

**Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit**

Single Audit

June 30, 2025

MaherDuessel

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PORT AUTHORITY OF ALLEGHENY COUNTY D/B/A PITTSBURGH REGIONAL TRANSIT

YEARS ENDED JUNE 30, 2025 AND 2024

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Independent Auditor's Report

**Board of Directors
Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Port Authority of Allegheny County d/b/a Pittsburgh Regional Transit (PRT), a component unit of Allegheny County, as of and for the years ended June 30, 2025 and 2024, the aggregate remaining fund information as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise PRT's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities as of June 30, 2025 and 2024, the aggregate remaining fund information as of December 31, 2024 and 2023, and the changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PRT and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PRT's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PRT's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PRT's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the PRT's basic financial statements. The supplementary information listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2026 on our consideration of PRT's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PRT's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PRT's internal control over financial reporting and compliance.

Maher Duessel

Pittsburgh, Pennsylvania
January 30, 2026

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

The following management's discussion and analysis of the financial performance and activity of the Port Authority of Allegheny County (d.b.a. Pittsburgh Regional Transit, PRT) is intended to provide an introduction to and an overview and analysis of the basic financial statements of PRT for the years ended June 30, 2025 (Fiscal Year 2025) and June 30, 2024 (Fiscal Year 2024). The management of PRT has prepared this discussion, and it should be read in conjunction with the financial statements and the notes which follow this section.

PRT was established in January 1958 pursuant to the Enabling Act. PRT began transit operations on March 1, 1964, with the consolidation of 33 private transit carriers, including the Pittsburgh Railways Company and 32 other bus and inclined plane companies. PRT was formed for the purpose of, among other things, planning, acquiring, holding, constructing, improving, maintaining and operating a comprehensive public transportation system within Allegheny County, which includes the City of Pittsburgh, and outside of Allegheny County to the extent necessary for an integrated system.

HIGHLIGHTS

- Over fiscal years 2020-2025, PRT utilized approximately \$502.5 million in CARES Act, ARPA and CRRSAA Funding to mitigate the impact of lower Passenger Revenues due to the COVID-19 Pandemic.
- PRT had approximately \$10.2 million remaining in Federal Stimulus funds at fiscal year-end 2024. This remaining federal stimulus was invoiced in fiscal year 2025 to support operations and partially offset continued lower Passenger Revenues.
- PRT took many steps to ensure the safety of both its employees and customers during the COVID-19 Pandemic. These steps were instrumental in keeping critical service functioning during the height of the emergency. In many cases, PRT's service was the sole source of transportation for its customers in creating a livelihood, obtaining groceries and attending medical appointments. Despite lower ridership levels, PRT is still the only viable method of transportation for many throughout the region.
- The pandemic created profound nation-wide changes in how people conduct their daily lives and more specifically where they work. The move to hybrid work patterns has impacted PRT's weekday ridership levels. PRT continues to focus on re-building its customer base to hopefully one day approach pre-pandemic ridership levels. PRT fully implemented two discount pass programs in fiscal year 2025 that will broaden rider appeal. The first is in collaboration with the Allegheny County Department of Human Services for low-income residents as well as a universal pass program titled PRTner Pass that is for residential multi-family unit owners with 10 or more units, secondary and post-secondary schools not eligible for PRT's U-Pass program and employers with 10 or more employees.
- Total Passenger Revenues were up approximately 1.2% to \$57.8 million in fiscal year 2025 from \$57.1 million in fiscal year 2024. The Passenger Revenue category of Contracted Services with local universities was responsible for this increase. The revenue increase was primarily related to a fare increase in this program during the fiscal year. Total Passenger Revenues are still \$11.5 million lower than the fiscal year 2020 total of \$69.3 million. Ridership was down slightly from fiscal year 2024 levels by -1.67%.

