall consult with bond counsel regarding any such legal issue.
- **Debt Service Coverage Ratio (DSCR)** - PRT shall continually monitor its outstanding debt for the purpose of determining the DSCRs are at or above those required in outstanding debt obligations.

# Four Year Comparison: Fiscal Years 2021 - 2024

FY 2024

Amounts in Thousands ('000)	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	FY 2024 vs. FY 2023
<b>Revenues:</b>					
Passenger Revenue	\$28,512	\$39,034	\$42,967	\$47,877	\$4,910
ACCESS (Shared Ride) Service	6,339	7,721	8,660	10,300	1,640
Contract Services	2,209	7,873	10,409	13,041	2632
Advertising	1,600	2,318	2,230	2,400	170
Interest Income	138	75	3,346	3,673	\$327
Other Income	781	626	647	579	(68)
<b>Total Operating Revenues</b>	<b>\$39,578</b>	<b>\$57,647</b>	<b>\$68,260</b>	<b>\$77,870</b>	<b>\$9,610</b>
<b>Expenses:</b>					
Wages and Salaries	\$180,014	\$184,058	\$189,905	\$199,294	\$9,389
Pensions and Employee Benefits	165,639	163,350	168,771	188,115	19,344
Materials and Supplies	39,163	41,309	50,382	56,417	6,035
Provision for Injuries and Damages	2,247	3,731	5,151	8,877	3,726
Purchased Services	13,952	14,235	16,699	24,508	7,809
Utilities	7,205	6,982	7,772	9,766	1,994
Other Expense	4,989	5,807	9,270	13,072	3,802
Leases and Rentals	1,953	1,972	1,899	2,186	287
Interest Expense	0	0	0	0	0
ACCESS (Shared Ride) Service	24,879	27,807	30,227	33,125	2,898
<b>Total Gross Operating Expenses</b>	<b>\$440,039</b>	<b>\$449,251</b>	<b>\$480,076</b>	<b>\$535,360</b>	<b>\$55,284</b>
<b>Deficit Before Subsidy</b>	<b>(\$400,461)</b>	<b>(\$391,604)</b>	<b>(\$411,816)</b>	<b>(\$457,490)</b>	<b>(\$45,674)</b>
<b>Subsidy Source</b>					
Federal	\$31,600	\$34,642	\$29,502	\$43,406	\$13,904
State	258,682	263,484	285,989	294,563	8,574
Local	26,116	35,100	37,995	46,967	8,972
Regional Asset District	2,975	2,918	3,000	3,000	0
Other	318,347	507	219	1	-218
Stimulus Funding	\$86,647	\$58,643	\$191,909	\$69,553	(\$122,356)
<b>Total Subsidy</b>	<b>\$406,339</b>	<b>\$395,292</b>	<b>\$548,615</b>	<b>\$457,490</b>	<b>(\$91,125)</b>
<b>Operating Surplus/(Deficit)</b>	<b>\$5,878</b>	<b>\$3,689</b>	<b>\$136,799</b>	<b>\$0</b>	<b>\$136,799</b>

# Fiscal Year 2024 Operating Budget

FY 2024

## Operating Revenues

FY 2024, revenues for operations are approximately \$535.36 million and include passenger revenues, federal, state, local operating assistance, capitalization grants, and Coronavirus related stimulus funding. Passenger revenues to support operations are expected to represent 11.38% of the Agency's operating revenue. Passenger Revenue includes the sale of fare products, cash fare payments, and contracted services through the U-Pass program which currently involves student and faculty at the University of Pittsburgh, Carnegie Mellon University, Chatham University, Duquesne University, Carlow University, and Point Park University.

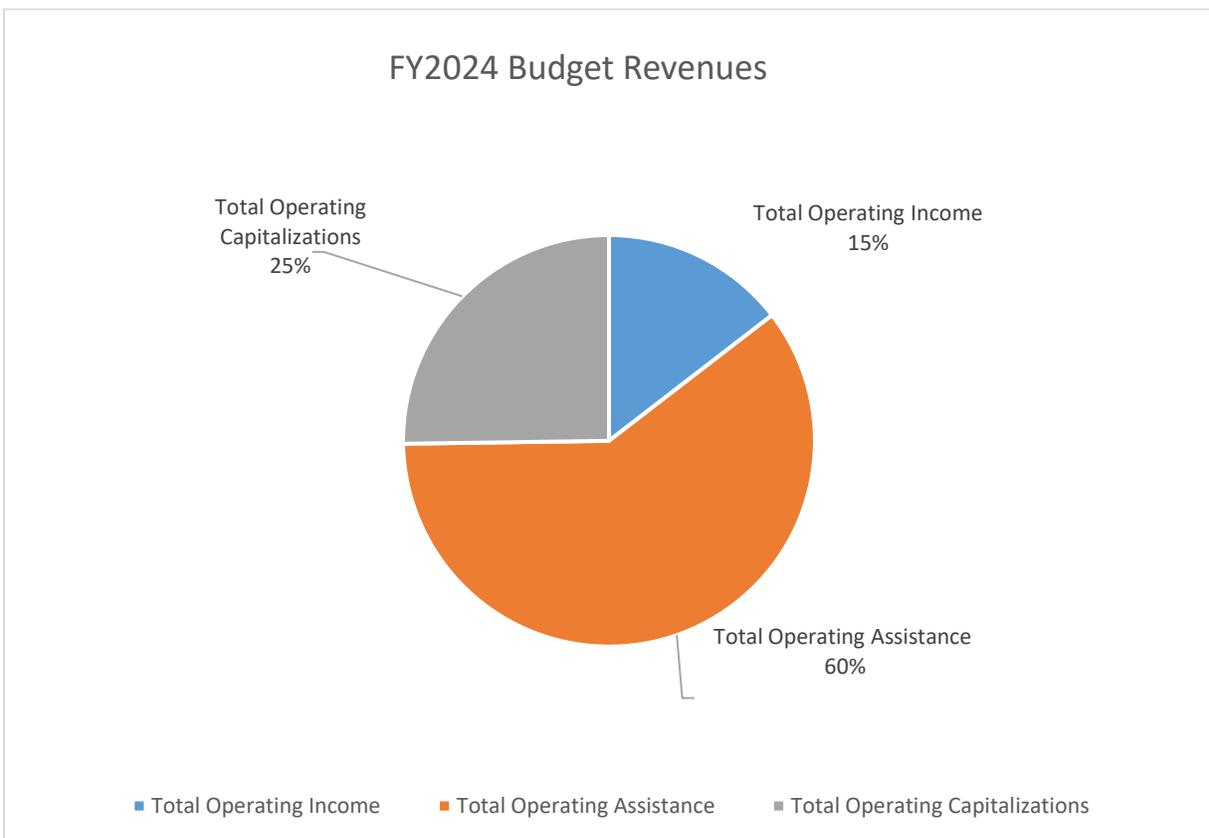
### Total Revenue for Operations

Amount in Thousands ('000)	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% change FY2024 vs. FY2023
<b>Passenger Revenue</b>					
Farebox Revenue	\$28,512	\$39,034	\$42,967	\$47,877	11.4%
Access Program Service	6,339	7,721	8,660	10,300	18.9%
Contract Services	2,209	7,873	10,409	13,041	25.3%
Advertising	1,600	2,318	2,230	2,400	7.6%
Interest Income	138	75	3,346	3,673	9.8%
Other Income	781	626	647	579	-10.6%
<b>Total Operating Income</b>	<b>39,578</b>	<b>57,647</b>	<b>68,260</b>	<b>77,870</b>	<b>14.08%</b>
<b>Operating Assistance</b>					
State Operating Assistance	\$245,598	\$250,756	\$271,473	\$280,383	3.28%
County Operating Assistance	21,027	34,799	37,527	39,057	4.08%
Regional Asset District	2,975	2,918	3,000	3,000	0.00%
Deferred State Operating	-	-	-	-	-
<b>Total Operating Assistance</b>	<b>269,601</b>	<b>288,472</b>	<b>312,000</b>	<b>322,440</b>	<b>3.35%</b>
<b>Operating Grants</b>					
Federal Grants	\$31,600	\$34,584	\$29,502	\$43,406	47.13%
State Grants	13,084	12,728	14,516	14,180	-2.31%
County Grants	5,089	301	469	7,909	1588.07%
Other	318	565	219	1	-99.45%
Stimulus Grants	\$86,647	\$58,643	\$191,909	\$69,553	-63.76%
<b>Total Operating Grants</b>	<b>136,738</b>	<b>106,820</b>	<b>236,615</b>	<b>135,050</b>	<b>-42.9%</b>
<b>Total Revenue</b>	<b>445,917</b>	<b>452,940</b>	<b>616,875</b>	<b>535,360</b>	<b>-13.21%</b>

Overall, FY 2024 total operating revenue is projected to decrease by approximately \$81.5 million, or 13.21%, compared to FY 2023 actuals. This is primarily due to the amount of stimulus funding that was recognized in FY 2023. The Agency made the decision to draw down nearly \$89 million more in stimulus funding than was originally budgeted to capitalized on additional interest income and secure that funding for the future.

Operating Assistance from state and local sources provide roughly 60% of budgeted revenue as shown in chart 2 below. State Operating Assistance for FY 2024 is \$280.3 million. As was the case under Act 44, State Operating funding requires a 15% local match. Allegheny County will contribute \$39 million with the remaining \$3 million matched by the Allegheny Regional Asset District (RAD). RAD is a special purpose County-wide district that administers grants to “regional assets,” such as museums, parks, and transportation. Grants are made possible by a portion of the proceeds of a 1% County Sales and Use Tax.

Chart 2

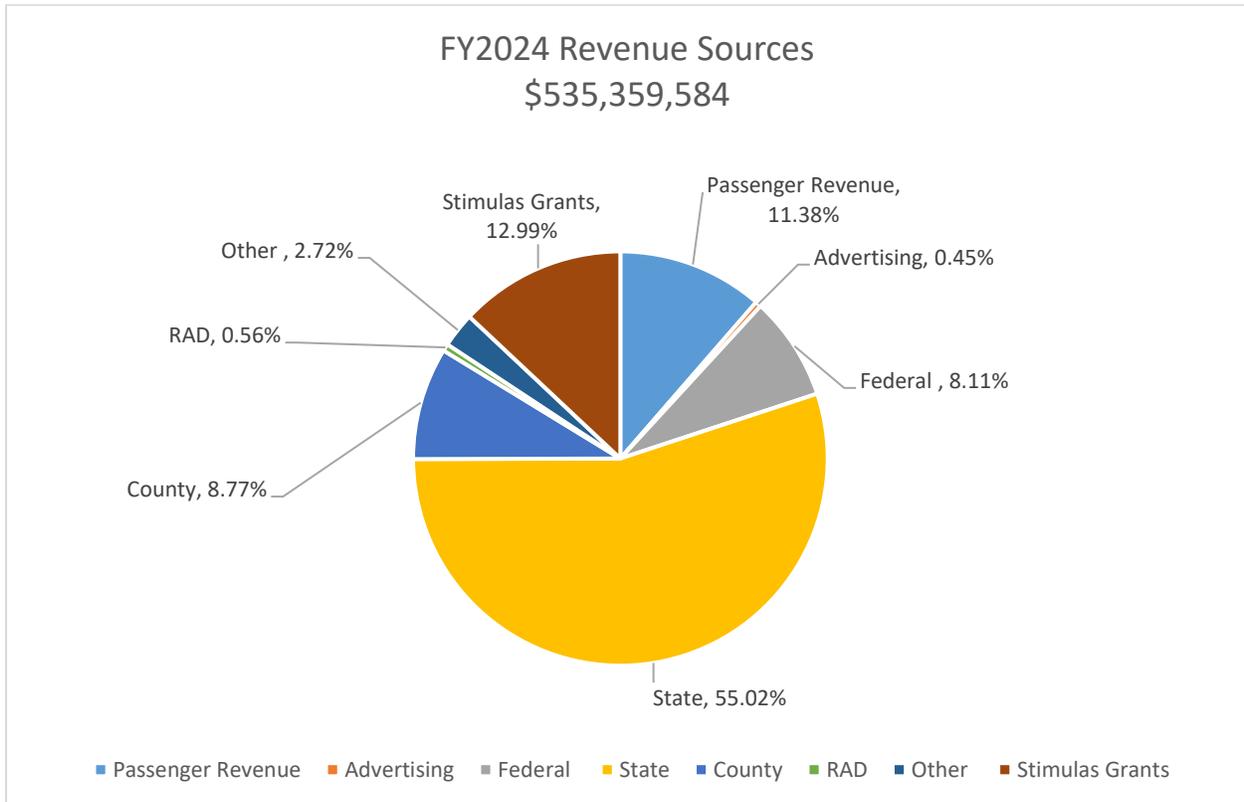


Federal, State, and County Operating Capitalizations supplement operating expenses and represent 25% of FY 2024 revenue. Capitalizations underwrite expenses in the Agency’s operating budget that are, by definition, eligible expenses under State and Federal capital assistance grants. Examples include eligible preventive maintenance activities to sustain federally

funded capital assets, “State of Good Repair” projects of Pittsburgh Regional Transit, and State Capital Bond funds used to support the Vehicle Overhaul Program (VOH), which extend the useful life of its fleet. Also included in this category are expenses associated with the Agency’s staff who work on engineering design and management of the PRT capital projects. In FY 2022, Coronavirus related stimulus grants came from the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT) and made up roughly 13% of total revenue. In FY 2023, the funding came from both CARES ACT and ARPA (American Rescue Plan Act) due to time limitations for usage of ARPA. These funding sources combined to make up 31% of total revenue in FY 2023. With CARES ACT exhausted in the prior fiscal year, FY 2024 funding will utilize ARPA and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Total revenue from this source is about 13%, or \$69.55 million, of total revenue for FY 2024 as shown in chart 3 below. Funding from ARPA and CRRSAA is utilized to help offset Operator Wages as well as Employee Benefits.

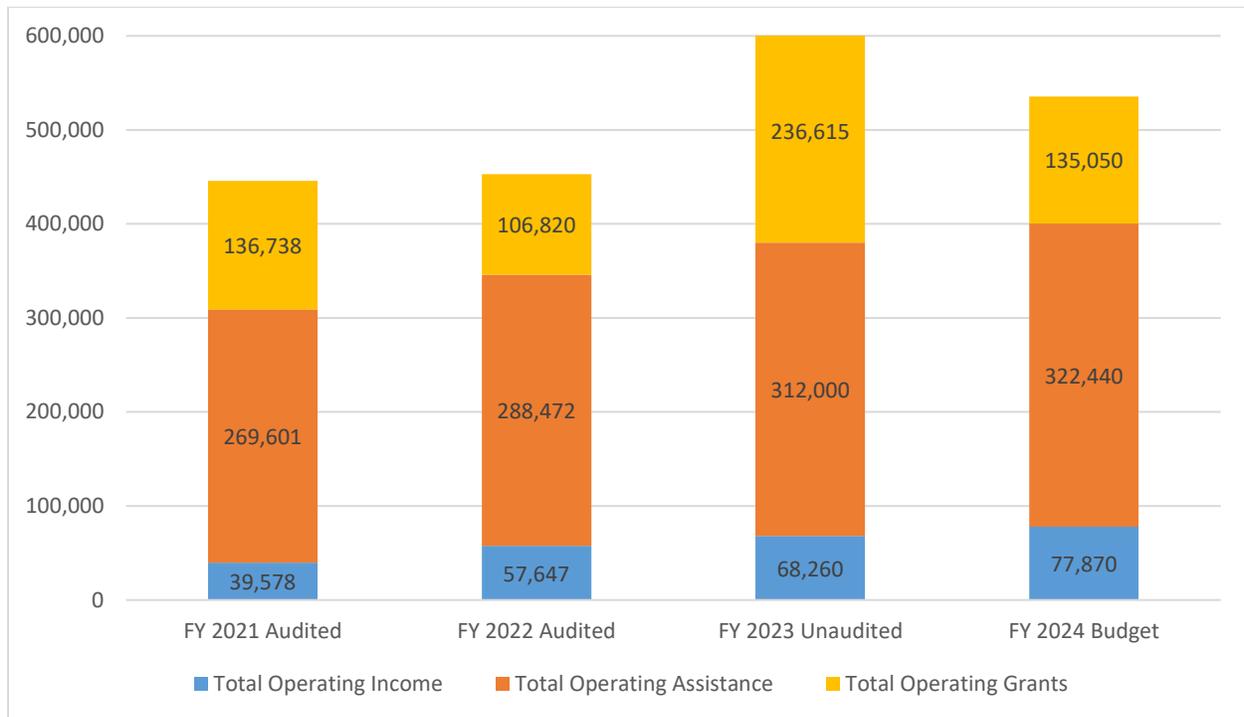
**Total Revenue Sources**  
**Operating Income, Operating Assistance & Operating Grants**

Chart 3



## Total Revenues – FY 2021 to FY 2024

Chart 4



## Operating Expenses

Pittsburgh Regional Transit Operating expenses are categorized according to the Uniform System of Accounts required by the National Transit Database. These categories include salaries and wages, pension and employee benefits (fringe benefits), materials and supplies, provision for injuries and damages, purchased services, utilities, other expenses, and ACCESS contracted services.

Expenses in the salaries and wages category include pay and allowances owed to the employees in exchange for services provided to the transit agency.

Fringe benefits are payments to the employee for things other than performance of work, which includes sick leave, vacation, and holiday wages. Also included in this category are payments to other companies or entities (insurance companies, retirement plans, governments etc.) on behalf of the employees. Materials and supplies are products purchased and obtained from outside suppliers for immediate use. Provisions for injuries and damages are the costs associated with

the protection of the agency from loss through insurance programs and compensation of others for the losses due to incidents for which the transit agency is liable. Purchased services are the labor and other work provided by outside organizations for fees and related expenses as a substitute for in-house employee labor. This substitution is typically made because the skills offered by the outside organizations are needed only for a short period of time or are more specialized than that of what is available internally. Utilities are payments made to companies for the use of their resources and Other Expenses are those that cannot be attributed to any of the other major categories previously defined.

FY 2024 budgeted labor costs (salaries, wages, and benefits) represent 72.4% of operating expenses. Salary and Wage expenses are budgeted at a total of \$199 million and increased due to contractual wage increases, wage progressions and increased staffing to better support agency operations. Benefit expenses include healthcare for active employees and retirees, pension obligations, unemployment compensation, as well as vacation, sick, holiday pay and payroll taxes, which are projected to total \$188 million for FY 2024.

**Operating Expenses by Account**

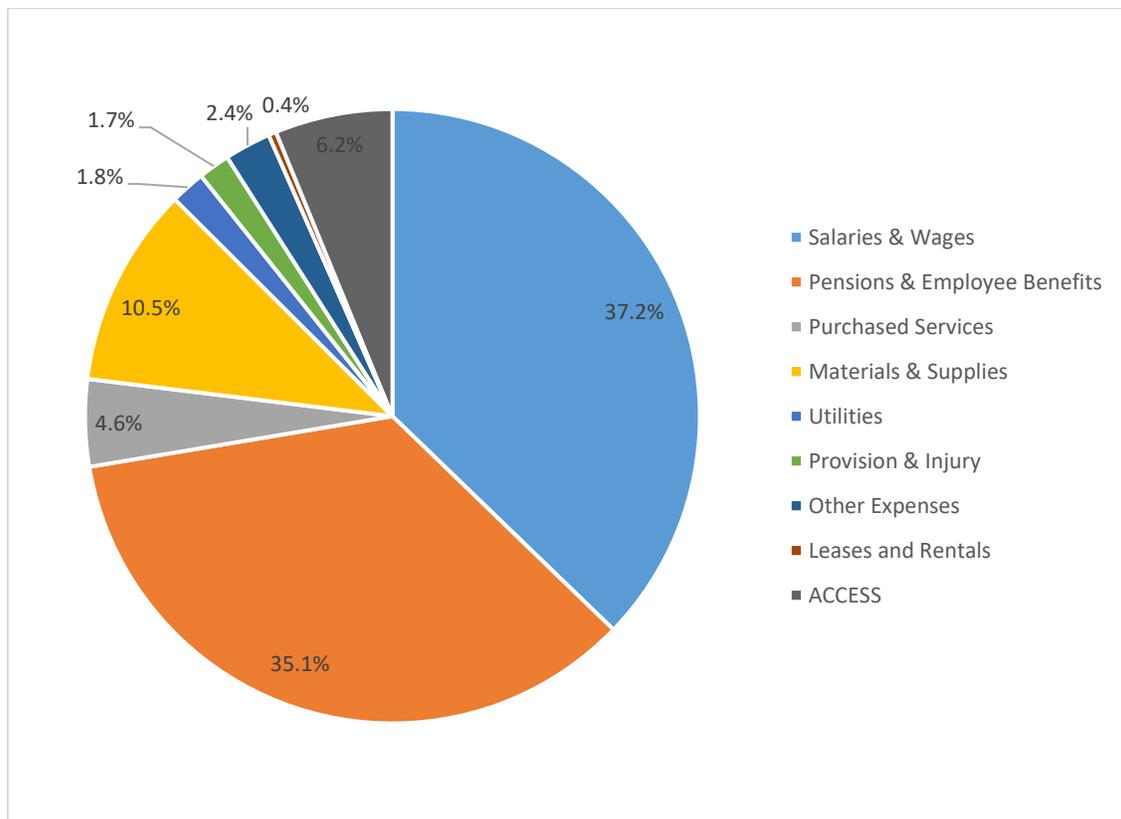
Expense Accounts \$000	FY 2021 Audited	FY 2022 Audited	FY 2023 Actuals	FY 2024 Budget	% change FY24 vs. FY23
<b>Salaries &amp; Wages</b>	\$180,014	\$184,058	\$189,905	\$199,294	4.94%
<b>Pensions &amp; Employee Benefits</b>	165,639	163,350	168,771	188,115	11.46%
<b>Purchased Services</b>	13,952	14,235	16,699	24,508	46.76%
<b>Materials &amp; Supplies</b>	39,163	41,309	50,382	56,417	11.98%
<b>Utilities</b>	7,205	6,982	7,772	9,766	25.66%
<b>Provision &amp; Injury</b>	2247	3,731	5,151	8,877	72.35%
<b>Other Expenses</b>	4,989	5,807	9,270	13,072	41.02%
<b>Leases and Rentals</b>	1,953	1,972	1,899	2,186	15.08%
<b>ACCESS</b>	24,879	27,807	30,227	33,125	9.59%
<b>Total Gross</b>	<b>440,039</b>	<b>449,251</b>	<b>480,076</b>	<b>535,360</b>	<b>11.52%</b>

Material and Supplies expenditures are expected to increase by about \$6 million over FY 2023 actuals due to enhanced services, additional part requirements for our light rail vehicles, electric bus replacement components, and rehabilitation of the LRT System infrastructure. In addition, inflation is a large contributor to the increase in expenses. Fuel and Lubricants are budgeted to increase 15.24% over FY 2023 actuals due to the current economic environment and resulting market volatility. Purchased services include work done by outside contractors, equipment

purchases, marketing and communications, and general engineering expenses related to capital infrastructure expenditures. It is expected to increase by 46.76% over the prior year actuals in part due to not reaching the expense levels anticipated. The increase is also due to the continued development of our mobile payment application, increased monthly service costs, and additional work provided by outside contractors. Utilities include data communication, electricity, propulsion power, natural gas, water & sewage for Pittsburgh Regional Transit locations. Utility usage and costs at our facilities is projected to increase by 25.66% over FY 2023 due to increased costs associated with providing Wi-Fi on all revenue vehicles, the increase in transmission for our propulsion power, stormwater fees that the agency is responsible for, as well as the electric costs associated with our electric bus fleet. The Other expense line items include insurance, rental equipment and buildings, banking services, employee development and software support. These expense items are expected to increase by approximately \$3.8 million over FY 2023. This increase is due to employee development programs, new marketing and customer outreach initiatives, technology training, and the continued increase in Software License expense. The ACCESS expense is projected to increase by 9.59%. The increase is a direct result of projecting usage to increase as well as general operating cost increases for FY 2024.