- PRT was a recipient of \$216.9 million of American Rescue Plan Act (ARPA) funding to also assist in mitigating the pandemic's financial impact on PRT. In fiscal year 2022, PRT utilized \$58.6 million, and in fiscal year 2023 another \$155.6 million and another \$2.7 million in fiscal year 2024 to support daily operations.
- Finally, PRT was a recipient of \$143.8 million in Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). In fiscal year 2024, \$133.6 million in CRRSAA was invoiced in order to support PRT operations due to reduced ridership and passenger revenue. In fiscal year 2025, PRT invoiced the remaining \$10.2 million of CRRSAA funding.
- In November 2013, the Pennsylvania State legislature passed the Act 89 Transportation Funding package, which provided additional funding for statewide transportation projects including roads, bridges, and public transportation. Preliminary estimates were that in five years the legislation had the potential to provide \$2.3 billion annually in additional transportation funding, of which public transit agencies would receive almost \$500 million statewide.
- Preliminary projections provided by the Pennsylvania Department of Transportation (PennDOT) were that by the fifth year of legislation, PRT should receive approximately \$80 million annually in additional capital funding and almost \$50 million in additional operating revenue. Actual additional State capital and operating funding has trended below initial estimates but has remained well above historical levels.
- A portion of this increased funding had been supported via the Pennsylvania Turnpike Bonding \$450 million annually with the proceeds being transferred to PennDOT. In fiscal year 2023, the Pennsylvania Turnpike payment has been reduced to \$50 million annually. The State's 2023 Budget includes a transition in transit funding with up to \$450 million originating from the Commonwealth's Motor Vehicle Fund. This change will benefit PRT in the future as there is an urgent need to replace the light rail vehicle (LRV) fleet. A LRV Replacement Committee has been established to begin the procurement process of these vehicles. PRT is investigating a number of options to pay for these vehicles from applying for federal grants to exploring both Transportation Infrastructure Finance and Infrastructure Act (TIFIA) financing as well as traditional bond financing. It is anticipated that bid documents will be advertised in the fourth quarter of fiscal year 2026.
- PRT continued to work with State and Local stakeholders to address the fiscal cliff faced by many transit agencies across the Commonwealth and country. Act 44 State Operating Assistance in fiscal year 2025 increased to \$291.4 million from \$280.4 million in fiscal year 2024. Local match requirements of 15% on the additional Commonwealth funding were met through a combination of local Drink Tax Revenue and Regional Asset District (RAD) revenue in fiscal year 2025.
- PRT continues to work with Commonwealth leadership on a long-term funding solution for fiscal year 2026 and beyond. The Governor's office in conjunction with the State legislature developed a short-term resolution whereby Commonwealth transit agencies can use a portion of unspent capital funds to support operations for a two-year period. This short-term funding plan will move \$106.5 million in capital funding to the operating budget and support current service levels in fiscal year 2026 and fiscal year 2027.
- PRT ended fiscal year 2025 with a \$11.5 million operating deficit. Per PennDOT's adopted regulations, PRT is required to report balanced revenues and expenses on its Income Statement. At the end of fiscal

year 2024, PRT had \$411.4 million in deferred revenue to support future operations. The fiscal year operating deficit in fiscal year 2025 reduces PRT's deferred revenue total to \$399.9 million. These deferred revenues will continue to act as a buffer against prolonged revenue losses from the pandemic as well as necessary cash to ensure operational continuity. PRT's Board of Directors has adopted a resolution that the organization should have reserves equivalent to one month's Operating Budget Expense.

- On the input and insights from numerous public meetings, PRT has published NEXTransit which is a 25-year long-range plan of improvements and growth priorities for the organization. NEXTransit was adopted by PRT's Board of Directors in early fiscal year 2022. The Plan will take on greater importance as PRT responds to the long-term impacts of the pandemic.
- One recommendation of the NEXTransit Plan was to complete a service re-design project that would incorporate transit demand changes in the post-pandemic environment. This is PRT's first service re-design since 2009 and the first comprehensive re-design ever. The process of gathering public input on the service re-design was begun in fiscal year 2024 with various public engagement events. Work continues on the service re-design and funding challenges could impact to what extent recommended changes are ultimately incorporated into daily service schedules.
- In addition to the NEXTransit Plan, PRT's Board of Directors adopted a strategic plan in early fiscal year 2023. The plan incorporated both new vision and mission statements as well as established organizational values of collaboration, safety, customer service, equity, flexibility and integrity. At the end of fiscal year 2025, PRT released a refreshed strategic plan covering fiscal year 2026 to fiscal year 2031. This plan acknowledges the ever changing landscape of public transportation and re-prioritizes certain organizational goals.
- The refreshed strategic plan established key focus areas of financial sustainability, implement operational efficiencies, grow ridership, improve service quality, be a good neighbor and support our workforce. The strategic plan is a living document that will continue to be refreshed based on new opportunities and challenges faced by the organization.
- In fiscal year 2025, PRT's senior team and strategic planning unit continued to work with internal divisional ambassadors tasked with conveying the plan's linkage to an employee's workday. The ambassadors along with PRT employees are responsible for implementing objectives and strategies that will permit the organization to attain its focus areas.
- Finally, PRT wound down construction on phase I of its Bus Rapid Transit (BRT) project that will improve mobility between Downtown Pittsburgh and the Oakland business district which is home to major universities and medical centers. Construction on Phase II of the project is expected to begin in fiscal year 2026.
- PRT continues to conduct broad discussions with State and Local leaders on developing a permanent, long-term financial solution to sustain operations beyond fiscal year 2027.

BASIC FINANCIAL STATEMENTS

PRT's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) that apply to U.S. governmental units. PRT uses the accrual basis of accounting, whereby revenues

are recorded when earned and expenses are recorded when incurred. Since PRT is comprised of a single enterprise fund, no individual fund level financial statements are presented.

The following financial statements, along with the “Notes to Financial Statements,” serve as the basis for the analysis and understanding of PRT’s financial position:

- ◆ **Statements of Net Position** - These financial statements summarize PRT’s capital structure as to whether company assets were financed with equity or by incurring a liability. Net position increases when revenues exceed expenses. Increases in assets without a corresponding increase in liabilities generally indicate an improved financial condition.
- ◆ **Statements of Revenues, Expenses, and Changes in Net Position** - These financial statements provide information on the net income generated from PRT’s continuing operations. Operating Expenses are subtracted from Operating Revenues to determine an Operating Gain or Loss. Non-Operating Revenues that are defined as significant recurring federal, state and local grants are added to the Operating Gain or Loss in order to calculate Gain or Loss Before Capital Grant Funding. The Capital Grant Funding is added to the Gain or Loss Before Capital Grant Funding that results in the Change in Net Position. The Change in Net Position is added to the Total Net Position from the end of the previous fiscal year. This summation results in the Total Net Position for the current fiscal year.
- ◆ **Statements of Cash Flows** - The statements of cash flows detail the cash flows generated by PRT’s operations, non-capital financing, capital and related financing activities and Investing Activities. These statements incorporate a direct approach by adding fiscal year 2025 changes in cash flows from operating activities, non-capital financing activities, capital and related financing activities, and investing activities to the fiscal year-end 2024 cash balance.