### FY 2024 Operating Expenses by Source

Chart 5



## Operating Expenses – FY 2021 to FY 2024

Chart 6

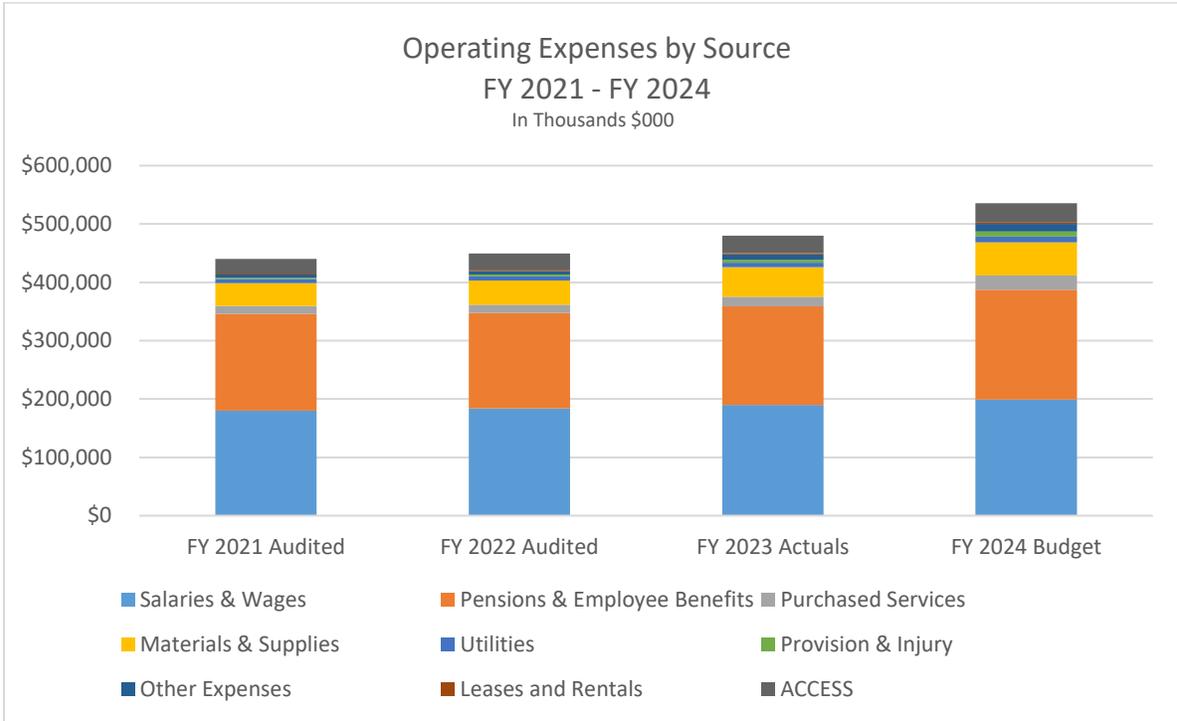
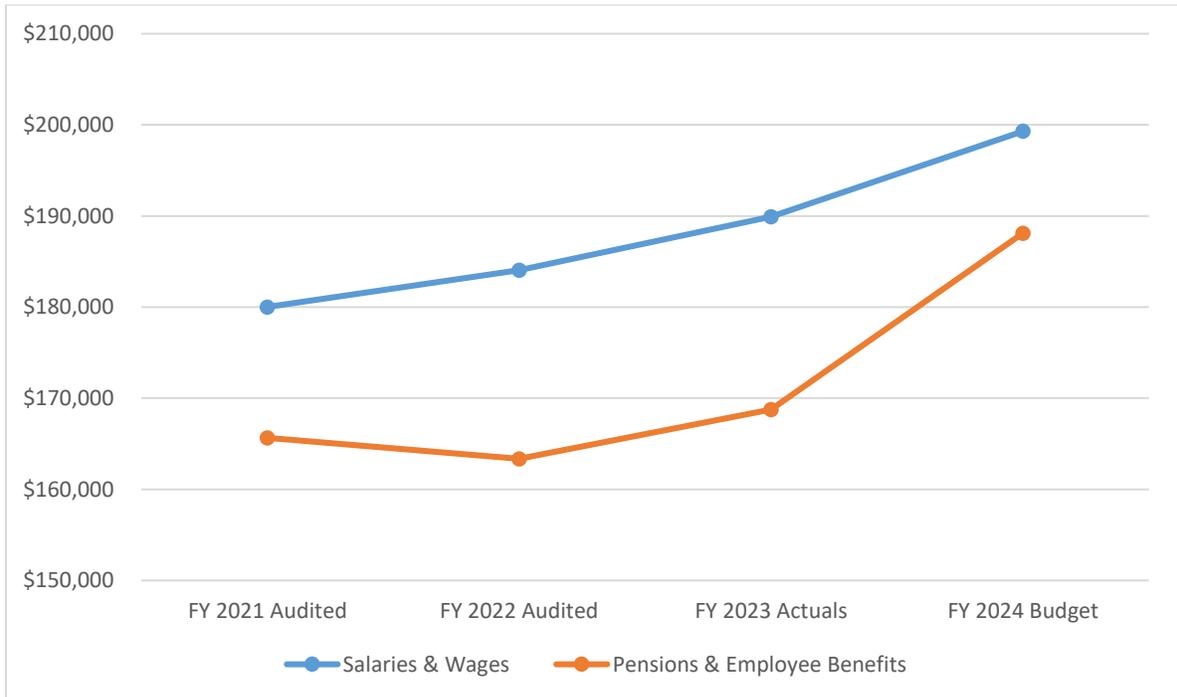
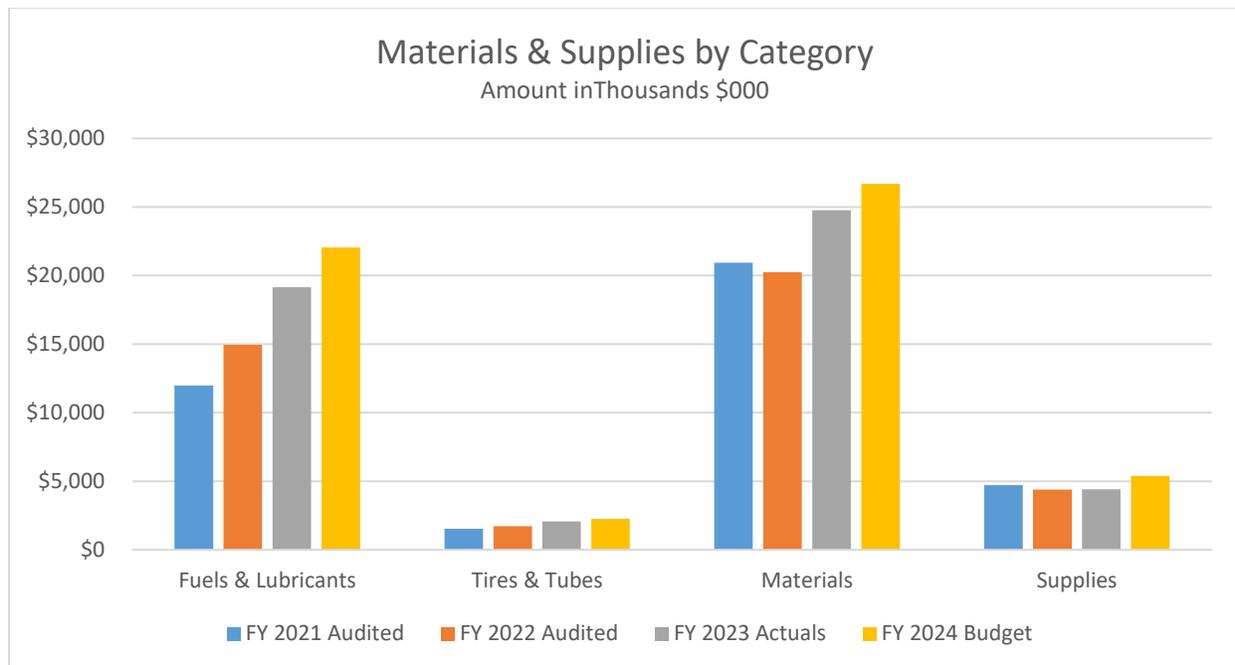


Chart 7



Expense Accounts \$000	FY 2021 Audited	FY 2022 Audited	FY 2023 Actuals	FY 2024 Budget	% change FY24 vs. FY23
<b>Fuels &amp; Lubricants</b>	\$11,980	\$14,945	\$19,141	\$22,058	15.24%
<b>Tires &amp; Tubes</b>	1,536	1,724	2,063	2,262	9.63%
<b>Materials</b>	20,939	20,244	24,766	26,700	7.81%
<b>Supplies</b>	4,708	4,396	4,412	5,398	22.34%
<b>Total Gross</b>	<b>39,163</b>	<b>41,309</b>	<b>50,382</b>	<b>56,417</b>	<b>11.98%</b>

Chart 8



# **Fiscal Year 2024 Capital Budget**

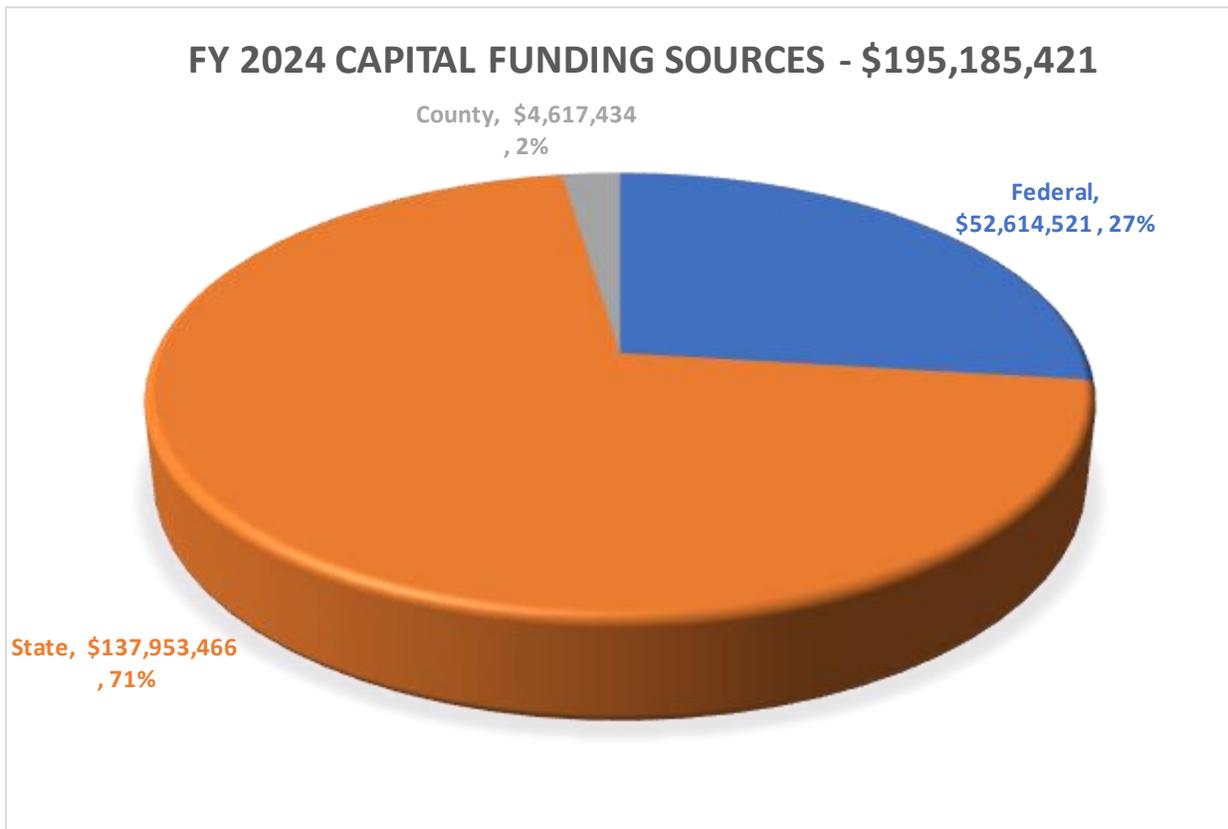
# Fiscal Year 2024 Capital Budget

FY 2024

## FY 2024 Capital Budget by Anticipated Funding Source

FY 2024 Capital Improvement Program Anticipated Funding Sources		6/23/2023 Amount
<b><i>I. Federal</i></b>		
FFY 2023 Section 5307, 5307 Flex, 5337 SOGR, 5339 Bus		\$ 52,614,521
	Subtotal	\$ 52,614,521
<b><i>II. State</i></b>		
FY 2024 Net State Section 1514 Discretionary		\$ 129,452,750
Previously Appropriated Section 1514 Discretionary		\$ 8,500,716
	Subtotal	\$ 137,953,466
<b><i>III. County Capital Funds</i></b>		
2024 County Capital Net - State of Good Repair		\$ 4,334,150
Previously Appropriated County Capital - State of Good Repair		\$ 283,284
	Subtotal	\$ 4,617,434
<b>Total Funding Sources</b>		<b>\$ 195,185,421</b>

Chart 9



On November 25, 2013, Governor Corbett signed into law Act 89, a comprehensive transportation funding bill for the Commonwealth of Pennsylvania. This historic legislation provides long-term, dedicated funding for public transit as well as roads, bridges, and multimodal transportation. Act 89 along with federal FAST Act funds, and Allegheny County local matching funds provided PRT a predictable, growing source of funds to make critical infrastructure repairs and improvements for years to come.

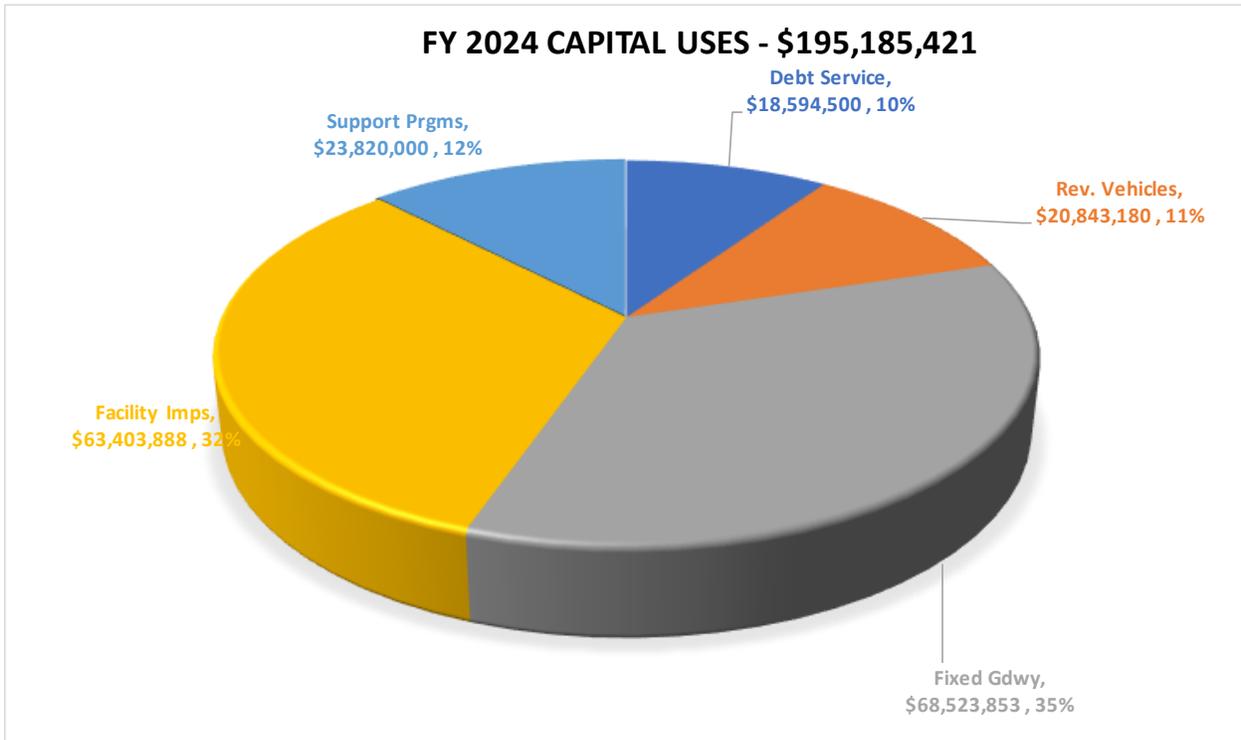
Act 89 expired on June 30, 2022. As a result, PRT's capital funding shifted to the Commonwealth's Motor Vehicle Fund. PRT's capital funding increased by 9.5% as compared to our FY 2023 funding. PRT's FY 2024 Capital Improvement Budget (CIP) will continue to be focused on currently held infrastructure assets and state of good repair. The CIP will continue to build upon prior year Act 89 investments and continue capital programs to repair and/or replace assets that have long exceeded their useful life. PRT's FY 2024 CIP totaling \$195.2 million, includes \$137.9 million in state funds, \$52.6 million in federal funds, and \$4.6 million local funds.

With the anticipated FY 2024 funds, PRT has allocated projects that will bring assets to a state of good repair, enhance system safety, and various improvements to transit service. FY 2024 capital improvement programs are focused on the following categories:

- **Debt Service** – Bond debt incurred for the construction of the LRT Stage II Line and construction costs for the expansion of the Martin Luther King East Busway.
- **Revenue Vehicle Replacement** - The replacement of 30 - 40' low floor clean diesel buses that have met or exceeded their useful life (12 years). Also, additional funding for our Light Rail Vehicle Replacement Program.
- **Fixed Guideway Improvements** – PRT's guideway assets includes 3 busways, 2 LRT Lines, 79 Transit Bridges, 8 Tunnels, and 1 Incline. Some key FY 2024 fixed guideway projects include construction funding for the Panhandle Bridge Restoration, additional funding for the CBD plinth project, Rail Grinding program, and additional funding for our Mt. Lebanon Tunnel Rail Replacement program.
- **Facility Improvements** – PRT's facility assets includes 4 bus operating garages, 1 Light Rail Vehicle operating facility, and our South Hill Junction location (that houses the Auto Shop, Way & Power departments and heavy equipment). Some key 2024 facility CIP projects include Castle Shannon Park and Ride Pavement Repairs, HVAC improvements at various locations, additional funding for Underground Storage Tanks project, Zero Emissions, Station Square station improvements, and the Track Equipment Building at Penn Park.
- **Transit Support Program** – Within the 2024 support program CIP projects include updating PRT's Data Center, new Bus & LRV modems, Network Switches, Telecommunications System Replacement, a refresh of our existing Automated Fare

Collection System, and the replacement of various non-revenue support vehicles and shop equipment that have reached and exceeded their useful life.

Chart 10



## Capital Programs by Designation

### Debt Service \$18,594,500

- \$18,594,500 - 2020 Series Bond Debt Service

### Revenue Vehicle Replacement \$20,843,180

- \$19,843,180 - To Purchase 30 40' Clean Diesel Buses
- \$1,000,000 - To Start Design Spect to Replace Light Rail Vehicles

### Fixed Guideway Improvements \$68,523,853

- \$12,900,000 - Rail Improvements
- \$15,698,862 - Tunnel Improvements
- \$36,924,971 - Bridge Improvements
- \$3,000,000 - Busway Improvements

### Facility Improvements \$63,403,888

- \$23,225,000 - Bus Facility Improvements
- \$36,050,000 - Rail Facility Improvements
- \$4,128,888 - Park and Ride Facility Improvements

### Support Programs \$23,820,000

- \$3,520,000 - Support Vehicles and Shop Equipment
- \$20,200,000 - IT Hardware/Software & ITS Support Programs
- \$100,000 - Transit Enhancement Support Programs

## Debt Service

PRT's Debt Service includes payments on Series 2020 Special Revenue Transportation Bonds. These bonds were used to refund the Special Revenue Bonds, Series 2011, which provided funds for the construction of the Stage II LRV Line and for construction on the East Busway Extension. The final year of debt servicing of the Series 2020 bonds is FY 2029.

### Annual Debt Service Payments

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2024	\$13,875,000	\$4,719,500	\$18,594,500
2025	\$14,575,000	\$4,025,750	\$18,600,750
2026	\$15,300,000	\$3,297,000	\$18,597,000
2027	\$16,065,000	\$2,532,000	\$18,597,000
2028	\$16,870,000	\$1,728,750	\$18,598,750
2029	\$17,705,000	\$885,250	\$18,590,250
<b>Total</b>	<b>\$94,390,000</b>	<b>\$17,188,250</b>	<b>\$111,578,250</b>

## Revenue Vehicle Replacements

- Bus Procurement/Bus Seat Replacement/LRV Replacement Design - \$20,843,180
  - PRT plans to replace 30 40' clean diesel buses during FY 2024, replace old cloth bus seats with new plastic seats, and continue the LRV replacement project spec.

## Fixed Guideway Improvements

- Bridge/Tunnel/Rail Inspection NBIS / NTIS - \$750,000
  - Annual increment of the Bridge Inspection Program which provides periodic inspections of bridges on a bi-annual basis. Periodic NBIS inspections assess structural conditions on a regular basis, which allows for a prediction of rehabilitation and replacement needs in order to maintain structures in a state of good repair. Ultrasonic rail inspections are also performed under this project.
- Panhandle Bridge Rehab - \$32,174,971
  - The Panhandle Bridge was originally constructed by the Pennsylvania Railroad (PRR) in 1903. In 1980, Port Authority purchased the bridge from a PRR successor, Conrail. Subsequently, Port Authority renovated and reconfigured the bridge as part of its

Stage I LRT Project. The bridge work was completed when the Downtown subway opened for revenue service in 1985. As to be expected for a 119-year-old bridge, some structural elements have deteriorated. The bridge requires repair of structural members and a paint system overhaul due to environmental corrosion and wear. The proposed work would include steel repairs to its superstructure, structural steel painting, concrete repairs, substructure masonry repairs, direct rail fixation replacement, and new bridge lighting.

- East Busway Bridge Rehab - \$3,000,000
  - This project continues the annual increment of preventative maintenance repairs of seven Authority owned bridges along the East Busway in order to maintain the bridge inventory in a state of good repair. This project consists of performing design related activities to proactively identify and repair known problem areas that can typically cause significant future damage and deterioration.
  
- Penn Avenue Bridge Replacement Design - \$500,000
  - This project consists of designing the replacement for the 78-ft (4-span) Penn Ave (Wilkinsburg) Bridge which carries the East Busway over Penn Ave. The bridge was originally constructed in 1904 and has been retrofitted and rehabilitated several times through its history. The bridge is currently rated in fair condition and continues to deteriorate and has exceeded its useful service life with an anticipated remaining service life less than 12 years.
  
- Kelly Ave & Race Street Arch Replacement Design - \$500,000
  - This project consists of designing the replacement for the 114-ft Kelly Ave Arch Bridge and 29'-6" Race Street Arch which carry the East Busway over Kelly Ave and Race Street respectively. The bridge was originally constructed in 1910. Kelly Ave Arch is rated in poor condition and both bridges continue to deteriorate and have exceeded their useful service life.
  
- Mt Washington Tunnel Rail Replacement - \$2,000,000
  - This project is for the design phase of the replacement of all embedded rail and concrete roadway inside the Mt Washington Tunnel and up to the Station Square Platform, including relocation of existing Duquesne Light duct banks located beneath the existing embedded track. Regular inspections and unplanned closures to repair rail breaks have revealed head worn rail approaching the limits dictated by the Track

Inspection Standard and surface defects that could lead to internal rail defect or additional rail breaks. Failure to replace the rail could result in future unplanned closures and disruptions of service to repair broken sections of rail. Additionally, relocating the duct bank will improve system redundancy and decrease the risk of a complete electrical system failure.

- Central Business District (CBD) Plinth Repairs - \$8,998,882
  - The concrete plinths and track tie plates which support the rail in the Central Business District (CBD) tunnel are 35 years old and exhibit significant levels of deterioration and need rehabilitation. Continued deterioration of the concrete plinths and tie plates could negatively impact the structural integrity of the plinths, safety, and revenue service.
  
- Mt Lebanon Tunnel Rail Replacement & Tunnel Repairs Design - \$2,000,000
  - This project is for the design phase of the replacement of all rail inside of the Mt. Lebanon Tunnel and includes all of the rail and switches through Mt. Lebanon Station and Dormont Station at the south and north ends of the tunnel respectively. Routine inspections of the rail revealed corrosion and isolated rust packing consistent with section loss of steel. This prompted independent 3rd party inspections by non-destructive testing consultants. The results show corrosion to the rail web and base throughout the tunnel with isolated sections of rail exhibiting corrosion on the rail base severe enough to limit the life expectancy of the rail to 3 to 4 years based on the current remaining section and the rate of corrosion. The rail and switches on the north and south end of the tunnel are primarily original installation, circa 1985, and are included in this request to exploit the service disruption and track outages. Miscellaneous tunnel repairs are included for repairs to the tunnel structure that will eliminate water intrusion or address other factors that promote rail corrosion. Failure to replace the corroded rail will necessitate increased frequency of Authority inspections and special 3rd party inspections and future unplanned closures and disruptions of service to repair sections of rail that are approaching or exceeding the limits for section loss of steel.
  