PRT’S FINANCIAL CONDITION

The *Statements of Net Position* and the *Statements of Revenues, Expenses, and Changes in Net Position* report information about PRT as a whole and detail changes in PRT’s financial position. These statements include all assets and liabilities using the accrual basis of accounting. An increase or decrease in PRT’s net position is one indicator of whether its financial health has improved or deteriorated over time. Other less tangible factors, such as the age of the revenue vehicle fleet, ridership trends, new service initiatives, health of the local economy, labor union contractual issues, significant capital projects, and the level of inter-governmental financial support, all combine to influence the current and future financial health of the organization.

Public transit service is provided with the assistance of Federal, State and County operating subsidies and grants which are categorized as non-operating revenues on the *Statements of Revenues, Expenses, and Changes in Net Position*. Operating expenses are subtracted from Operating Revenues in order to determine PRT’s operating surplus or loss. Non-Operating Revenues (Expenses) are added to the Operating Loss. This financial result is entitled Loss Before Capital Grant Funding on the *Statement of Revenues, Expenses and Changes in Net Position*.

In fiscal year 2025, PRT completed the fiscal year with net operating expenses exceeding revenues before capital grant funding by \$57.8 million. Adjusting for the effect of the non-cash items such as depreciation and OPEB and pension obligation and lease adjustments, PRT’s *Net Revenues over Expenses before Capital Grant Funding* are balanced. In July 2012, PennDOT adopted new regulations on grant revenue recognition requiring all fixed route public transit agencies to report balanced operating result, i.e., no surplus or deficit

of funds after the use of operating grant funds, at the end of each fiscal year and to do so by classifying any surplus as unearned grant revenue and any deficit as a reduction in unearned grant revenue. PRT's operating deficit of \$11.5 million reduced Deferred State Operating Assistance in Deferred Credits and increased Commonwealth of Pennsylvania Act 44 grant revenue to meet required regulations for surpluses and deficits. Once capital items are accounted for, net position increased by \$122.8 million in fiscal year 2025.

PRT AS TRUSTEE

PRT is a trustee of the PRT Retirement and Disability Allowance Plan for Employees Represented by Local 29 of the International Brotherhood of Electrical Workers and the PRT Retirement and Disability Allowance Plan for Employees Not Represented by a Union. In addition, the PRT serves as a joint trustee with the Amalgamated Transit Union (ATU) Local #85 on the PRT Retirement and Disability Plan for Employees Represented by Local 85 of the Amalgamated Transit Union. Although not subject to the Employee Retirement Income Security Act (ERISA), PRT follows its guidelines and has separate, external audits of these plans conducted.

PRT adopted GASB Statement No. 84, "*Fiduciary Activities*," for the fiscal year ended June 30, 2021. The adoption of this statement added the inclusion of the Statements of Plan Net Position and Statements of Changes in Plan Net Position of the Pension Trust Funds for the plans noted above, as well as applicable financial statement disclosure.

STATEMENTS OF NET POSITION

PRT's total assets in fiscal year 2025 increased by \$49.8 million from the prior year, from \$1.853 billion in fiscal year 2024 to \$1.903 billion in fiscal year 2025. Total current assets decreased by \$26.1 million or -5.0%, from \$515.3 million in fiscal year 2024 to \$489.2 million in fiscal year 2025. Total non-current assets during the same period increased by \$75.9 million. Below are explanations of significant changes in various current and non-current asset classifications.

Current Assets

Cash and cash equivalents: PRT's ending cash and cash equivalents balance was \$395.1 million, a decrease of \$13.7 million or 3.3% compared to fiscal year 2024. The majority of this decrease was due to the use of deferred operating assistance.

Capital grants receivable: Capital grants receivable decreased by \$22.8 million or 39%, from \$57.8 million in fiscal year 2024 to \$34.9 million in fiscal year 2025, due principally to a decrease in federal capital accounts receivables and PennDOT account receivables.

Other receivables: Other receivables increased \$8.7 million or 32.9%, from \$26.4 million in fiscal year 2024 to \$35.1 million in fiscal year 2025 due to an increase in accounts receivables due to the operating budget from the capital budget. This increase is due to an increase in capital project payments that are funded by Commonwealth resources with longer reimbursement times.

Non-Current Assets

PRT's major operating facilities include four bus garages, a rail center, a complex housing the Power and Way Departments, the Manchester Administrative Center and General Shops building, South Hills Village Parking Garage, fixed guideways such as the 9.1 mile Martin Luther King, Jr. East Busway, 4.3-mile South Busway, 5.0-mile West Busway, 25.4 miles of Light Rail Transit (LRT) infrastructure, the Monongahela

Incline, and other various structures that are situated throughout Allegheny County. Service reductions in March 2011 resulted in the closure of the Harmar Garage, dividing operations among the remaining four garages. PRT continues to own the Harmar facility and is using it for storage and training purposes. In total, non-current assets in fiscal year 2025 increased by \$75.9 million from fiscal year 2024 values.