- Mt. Lebanon Tunnel Fan Replacements - \$500,000
  - This project consists of replacement of the entire emergency ventilation system in the Mt. Lebanon Tunnel, which includes four (4) 100-hp axial fans, along with dampers, sound attenuators, conduit, power cabling, communication lines, control panels, drives, switchgear, and software integration at RTO. The existing ventilation system began service in the early 1980s and the single-speed fans are very loud and bothersome to the surrounding communities while in use. The new ventilation

system will include an upgrade to variable speed drives (VSDs) to control fan speed, which will allow the fans to be run continuously under normal operation at low speed to reduce moisture within the tunnel and maintain lower noise levels.

- Penn Tunnel Joint Replacement & Restoration Design - \$1,300,000
  - The Penn Tunnel expansion joint and support structure is located within the lower levels of the US Steel building. Due to extensive deterioration of the expansion joint, a significant amount of runoff water is able to penetrate the expansion joint and enter the U.S. Steel Tower. This has resulted in significant deterioration of the support structure in the vicinity of the expansion joint and raised concern from U.S. Steel Tower Management. This project will address these issues by replacing the existing deteriorated joint system with a new joint designed to resist water infiltration, and repair water damage to the existing tunnel support structure.
  
- Wabash/Berry Tunnel Lighting Improvements Design - \$900,000
  - Berry Tunnel: Project includes replacement of fan feeder conduit and cabling, hangers, anchors, fire alarm conduit with cabling and overhaul emergency fans; the existing infrastructure is corroded beyond repair, hangers and anchors are in poor condition; all conduits corroded and falling apart. Corrosion presented throughout the whole tunnel. Emergency fans were overhauled in 2012 and they have 10-15-year life span. The fans provide longitudinal ventilation in an emergency fire incident as well as during normal operations. Proposed project consists of removing and replacing all fan conduit with cabling, junction boxes, disconnect switches, cable troughs and all associated hardware, hangers and anchors, fire alarm conduit and cabling, overhaul emergency fans. Replace fire hydrant system due age and frequent repairs.
  
  - Wabash Tunnel: Replacement of all the conduit, cabling, mounting hardware and luminaires installed in the Wabash tunnel, as well replacing Traffic Control System; the existing infrastructure is corroded beyond repair, luminaire and conduit clamps are in poor condition; luminaires supported by four clamps which are corroded and creates possibility the luminaire fall down on the road or be suspended by the electrical cable causing further damage to the system. Corrosion presented throughout the whole tunnel.

Traffic Control System in need of replacement. The system parts are obsolete and cannot be purchased. The proposed project consists of removing all the conduit, power cabling, junction boxes, disconnect switches cable troughs and all associated hardware related to the electrical infrastructure within the tunnel structure. Overall total runs are in excess of 70,000 feet for cabling, 30,000 feet of multiple sized

conduits, 4,800 feet of cable tray, and installation of expansion joints for the new conduit installation.

- East Busway Pavement Restoration - \$2,000,000
  - This project consists of designing the milling and asphalt paving of approximately 6.9 miles of the Martin Luther, Jr. East Busway from just beyond the Penn Station to the Wilkinsburg Station. The project will also include miscellaneous concrete repairs to pavement, curb, barrier and sidewalk throughout the East Busway corridor from Penn Station to the end of the East Busway at South Braddock Avenue in Swissvale. The East Busway was last paved in 2010 and is in need of new pavement. The current surface is in fair to poor condition. Replacement of the pavement will improve the customer experience for those that use bus service on the East Busway. Failure to replace the pavement and concrete spalled areas could result in future service disruptions to repair sections of the busway.
  
- East Busway Station State of Good Repair Improvements - \$1,000,000
  - This project consists of designing the renovations of the following East Busway Stations: Penn Park, Herron, Homewood Avenue, Wilkinsburg, Hamnett, Roslyn Street, and Swissvale. The busway was originally opened in 1983, running between Downtown Pittsburgh and Edgewood. In 2003, the busway was extended into Swissvale. General scope of work includes concrete repair/replacement, accessibility assessments and modifications where needed, lighting fixture and cabling replacement, bench replacement, new station signage, shelter repair and painting, and cleaning of existing surfaces.
  
- Rail Wear & Geometry Inspection - \$400,000
  - This request consists of the annual inspection and assessment of the Authority system track-work as required by the Authority Maintenance and Inspection Standards. The inspection and assessment are comprised of measuring track geometry and rail wear to identify area of track that exceed allowable thresholds specified in the Authority Standards and to program and prioritize track replacement in an effort to maintain a state of good repair of the track system.
  
- System Rail & Special Track Work - \$2,000,000

- This project will continue the effort of purchasing replacement components to keep the light rail system trackwork in a state of good repair. Portions of the light rail system and its components are original equipment in excess of 30 years old. Normal wear and tear and diminished functionality of components have required additional maintenance to keep the parts within their governing standards. In addition, defective parts and parts deteriorated beyond the limits of their respective standards will cause speed restrictions and closures if not properly maintained. The following material will be required to continue to bring the system to a state of good repair: Switch Frogs, Direct Fixation Switch Plates, 115 Lb. Rail, and Grade Crossing Panels.
- Route 88 Grade Crossing Improvements - \$1,000,000
  - As a result of a previous recommendation from PennDOT's State Safety Oversight consultant, an ongoing effort is being made to bring all grade crossings in Port Authority's Light Rail System into compliance with the updated Federal Highway Administration guideline (MUTCD). This project is for funds to upgrade Route 88 Crossing with a gated system with LED lights, Pedestrian audible devices to reduce vehicle accident with Light Rail Vehicles at this grade crossing.
- Red Line and Panhandle Bridge OCS Design - \$1,500,000
  - This project consists of designing the replacement of the existing fixed tension system of PRT's Overhead Catenary. Stage II construction, built in the 2000's, consists of Auto-Tensioned Simple Catenary (ATSC) with a 500 kcmil messenger wire and a 350 kcmil contact wire. Stage I construction, built in the 1980's, consists of Fixed Termination Simple Catenary (FTSC) with 1000 kcmil messenger and 4/0 AWG contact wire. Finally, the Library Line consists of Fixed Termination Single Contact Wire (FTSCW) with 2/0 AWG contact wire. A new spring automatic tensioning overhead catenary (SATOC) system is a replacement for the fixed termination system and is a method of maintaining the same tension of the catenary system with varying temperatures and helps maintain greater operating speeds for rail cars while reducing system maintenance. This new system will allow for less maintenance and be a longer lasting alternative.
- Light Rail Line Rail/Trackway/Signals/OCS Rehabilitation Design – Washington Junction to South Park Road - \$2,000,000

- This project is for the design phase of the trackway down to subgrade, the addition of signalization controlled by RTO, and the change from manual to electric switches controlled by RTO along the Silver Line from Washington Junction to South Park Road (approximately 3.75 track miles). The trackway and substructure were built prior to 1950 and only spot repairs to isolated areas have been performed since. The line is in need of rehabilitation and upgrades consistent with current standard of care to continue to provide light rail service. Failure to rehabilitate this section of trackway will result in continued and increased maintenance costs, track outages, slow orders, and service disruptions.
- CBD 23KV AC Ductbank Feeds (1st Ave to Steel Plaza & Wood Street) Design - \$1,000,000
  - This project consists of designing a secondary route for the 23kV A/C feeders from 3<sup>rd</sup> Ave substation to both Steel Plaza station and Wood Street Station. Currently, the 23kV feeders run within the same ductbank out to each LRV station. This project would design an alternate route for one circuit to provide separation and better redundancy for the 23kV CBD system.
- East Busway & Light Rail Transit System Retaining Walls Repair – Design - \$1,000,000
  - This request consists of the rehabilitation of Ten (10) steel pile and concrete lagging retaining walls along the Martin Luther King East Busway (EBWY) and Light Rail Transit (LRT) system that exhibit significant paint coating deterioration, delamination, and localized steel section loss as well as localized deterioration in several concrete lagging sections. The project consists of the removal of deteriorated paint coating, surface preparation and painting of the exposed surfaces of steel piles. Also, concrete repair of lagging panel sections, as needed. If restoration is not performed, the steel pile paint coating and exposed steel will continue to deteriorate, undermining the structural integrity of the walls resulting in the increased future repair costs, and potential disruptions to EBWY & LRT system operations.
- Rail Grinding Program Design - \$2,000,000
  - This project consists of the implementation periodic rail grinding in order to extend the life of the existing rail system and LRV wheels in an effort to reduce maintenance and replacement costs. Rail grinding was last performed in 2012 and has exceeded the recommended frequency between grindings. Periodic reprofiling of the rail reduces potential for the development of rail defects. This project is anticipated to be implemented over a 3-year period with an annual grinding program.

- Stage II Substation Bus Duct Replacement (Slater, WJ, Denise, Glenbury) - \$1,500,000
  - This project consists of the replacement of existing bus duct to the 23kV transformers at PRT LRV Substations Slater, Washington Junction, Denise and Glenbury. Currently, the enclosed bus duct can be susceptible to water intrusion, which, in the right scenario can cause failure of the bus duct. The newer cable bus system to be installed would eliminate the ability for water to affect the connection and make the system more reliable.
  
- LRT System Replace Genisys to MicroLok at 10 Locations Design - \$500,000
  - This project consists of designing the replacement of the existing Genisys rail communication system from the 1980s and has been in service on the Stage I locations since then. The normal life expectancy for this type of product would be about 25 years. To date, the Genisys units have been in service for roughly 37 years. The technology used to update the application logic is now obsolete. The current industry standard is the use of a flash type E-Prom with a compiler that is capable of being run on current computers. These new units are of the MicroLok system and are readily available. The design will look to update the field devices to the new MicroLok system.

## Facility Improvements

- West Mifflin Improvements - \$2,700,000
  - This project consists of the replacement of the existing two bay wash rack with a new system and the upgrade of the vehicle service lanes with replacement vehicle fluid reels, and a new vacuum system. The existing equipment at the West Mifflin Division is original to the facility and has reached its service life. This will also include the rehabilitation of the Vehicle HVAC shop to accommodate the current division fleet and the replacement of the existing paint booth with a new downdraft booth.

- Ross Garage PA System - \$1,200,000
  - The Ross Garage has an existing PA System that is over 28 years old. The PA system is inefficient and in disrepair and needs to be replaced. A new PA system will insure proper communication between the Garage and the Administration areas.
  
- Facilities HVAC Improvements - \$4,800,000
  - This project consists of the designing and construction of replacement HVAC units at South Hills Junction Building 1, Collier Garage, West Mifflin Garage, and the South Hills Village Cash Handling building. In addition to HVAC units, the Vehicle Exhaust Systems (VES) are also being replaced at South Hills Junction Building 1 and Collier Garage. The HVAC units and VES have reached their end-of-life and continue to exceed their useful service life.
  
- Track Equip Building at Penn Park - \$18,000,000
  - The project includes the construction of a vehicle maintenance and storage garage for PRT's Tamper and Overhead Maintenance Vehicle. The building also integrates into the new facility a driver relief area, and police vehicle storage bays. The site of the facility is at the overlap of our rail system and our highest volume busway. This strategic location will allow us to construct the facility with an unprogrammed office area, to accommodate future needs of operation along the East Busway and the rail ROW.
  
- Heinz Facility Improvements Phase II - \$1,000,000
  - Various meeting rooms will receive updated lighting and new IT equipment.
  
- Facilities Master Plan Phases 3-5 - \$425,000
  - This project allows the completion the ongoing master planning process that will result in a cohesive strategy to best meet existing and expected PRT operational needs. The initial two phases of work focused on data collection, internal stakeholder engagement, establishing a decision-making process, and identifying measures to address sustainability and equity. The remaining three phases involve developing a set of scenarios, selecting a preferred alternative, and developing an implementation plan. This project is integrated into the agency's larger efforts to transition to a zero-emission fleet.

- West Mifflin Garage - Leaks, Concrete Work and Painting - \$1,500,000
  - The parking deck and ramp at West Mifflin has developed leaks that need to be repaired. The infiltration of water into working spaces is disrupting operations and causing deterioration to finished indoor spaces. Water in some cases puddles on the floor in areas where the forklift travels and creates a safety hazard. This project will make concrete repairs to the deck, drains, ramp and supporting structures, caulk gaps in slabs, seal slabs and refinished damaged interior spaces.
  
- UST Replacements at Ross, Collier, South Hills Village, SHJ, E. Liberty, Harmar - \$3,000,000

Ross Garage

Remove and replace the two (2) 15,000-gallon underground diesel storage tanks (USTs)

Replace the tank top pipe sumps, spill buckets and piping on the following tanks:

One (1) 3,000-gallon new engine oil storage tank

One (1) 2,000-gallon antifreeze storage tank

One (1) 1,500-gallon automatic transmission fluid storage tank.

As part of the project, the existing 2,000 gallon out-of-service gasoline UST will be removed.

South Hills Junction:

Remove and Replace One (1) 8,000-gallon gasoline storage tank

Remove and Replace One (1) 1,000-gallon waste oil storage tank

Also, the existing gasoline & diesel dispenser island including new pumps and electrical will be replaced along with the fuel tank monitoring and leak detection system will be replaced.

West Mifflin Garage:

Replace the tank top pipe sumps, spill buckets and piping on the following tanks:

One (1) 4,000-gallon new engine oil storage tank

One (1) 3,000-gallon antifreeze storage tank

One (1) 3,000-gallon automatic transmission fluid storage tank.

One (1) 2,000-gallon waste oil storage tank.

East Liberty Garage:

Replace the tank top pipe sumps, spill buckets and piping on the following tanks:

One (1) 4,000-gallon new engine oil storage tank

One (1) 2,000-gallon antifreeze storage tank

One (1) 3,000-gallon automatic transmission fluid storage tank.

One (1) 2,000-gallon waste oil storage tank.

As part of this project, the 550-gallon waste antifreeze UST will be removed.

Manchester Garage

Install sacrificial anodes to increase cathodic protection on the following tanks:

One (1) 3,000-gallon new engine oil UST

One (1) 1,500-gallon antifreeze UST

One (1) 1,000-gallon waste oil UST

Collier Garage:

Replace the tank top pipe sumps, spill buckets and piping on the following tanks:

One (1) 3,000-gallon new engine oil storage tank

One (1) 2,000-gallon gasoline storage tank

One (1) 2,000-gallon automatic transmission fluid storage tank.

South Hills Village Rail Center.

Remove the 4,000-gallon diesel fuel UST. that has been in temporary out of service since May-2011.

Harmar Garage:

Remove the following seven (7) storage tanks:

Two (2) 15,000-gallon diesel underground storage tanks (UST)

One (1) 1,500-gallon antifreeze above ground storage tank (AST)

The existing tanks at Harmar have been inactive since bus service activities were halted at the garage in 2011. The tanks have been put into temporary out of service condition with the DEP through March 19, 2023, and should be removed beforehand.

All the existing USTs systems (including piping, pumps and spill containments) listed above were installed in the early 1990s and are at or will soon approach their 30-year life expectancy. Also, USTs are now required to meet recent changes to the Pennsylvania Department of Environmental Protection (DEP) Storage Tank Management regulations calling for liquid tight sump and spill containments. To meet these new requirements and to guard against potential remediation costs if the existing tanks or ancillary equipment were to fail, the tanks should be replaced or upgraded. The new tanks systems would include new double-walled, cathodically protected, steel tanks including new underground supply piping and vent piping, new pipe sumps and fill port spill containment sumps and associated risers and access lids. The new diesel tank systems would also include new in tank submersible pumps, new dispensers and a new fuel control system. The existing UST systems would be closed and removed from the ground. Tanks undergoing a tank top upgrade would include new pipe sumps, supply and vent piping, spill containment & prevention, and new leak sensors. All work would be performed by a DEP certified tank handler/removal company.

An underground tank failure at the garage would subject Port Authority to soil and groundwater remediation cost that could exceed \$500,000, as well as civil penalties of up to \$25,000 per day for non-compliance with the Storage Tank Management and Spill Prevention Act.

- Security & Fire Alarm System - \$500,000
  - This project consists of the replacement of the existing Fire Alarm Control Panels and Security Control Systems throughout the PRT system. The current systems are comprised of outdated and multiple manufacturer-based units that have hard-to-find replacement parts. The installation of newer control panels and control systems will allow PRT to standardize across its system and minimize the number of spare parts needed.
  
- Electric Charging Infrastructure to Support Battery Electric Bus Operation - \$6,500,000
  - A key element for Port Authority's new BRT project linking Downtown Pittsburgh with Oakland and other eastern communities is battery electric bus (BEB) infrastructure and operations. As such the BRT project involves the planned procurement and operation of fifteen 60-foot BEBs to operate on a core route linking Downtown, Uptown, Oakland and (via the East Busway), Shadyside, East Liberty, and Homewood in the City of Pittsburgh, as well as Wilksburg Borough. The alignment of the core BRT route is shown on the map included as Attachment A of this application. To support the operations of fifteen 60-foot BEBs in BRT service, fifteen 150 kW (slow)

electric chargers and one 450 kW (fast) electric charger and associated infrastructure are proposed to be procured and installed at the East Liberty Bus Garage. The 150 kW electric chargers will be installed inside of the garage to provide overnight charging of batteries while the buses are being stored. The 450 kW electric charger will be installed outside to provide quick recharging of the BEBs between runs during the day. This infrastructure will directly support the operation of these fifteen battery-electric buses as well as provide support future expansion of electric bus operations. This project is one element of the larger overall BRT project, the rest of which is being funded from various local, state and other federal sources. Therefore, this proposal leverages \$9,397,900 additional funds to the overall BRT project to enable its construction and operation. This project's electric chargers could also support future BEB operations on other routes based out of the East Liberty Garage.

- Larimer Station 10% Design - \$100,000
  - This project supports PRT's larger Building on the East Busway (BOTE) program that focuses on improvements to the MLK Jr. East Busway including but not limited to redesign and rehabilitation of existing stations, adding new stations where appropriate, and a set of other projects that improve the rider experience and safety on the busway. An initial phase of study identified multiple locations where busway stations can be added or improved. The funding will be used to take projects from planning through conceptual design.
  
- All Stations Accessibility Program 10% Station Design - \$250,000
  - This project is the first phase of PRT's new ADA System Access Program, called for in NEXTransit, and will make four pre-1990, low-level, light rail stations ADA compliant. These modifications will expand access to PRT's Red Line Service which connects Bethel Park, Castle Shannon, and other South Hills municipalities with the City of Pittsburgh's Beechview, Downtown, and North Shore neighborhoods that are home to the region's central business district, academic and cultural institutions, and professional sports stadiums. These improvements will ensure that nearly all areas of the Red Line are within a half mile of an accessible station, substantially reducing barriers to opportunity for residents along this corridor including significant environmental justice communities. The first phase will be to undertake planning and conceptual design for these four stations. The title refers to funding PRT was awarded in 2022 from the FTA All Stations Accessibility Program which will cover much of the design and construction costs for these four station projects.

- SHV Pringle Switch & Alarm System Replacement and Power in Pits Bays 3&4 - \$1,250,000
  - The DC disconnect switches at SHV Maintenance Building are located at the ends of each service track. These switches allow for the Overhead Catenary Power System to be safely de-energized while performing maintenance on an LRV. The Bays at SHV need DC Receptacles for testing. The existing switches are over 22 years old and have extended their useful life. Parts are unavailable and must be customized to fit the old “pringle style” switches. These switches must be maintained for PRT forces to perform their preventative Maintenance on the Light Rail Vehicle.
  
- SHV Yard and Parking Lot Lighting – Design - \$300,000
  - The existing yard lighting at PRT’s South Hills Village Rail Center is located on the existing OCS structure between tracks. This installation requires a complete yard shutdown to perform many maintenance activities. Due the access difficulties this aging system has fallen out of a state of good repair, leading to unsafe lighting condition between train cars for operators to access their vehicles. The current design project seeks to push the lighting onto the existing adjacent structures, and to the perimeter of the yard to light the storage area. Fixtures will be LED lights that will have a smaller maintenance footprint and will be placed in a manner to facilitate access.
  
- SHV Carhouse Wash Rack Overhaul - \$1,000,000
  - This project consists of providing all labor, materials, tools, equipment, and incidentals required, for the repairs to South Hills Village Wash Racks in lanes 9 and 10. All plumbing leaks will be fixed and new brushes will be supplied for replacement parts. The wash racks will be re-commissioned and provided with a new 3-year maintenance contract with training.
  
- SHVRC – Facility Improvements - \$7,000,000
  - Upgrades of SHVRC FIP II includes select limited renovations to SHVRC – Transportation Building, Maintenance. This project includes relocate/redesign dispatch area, replace/reconfigure existing front entrance concrete ADA ramp and railings, remove existing grade level signage and install new illuminated signage on building façade, replace additional exterior hollow metal frames/doors, repaint or

replace existing insulated metal panels, and repair existing brick at grade level at northwest corner of transportation building.

- Belasco Station Improvements - \$2,000,000
  - New mini-high platform on Broadway Avenue LRT Red Line at Belasco Avenue replacing existing low-level boarding stop to provide ADA accessible high-level boarding to LRV.
  
- Station Square Station Rehab - \$6,250,000
  - The project consists of a redesign and enhancement of Station Square Station, which is served by approximately 2,400 daily transit trips with people destined for the South Side and the Central Business District of the City of Pittsburgh. The project will enhance all station amenities, encourage ridership growth, and encourage transit-oriented development. This includes adding ADA features, pedestrian amenities, safety features, station canopy replacement, architectural features to maintain the historic feel so the station while modernizing, new benches, waste receptacles, wayfinding, landscaping, and LED lighting upgrades. The project is needed to create a safer and more welcoming station, tying into the neighboring amenities, and connect the historical Monongahela Incline to the station area.

## Information Technology

- Automated Fare Collection System Refresh - \$10,500,000
  - The purpose of the Fare System Refresh project is to replace aging and outdated ticket vending machines with seamless, electronic, automated Fare Vending Machines (FVM) that will administer multiple fare media types including mobile fares.
  
- Hitachi Rail Systems – Operations - \$400,000
  - Consultation Services and upgrades for backend Rail Systems servers and software for Rail Transit Operations.
  
- Data Center Infrastructure Refresh – \$1,600,000
  - Data center infrastructure upgrades including new network switches hardware and software.

- Bus and Rail Car Modems - \$2,000,000
  - This project will replace all obsolete bus and rail car modems with new modem technologies.
- HR Pension Module Upgrade - \$1,000,000
  - This project will update the HR pension module with the latest software version.
- Digital Communications at Various Stations - \$3,000,000
  - This project will deploy digital communications at various stations to provide real time bus and rail arrival information.
- Telecommunications System Replacement - \$1,700,000
  - This project will replace all obsolete telecommunication equipment at all PRT's operating and administrative facilities.

#### **Support Vehicles and Shop Equipment**

- Replacement of Various Non-Revenue Vehicles/Shop Equipment - \$3,520,000
  - PRT will purchase various new non-revenue vehicles. The intention is to replace approximately 15 mid-sized to heavy duty vehicles. The current vehicles have reached the end of their useful life and the new machine will reduce maintenance costs. Shop equipment includes Pneumatic Sheer in Paint Shop and Water Jet Machine, a new excavator for the Wat department, and a new Rail Tie Extractor.

#### **Transit Enhancement Support Programs**

- Transit Amenities - \$100,000
  - This project will provide for various shelter pads and new benches.

## **Impact of Capital Projects on the Operating Budget**

The decisions made in regard to PRT's Capital Improvement Plan advance the strategic vision of the company and maintain its core assets. These decisions can impact the PRT Operating budget both positively and negatively depending on the project. This supports the need for the Operating and Capital Budgets to work together for the good of the company and the community. The following paragraphs provide some detail into how the major projects budgeted for FY2024 impact the Operating side of the company:

### **Revenue and Non-Revenue Vehicle Replacement**

The replacement of PRT's revenue and non-revenue vehicles (NRVs) helps keep operating costs stable. New Buses and NRVs require fewer replacement parts, which translates to less budget needed for materials, supplies and maintenance wages. In addition, new Buses and NRVs burn fuel more efficiently, consuming less fuel per mile.

### **Fixed Guideway Improvements**

FY2024 funding invests in improvements to Port Authority's light rail infrastructure, tunnels, bridges and busways. Projects include replacement of aging and deteriorating infrastructure such as concrete, rail, conduit, cable, fans, lighting, communications equipment, and the subway rail improvements. These projects will have a positive impact to the Authority's operations budget as they will reduce the maintenance cost required to maintain revenue service as well as provide more energy efficient lighting and ventilation equipment.

### **Facility Improvements**

The FY2024 funding for facility improvements provides various updates to PRT's operations and maintenance facilities, bus and rail stations, and various park and ride lots. Many of the projects entail renewals to existing infrastructure which have exceeded their useful life, and which require higher operation costs to maintain. Examples of a few projects which will have a positive impact to the operating budget include Electric Charging Infrastructure to support Battery Electric Buses, various facilities replacement of obsolete HVAC equipment, and Heinz facility improvements. These projects include upgrades to HVAC and LED lighting to modern equipment of higher efficiency, saving utility consumption and reducing operation costs. The electric charging infrastructure will allow PRT to expand our battery electric bus fleet, and therefore reducing future bus maintenance.

## **Transit Support Programs**

Port Authority's Transit Support Program includes enhancements and upgrades to information technology (IT) hardware/software, support vehicles and equipment, and other planning programs in support transit enhancements. To support operations and maintenance needs in FY2024, the PRT will replace various non-revenue vehicles which have exceeded their useful life and require more maintenance to keep in service. Replacing equipment and vehicles that have exceeded their useful life will have a positive impact on the operations budget by directly reducing maintenance costs.

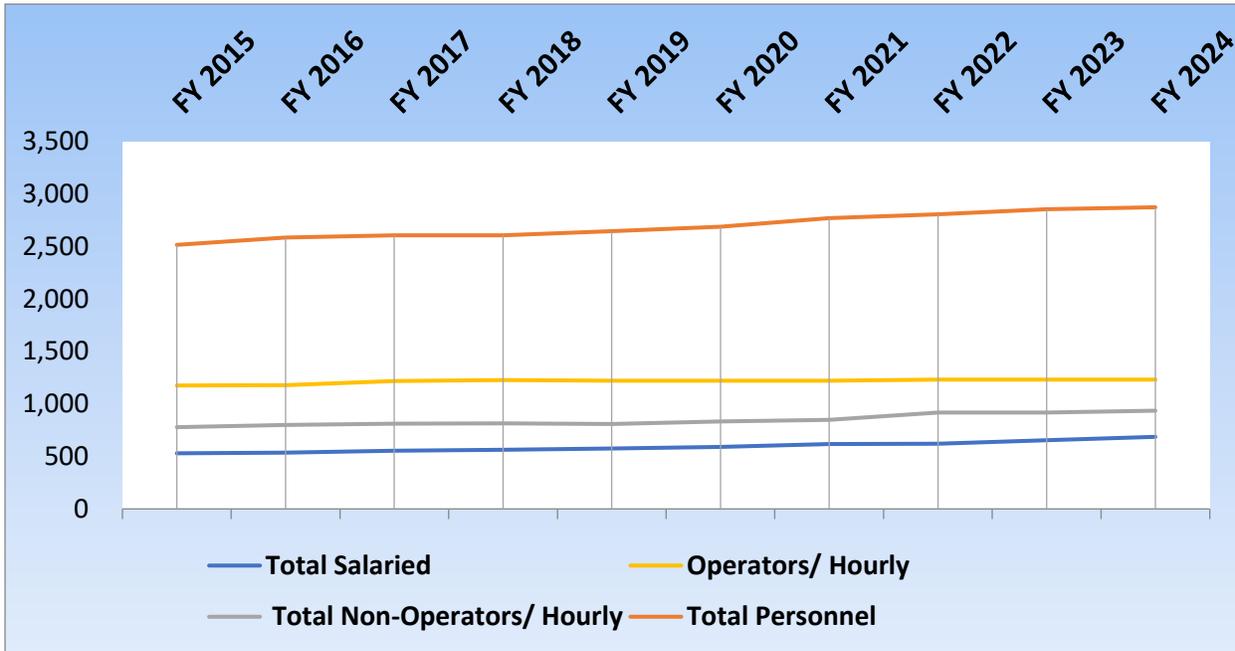
In FY 2024, Pittsburgh Regional Transit will undergo a reorganization from eight divisions into seven to better align with the goals and objectives of the Strategic Plan and position the Agency for successful collaboration in the future. This organization will eliminate the Finance division as a stand-alone division by splitting out the existing departments into the remaining seven divisions. The Strategy department will move under the Office of the CEO to better manage and implement the Strategic Plan. The Materials department will move under Transit Operations while Payroll, DBE Program, and Administrative Services will move under Human Resources. The Procurement department will shift under Agency Innovation Services, formerly known as Information Technologies, and the remaining finance departments will move under the Planning & Service Development department and be reclassified as the Finance and Development department. The budget is developed based on these seven divisions and those departments reporting within each division. The Port Authority has over 70 departments at 15 locations reporting to the seven various divisions.

The Chief Executive Officer works closely with the Board of Directors and provides leadership to the entire PRT organization. The executive leadership team takes direction from the Chief Executive Officer and is responsible for managing the daily operations of their respective division. Together, divisions and departments work to provide quality transportation services to the Allegheny County region. The organizational structure found on the next page (chart xx??) is a high-level organizational leadership chart.

Pittsburgh Regional Transit has approximately 2,500 active employees. There are three separate collective bargaining units within the Agency. Roughly 85% of the total workforce is Amalgamated Transit Union (ATU) employees, a small fraction is International Brotherhood of Electrical Workers (IBEW) union members, and the Transit Police are a separate bargaining unit. The remaining employees are non-represented employees. Chart 12 provides a visual of the budgeted employee count over the past ten years.

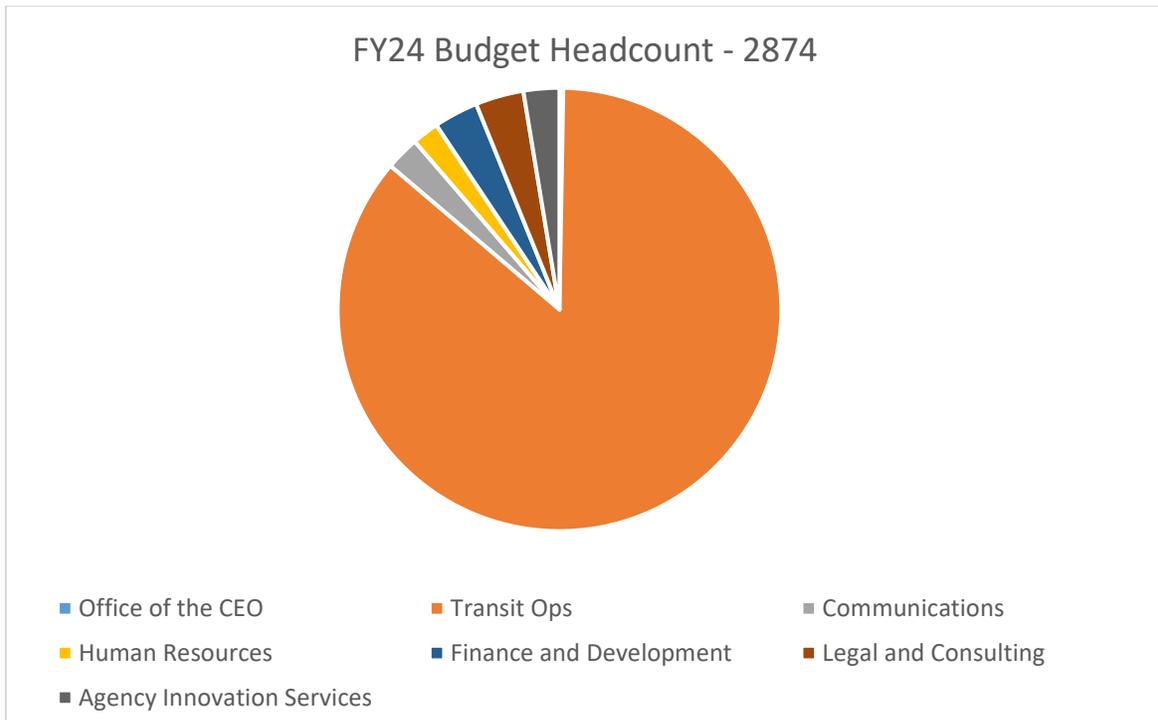


Chart 12



### FY 2024 Headcount

Chart 13



## The Office of the Chief Executive

The Chief Executive Officer is responsible for all aspects of managing and overseeing the planning, financing, administration, operations, safety, and security of Authority’s services. The Chief Executive Officer serves as the Agency’s representative with governmental units, agencies, and transit organizations at the federal, state, and local levels. The CEO works closely with Pittsburgh Regional Transit’s County Board of Directors. The Board of Directors develops the strategic direction of the organization through governance oversight. This division contains the expenses for the Board of Directors. The Board is not compensated but expenses may be incurred for travel, printing, and legal counsel. In FY 2023 a Strategy department was implemented under the Finance division and is being reorganized to the Office of the CEO for FY 2024. This reorganization will help to better align the objectives of the department with that of the agency as well as with the management of the Strategic Plan. The historical financial data for the Strategy department can be found at the end of the Finance and Development Division section on page 95.

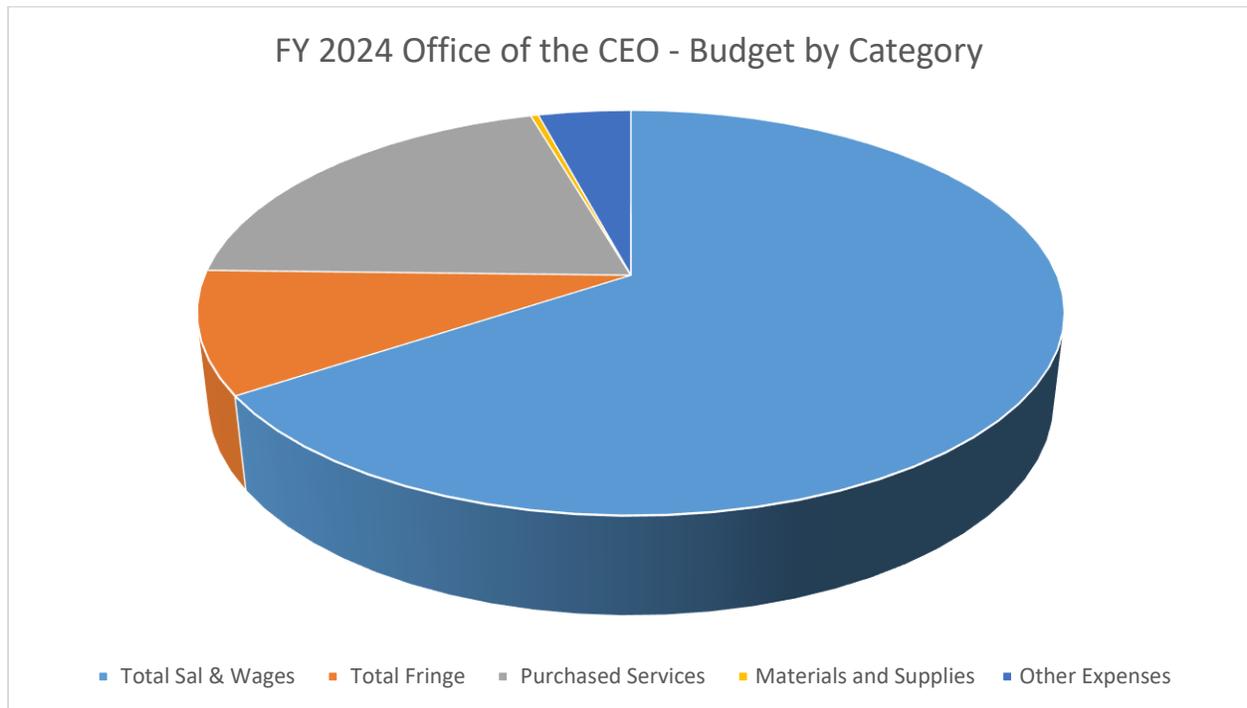
### Office of the CEO – Personnel (No. of Employees)

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget
Office of the CEO	3	3	3	3
Strategy	0	0	0	5
<b>Total Personnel</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>8</b>

## Office of the CEO - Expenses by Category

Office of CEO Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$387,533	\$396,621	\$464,103	\$981,587	111.50%
Total Fringe Benefits	34,027	58,380	59,143	145,675	146.31%
Purchased Services	-	-	-	301,000	-
Materials and Supplies	1,177	-	954	5,100	434.56%
Other Expenses	11,814	33,428	3,704	61,700	1,565.86%
<b>Net Total Expense</b>	<b>434,551</b>	<b>488,428</b>	<b>527,904</b>	<b>1,495,062</b>	<b>183.21%</b>

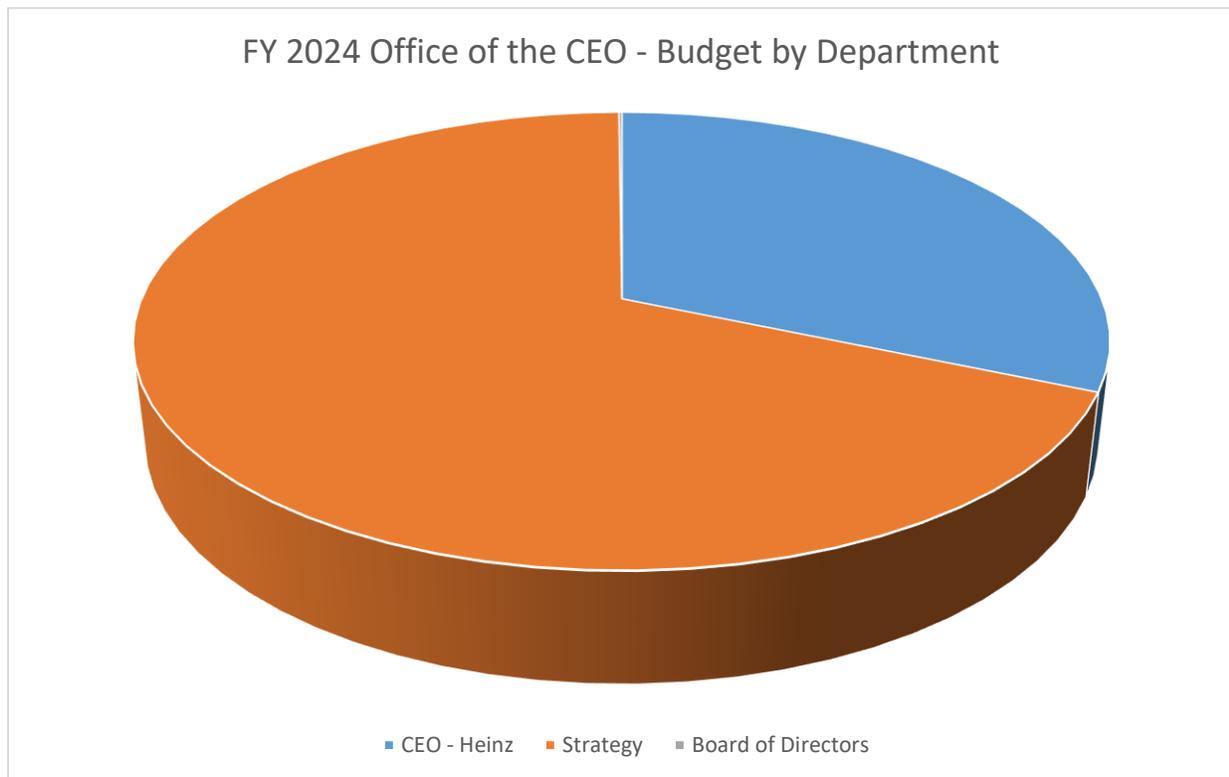
Chart 14



### Office of the CEO - Expenses by Department

Office of the CEO Departments	Audited FY 2021	Audited FY 2022	Unaudited FY 2023	FY 2024 Budget	% Change 23 to '24
Board of Directors	1,407	1,664	557	1,800	223.30%
Office of the CEO	431,021	486,764	527,347	469,696	-10.93%
Office of the Chief of Staff	2,123	-	-	-	-
Strategy	-	-	-	1,023,566	-
<b>Net Total Expense</b>	<b>434,551</b>	<b>488,428</b>	<b>527,904</b>	<b>1,495,062</b>	<b>11.99%</b>

Chart 15



## Office of the CEO – FY 2023 Accomplishments

- ✓ Strategy Division reorganized to better service the agency by moving it under the direction of the CEO and by later establishing a Deputy Chief of Strategic Initiatives to lead these efforts.
- ✓ Rolled out the Strategic Plan May 15, 2023.
- ✓ Published division workplans.
- ✓ Appointed ambassadors to the plan from each division to be conduits to their divisions about the plan and provide feedback to the Strategy team from their division about the plan.
- ✓ Established the internal strategic plan updates webpage and provided consistent blogpost style updates on the webpage.
- ✓ Sent out bimonthly emails to all exchange about plan updates.
- ✓ Published four videos providing more insight into the Strategic Plan goals and specific strategies.
- ✓ Division specific meetings held to provide more information about the plan and ensure buy-in by refining strategies that each division is championing.
- ✓ Conducted a survey about the strategic plan to get feedback about the first few months of the rollout, strategies, and communication about the plan. There were participants from every division at the agency, totaling 101 participants.

## Office of the CEO – FY 2024 Objectives

- ❖ Lead the implementation, agency engagement, and continuous refinement of the PRT's Strategic Plan, including the identification of clear and achievable near and long-term efforts that can be incorporated and reflected in divisions' goals and workplans.
- ❖ Hire a Director of Strategic Planning.
- ❖ Establish a sustainability group, hire a Sustainability Director, create a Sustainability Plan, create a Climate Action Plan, and establish a sustainability committee with representatives from across the agency.
- ❖ Proactively engage regional stakeholders to maximize partnerships, explore creative funding opportunities, and champion transit initiatives.

## Transit Operations

The Transit Operations division is responsible for the safe and timely delivery of transit services. It is comprised of Bus and Rail Operations, the maintenance of PRT's bus and rail vehicles and the maintenance of the Agency's facilities and rail administration. Transit Operations is the largest division at the Pittsburgh Regional Transit and oversees service delivery, maintenance, major overhauls and ensures a safe and secure working and riding environment for employees and customers. There are four bus garages (Ross, East Liberty, West Mifflin, and Collier) that provide daily service and maintenance and one major overhaul bus garage (Manchester). Rail Service delivery has one garage for daily and overhaul maintenance (South Hills Village). South Hills Junction is a support service garage for rail and facilities administration. South Hills Junction contains the following departments: Non-Revenue Vehicles, Way, Facilities, Light Rail Transit System and Power. In FY 2021, a new department was created called Special Events and was added to the Transit Operations Division. Recently, this division has experienced difficulties hiring operators and maintenance employees causing a significant gap between the Actuals and Budget figures below. As part of the FY 2024 reorganization, the Materials department shifted out of Finance and into the Operations division under maintenance and its leadership. The department is responsible for purchasing, receiving, storage and distribution of materials and supplies. Reorganization of this department will help to align the work and focus of the department to better meet goals and objectives of the division. The historical financial data for this department can be found at the end of the Finance and Development Division section on page 95.

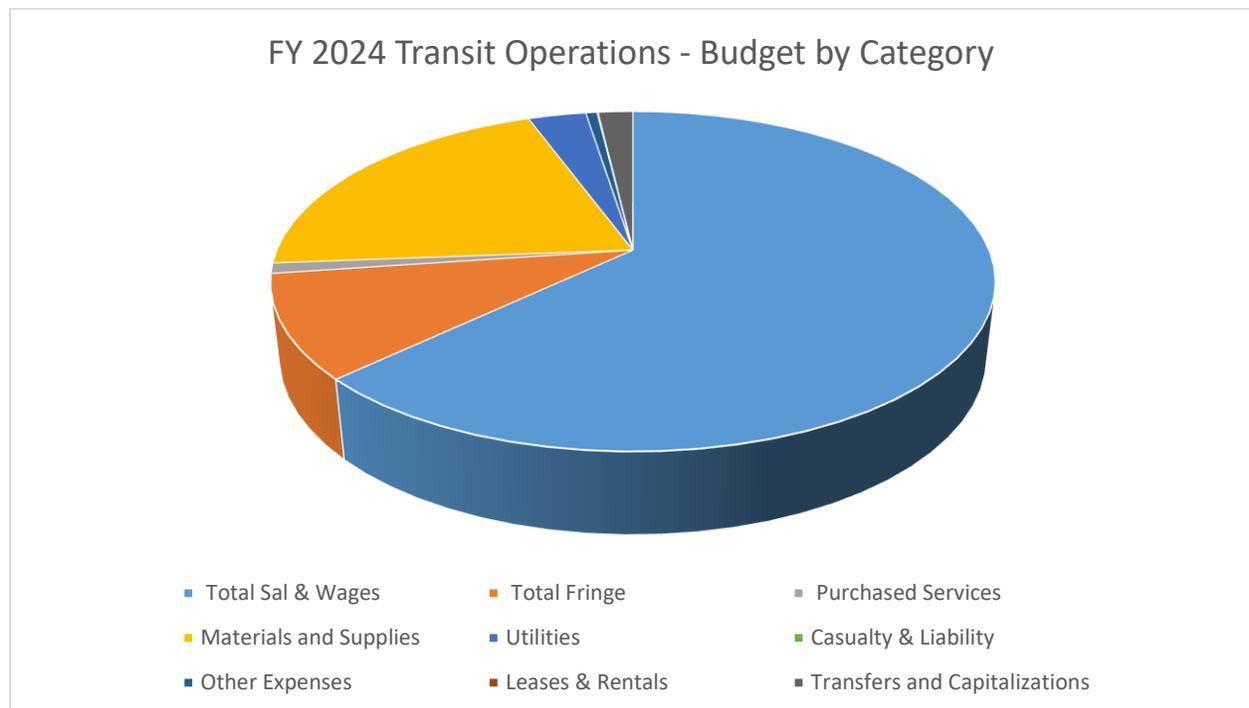
### Transit Operations – Personnel (No. of Employees)

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget
Office of Chief Operations Officer	3	3	3	3
Bus & Rail Operations	1,261	1,193	1,155	1,376
Bus & Rail Maintenance	663	653	665	755
Facilities & Rail Administration	289	293	306	332
Special Events	3	3	3	4
<b>Total Personnel</b>	<b>2,219</b>	<b>2,145</b>	<b>2,132</b>	<b>2,470</b>

## Transit Operations - Expenses by Category

Transit Operations Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$154,607,571	\$157,365,048	\$160,720,772	\$166,094,617	3.34%
Total Fringe Benefits	21,462,939	22,916,608	24,394,350	25,923,641	6.27%
Purchased Services	2,457,257	1,682,989	2,054,914	2,594,500	26.26%
Materials and Supplies	37,702,851	40,325,237	49,425,983	54,466,787	10.20%
Provision and Injury	(574,338)	(125,520)	(322,163)	-	-
Utilities	5,632,877	5,369,412	6,259,421	8,119,600	29.72%
Other Expenses	325,360	591,842	503,379	1,596,260	217.11%
Leases & Rentals	144,763	192,604	124,239	121,000	-2.61%
Transfers and Capitalizations	(7,488,252)	(7,063,828)	(8,081,568)	(4,900,000)	-39.37%
<b>Net Total Expense</b>	<b>214,271,029</b>	<b>221,254,393</b>	<b>235,079,327</b>	<b>254,016,405</b>	<b>8.06%</b>