Restricted assets for capital additions and related debt: In fiscal year 2025, restricted assets for capital additions and related debt increased by \$7.4 million or 65.5% compared to fiscal year 2024 due to an increase in the Deferred Capital Project Fund.

Reserve fund: During fiscal year 2017, PRT adopted a resolution to implement and maintain an operating reserve fund. Approximately \$47.7 million, or one month of PRT's operating expenses based on the Fiscal Year 2026 budget was transferred into the fund.

Capital assets, net of accumulated depreciation: In fiscal year 2025, Capital assets, net of accumulated depreciation increased by \$65.7 million or 5.1% compared to fiscal year 2024 due to an increase in the asset accounts of buses, infrastructure and buildings.

Current Liabilities

Current liabilities include accounts payable; accrued compensation, benefits, and withholdings; unearned revenue; reserves for claims and settlements; current portion of bonds payable; current portion of lease payable and other current liabilities.

In fiscal year 2025, total current liabilities decreased by \$15.2 million or -2.7% over fiscal year 2024 levels due to use of deferred state operating assistance.

Non-Current Liabilities

PRT's non-current liabilities include long-term debt obligations, lease payable, reserves for claims and settlements, net pension liability, and OPEB liability. At year-end, net bonds payable totaled \$76.9 million, a decline of \$17.5 million over fiscal year 2024. For fiscal year 2025, the OPEB liability decreased by \$16.3 million from \$411.9 million in fiscal year 2024 to \$395.7 million in fiscal year 2025. For fiscal year 2025, the pension liability decreased by \$41.4 million from \$357.1 million in fiscal year 2024 to \$315.7 million in fiscal year 2025 due to positive market returns in calendar year 2024. In fiscal year 2025, total non-current liabilities decreased by \$77.0 million over fiscal year 2024. The majority of this decrease in non-current liabilities is attributable to the net change in the net pension and OPEB liabilities and Bonds Payable.

Net Position

PRT's Net Position increased by \$122.8 million from \$414.3 million to \$537.1 million.

FINANCIAL COMPARISON: FISCAL YEAR 2025 OVER FISCAL YEAR 2024

The following discussion measures the financial performance of PRT by comparing the actual revenues, expenses, and changes in net position. This section comments on revenue and expense categories that exhibited significant dollar variances between fiscal year 2025 and fiscal year 2024.

Revenues

Total operating revenues in fiscal year 2025 increased by \$854,292 or 1.2% compared to fiscal year 2024. A \$694,697 increase in Passenger Fares was the primary driver in this increase in total operating revenues.

In fiscal year 2025, Passenger Fares supported 11.4% of PRT's Total Operating Expense, excluding OPEB, Depreciation expense and the accounting entry for pension expense.

PRT contracts with Transdev Services Inc., a privately-owned transportation company, for professional services to coordinate door-to-door, demand-response transportation service for elderly and handicapped citizens. The Commonwealth of Pennsylvania reimburses PRT for the costs incurred in providing the Shared Ride program, which is available to persons over 65 years of age. ACCESS Shared Ride revenues in fiscal year 2025 decreased by \$124,569 when compared to fiscal year 2024 due to lower Shared Ride ridership.

As indicated in the *PRT Ridership Statistics* below, total ridership in fiscal year 2025 decreased slightly by negative 1.67% compared to fiscal year 2024 due to continued hybrid work schedules of employers. A few sub-categories of ridership increased in fiscal year 2025. Contract Services ridership which represents riders from local universities participating in a U-Pass program increased by 1.75% year-over-year as PRT continued to add new universities to the program. Senior ridership increased by 144,016 rides in fiscal year 2025 or a 3.95%. Ridership on ACCESS in fiscal year 2025 increased by -8.27% compared to fiscal year 2024. A combination of Ridership within the Downtown Free-Zone for the light rail mode and a recategorization of the differential between Automatic Passenger Counters (APC) and farebox rides caused a 321.9% increase in free rides. Transfers decreased by -9.29% vs. fiscal year 2024.

PRT Ridership Statistics

	FY2025	FY2024	Percent +/(-)
Originating	20,452,416	24,970,905	-18.10%
Transfers	873,981	963,453	-9.29%
Contracted Services	6,290,614	6,182,510	1.75%
Seniors	3,786,087	3,642,071	3.95%
ACCESS	867,197	945,351	-8.27%
Free Ridership	4,946,166	1,172,224	321.9%
	37,243,400	37,876,514	-1.67%

Expenses

Total Operating Expenses increased from \$526.2 million in fiscal year 2024 to \$565.1 million in fiscal year 2025. The increase in expenses were driven primarily by a \$28.3 million increase in pension expense. Excluding pension, OPEB and Depreciation expenses; Operating Expenses increased \$2.7 million or roughly .005% compared to fiscal year 2024.

Salary and Wages increased by \$9.8 million or 5.1% due to contractual wage increases, increased personnel levels and additional salary-related merit. Total employee fringe benefits in fiscal year 2025, excluding Pension and OPEB adjusting entries, decreased \$13.7 million compared to fiscal year 2024. This decrease was primarily due to a one-time reduction in pension expense.