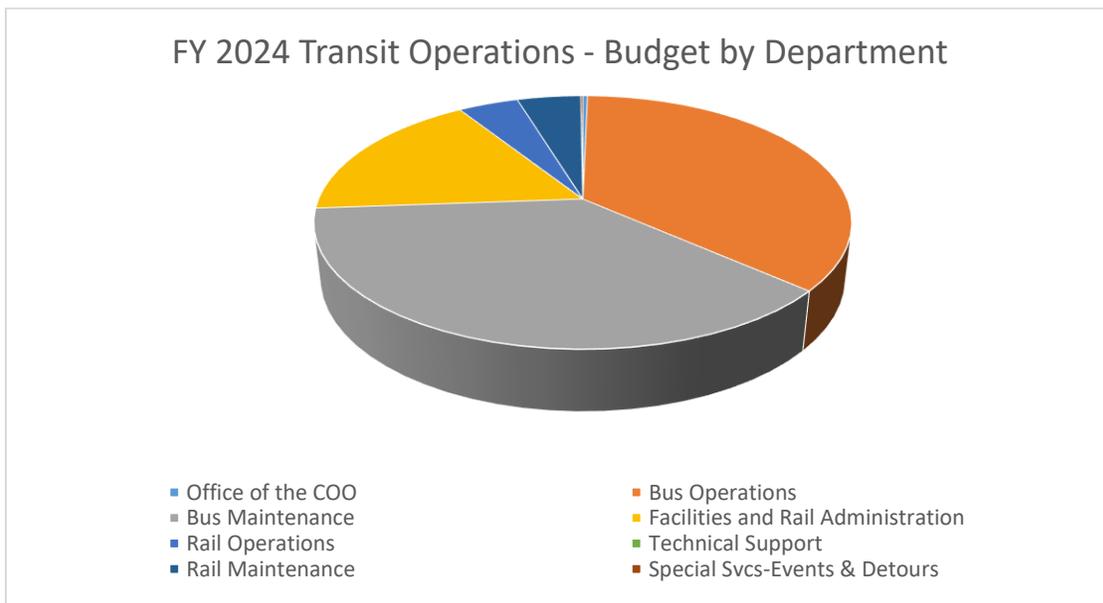
Chart 16



## Transit Operations - Expenses by Department

Transit Operations Departments	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change 23 to '24
Office of the COO	618,599	588,091	461,240	853,194	84.98%
Bus Operations	87,106,193	89,038,224	89,450,650	91,821,717	2.65%
Bus Maintenance	70,265,554	75,103,242	84,727,198	94,882,063	11.99%
Facilities and Rail Administration	34,473,652	35,390,767	38,058,778	43,501,255	14.30%
Rail Operations	10,480,049	10,416,696	10,126,628	10,969,458	8.32%
Technical Support	-49,626	-	-	-	-
Rail Maintenance	11,172,086	10,459,928	11,958,601	11,608,209	-2.93%
Special Events	204,522	257,444	296,232	380,508	28.45%
<b>Net Total Expense</b>	<b>214,271,029</b>	<b>221,254,393</b>	<b>235,079,327</b>	<b>254,016,405</b>	<b>8.06%</b>

Chart 17



## Transit Operations – FY 2023 Accomplishments

- ✓ Replaced 3000' of Rail.
- ✓ Replaced Switch Point/Stock Rail and Frog at WSH JCT Switch 3A.
- ✓ Replaced 2 Frogs at Sandy Creek crossover- O/B.
- ✓ Replaced 200 ties on Library Line/300 ties Main Line.
- ✓ Installed Pedestrian crossing at Mt Lebanon Station.
- ✓ Replaced Rail, Plates and clips at Grove Crossing- I/B and O/B.
- ✓ Replaced Rail, Ties, Plates, Clips and Ballast at SHV Station- O/B.
- ✓ Installed signal disconnects at Lindermer Dip, Highland crossing, Latimer, Rt 88 Crossing and Library station.
- ✓ Secured an outside contractor tree cutting contract and completed a month-long tree & vegetation mitigation cutting campaign throughout the system with internal forces.
- ✓ Installed heat trace wire on L1 of the yard throat and on yard tracks 1 through 17.
- ✓ Installed 6,325 ft of 2/0 of overhead contact wire on the O/B side from South Park rd. to Sarah stop.
- ✓ Updated all comfort stations to a new proprietary lock system.
- ✓ Completely renovated Carnegie, Avalon Loop and Swissvale Comfort Stations.
- ✓ Returned 5 hoists to service at Harmar Garage.
- ✓ Completely renovated the Female Locker room at Steel Plaza Station for Subway Employees.
- ✓ Updated Large Park and Ride to LED.
  
- ✓ Facilitated a new Control System upgrade to the Mon Incline, rehabilitated 18 doors and refurbished the emergency braking system.
- ✓ Renovated the Manchester Sign Shop and installed 100 new pulling pots.
- ✓ Renovated the South Hills Village conference room with new chairs, wall coverings and digital displays.
- ✓ Successfully recovered more than \$4.2 million dollars in fleet warranty value.
- ✓ Successful completion of the parts cleaning room upgrades at the Manchester Main Shop location replacing the equipment with three newer more efficient parts washers for the component rebuild process.
- ✓ Improved lighting at the Manchester Main shop, improving visibility and safety for employees.
- ✓ Completed installation of the Driver Protection Shield – Extended Glass project, improving safety for Operators.

## Transit Operations – FY 2024 Objectives

- ❖ Replace 15 Frogs throughout the system.
- ❖ Replace 10 Switch Points throughout the system.
- ❖ Replace Embedded Switch at SHJ.
- ❖ Install 3500' of rail- Castle Shannon, Arlington, Mt Lebanon and WSH JCT.
- ❖ Replace 500 ties throughout the system.
- ❖ Replace 3 M23 Switches at Washington Junction.
- ❖ Install Heat Trace wire on L2 & L3 in the yard throat.
- ❖ Install 5000ft of overhead contact wire on the I/B side of the Library line from South Park rd. to Sarah stop.
- ❖ Install UPS battery backups at various locations on Library line crossings.
- ❖ Install insulated signal wire on the Library line.
- ❖ Install new CDL test lots at South Hills Village, Harmar Garage and a practice test lot at Large Park and Ride.
- ❖ Install new Escalators, Switchgear and Emergency Dampers in the Central Business District.
- ❖ Activate Harmar Garage as a reporting facility and establish maintenance offices.
- ❖ Renovate the Manchester Board Room with new base board, ceiling tile, paint and digital display.
- ❖ Recondition the South Hills Village Fire Pump room and Install LED lighting in the Electronics Shop area.
- ❖ Replace all shelter branding and identification for the update to Pittsburgh Regional Transit, removing Port Authority from all system shelters.
- ❖ Replace architectural lighting at Gateway Station with LED's.
- ❖ Upgrade all subway emergency elevator phones to a modern system that identifies locations of the caller.
- ❖ Improve vehicle availability pull-out percentage to above 95%.
- ❖ Perform monthly audits at the bus and rail divisions to assess and improve vehicle cleanliness.
- ❖ Manage Mean Distance Between Failures (MDBF) to greater than 7,553 miles for light rail vehicles.
- ❖ Manage Miles Between Road Failures (MBRF) to greater than 10,771 miles for the bus fleet.
- ❖ Maintain wheelchair lift operability to at least 98%.
- ❖ Successfully complete annual inventory with an overall accuracy rate of more than 97%.
- ❖ Research and investigate improvements in the Materials Management department to include process improvements with inventory cycle counting.

## Marketing and Communications Division

The Marketing and Communications Division oversees Marketing, Creative Services, Public Relations, Advertising, Government Affairs, Community Outreach, and Customer Service. The responsibilities of this division include public engagement through advertising and social outreach, stakeholder relations, media relations, marketing and promotion of services; production of most public materials, such as brochures, advertising, maps, and websites; management of social media; and management of advertising on Port Authority assets to generate additional revenue. Beginning in FY 2020, Community and Government Relations became a standalone department with personnel moving from Public Relations. It has since been reclassified and split into External Relations and Community Outreach which took place starting in FY 2022. The Communications Division will continue to review and integrate modern technology as a means to actively communicate with riders. Mobile applications have made it easier for our riders to pinpoint the exact location of the next bus. Further, new signage will more effectively communicate designated routes and enable riders to interact with service schedules.

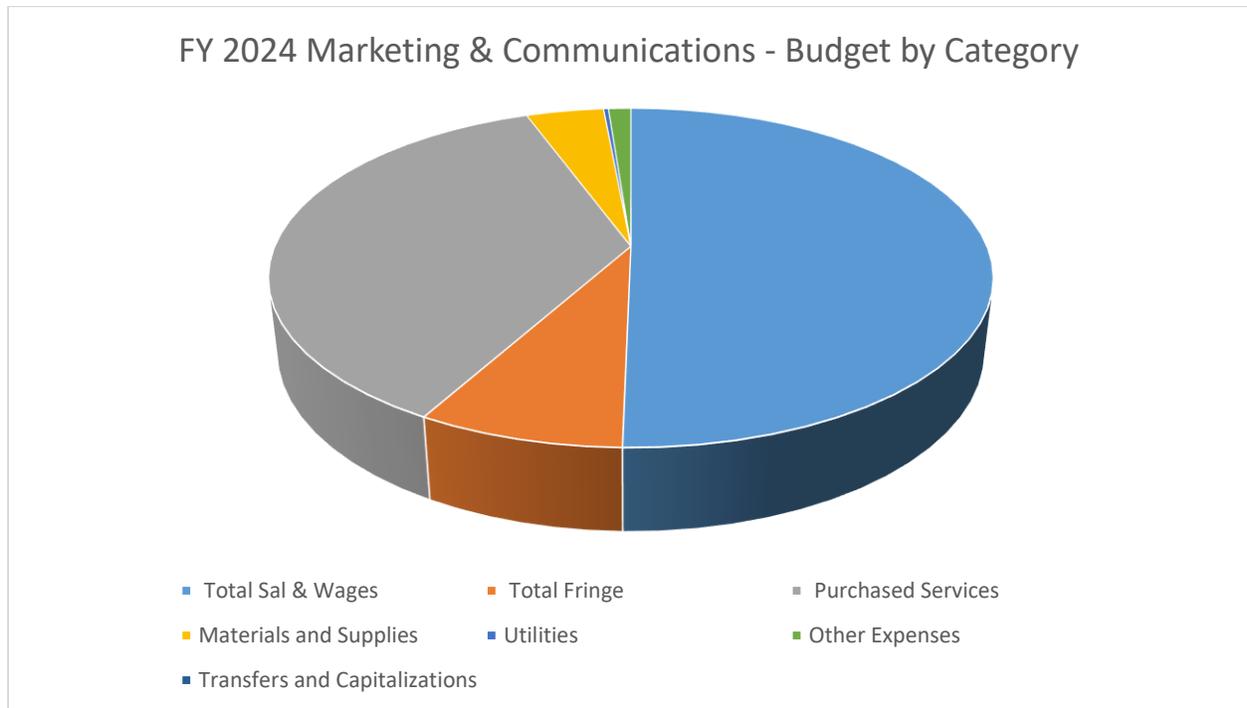
### Marketing & Communications – Personnel (No. of Employees)

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget
Executive & General - Communications	1	1	1	1
Community & Government Relations	3			
Creative Services	4	4	4	4
Marketing	1	1	2	2
Customer Service	25	35	36	47
Advertising Sales	3	3	3	4
External Relations		2	2	3
Public Relations	3	3	6	6
Community Outreach		2	2	4
<b>Total Personnel</b>	<b>40</b>	<b>51</b>	<b>56</b>	<b>71</b>

## Marketing & Communications - Expenses by Category

Marketing & Communications Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$2,468,130	\$2,908,269	\$3,344,159	\$4,698,667	40.50%
Total Fringe Benefits	278,462	579,544	591,962	727,366	22.87%
Purchased Services	976,955	1,489,949	1,867,161	3,393,000	81.72%
Materials and Supplies	101,314	232,510	211,062	385,200	82.51%
Utilities	-	9,159	15,580	24,000	54.04%
Other Expenses	15,539	21,892	34,268	111,990	226.81%
Transfers and Capitalizations	-	(3,721)	-	-	-
<b>Net Total Expense</b>	<b>3,840,400</b>	<b>5,237,602</b>	<b>6,064,192</b>	<b>9,340,223</b>	<b>54.02%</b>

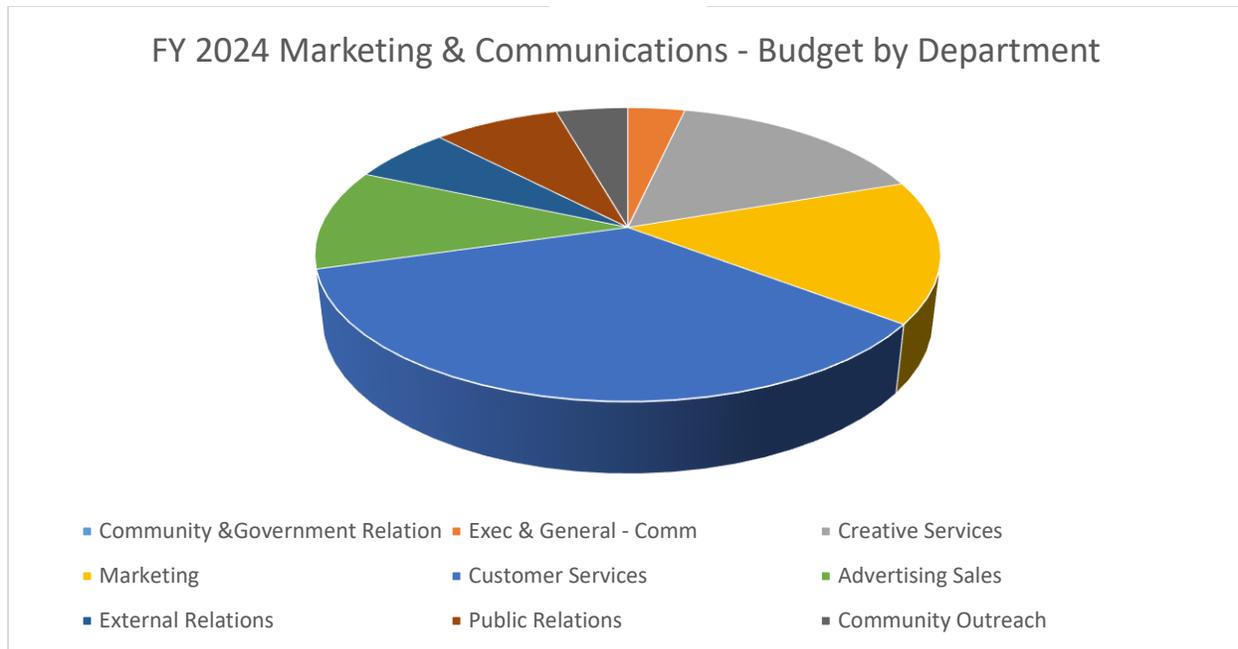
Chart 18



## Marketing & Communications - Expenses by Department

Marketing & Communications Departments	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Executive & General - Marketing	224,220	247,622	291,320	329,618	13.15%
Community & Government Relations	510,675	-	-	-	-
Creative Services	483,348	503,820	795,192	1,512,829	90.25%
Marketing	328,247	978,702	783,513	1,459,899	86.33%
Customer Service	1,501,422	2,041,139	2,260,251	3,283,173	45.26%
Advertising Sales	580,040	759,709	791,606	1,033,912	30.61%
External Relations	-	350,232	450,958	579,296	28.46%
Public Relations	212,448	248,088	382,740	727,996	90.21%
Community Outreach	-	108,291	308,613	413,500	33.99%
<b>Net Total Expense</b>	<b>3,840,400</b>	<b>5,237,602</b>	<b>6,064,192</b>	<b>9,340,223</b>	<b>54.02%</b>

Chart 19



## Communications – FY 2023 Accomplishments

- ✓ Launched internal Facebook group to help improve distribution of information to employees. Achieved this, in large part, by applying a new Internal Communications staff position to this effort.
- ✓ Added a Public Relations position aimed at developing visual content and produced more video and photo content allowing PRT information to be more engaging.
- ✓ Established two outreach-focused positions within Customer Services to provide a channel for PRT employees to better engage at a variety of events.
- ✓ Successfully built on a solid, aggressive foundation within Government Relations while creating new opportunities deliver messages and information to government audiences at local, state, and federal levels.

## Communications – FY 2024 Objectives

- ❖ Enhancing our ability to provide effective outreach to support PRT engineering and planning projects.
- ❖ Transition the customer service department to manage a new real-time rider-information system in conjunction with our IT and Operations groups.
- ❖ Guide and advise PRT as Pennsylvania lawmakers consider transit funding measures and the county executive administration changes in 2024.

## Human Resources Division

The Human Resources Division includes the following departments: Employment and Development, Benefits, Compensation Services, Employee/Labor Relations, and the Office of Equal Opportunity. As part of the FY 2024 reorganization, the division is joined by Payroll, DBE Program Management, and Administrative Services, all of which were previously part of the Finance Division. Shifting these three departments will better align their objectives with the objectives of the Human Resources division and the services that they provide. This division provides a full range of human resources services to Pittsburgh Regional Transit including the administration of healthcare, life insurance, unemployment compensation and other employee benefits programs, as well as Payroll and training and organizational development.

The Human Resources Divisional goals are designed to enhance the productivity and performance by evaluation, recruitment, and fringe benefits support. Further, Human Resources will continue to ensure continued strong relationships with the three collective bargaining units.

The fringe benefit expenses in the Human Resources Division include all of the company-wide fringe benefits. These include expenses related to pensions, defined contribution plan, active employee health care and retired employee health care.

Historical financial data for the Payroll, DBE Program Management, and Administrative Services departments can be found at the end of the Finance and Development Division section on page 95.

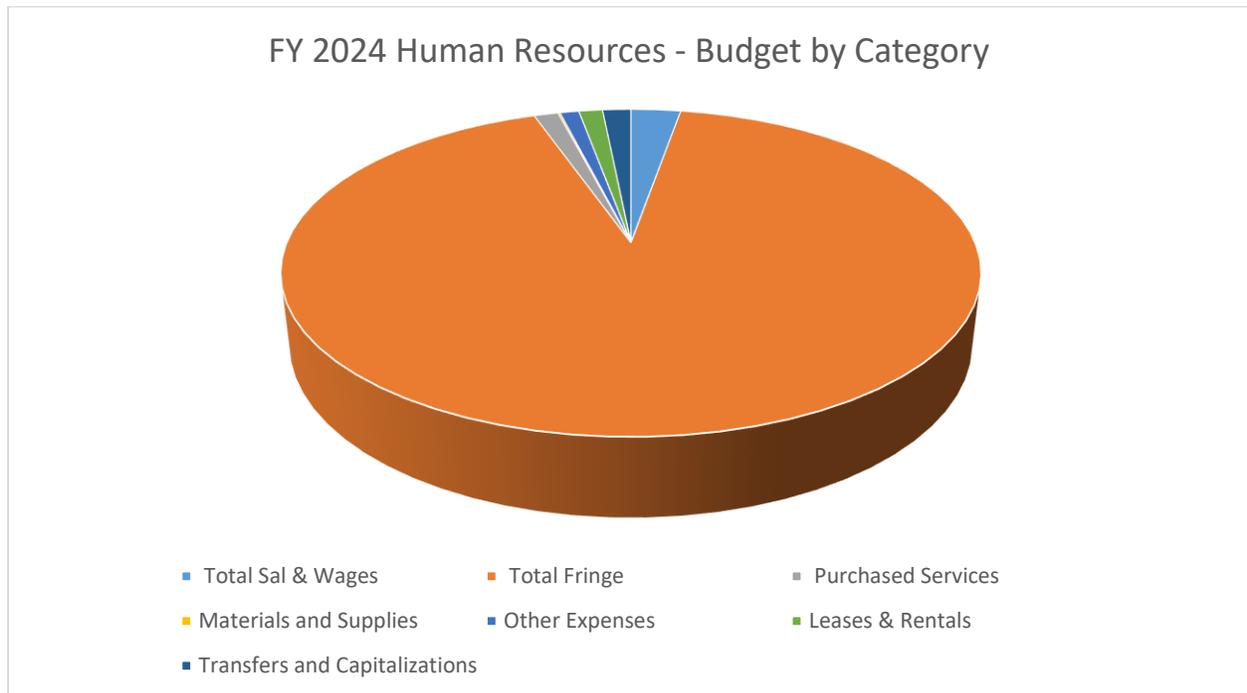
### Human Resources – Personnel (No. of Employees)

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget
Executive and General - HR	2	2	2	2
Employment and Development	12	11	12	14
Payroll	0	0	0	6
Employee Relations / OEO	9	10	9	10
Benefits	8	8	8	9
Compensation Services	3	4	4	4
DBE Program	0	0	0	3
Administrative Service & Technical Specs	0	0	0	8
<b>Total Personnel</b>	<b>34</b>	<b>35</b>	<b>35</b>	<b>56</b>

## Human Resources - Expenses by Category

Human Resources Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$2,375,745	\$2,576,885	\$2,708,161	\$4,101,998	51.47%
Total Fringe Benefits	124,429,142	119,303,203	121,830,867	137,488,741	12.85%
Purchased Services	978,226	1,129,820	1,179,406	1,996,700	69.30%
Materials and Supplies	12,401	29,372	21,387	167,000	680.86%
Other Expenses	377,099	414,740	895,708	1,559,640	74.12%
Leases & Rentals	-	-	-	1,954,500	-
Transfers and Capitalizations	(1,384,084)	(1,269,050)	(1,538,212)	(2,337,300)	51.95%
<b>Net Total Expense</b>	<b>126,788,529</b>	<b>122,184,969</b>	<b>125,097,316</b>	<b>144,931,279</b>	<b>15.85%</b>

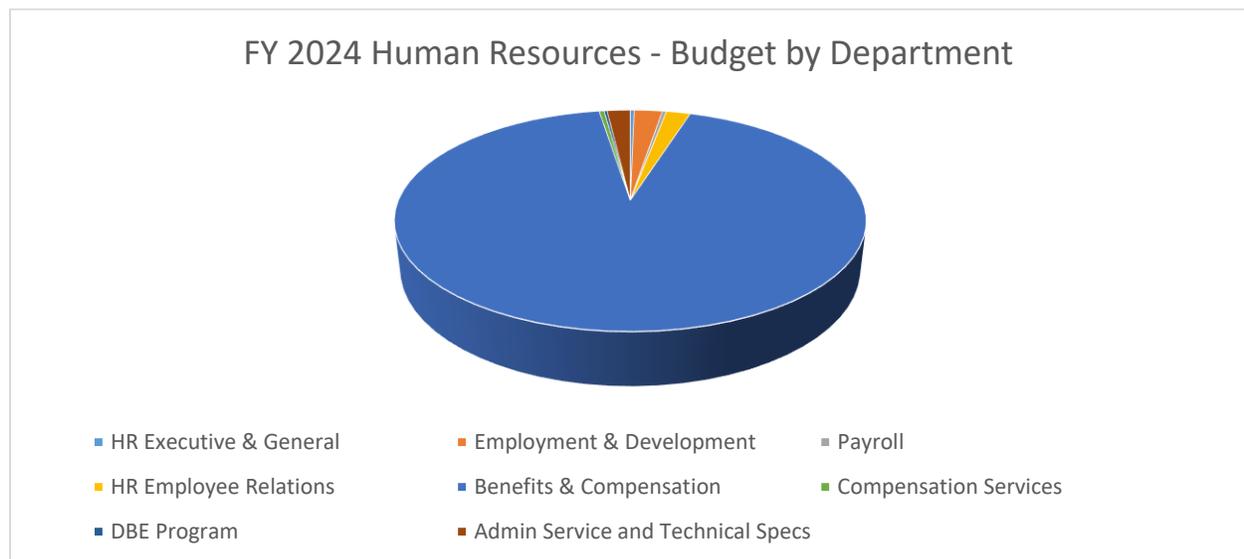
Chart 20



## Human Resources - Expenses by Department

Human Resources Departments	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '22 to '23
Executive and General - HR	312,903	325,935	422,301	460,859	9.13%
Employment and Development	1,616,626	1,904,813	2,387,848	3,347,962	40.21%
Payroll	-	-	-	471,535	-
Employee Relations / OEO	1,174,051	1,105,498	2,209,341	2,851,243	29.05%
Benefits	123,379,470	118,448,952	119,610,832	134,117,810	12.13%
Compensation Services	305,479	398,771	466,994	582,483	24.73%
DBE Program	-	-	-	343,674	-
Admin Services and Technical Specs	-	-	-	2,755,713	-
<b>Net Total Expense</b>	<b>126,788,529</b>	<b>122,184,969</b>	<b>125,097,316</b>	<b>144,931,279</b>	<b>15.85%</b>

Chart 21



## Human Resources – FY 2023 Accomplishments

- ✓ Obtained the Age-Friendly Employer recognition for 2023.
- ✓ Received Gold status as a Military Friendly Employer for 2023.
- ✓ Received recognition from InHerSight.com as #43 on “The 50 Best Companies to Work For” (July 2023), #2 “Best Transportation Companies”, #3 “Best Transportation/Trucking/Railroad Companies.”