Services increased by \$2.6 million from fiscal year 2024 levels predominantly due to increases in Work-Done-by-Outside Contractors..

Fuel and Lubricants decreased by \$1.9 million primarily due to a decreased in Diesel Fuel expense.

Other Materials and Supplies increased by \$2.2 million due to an increase in Materials, Reconditioned Units.

Utilities Expense increased by \$1.4 million primarily due to increases in natural gas and propulsion power expense. However, all utility expense categories except data communications increased over fiscal year 2024 levels.

Casualty and liability expense increased by \$1.6 million due to an increase in litigated settlements in fiscal year 2025.

Purchased transportation decreased by \$639,135 from fiscal year 2024 levels. This decrease is due to a slight decrease in service demand.

Miscellaneous expense increased by \$1.4 million from fiscal year 2024 levels. This increase was primarily the result of increased expense related to revenue sharing related to PRT's new fare collections system, computer equipment, expense from disposal of buses that were not fully depreciated and other miscellaneous expenses.

Non-Operating Revenues

In total, non-operating revenues in fiscal year 2025 increased \$1.8 million compared to fiscal year 2024. Non-operating revenues originate from a number of sources. The Commonwealth of Pennsylvania provides Act 89 subsidy for operating, which in fiscal year 2025, increased by \$136.6 million or 77.6% from \$176.0 million in fiscal year 2024 to \$312.6 million in fiscal year 2025. This increase is directly related to a PennDOT requirement to report a balanced operating statement and report excess state operating assistance as deferred revenue and the use of \$11.5 million in deferred state operating assistance to account for the operating budget deficit. The operating subsidy from Allegheny County for fiscal year 2025 fully matched 15% of the pre-deferred State Operating Assistance amount. The Regional Asset District (RAD) contributed \$3.0 million of the \$43.7 million in local governments Act 44 matching.

Capital funds used for operating assistance decreased by \$138.2 million or -65.2% from fiscal year 2024. In fiscal year 2024, PRT used higher amounts of federal capital funds in the form of ARPA, and CRRSAA funding in order to support operations of PRT than in fiscal year 2025.

CONDITIONS AFFECTING FUTURE FINANCIAL POSITION

As the Commonwealth's second largest public transportation system, PRT is an essential partner in the southwestern Pennsylvania region's economy, moving 117,000 people each weekday to and from work, school, and entertainment. PRT acknowledges that its services are integral to the lives of many Allegheny County residents. Clearly PRT wishes it could meet every demand for restoration of bus and rail service, but as a practical matter, this will not be financially possible. PRT acknowledges there have been systematic changes in regional travel patterns and is cognizant of the need to match transit demand with its resources.

The Act 89 Commonwealth Transit Funding legislation of 2013 had a provision whereby the annual \$450 million funding contribution from the Pennsylvania Turnpike Commission (PTC) would be reduced to \$50 million beginning in fiscal year 2023 and the Commonwealth's Motor Vehicle Fund would fund the resulting gap. In early 2018, PRT, together with PTC and Allegheny County formed the Southwest Partnership for Mobility (SPM) to address the challenges facing the region's transportation system and the looming impacts of changes to Act 89. The SPM identified two actions that were needed to address the

region's transportation funding challenges. The first of these challenges was to stabilize the public transportation funding structure that was scheduled to transition from PTC funding to the Commonwealth's Motor Vehicle Fund. Beginning in fiscal year 2023, the Commonwealth successfully transitioned public transportation funding from PTC to the Motor Vehicle Fund while increasing State Operating Assistance support in fiscal year 2023. Secondly, the SPM raised awareness of the need to explore locally enacted revenue sources for public transportation services above the status quo.

PRT continues to work with stakeholders at both the state and local levels to discuss remedies for the upcoming "fiscal cliff" that many transit agencies are confronting in both the Commonwealth and nationally. PRT was involved in Commonwealth discussions to permit the one-time use of State Capital funds for Operating purposes. While grateful for this latitude to use unspent State Capital funding to maintain current service, this is only a stop-gap solution that would have a detrimental impact on PRT's Capital Assets in the long-term.

Despite the pandemic, PRT will continue to plan for the future. PRT has completed a twenty-five-year, long-range plan entitled NEXTransit. This plan is the culmination of both community and employee input. A major initiative of NEXTransit was a service redesign project that been begun. This service re-design will better align PRT's service with the realities of the post-pandemic world.

In addition, PRT has adopted a Strategic Plan with a new company mission and vision that will cover fiscal year 2023 to fiscal year 2028. The Strategic Plan is predicated on the strategic goals of Accountability, Customer Experience, and Organizational Resilience. The Strategic Plan that began in fiscal year 2023 was refreshed based on new priorities and funding realities and now has a time horizon into 2031. PRT will also continue to monitor current resource levels to make sure PRT remains on firm financial ground. It will continually monitor the financial impacts of the pandemic on PRT, and try to determine if these are temporary or lasting changes.

PRT continues to explore opportunities such as its recent launched low-income and PRTner Pass programs that extend the reach of PRT services to segments of Allegheny County that haven't utilized public transit or would like to use it more often. PRT will monitor the success of such programs and make alternations if financially feasible.

PRT has also conducted preliminary planning to account for major bus facilities replacements that would provide future operational flexibility as bus technology evolves. These plans can only be realized with strong Commonwealth and Local funding commitments.

PRT's Board of Directors, management, and employees are focused on continuing to fulfill the commitment policymakers made to PRT with the continued State and local funding levels. This focus will be brought to bear to continue to make the case the public transportation is essential for both economic prosperity and the vitality of the region.

GLOSSARY OF TERMS

ACCESS Program – A program that provides subsidized door-to-door, advanced reservation transportation services for the elderly and handicapped residents of Allegheny County. (The PRT's demand-responsive service.)

Balanced Budget – A budget where total Revenues, Grants, and Operating Assistance equals total expenses.

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

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

Fixed Guideway – A separate right-of-way for the exclusive use of public transportation vehicles.

Fixed Route – An established route where transit vehicles follow a schedule over a prescribed route.

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

Light Rail – A type of electric rail transit system that typically operates on dedicated right-of-way or in mixed traffic with other vehicles. Typically involves short distances between stops.

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 PRT's mission statement.

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

Paratransit – Flexible forms of public transportation services that are not provided over a fixed route. (PRT'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 – Number of customers using PRT's transit services.

Vehicle Improvement Program – The terminology used by PRT for rehabilitation of its revenue vehicle fleet.

SOURCE: American Public Transit Association, A Glossary of Transit Terminology, September 1984.

PITTSBURGH REGIONAL TRANSIT

STATEMENTS OF NET POSITION

JUNE 30, 2025 AND 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 395,099,197	\$ 408,826,331
Capital grants receivable	34,945,205	57,752,038
Other receivables	35,146,362	26,435,831
Prepaid expenses	1,468,202	1,734,051
Materials and supplies, net	22,522,361	20,540,310
Total current assets	489,181,327	515,288,561
Non-current assets:		
Restricted and designated assets:		
Restricted assets for capital additions and related debt	18,815,310	11,368,201
Designated for reserve fund	47,684,677	44,938,880
Capital assets, net of accumulated depreciation	1,347,121,738	1,281,371,929
Total non-current assets	1,413,621,725	1,337,679,010
Total Assets	1,902,803,052	1,852,967,571
Deferred Outflows of Resources		
Deferred charge on refunding	2,507,636	3,176,338
Related to pensions	31,707,341	86,321,852
Related to OPEBs	34,214,819	59,410,018
Total Deferred Outflows of Resources	68,429,796	148,908,208
Liabilities		
Current liabilities:		
Accounts payable	29,050,995	31,863,679
Accrued compensation, benefits, and withholdings	24,353,945	25,418,862
Unearned revenue	449,898,870	464,812,143
Reserves for claims and settlements	7,834,350	6,410,227
Current portion of bonds payable	15,300,000	14,575,000
Current portion of lease payable	1,366,237	1,111,382
Current portion of OPEB liability	22,638,238	21,238,604
Other current liabilities	1,099,000	1,341,917
Total current liabilities	551,541,635	566,771,814
Non-current liabilities:		
Bonds payable, net	61,693,964	79,941,688
Lease payable	6,200,627	7,566,864
Reserves for claims and settlements	2,905,718	2,601,503
OPEB liability	395,695,460	411,994,115
Net pension liability	315,717,102	357,128,181
Total non-current liabilities	782,212,871	859,232,351
Total Liabilities	1,333,754,506	1,426,004,165
Deferred Inflows of Resources		
Related to pensions	8,000,423	13,600,733
Related to OPEBs	92,384,217	148,003,760
Total Deferred Inflows of Resources	100,384,640	161,604,493
Net Position		
Net investment in capital assets	1,320,810,092	1,230,759,152
Unrestricted	(783,716,390)	(816,492,031)
Total Net Position	\$ 537,093,702	\$ 414,267,121

See accompanying notes to financial statements.

PITTSBURGH REGIONAL TRANSIT

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Operating Revenues:		
Passenger fares	\$ 57,804,984	\$ 57,110,287
State Shared Ride Program	9,140,742	9,265,311
Advertising	1,835,192	1,634,941
Miscellaneous income	741,166	657,273
Total operating revenues	69,522,084	68,667,812
Operating Expenses:		
Salaries and wages	204,078,282	194,247,928
Fringe benefits	165,199,864	178,880,553
Pension expense, net	7,603,122	(20,676,999)
OPEB expense, net	(45,323,365)	(46,578,007)
Services	23,184,976	20,627,003
Fuel and lubricant	17,655,444	19,550,888
Tires and tubes	2,125,383	2,082,096
Other materials and supplies	33,606,864	31,432,105
Utilities	9,422,017	8,053,854
Casualty and liability	7,423,513	5,872,892
Purchased transportation	30,934,621	31,573,816
Leases and rentals	414,616	512,122
Miscellaneous expense	11,708,780	10,262,052
Depreciation	97,098,919	90,354,566
Total operating expenses	565,133,036	526,194,869
Operating Loss	(495,610,952)	(457,527,057)
Non-Operating Revenues (Expenses):		
Capital funds used for operating assistance:		
Federal government	47,348,666	183,053,410
Commonwealth of Pennsylvania	18,964,156	19,914,467
Local governments	7,169,609	8,739,053
Operating grants:		
Commonwealth of Pennsylvania	312,572,571	175,983,453
Local governments - matching	43,714,916	42,057,406
Total government subsidies for operations	429,769,918	429,747,789
Interest income	10,477,755	8,959,038
Interest expense	(1,912,485)	(2,671,994)
Loss on disposal of capital assets	(474,828)	-
Total non-operating revenues (expenses)	437,860,360	436,034,833
Loss Before Capital Grant Funding	(57,750,592)	(21,492,224)
Capital grant funding:		
Federal	61,213,511	36,689,746
State	113,577,561	141,147,436
Local	5,786,101	4,601,514
Total capital grant funding	180,577,173	182,438,696
Change in Net Position	122,826,581	160,946,472
Total net position - beginning	414,267,121	253,320,649
Total net position - ending	\$ 537,093,702	\$ 414,267,121