## Human Resources – FY 2023 Objectives

- ❖ Become a top employer within the region for the second time by obtaining the following recognitions:
  - Age-Friendly Employer for 2024
  - Gold status as a Military Friendly Employer for 2024
  - Top 100 Human Resources Team Award
  - Top 50 Operations Team Award
- ❖ Conduct an employee engagement survey to help measure our employee’s motivation, sense of purpose, and alignment with the organization’s goals.
- ❖ Increase Employee Resource Groups membership by 10% and Groups community outreach.
- ❖ Implement a Benefits Communication Website.
- ❖ Development for distribution of an Employee Benefit/Pension Guide.
- ❖ Complete the 2023 Compensation Desk Audit, implement any market adjustments and update job titles and job descriptions.

## Finance and Development Division

This Division has been established for FY 2024 as part of a reorganization and combines the Finance Division with the Service Planning and Development Division. Combining these divisions will enhance collaboration and the ability for leadership to understand the agency more easily in its current and future state. It will provide an understanding of the Agency both physically and financially, by bringing together ridership trends, short- and long-range projects, and funding all under one single division. This division is responsible for finance related activities such as preparing and monitoring annual operating and capital budgets; all accounting and financial documentation; Federal, State, and County government reporting and grant applications; revenue collection and processing; financial projections and analyses; and the administration and maintenance of our ConnectCard fare system (AFCS). The Finance departments also provide oversight of the General Administrative Expenses of the Agency. These include corporate and general insurance expense and the federal, state & local capitalizations used to offset operating expenses. Departments include as Account, Cash Management, Financial Planning and Budgets, Grants & Capital Programs.

On the Development side, responsibilities include implementing service changes, monitoring bus and rail service efficiency, developing and distributing schedules and timetables, collecting data for both state and federal reporting, maintaining databases for bus and rail stops/stations, and steering the Pittsburgh Regional Transit’s long-range projects. It consists of the Planning, Service Development, Transit Amenities, and Engineering & Technical Support departments. The collection of Engineering and Technical Support departments provide engineering support on PRT projects, oversees capital investments, develop technical specifications for the procurement of services and materials, reviews and evaluates engineering conditions and environmental coordination, and provides ancillary operational support. The historical financial data for this department can be found at the end of this section on page 95.

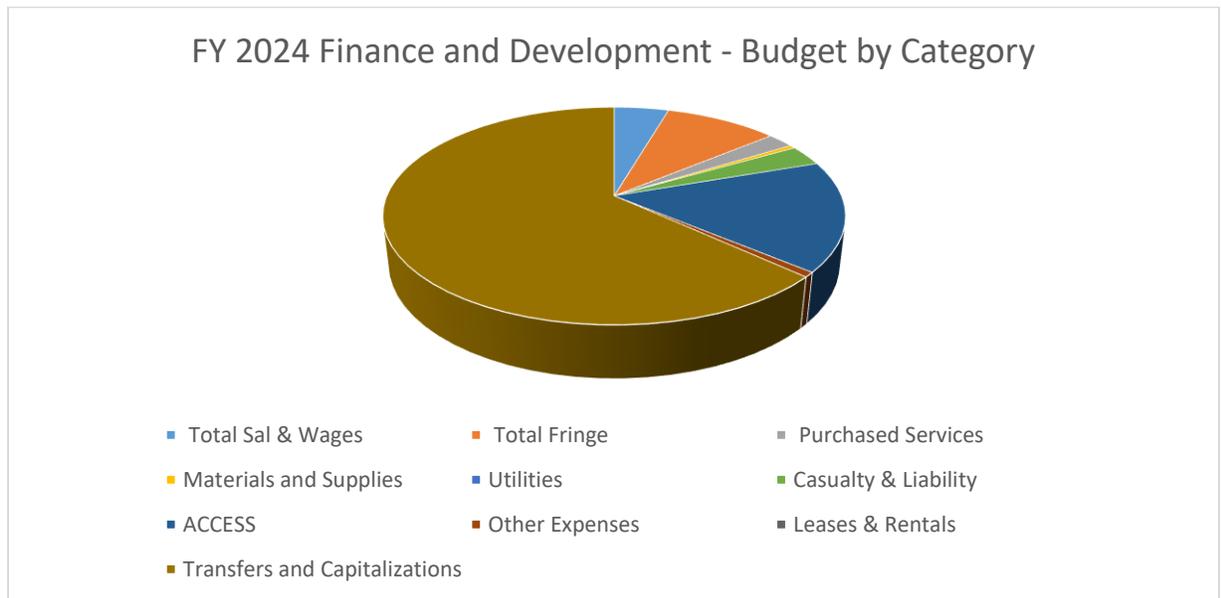
### Finance and Development – Personnel (No. of Employees)

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget
Executive & General - Planning & Svc. Devel.	1	1	1	1
Service Development	16	15	4	4
Technical Support	28	30	34	37
Deputy CFO	0	0	0	2
Accounting	0	0	0	4
Cash Management	0	0	0	7
Financial Planning & Budgets	0	0	0	4
Grants and Capital Programs & Accounts Payable	0	0	0	8
Transit Amenities	0	0	0	14
Planning	9	11	26	12
<b>Total Personnel</b>	<b>54</b>	<b>57</b>	<b>65</b>	<b>93</b>

## Finance and Development - Expenses by Category

Finance & Development Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$4,027,335	\$4,125,646	\$4,802,083	\$9,192,257	91.42%
Total Fringe Benefits	455,266	720,753	738,619	19,084,375	2,483.79%
Purchased Services	1,757,145	1,813,984	1,791,831	4,505,800	151.46%
Materials and Supplies	381,951	264,359	326,981	953,800	191.70%
Utilities	-	-	-	22,800	-
Provision and Injury	(962,737)	-	-	6,142,400	-
ACCESS	-	-	-	33,124,480	-
Other Expenses	88,555	105,262	90,735	1,442,480	1,489.78%
Leases & Rentals	-	-	-	10,000	-
Transfers and Capitalizations	(1,558,684)	(1,678,049)	(2,224,274)	(127,812,469)	5,646.26%
<b>Net Total Expense</b>	<b>4,188,831</b>	<b>5,351,955</b>	<b>5,525,974</b>	<b>(53,333,657)</b>	<b>-1,065.14%</b>

Chart 22

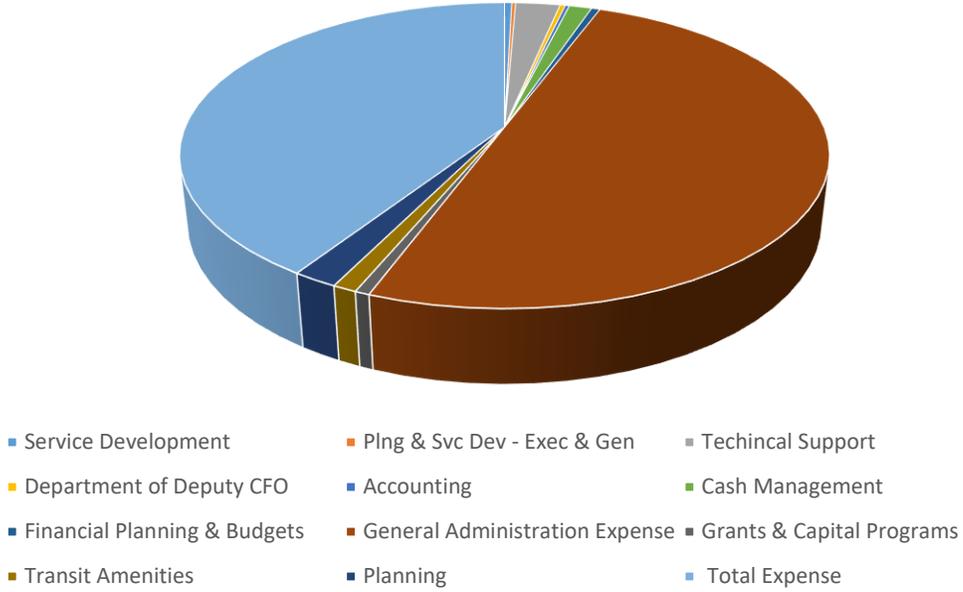


## Finance and Development - Expenses by Department

Finance & Development Departments	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Exec. And General - Planning & Svc. Devel.	243,849	267,621	267,049	293,567	9.93%
Service Development	1,451,337	1,407,955	633,276	561,567	-11.30%
Technical Support	1,144,668	2,346,138	2,251,634	3,462,444	53.77%
Department of Deputy CFO	-	-	-	402,818	-
Accounting	-	-	-	319,906	-
Cash Management	-	-	-	1,753,889	-
Financial Planning & Budgets	-	-	-	661,494	-
General Administration Expense	-	-	-	(65,432,428)	-
Grants & Capital Programs	-	-	-	813,946	-
Transit Amenities	-	-	-	1,332,676	-
Planning	1,348,977	1,330,241	2,374,015	2,496,343	5.15%
<b>Net Total Expense</b>	<b>4,188,831</b>	<b>5,351,955</b>	<b>5,525,974</b>	<b>(53,333,657)</b>	<b>-1,065.14%</b>

Chart 23

### FY 2024 Finance and Development - Budget by Department



## Finance (history) - Expenses by Category

Finance Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$7,155,467	\$7,366,607	\$8,176,992	-	-
Total Fringe Benefits	16,505,131	16,770,127	17,276,625	-	-
Purchased Services	745,205	783,213	1,085,072	-	-
Materials and Supplies	842,076	235,406	145,043	-	-
Provision and Injury	2,628,421	3,020,851	4,052,425	-	-
Utilities	36,407	3,815	1,992	-	-
Other Expenses	774,243	1,019,520	1,672,027	-	-
Leases & Rentals	1,707,828	1,696,605	1,705,998	-	-
ACCESS	24,878,539	27,807,315	30,227,185	-	-
Transfers and Capitalizations	(126,186,894)	(96,735,190)	(224,724,705)	-	-
<b>Net Total Expense</b>	<b>(70,913,578)</b>	<b>(38,031,731)</b>	<b>(160,381,346)</b>	-	-

## Finance (history) - Expenses by Department

Finance Departments	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change 23 to '24
Executive & General - Finance	165,915	241,537	345,791	-	-
Office of the Controller	-	161,840	170,912	-	-
Materials	4,083,719	3,643,337	4,119,725	-	-
Operating Accounting	216,585	304,396	359,607	-	-
Payroll	304,612	314,275	336,858	-	-
Cash Management	827,581	830,790	846,225	-	-
Service Center	418,145	-	-	-	-
Financial Planning & Budgets	850,661	751,252	559,319	-	-
General Administration	-82,333,283	-49,341,320	-172,672,175	-	-
Procurement	1,651,668	1,889,943	2,030,830	-	-
DBE Program Manager	79,921	153,070	216,433	-	-
Grants and Capital Programs	597,069	641,415	670,304	-	-
Strategy	-	-	232,691	-	-
Administrative Services & Technical Specs	2,223,829	2,377,735	2,402,133	-	-
<b>Net Total Expense</b>	<b>(70,913,578)</b>	<b>(38,031,731)</b>	<b>(160,381,346)</b>	-	-

## Finance and Development – FY 2023 Accomplishments

- ✓ Recipient of the GFOA Budget Award.
- ✓ In coordination with Allegheny County, implemented the Low-Income Fare pilot program from a fare product, invoicing and accounts receivable perspective.
- ✓ Implemented a bulk pass pilot program.
- ✓ Successfully closed the FY2022 National Transit Database (NTD) Report.
- ✓ Clean FTA audit of the CARES and ARPA invoicing.
- ✓ Completed costing of the newly implemented contract with the International Brotherhood of Electrical Workers (IBEW).
- ✓ Compiled the necessary information needed for the \$150 million BRT Capital Improvement Grant in FTA's TrAMS system.
- ✓ Compiled the necessary information needed for the \$19.3 million BRT ARPA Grant in FTA's TrAMS system.
- ✓ Compiled the necessary information needed for the \$780,000 ARPA Planning Grant in FTA's TrAMS system.
- ✓ Hired and on-boarded a Supervisor of Accounting
- ✓ Hired and on-boarded an Automated Fare Collection Systems Accounting clerk for fare distribution.
  
- ✓ Established light rail vehicle replacement working groups, engaged consultant and commenced investigation of current trends and practices in modern light rail vehicle design, and commenced development of vehicle definition document.
- ✓ Invested nearly \$100M in Capital expenditures in FY23 to improve PRT asset state of good repair in order to continue providing safe and reliable transit service.
- ✓ Initiated first phase of Zero Emissions Infrastructure Master Plan in FY23 to support the design for the zero-emissions infrastructure implementation.
- ✓ Planned and implemented service and infrastructure changes and policies.
  - Developed Deadhead dashboard
  - Implemented "Intermediate Layovers" to allow additional Scheduling flexibility in blocking trips
  - Closed two Park and Ride facilities due to low usage
  - Started a same day service shared ride program with ACCESS paratransit
- ✓ Implemented actions to improve on-time performance of transit service.
- ✓ Advanced the Building on the East Busway (BOTEB) project
- ✓ Initiated a Facilities Master Plan study, examining PRT needs for maintenance and operations over the next 25 years.
- ✓ Developed complete Standard Operating Procedures manual for Planning, Service Development, and Transit Amenities for succession planning, onboard, retention, and transparency.
- ✓ Developed new KPI dashboard for public website.

## Finance and Development – FY 2024 Objectives

- ❖ Complete RFP process to select Chief Investment Officer for Consolidated Pension Plan
- ❖ Provide accurate and timely financial review of costing for the expiring Police Sergeants and Lieutenants contract.
- ❖ Complete RFP process to select new fare consultant.
- ❖ Complete Peoplesoft module to include expense statement module and electronic payment request process.
- ❖ Participate in Working Groups:
  - Account-based Ticketing
  - Integrating South Hill Village Parking fees into the mobile application
  - Travel policy and software updates
- ❖ Complete a final Debt Service Policy
- ❖ Lead the Grants and Innovative Funding Team
- ❖ Continue to advance the design for the replacement of the light rail vehicle fleet.
- ❖ Deliver planned capital program to ensure PRT system remains in a state of good repair.
- ❖ Continue to implement Zero Emissions Infrastructure Master Plan to support the implementation of zero-emissions bus fleet by 2045.
- ❖ Continue to advance PRT University Line Bus Rapid Transit Project to improve customer experience and transit reliability.
  - Commences construction activities for Phase 1 of the University Loop (Downtown loop).
  - Complete design, advertise, and award construction contract for Phase 2 of the University Line (Uptown & Oakland).
- ❖ Develop an Equity Plan
- ❖ Expand ridership by attracting new riders to mobility-oriented options.
- ❖ Develop incremental targets for becoming carbon neutral.
- ❖ Achieve targeted customer satisfaction across all categories of ridership.

## Legal and Corporate Services

The Legal and Corporate Services Division includes the following departments: Claims and Workers' Compensation, Legal and Consulting Services, Internal Audit, System Safety, and Transit Police & Security. This Division provides legal and risk-management advice and representation; reviews and processes all liability, property, and workers' compensation claims made against the Port Authority; examines and evaluates the Authority's system of internal controls; serves as a liaison with the Federal, State and Local courts, funding, and oversight agencies; supervises the maintenance and development of Port Authority's real estate assets and ensures the safety and security of the Port Authority's passengers, employees and facilities.

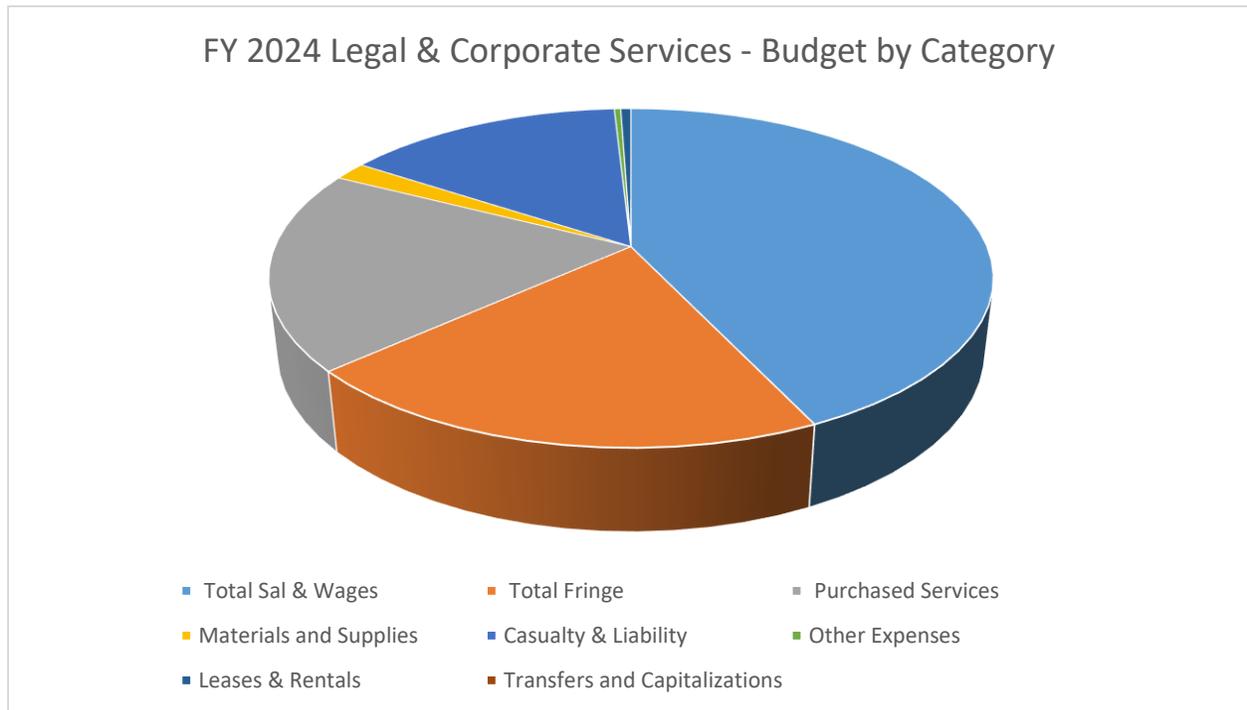
### Legal and Corporate Services – Personnel (No. of Employees)

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget
Legal and Consulting Services	9	9	11	11
Claims and Workers Compensation	12	10	13	13
Internal Audit	5	5	6	6
System Safety	8	8	9	9
Transit Police and Security	58	55	46	62
<b>Total Personnel</b>	<b>92</b>	<b>87</b>	<b>85</b>	<b>101</b>

## Legal and Corporate Services - Expenses by Category

Legal and Corporate Services Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$6,110,700	\$6,300,695	\$6,391,258	\$7,915,301	23.85%
Total Fringe Benefits	2,121,972	2,496,866	3,363,601	3,759,889	11.78%
Purchased Services	2,591,805	2,272,519	3,127,803	3,536,400	13.06%
Materials and Supplies	117,893	213,125	242,921	322,950	32.94%
Provision and Injury	1,155,395	836,122	1,420,416	2,735,000	92.55%
Other Expenses	43,213	69,365	47,201	62,800	33.05%
Leases & Rentals	99,969	82,487	68,894	100,000	45.15%
Transfers and Capitalizations	(119,881)	(70,303)	(46,555)	-	-100.00%
<b>Net Total Expense</b>	<b>12,121,067</b>	<b>12,200,876</b>	<b>14,615,539</b>	<b>18,432,340</b>	<b>26.11%</b>

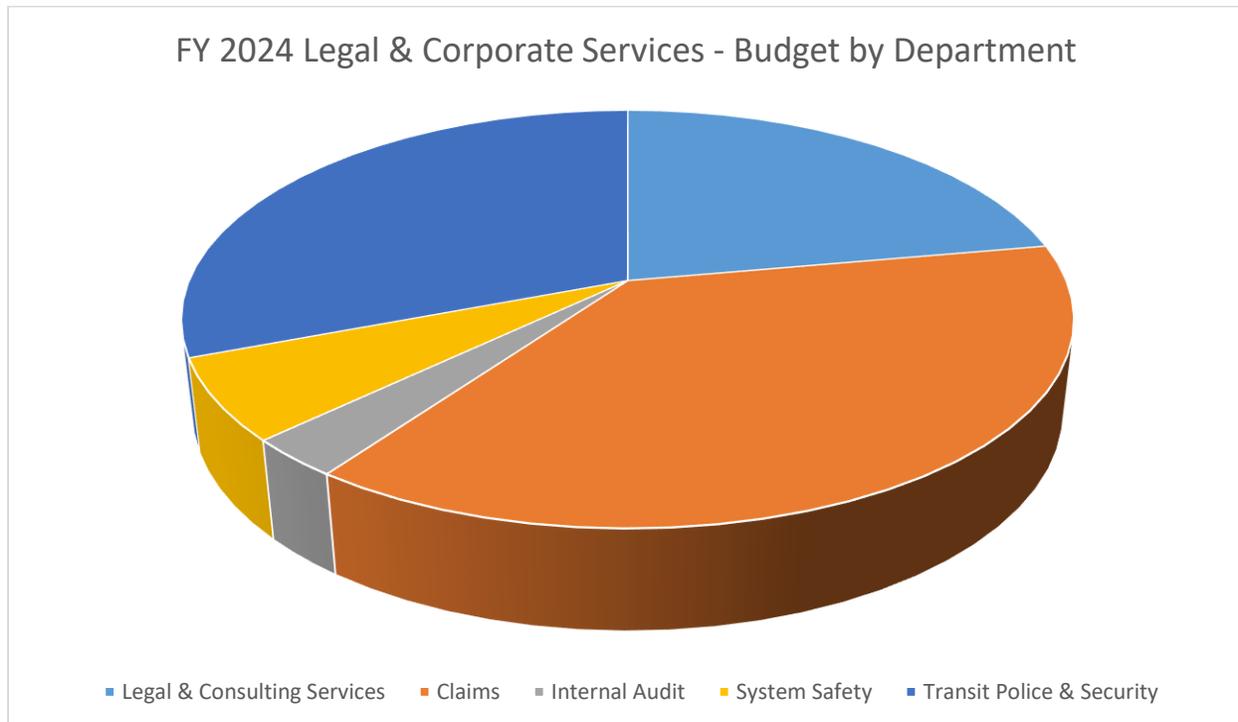
Chart 24



## Legal and Corporate Services - Expenses by Department

Legal and Corporate Services Departments	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Legal and Consulting Services	2,834,147	2,770,624	3,076,002	4,087,575	32.89%
Claims and Workers Compensation	4,008,402	3,776,187	5,807,542	6,951,039	19.69%
Internal Audit	341,049	382,511	427,034	551,590	29.17%
System Safety	798,154	792,592	881,086	1,160,754	31.74%
Transit Police and Security	4,139,315	4,478,962	4,423,873	5,681,382	28.43%
<b>Net Total Expense</b>	<b>12,121,067</b>	<b>12,200,876</b>	<b>14,615,539</b>	<b>18,432,340</b>	<b>26.11%</b>

Chart 25



## Legal and Corporate Services – FY 2023 Accomplishments

- ✓ Completed the full roll-out and implementation of Body Warn Cameras by all officers in the Port Authority Police Department to further promote Police Department accountability and transparency.
- ✓ Began drafting a Standard Operating Procedures Manual for the PRT Legal Department, with a focus on key insurance administration procedures and functions as the first chapter of the Manual.
- ✓ Managed a cross-functional team to complete the acquisition of various rights-of-way and related property access to use rights for the Downtown-Uptown-Oakland Bus Rapid Transit Project, including successfully executing:
  - 29 license agreements
  - 70 temporary construction easements for access and use of third-party properties to enable construction of the project
  - 7 permanent right-of-way acquisitions for station and related permanent operational needs
  - 21 cooperation agreement-based parcels from other government agencies
- ✓ Completed annual updates and received PRT Board approval for PRT's 2022 Public Transit Agency Safety Plan.
- ✓ For Liability Unit claims, achieved a 97% for the 30-day investigation completion goal; a 97% for the 48-hour claimant contact goal; a 99% for the claim open/close ratio goal; and reduced pending litigation by 16%.
- ✓ For Worker's Compensation Unit claims, achieved a 91% for the 21-day reporting goal and a 90% for the 48-hour initial claim evaluation goal.
- ✓ Completed the FY 2022 – 2023 Internal Audit Work Plan to a minimum level of 80% consistent with government auditing and industry auditing standards.

## Legal and Corporate Services – FY 2024 Objectives

- ❖ Produce a public-facing “State of the Police Department” report for CY 2023 to provide PRT customers, employees, and other stakeholders an overview of crime trends, officer deployment and community-oriented policing activities.
- ❖ Continue efforts in coordination with Information Technology personnel and with PRT senior management support to implement an internal Safety Dashboard to help support continued Safety Management Systems implementation across the agency and support proactive hazard identification and mitigation efforts.
- ❖ Continue efforts to complete a Standard Operating Procedures Manual for the Legal Department, with the FY 2024 focus on finalizing the insurance chapter and completing a draft of the claims litigation and Right-to-Know and records handling chapters.
- ❖ Complete Downtown-Uptown-Oakland Bus Rapid Transit Project right-of-way acquisition activities for the remaining parcels needed for Phase II (Uptown-Oakland) construction of the BRT Project.
- ❖ Complete the FY 2024-25 Internal Audit Work Plan to a level to keep the Plan on track for 80% completion (consistent with industry standards) by the end of the 18-month Plan period.
- ❖ Complete implementation of electric processes for Worker’s Compensation medical bill payment and repricing and injury report submissions to eliminate current paper-driven processes.

## Agency Innovation Services

This Division at Pittsburgh Regional Transit is responsible for the management of the Agency’s software licensing and enterprise components, project management for software implementation and upgrades, software development and the administration and maintenance of PRT’s technology related systems and equipment. The division name was changed from Information Technologies to Agency Innovation Services to bring together data management IT services, and the Procurement department, which was previously under the Finance Division. The AIS Division is an integral member of Pittsburgh Regional Transit as each division and department increases their reliance on information & technology to gain efficiency and provide the customers with enhanced service features. Lining up emerging innovations places the agency in a position to be successful within the community. The departments included in this division are Executive, Customer Engagement, Procurement, I.T. Enterprise Software, I.T. Transportation Technology, I.T. Infrastructure and Support, and newly established Data & Information Analytics. The historical financial data for the Procurement department can be found at the end of the Finance and Development Division section on page 95.

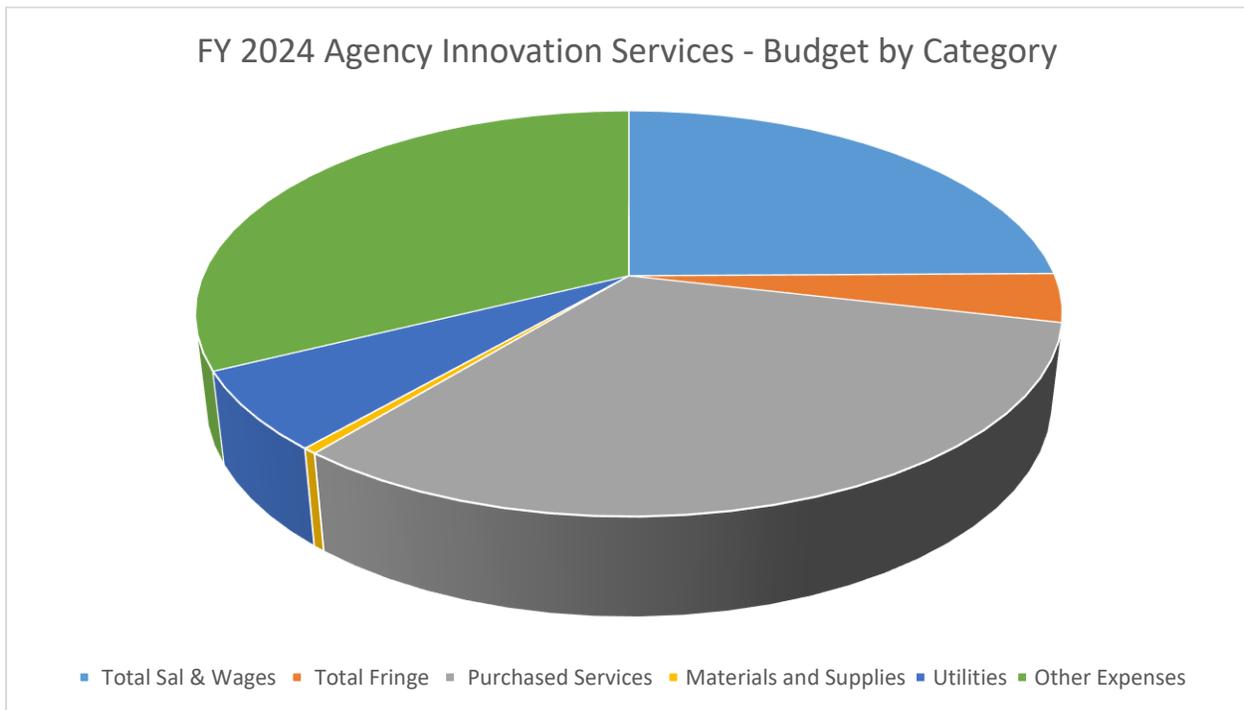
### Agency Innovation Services – Personnel (No. of Employees)

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget
Executive & General - I.T.	2	2	2	2
Customer Engagement	3	3	3	3
Procurement	0	0	0	29
I.T. Transportation Technology	4	6	7	7
I.T. Enterprise Software	16	14	14	17
I.T. Infrastructure & Support	12	13	13	13
Data & Info Analytics	0	0	0	4
<b>Total Personnel</b>	<b>37</b>	<b>38</b>	<b>39</b>	<b>75</b>

## Agency Innovation Services - Expenses by Category

Agency Innovation Services Expense Accounts	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Total Salary & Wages	\$2,881,341	\$3,018,328	\$3,297,871	\$6,309,874	91.33%
Total Fringe Benefits	351,930	504,468	515,352	985,099	91.15%
Purchased Services	4,445,330	5,065,982	5,593,103	8,180,360	46.26%
Materials and Supplies	3,520	8,766	7,559	116,100	1,435.88%
Utilities	1,535,348	1,599,968	1,495,324	1,600,000	7.00%
Other Expenses	3,353,058	3,547,026	6,022,616	8,236,730	36.76%
<b>Net Total Expense</b>	<b>12,570,528</b>	<b>13,744,536</b>	<b>16,931,825</b>	<b>25,428,163</b>	<b>50.18%</b>

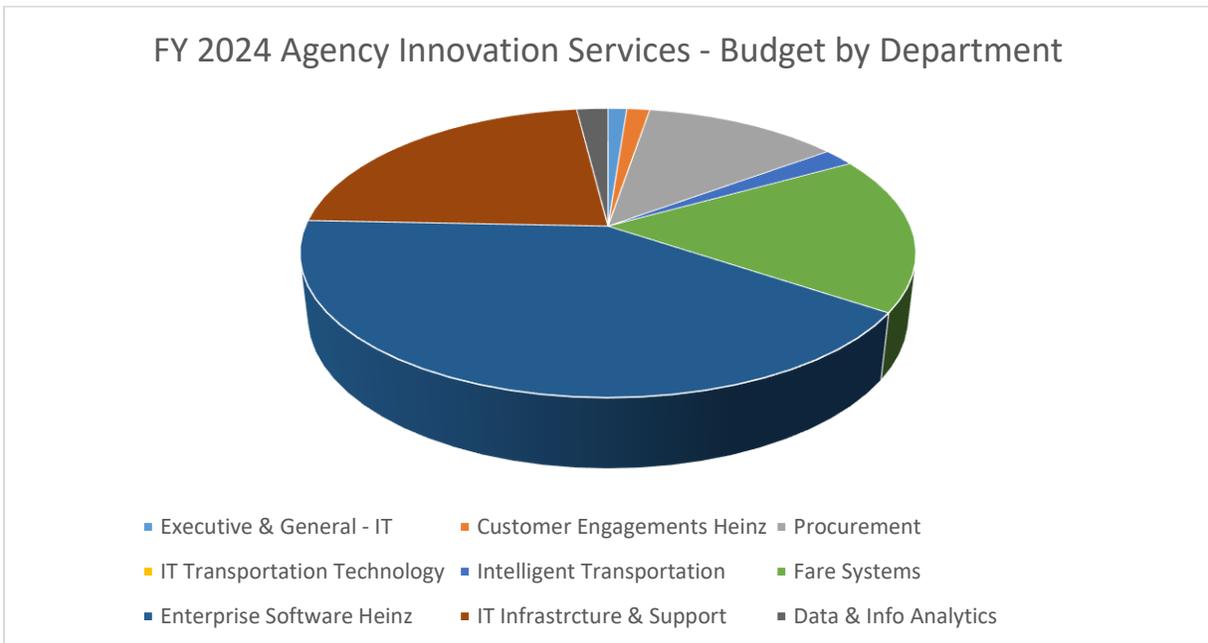
Chart 26



## Agency Innovation Services - Expenses by Department

Agency Innovation Services Departments	FY 2021 Audited	FY 2022 Audited	FY 2023 Unaudited	FY 2024 Budget	% Change '23 to '24
Executive and General - I.T.	242,376	263,490	269,438	299,648	11.21%
Customer Engagement (Formerly IT Operations)	249,309	283,068	259,720	366,140	40.97%
Procurement	-	-	-	3,121,981	-
I.T. Transportation Technology	3,182,569	-	-	-	-
Intelligent Transportation	-	390,383	464,436	501,758	8.04%
Fare Systems	-	3,395,618	3,174,051	4,457,689	40.44%
Enterprise Software / System Development	6,371,308	5,064,525	7,290,825	10,487,845	43.85%
I.T. Infrastructure and Support	2,524,965	4,347,453	5,473,355	5,693,113	4.02%
Data & Info Analytics	-	-	-	499,989	-
<b>Net Total Expense</b>	<b>12,570,528</b>	<b>13,744,536</b>	<b>13,739,665</b>	<b>25,428,163</b>	<b>50.18%</b>

Chart 27



## Information Technologies – FY 2023 Accomplishments

- ✓ uPass activated for Carlow and Duquesne Universities, with system activation ready for Point Park in the Fall of 2023
- ✓ Cash Digitization activated and available in local stores and on Ticket Vending Machines (TVMs), to be publicized in the Fall of 2023
- ✓ Successfully held Information / Cyber security tabletop
- ✓ Automatic Passenger Counters installed on rail system with testing / validation underway
- ✓ First part of Disruption Management, “Out of Service”, was activated for customer visibility

## Agency Innovation Services – FY 2024 Objectives

- ❖ Increase visibility of divisional activities and status for agency internal customers
- ❖ Activate Automatic Passenger Counters (APC) on rail system
- ❖ Activate Account Based Ticketing on Ready2Ride
- ❖ Begin implementation of Digital Signage / Digital Communications replacement
- ❖ Fully review and update 5 Procurement guides / manuals as a result of external peer review recommendations
- ❖ Automate P-Card Acquisition / Approval process

Overall, the individual divisional accomplishments discussed above play a significant role in the success of the Agency and guiding it towards a successful future and living up to the mission of Advancing our region by investing in our communities and connecting people in a safe, equitable, and reliable manner. The objectives discussed help to define goals, both for the division and at



an individual level. Goals and objectives are developed at the beginning of the fiscal year to help guide processes and ensure accountability. Individual goals and objectives are developed and guided by the Strategic Plan. In doing so, completion of the goals and objectives directly contributes to the success of the division and PRT as a whole and ensures continuation along the path set forth by the Strategic Plan. PRT's vision is to "Be our region's

transportation mode of choice by delivering an innovative network that is clean, sustainable, and equitable; a network that enables individuals, businesses, and economies to thrive." The accomplishments and objectives set forth by each division illustrate how this is being met.

# Pittsburgh Regional Transit

## Modal Budget

FY 2024

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Pittsburgh Regional Transit’s modal budget is presented as a component of the Operating and Capital Improvement Budgets. The purpose of the modal budget is to present the revenue and expense levels related to the modes of service provided by the Agency. The modes of service provided are bus, light rail, inclined plane, and the ACCESS Program. The ACCESS program, or ACCESS, is a demand response, paratransit service provided for elderly and handicapped persons. ACCESS is operated on behalf of PRT by the management firm Transdev. Each of the modes will be discussed individually in this section. A table is provided for each mode that indicates total ridership, revenue, and expense levels for the FY 2021, 2022, 2023, and 2024. In addition, graphs illustrating revenue, expense and ridership amounts are presented for comparative purposes.

Modal ridership data for FY 2021 through 2023 were calculated using monthly ridership reports. Anticipated ridership levels for FY 2024 were developed by Pittsburgh Regional Transit’s Service Planning and Schedules department in collaboration with Financial Planning and Budgets for the bus, light rail, and inclined plane modes. Transdev (ACCESS) furnished detailed ridership information for the FY 2021 through 2023 and developed the FY 2024 projections for the demand response service.

Passenger revenue distributions were allocated based upon the ridership and average fare analysis for each of the service modes. Senior citizen amounts were calculated separately and are shown independently from non-senior citizen passenger revenue. "Other Revenues" includes Advertising and Concession income and other non-transportation revenues such as Real Estate and Investment Income. These revenues were allocated based upon each mode's percentage of ridership relative to total Pittsburgh Regional Transit ridership. Modal expenses for bus, light rail, and inclined plane were distributed using a combination of direct cost and indirect cost allocations. The distribution of expenses is allocated utilizing and adapting accepted methods of allocation for federal reporting purposes. The ACCESS Program is a purchased transportation service, and the expenses are identified and shown separately.

The table on the following page represents a comparative summary of Pittsburgh Regional Transit’s revenues and expenses by each of the modes for FY 2021, 2022, 2023, and 2024.

## COMPARATIVE SUMMARY BY MODE

*FY 2021 Actual, FY 2022 Actual, FY 2023 Actual, and FY 2024 Budget*

	FY 2021 ACTUAL	FY 2022 ACTUAL	FY 2023 ACTUAL	FY 2024 BUDGET
Operating Revenues:				
Bus	\$30,600,000	\$45,825,000	\$ 53,957,000	\$ 61,537,000
Light Rail	2,302,000	3,536,000	5,366,000	5,145,000
Monongahela Incline	338,000	565,000	277,000	888,000
ACCESS Program	6,339,000	7,721,000	8,660,000	10,300,000
Subtotal	\$ 39,579,000	\$ 57,647,000	\$ 68,260,000	\$ 77,870,000
Operating Grants	269,601,000	288,472,000	312,000,000	322,440,000
Capitalizations	136,738,000	106,821,000	236,615,000	135,050,000
<b>Total Revenue &amp; Grants:</b>	<b>\$ 445,918,000</b>	<b>\$ 452,940,000</b>	<b>\$ 616,875,000</b>	<b>\$ 535,360,000</b>
Expenses:				
Bus	\$342,750,000	\$ 345,980,000	\$ 371,148,000	\$ 414,472,000
Light Rail	71,182,000	73,978,000	77,227,000	86,122,000
Monongahela Incline	1,229,000	1,486,000	1,474,000	1,641,000
ACCESS Program	24,879,000	27,807,000	30,227,000	33,125,000
<b>Total Expenses:</b>	<b>\$440,040,000</b>	<b>\$ 449,251,000</b>	<b>\$ 480,076,000</b>	<b>\$ 535,360,000</b>
<b>Excess Revenue over Expense:</b>	<b>\$ 5,878,000</b>	<b>\$ 3,689,000</b>	<b>\$ 136,799,000</b>	<b>\$ -</b>

## Bus Mode

Bus service is the largest of the transportation services provided by the Pittsburgh Regional Transit. The active bus fleet as of June 2023 consists of (30) 35-foot vehicles, (568) 40-foot vehicles, (8) Electric Battery 40-foot vehicles, and (125) 60-foot articulated buses. The four bus garage locations where service originates are located in the following communities: Ross Township, Collier Township, West Mifflin Borough and Pittsburgh (East Liberty area). Pittsburgh Regional Transit's Main Shop, located in the Manchester neighborhood of the City of Pittsburgh, is a large facility where component rebuilding and major bus repairs are performed.



For this mode of transportation, FY 2024 ridership is projected to increase about 12%, compared to FY 2023 actual ridership levels. The contractual transit agreements between the Pittsburgh Regional Transit and the University of Pittsburgh, Carnegie Mellon University, Chatham University, Duquesne University, and Carlow University will assist in maintaining ridership levels. Pittsburgh Regional Transit actively pursues partnerships with local businesses and institutions, such as the highly successful transportation programs with the local universities, to increase services provided.

For FY 2024, total bus revenues are projected to increase by 14% above FY 2023 actuals. This increase in revenues is due to a projected increase in passenger ridership that are not senior citizens. Other revenues consist of Advertising and other non-transportation related revenues. PRT continues to explore partnerships with institutions in the region that will improve utilization of the current fleet. Also, the Pittsburgh Regional Transit has placed an increased emphasis on customer service and the rider's experience. Importance was placed on Pittsburgh Regional Transit making a positive impression on first time riders as well as improving the experience for existing customers. Retaining existing consumers, while attracting those who are contemplating making a permanent switch to public transportation, will lead to increased ridership and revenue into the future.

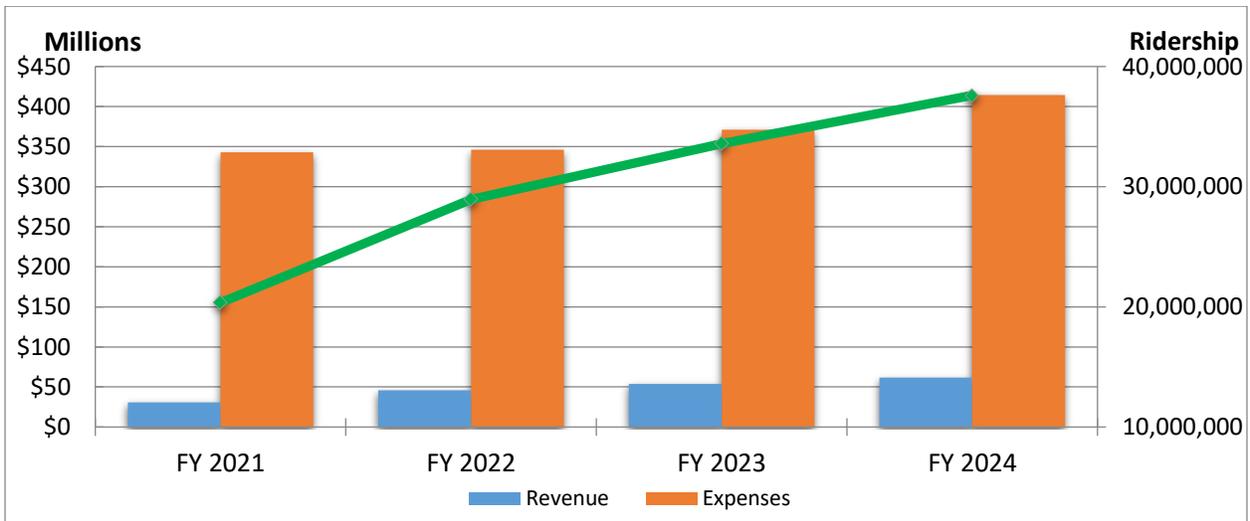
Overall, expenses are expected to increase over FY 2023 levels by 11.67%. Contractual increases in salaries and wages, increases in diesel fuel costs, and increased staffing levels make up a large portion of these additional expenses. However, there are projected increases in materials and supplies, utilities, purchased services, and other expense. Within the category of other expenses, the estimated increase is due to the additional costs associated with the expansion of technology to enhance the service provided to our riders.

The financial data, along with ridership figures and a graphical illustration for the bus mode, can be found on the following page.

## BUS MODE

	FY 2021 <u>Actual</u>	FY 2022 <u>Actual</u>	FY 2023 <u>Actual</u>	FY 2024 <u>Budget</u>	FY24 Inc/Dec
<b><u>RIDERSHIP</u></b>					
Non-Seniors	17,692,000	26,532,000	30,385,000	33,878,000	
Seniors	2,652,000	2,414,000	3,188,000	3,727,000	
<b>Total Ridership</b>	<b>20,344,000</b>	<b>28,946,000</b>	<b>33,573,000</b>	<b>37,605,000</b>	12.0%
<b><u>REVENUES</u></b>					
	FY 2021 <u>Actual</u>	FY 2022 <u>Actual</u>	FY 2023 <u>Actual</u>	FY 2024 <u>Budget</u>	FY24 Inc/Dec
Passenger Revenue	\$ 28,281,000	\$ 43,054,000	\$ 48,323,000	\$ 55,478,000	
Sr Citizen Reimbursement	0	0	0	0	
Other	2,319,000	2,771,000	5,634,000	6,059,000	
<b>Total Revenue</b>	<b>\$30,600,000</b>	<b>\$45,825,000</b>	<b>\$53,957,000</b>	<b>\$61,537,000</b>	14.0%
<b><u>EXPENSES</u></b>					
Salaries & Wages	\$ 149,047,000	\$ 150,533,000	\$ 156,583,000	\$ 164,325,000	
Fringe Benefits	137,016,000	133,627,000	138,975,000	154,904,000	
Materials & Supplies	33,197,000	36,421,000	43,534,000	48,749,000	
Prov for Inj & Damages	2,138,000	3,545,000	4,896,000	8,439,000	
Purchased Services	11,393,000	11,643,000	13,513,000	19,831,000	
Utilities	3,673,000	3,502,000	3,803,000	4,778,000	
Other Expenses	6,286,000	6,709,000	9,844,000	13,446,000	
<b>Total Expense</b>	<b>\$342,750,000</b>	<b>\$345,980,000</b>	<b>\$371,148,000</b>	<b>\$ 414,472,000</b>	11.7%

Chart 28



## Light Rail Mode

Pittsburgh Regional Transit's Light Rail Transit (LRT) System includes 51.2 miles of track and 81 light rail vehicles (LRVs). The LRT system includes a downtown subway system that provides service from Pittsburgh's South Hills to the downtown area. In March 2012, the Authority's 2.1 mile extension to



the light rail system opened for revenue service and now connects the downtown area to Pittsburgh's sports and entertainment venues located on the north shore of the Allegheny River. The LRT system now goes from the Gateway Subway Station underneath Stanwix Street and the Allegheny River – in twin bored tunnels below the river - to the North Shore. While remaining underground along the North Shore, the alignment travels adjacent to Bill Mazerowski Way accessing a station near PNC

Park. Continuing below grade adjacent to Reedsdale Street, the alignment transitions to an elevated alignment near Art Rooney Avenue to a station along Allegheny Avenue near Heinz Field, before terminating near the West End Bridge. This project gave the Authority the capability to extend the LRT system in the future to either the North Hills or Pittsburgh International Airport. Service and maintenance for the light rail mode takes place at the South Hills Village location in Upper St. Clair and Bethel Park Townships.

The ridership projections for FY 2024 are expected to decrease by -4.9% from FY 2023 actual ridership levels, but still an increase of 111% over the FY2021 levels in which light rail ridership was as such a low level due to the pandemic. This decrease is projected due to budgeting at similar levels as the FY 2023 budget although actual ridership finished slightly higher for the year. The continued additional weekday travel and increased riders using the LRT system to travel to and from special events in downtown Pittsburgh include sporting events, concerts, and Light Up Night will aid in reaching targeted ridership and potentially push beyond as in the prior year.

Total expenses in FY 2024 are expected to increase by 11.5% over FY 2023 levels. Similar to bus mode, the majority of the increase is due to the contractual increases in salaries and wages, continued escalation of pension costs, and increased staffing levels. There are also projected smaller increases in materials and supplies, provision for injuries & damages, purchased services, utilities, and other expenses.

The financial data, along with ridership figures and a graphical illustration of revenues and expenses pertaining to the light rail mode, can be found on the following pages.