See accompanying notes to financial statements.

PITTSBURGH REGIONAL TRANSIT

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Cash Flows From Operating Activities:		
Receipts from customers	\$ 60,091,202	\$ 69,164,510
Payments for goods and services	(136,210,026)	(128,827,416)
Payments to employees	(370,343,063)	(371,453,539)
Net cash provided by (used in) operating activities	(446,461,887)	(431,116,445)
Cash Flows From Non-Capital Financing Activities:		
Operating subsidies	415,576,996	544,340,098
Cash Flows From Capital and Related Financing Activities:		
Capital grants received	203,384,006	190,762,866
Investments in transit operating property	(166,390,293)	(154,573,802)
Payments on bonds payable	(14,575,000)	(13,875,000)
Payments on lease payable	(1,111,382)	(1,057,290)
Interest paid	(4,434,423)	(5,182,265)
Net cash provided by (used in) capital and related financing activities	16,872,908	16,074,509
Cash Flows From Investing Activities:		
Proceeds from (deposits to) restricted/designated assets	(10,192,906)	(2,103,180)
Interest and dividends on investments	10,477,755	8,959,038
Net cash provided by (used in) investing activities	284,849	6,855,858
Net Increase (Decrease) in Cash and Cash Equivalents	(13,727,134)	136,154,020
Cash and Cash Equivalents:		
Beginning of year	408,826,331	272,672,311
End of year	\$ 395,099,197	\$ 408,826,331
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities:		
Operating loss	\$ (495,610,952)	\$ (457,527,057)
Adjustments to reconcile operating loss and depreciation expense to cash and cash equivalents provided by (used in) operating activities:		
Depreciation	97,098,919	90,354,566
Change in assets, liabilities, and deferred outflows and inflows:		
Accounts receivable	(9,430,882)	496,698
Materials and supplies	(1,982,051)	1,645,520
Prepaid expenses and other current assets	265,849	(424,133)
Accounts payable	254,052	(436,477)
Accrued compensation, benefits, and withholdings	(1,064,917)	1,674,942
Reserves for claims and settlements	1,728,338	354,502
OPEB liability and related components	(45,323,365)	(46,578,007)
Net pension liability and related components	7,603,122	(20,676,999)
Total adjustments	49,149,065	26,410,612
Net cash provided by (used in) operating activities	\$ (446,461,887)	\$ (431,116,445)

See accompanying notes to financial statements.

PITTSBURGH REGIONAL TRANSIT

STATEMENTS OF PLAN NET POSITION PENSION TRUST FUNDS

DECEMBER 31, 2024 AND 2023

	2024	2023
Assets		
Receivables:		
Plan members	\$ 1,418,725	\$ 1,360,384
Employer	3,987,827	6,572,099
Proceeds from asset sales	2,126	2,799,404
Interest and dividends	1,812,290	1,734,044
Total receivables	7,220,968	12,465,931
Investments:		
Cash and cash equivalents	40,162	46,035
U.S. government securities	96,655,787	88,223,398
Money market	40,743,094	29,933,918
Corporate debt securities	90,418,950	86,162,346
Common stock	297,908,121	283,819,785
Common/collective trusts	190,910,506	165,945,717
Registered investment companies	194,509,002	187,078,049
Partnership/joint venture interest	91,944,919	91,874,569
Pooled separate accounts - real estate	4,392,621	4,994,907
Municipal issues	4,493,184	4,152,092
Other	22,503,278	20,833,054
Total investments	1,034,519,624	963,063,870
Total Assets	\$ 1,041,740,592	\$ 975,529,801
Liabilities and Net Position		
Liabilities:		
Accrued investment and administrative expense	\$ 915,812	\$ 864,741
Investment securities purchased	85,887	183,472
Employer contributions received in advance	136,576	120,285
Total Liabilities	1,138,275	1,168,498
Net Position:		
Restricted for pension benefits	1,040,602,317	974,361,303
Total Liabilities Net Position	\$ 1,041,740,592	\$ 975,529,801

See accompanying notes to financial statements.