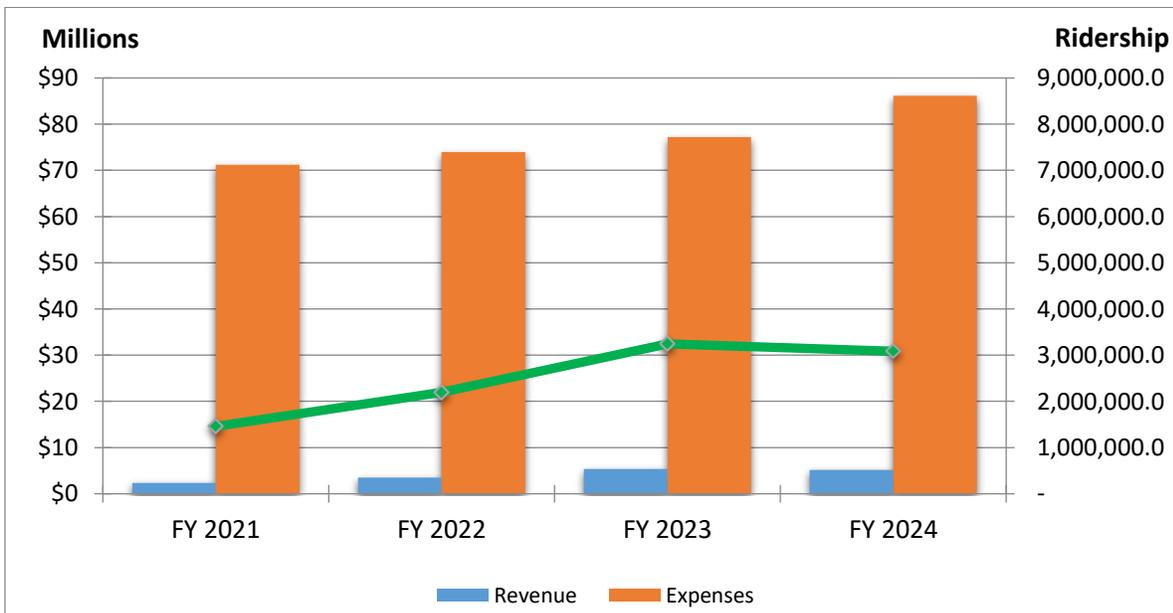
# LIGHT RAIL MODE

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY24 Inc/Dec
<b><u>RIDERSHIP</u></b>					
Non-Seniors	1,331,000	2,047,000	3,022,000	2,832,000	
Seniors	127,000	148,000	222,000	252,000	
<b>Total Ridership</b>	<b>1,458,000</b>	<b>2,195,000</b>	<b>3,244,000</b>	<b>3,084,000</b>	-4.9%

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY24 Inc/Dec
<b><u>REVENUES</u></b>					
Passenger Revenue	\$ 2,128,000	\$ 3,322,000	\$ 4,806,000	\$ 4,638,000	
Sr Cit Reimbursement	0	0	0	0	
Other	174,000	214,000	560,000	507,000	
<b>Total Revenue</b>	<b>\$ 2,302,000</b>	<b>\$ 3,536,000</b>	<b>\$ 5,366,000</b>	<b>\$ 5,145,000</b>	-4.1%

<b><u>EXPENSES</u></b>					
Salaries & Wages	\$ 30,358,000	\$ 32,791,000	\$ 32,636,000	\$ 34,250,000	
Fringe Benefits	28,088,000	29,052,000	29,194,000	32,540,000	
Materials & Supplies	5,935,000	4,869,000	6,802,000	7,617,000	
Prov for Inj & Damages	107,000	184,000	252,000	435,000	
Purchased Services	2,546,000	2,569,000	3,094,000	4,540,000	
Utilities	3,503,000	3,453,000	3,939,000	4,950,000	
Other Expenses	645,000	1,060,000	1,310,000	1,790,000	
<b>Total Expense</b>	<b>\$ 71,182,000</b>	<b>\$ 73,978,000</b>	<b>\$ 77,227,000</b>	<b>\$ 86,122,000</b>	11.5%

Chart 29



## Incline Mode

Travel by the incline mode dates back to the 19th century. The opportunity to experience incline travel remains an attraction for both lifelong residents as well as visitors to the area. Two inclines, the Duquesne and the Monongahela, remain in operation connecting Mt. Washington with the South Side of Pittsburgh. While both are owned by Port Authority, the Duquesne Incline is leased and operated by a non-profit organization, the "Society for the Preservation of the Duquesne Heights Incline".



Pittsburgh Regional Transit operates the Monongahela Incline. The "Mon Incline" is the oldest continuously operating funicular railway in the U.S and opened on May 28, 1870. Since its opening, the Mon Incline has had multiple renovations. In 1935, electrical equipment replaced the original steam engines. The lower station and the incline's two cars were rehabilitated in 1982 and in 1994 the upper station was restored along with many additional upgrades performed to the electrical, motor and braking systems. In September of FY 2016, the incline closed to

riders for 12 weeks so that the two cars could be removed for rehabilitation. The Mon Incline travels a length of 635 feet at 6 miles per hour with a passenger capacity of 23 per car.

Ridership on the Mon Incline is anticipated to increase in FY 2024 compared to actuals from the prior three years. The increase is projected as there continues to be a rebound from pandemic lows with more business moving towards a hybrid work schedule and the desire for people to get back to traveling and enjoying special events throughout the city. FY 2023 ridership was significantly lower compared to prior years due to a 5-month closure for maintenance repairs. As a result, FY 2024 expects to see significant increases in ridership and revenues.

As with the other modes of transportation, expenses for the Mon Incline are also expected to increase. Pittsburgh Regional Transit has budgeted for a 11.3% increase in expenses, primarily due to increases in salaries & wages, fringe benefits, purchased services and Other Expenses costs. Purchased services are driven by the increased outside contracting work for the Incline and its systems. The increase in utilities is due to the additional costs associated with the propulsion of the incline cars.

The financial data, ridership figures, and a graphical illustration for the Inclined Plane Mode can be found on the following pages.

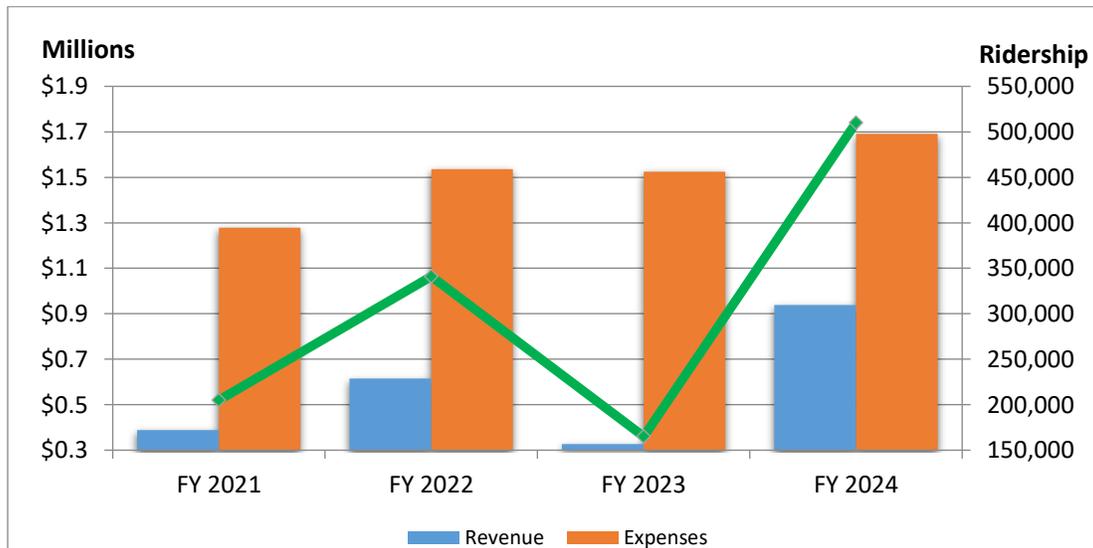
# INCLINED PLANE MODE

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Actual</u>	2024 <u>Budget</u>	FY24 <u>Inc/Dec</u>
<b><u>RIDERSHIP</u></b>					
Non-Seniors	195,000	327,000	156,000	489,000	
Seniors	10,000	14,000	9,000	21,000	
<b>Total Ridership</b>	<b>205,000</b>	<b>341,000</b>	<b>165,000</b>	<b>510,000</b>	209.1%

	2021 <u>Actual</u>	2022 <u>Actual</u>	2023 <u>Actual</u>	2024 <u>Budget</u>	FY24 <u>Inc/Dec</u>
<b><u>REVENUES</u></b>					
Passenger Revenue	\$ 312,000	\$ 531,000	\$ 248,000	\$ 801,000	
Sr Cit Reimbursement	0	0	0	0	
Other	26,000	34,000	29,000	87,000	
<b>Total Revenue</b>	<b>\$ 338,000</b>	<b>\$ 565,000</b>	<b>\$ 277,000</b>	<b>\$ 888,000</b>	220.6%

<b><u>EXPENSES</u></b>					
Salaries & Wages	\$ 609,000	\$ 733,000	\$ 686,000	\$ 720,000	
Fringe Benefits	535,000	671,000	602,000	670,000	
Materials & Supplies	31,000	18,000	46,000	51,000	
Prov for Inj & Damages	1,000	2,000	2,000	4,000	
Purchased Services	13,000	24,000	93,000	137,000	
Utilities	28,000	28,000	30,000	38,000	
Other Expenses	12,000	10,000	15,000	21,000	
<b>Total Expense</b>	<b>\$ 1,229,000</b>	<b>\$ 1,486,000</b>	<b>\$ 1,474,000</b>	<b>\$ 1,641,000</b>	11.3%

Chart 30



## ACCESS Mode

The ACCESS Program provides door-to-door service at reduced fares for older persons and those with disabilities in Allegheny County. This program is operated by Transdev, a management firm engaged by Pittsburgh Regional Transit. The actual transportation is provided by a combination of commercial carriers and non-profit community agencies under contract to Transdev.

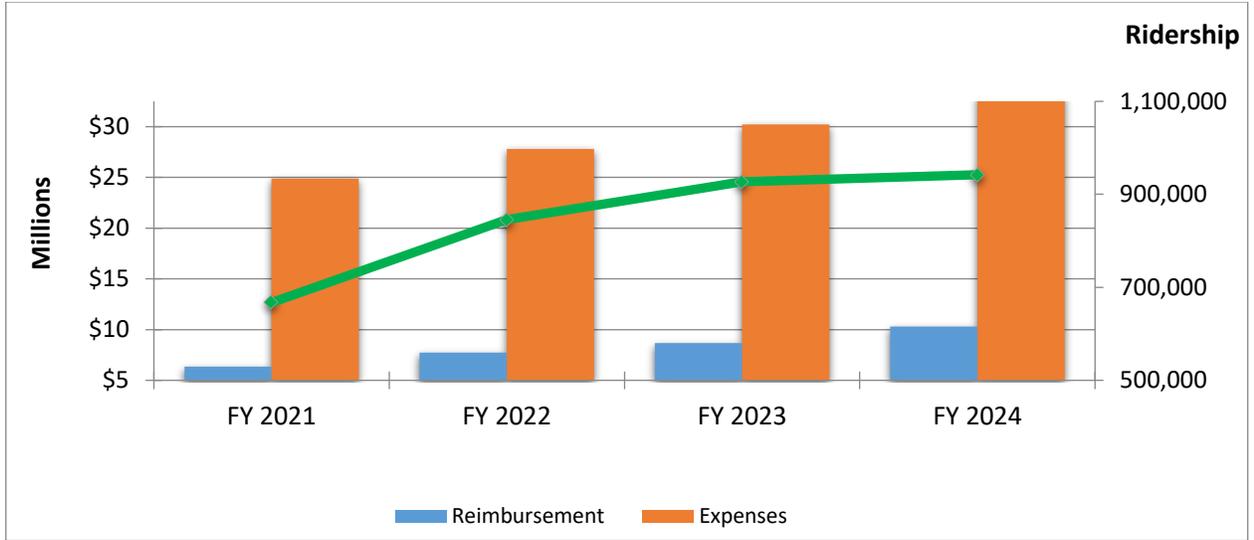
Since ACCESS is a contracted carrier for PRT, only \$33 million of expenses is expected to pass through PRT's budget. Likewise, only \$10.3 million is reimbursed to Pittsburgh Regional Transit from the Commonwealth's Senior Citizen Fare Assistance Program for ACCESS senior ridership.

In FY 2024, ACCESS ridership is projected to increase compared to FY 2023 figures. The financial data and ridership figures, along with a graphical illustration of revenues and expenses pertaining to the ACCESS mode can be found below.

## **ACCESS MODE**

	<u>FY 2021 Actual</u>	<u>FY 2022 Actual</u>	<u>FY 2023 Actual</u>	<u>FY 2024 Budget</u>	<u>FY24 Inc/Dec</u>
<b><u>RIDERSHIP</u></b>					
Sr. Citizen Passengers	292,963	360,895	404,921	409,129	
Other Originating Pass.	374,138	484,970	521,830	533,027	
<b>Total Ridership</b>	<u>667,101</u>	<u>845,865</u>	<u>926,751</u>	<u>942,156</u>	1.7%
<b><u>REIMBURSEMENTS</u></b>					
ACCESS Prgm Reimbursement	\$ 6,339,000	\$ 7,721,000	\$ 8,660,000	\$ 10,300,000	18.9%
<b><u>EXPENSES</u></b>					
ACCESS Prgm Expense	\$ 24,879,000	\$ 27,807,000	\$ 30,227,000	\$ 33,125,000	9.6%

Chart 31



# Pittsburgh Regional Transit

## Physical Plant

FY 2023

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### **Administrative Headquarters**

Heinz 57 Center  
345 Sixth Avenue  
Pittsburgh, Pennsylvania 15222-2527

Administrative Offices occupy the third and fifth floors and house the Operations and Technical Support, Human Resources, Finance, Planning and Development, and Legal and Corporate Services Divisions and the Office of the Chief Executive Officer.

A portion of the first-floor houses Customer Service personnel and the store front Service Center, which is accessible from 623 Smithfield Street.

### **Operating Divisions**

Operating Divisions are located within Allegheny County and supply transit service to the County, the City of Pittsburgh and minor portions of Beaver and Westmoreland Counties. Each division is staffed by a Director of Service Delivery, an Assistant to the Director, a Manager and Assistant Manager of Maintenance, and a secretary. First line supervisors at the division level include dispatchers, instructors, maintenance foremen, and route foremen. Levels of hourly maintenance employees and operators vary depending upon the size of the division and service area.

### **Ross Division**

The Ross Division opened in March of 1968 and services areas to the North and East of Allegheny County.

### **Collier Division**

The Collier Division opened in June of 1969 and services areas to the South and West of the County.

### **East Liberty Division**

The East Liberty Division opened in July of 1972 and is located on the Martin Luther King, Jr. East Busway. It is the largest of the Port Authority divisions.

### **West Mifflin**

The West Mifflin Division opened in November of 1969 and is the second largest division at the Port Authority.

## Manchester

The Main Shop is located at Manchester and is comprised of eight shop sections where heavy bus maintenance work and signage is performed for the system. Shop Sections include the following: Engine Overhaul, Electrical Units, Sign Shop, Transmission Overhaul, Body and Paint, Upholstery Shop, Miscellaneous Units, and Vehicle Overhaul.

## South Hills Village Rail Center

The Rail Center houses all rail transportation and heavy and running repair maintenance services for the Light Rail vehicles. It opened in April of 1984.

## South Hills Junction

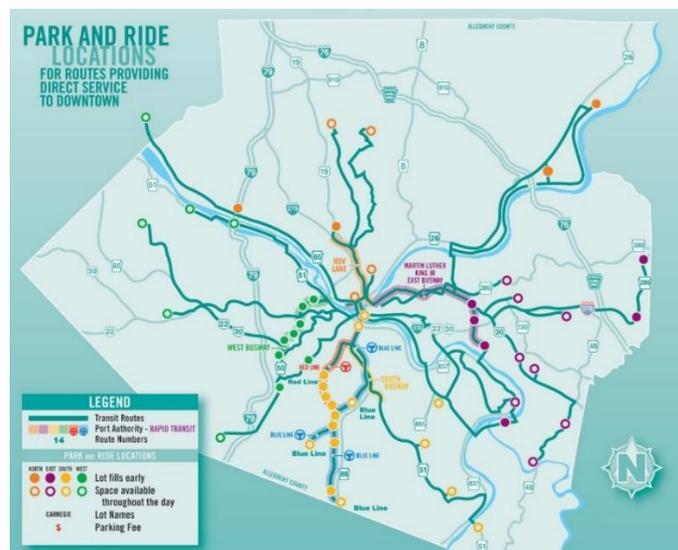
The Junction is comprised of five buildings which house the Non-Revenue Vehicles, Facilities, LRT Systems and Power, and the Way Departments. These departments are responsible for maintaining the fixed assets of Port Authority: fixed guideways (rail, incline, busways), power and signaling operation, and non-revenue vehicle maintenance. Port Authority also owns and maintains an extensive network of transit properties and right of ways throughout Allegheny County.

## Busways

1. South Busway, 4.3 miles
2. Martin Luther King, Jr. -- East Busway, 9.1 miles
3. West Busway, 5.0 miles

## Park and Ride Lots

Lots are located throughout Allegheny County with many locations along busways and T lines. We offer 53 lots with over 13,000 spaces.





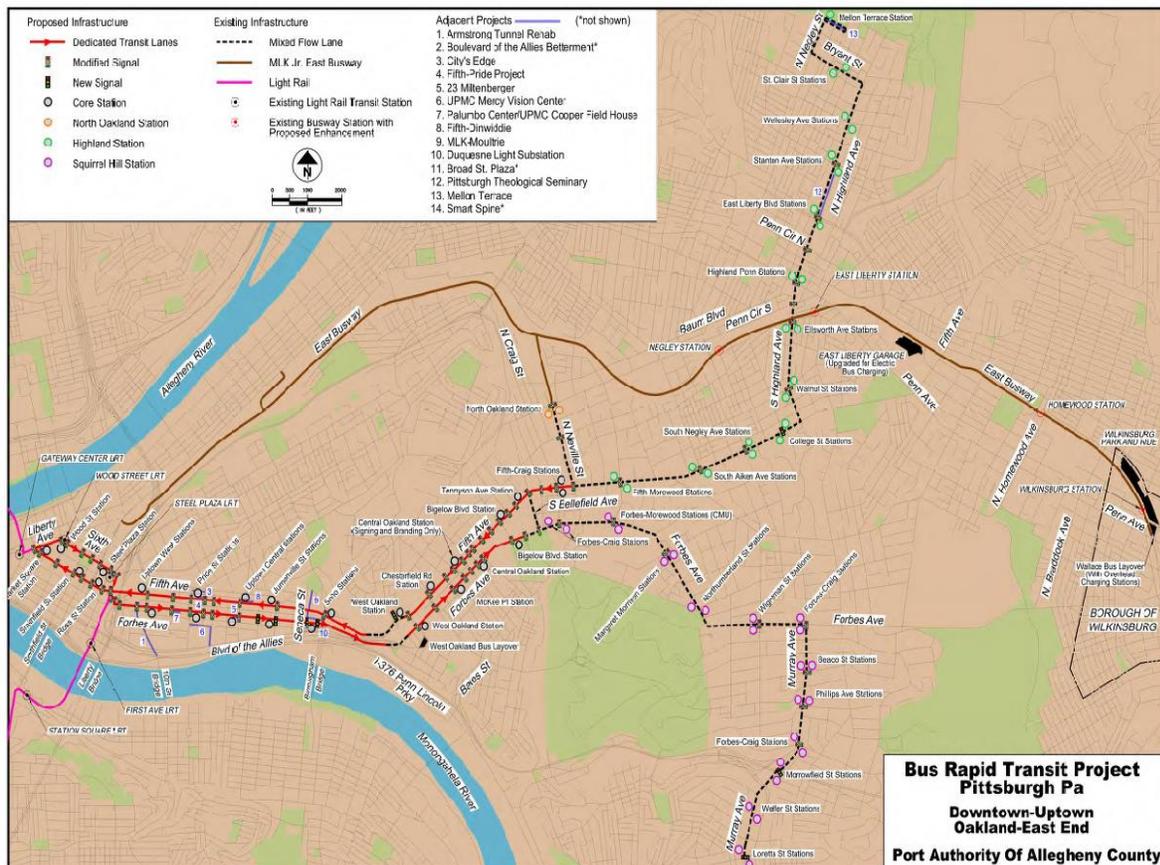
## Bus Rapid Transit (BRT)

Allegheny County, the City of Pittsburgh, Pittsburgh Regional Transit, and the Urban Redevelopment Authority of Pittsburgh have proposed a Bus Rapid Transit (BRT) system that connects Downtown Pittsburgh with Uptown, Oakland, and East End communities.

Bus Rapid Transit (BRT) is a high-quality bus-based transit system that delivers fast, comfortable, and cost-effective services via dedicated lanes and fast and frequent operations.

While BRT often looks different in each area it's implemented, it generally contains features similar to a light rail or metro system and is therefore more reliable, convenient, and faster than regular bus services. With the right features, BRT is able to avoid the causes of delay that typically slow regular bus services, like being stuck in traffic and queuing to pay on board.

The Downtown-Uptown-Oakland- East End Bus Rapid Transit (BRT) Project will provide a vital east-west connection between downtown Pittsburgh and the Uptown, Oakland, and East End neighborhoods. The project includes changes to both physical infrastructure and transit operations along the Downtown-Uptown-Oakland portion of the corridor (the "BRT Core") along with changes to transit operations in the East End portion of the corridor – Highland Park, Squirrel Hill, and the East Busway.



**ACCESS Program** – A program that provides subsidized door-to-door, advanced reservation transportation services for the elderly and handicapped residents of Allegheny County. This is the Port Authority’s demand response service.

**Balanced Budget** – A budget in which expected revenues equal expected expenses during a fiscal year. It is required that the Port Authority’s Board of Directors adopt a balanced budget before the beginning of the fiscal year.

**Base Fare** – Cash fare that is charged to an adult for regular local transit service.

**Budget** – An estimate, often itemized, of expected income and expenses for a given period of time.

**Bus** – A transit mode comprised of rubber-tired passenger vehicles operating on fixed routes and schedules over roadways.

**Capital Improvement Program** – A financial plan for the allocation of Capital Project funds necessary to acquire, improve, or maintain the Port Authority’s fixed assets.

**Debt Service** – The payment of interest on and the repayment of principal on long term borrowed funds according to a predetermined payment schedule.

**Deficit** – The amount by which revenues fall short of expenses during a given period.

**Demand Response** – A transit mode comprised of passenger cars, vans or small buses operating in response to calls from passengers or their agents to the transit operator, who then dispatches a vehicle to pick up the passengers and transport them to their destinations. Vehicles do not operate over a fixed route or on a fixed schedule except, perhaps, on a temporary basis. Typically, the vehicle may be dispatched to pick up several passengers at different pick-up points before taking them to their destinations. This is the Port Authority’s ACCESS program.

**Farebox Revenue** – Revenues obtained from passengers and other fare subsidies. Also referred to as Passenger Revenue.

**Fiscal Year** – The Port Authority’s fiscal year runs from July 1 through June 30.

**Fixed Guideway** – A public transportation facility using and occupying a separate right-of-way or rail for the exclusive use of public transportation vehicles.

**Fixed Route** – An established route where transit vehicles stop to pick up and deliver passengers to specific locations following a repetitive, fixed schedule.

**Funicular Railway** – A cable railway ascending a steep slope, one in which an ascending car counterbalances a descending car. Also known as an Inclined Plane.

**Incline** – A fixed facility that is comprised of two (2) vehicles operating in opposite directions on angled, parallel tracks.

**Inclined Plane** – A transit mode that is a railway operating over exclusive right-of-way on steep grades with powerless vehicles propelled by moving cables attached to the vehicles and powered by engines or motors at a central location not onboard the vehicle.

**Light Rail** – A transit mode that typically is an electric railway with a light volume traffic capacity compared to heavy rail. It is characterized by passenger rail cars operating individually or in short, usually two car trains on fixed rails in shared or exclusive right-of-way; low or high platform loading; and vehicle power drawn from an overhead electric line via a trolley or a pantograph.

**North Shore Connector** -- The 1.2-mile extension of Port Authority's Light Rail Transit System of which the centerpiece is a tunnel underneath the Allegheny River.

**Operating Budget** – Combines the financial plan for the allocation of projected revenues and expenses consumed in the daily operations of the transit system and specific programs to support achievement of the Port Authority's mission statement.

**Paratransit** – Types of passenger transportation which are more flexible than conventional fixed-route transit but more structured than the use of private automobiles. Paratransit includes demand response transportation services, shared-ride taxis, car-pooling and vanpooling, and jitney services. Most often refers to wheelchair-accessible, demand response service. This is the Port Authority's ACCESS Program.

**Passenger Revenues** – Revenues consisting of farebox collections, ticket sales, school permits and pass sales, weekend fare receipts, weekly permit sales, monthly pass sales, and special event fare receipts.

**Ridership** – Each passenger counted each time that person boards a Port Authority vehicle

**Subsidy** – Funds received from another source that are used to cover the cost of a service or program that is not self-supporting.

**Vehicle Improvement Program** – The terminology used by the Port Authority for rehabilitation of its revenue vehicle fleet.