PITTSBURGH REGIONAL TRANSIT

STATEMENTS OF CHANGES IN PLAN NET POSITION PENSION TRUST FUNDS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Additions:		
Contributions:		
Plan members	\$ 17,884,112	\$ 17,383,345
Employer reimbursement for healthcare expenses	4,447,850	4,129,692
Employer - actuarially recommended	33,721,472	46,493,759
Total contributions	56,053,434	68,006,796
Investment income:		
Interest and dividends	17,962,402	15,649,325
Net increase (decrease) in fair value of investments	94,440,287	110,634,852
Investment expense	(2,820,795)	(2,502,527)
Total investment income	109,581,894	123,781,650
Total additions	165,635,328	191,788,446
Deductions:		
Retirement and disability allowances	98,948,717	94,479,953
Administrative expenses	445,597	427,921
Total deductions	99,394,314	94,907,874
Change in Net Position	66,241,014	96,880,572
Total net position - beginning	974,361,303	877,480,731
Total net position - ending	\$ 1,040,602,317	\$ 974,361,303

See accompanying notes to financial statements.

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

1. Organization

The Port Authority of Allegheny County d/b/a Pittsburgh Regional Transit (PRT) was established under the Second-Class County Port Authority Act of 1956 and is responsible for the management and operation of certain transit facilities serving the County of Allegheny, Pennsylvania (County) and portions of adjacent counties. PRT is not subject to federal or state income taxes.

The financial reporting status of PRT has been determined to be a component unit of the County for financial reporting purposes in accordance with accounting principles generally accepted in the United States of America (GAAP). The County provides substantial operating subsidies and capital funding. Pursuant to Pennsylvania Act 72 of 2013, signed into law on July 19, 2013, PRT's board appointments were restructured whereas the County Chief Executive has six appointments, and the remaining five members are appointed by the Governor and legislative leaders of the State Senate and House.

The Amalgamated Transit Union Pension Fund, International Brotherhood of Electrical Workers Pension Fund, and Non-Rep Pension Fund are considered fiduciary fund component units of PRT. The fiduciary fund component units are separate entities that function as an integral part of PRT; however, since they are held for the benefit of others and are not available to address activities or obligations of PRT, they are reported separately. Additionally, the fiduciary fund component units are reported as of the years ended December 31, 2024 and 2023.

As discussed in Note 8, PRT contracts with Transdev Services, Inc. for professional services to coordinate ACCESS, a paratransit system, which provides transit service within PRT's jurisdiction. ACCESS financial statements have not been included in the reporting entity because PRT has neither control, financial responsibility, nor accountability for ACCESS.

2. Summary of Significant Accounting Policies

The financial statements of PRT have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. PRT's significant accounting policies are as follows:

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Measurement Focus

PRT uses "income determination" as its measurement focus. Accordingly, all assets, liabilities, deferred inflows, and deferred outflows are included on the statement of net position. Net position reflects the economic net worth of PRT. The statement of revenues, expenses, and changed in net position reflects the change in total economic net worth for the period, presented through revenues and expenses of PRT.

Basis of Accounting

PRT's accounts are reported as an Enterprise Fund on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of PRT. Operating revenues consist primarily of user charges. Non-operating revenues and expenses consist of those revenues and expenses that are related to grants and other financing and investing types of activities.

When an expense is incurred for purposes for which there are both restricted and unrestricted net position available, it is PRT's policy to apply those expenses to restricted net position to the extent such are available and then to unrestricted net position.

Fiduciary Fund Component Units

Fiduciary fund Component Units are used to account for assets held in a trustee capacity. PRT reports the following fiduciary fund component units:

The *Pension Trust Funds* are used to account for employee retirement systems:

- The Amalgamated Transit Union Pension Fund accounts for the retirement pension plan of PRT union employees represented by Local 85.
- The International Brotherhood of Electrical Workers Pension Fund accounts for the retirement pension plan of PRT union employees represented by Local 29.
- The Non-Rep Pension Fund accounts for the retirement pension plan of PRT employees who are not represented by a union.

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, as well as short-term investments, with a maturity date within three months of the date acquired by PRT.

Investments

Investments are recorded at fair value.

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

Materials and Supplies

PRT maintains spare parts and supplies that are used to maintain transit equipment. The inventory is stated at cost, net of an allowance for obsolete parts of \$379,905 at June 30, 2025 and 2024.

Capital Assets

Transit operating property and equipment are recorded at cost and include certain property acquired from predecessor private mass transportation companies. Transit operating property and equipment also include certain capitalized labor and overhead expenses incurred to ready such property and equipment for use. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. During both fiscal years 2025 and 2024, no interest expense was capitalized.

Depreciation is recorded using the straight-line method based on estimated useful lives that generally range from four to 30 years.

Projects in progress remaining at June 30, 2025 and 2024 primarily consist of various infrastructure upgrades and building improvements.

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Leases

PRT is a lessee for a noncancellable lease of office space. PRT measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset was measured as the initial amount of the lease liability. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how PRT determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- PRT uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, PRT generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that PRT is reasonably certain to exercise.

PRT monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The lease asset is reported with capital assets, and the lease liability is reported as a lease payable on the statements of net position.

Revenue, Receivables, and Unearned Revenues

PRT utilizes an automated fare collection system. Fares are recorded as revenue at the time services are performed.

Grants and contributions are recorded as revenue when all applicable eligibility requirements are met. The Federal Transit Administration (FTA), the Pennsylvania Department of Transportation, and the County provide financial assistance and make grants directly to PRT for operation, acquisition of property and equipment, and other capital related expenses. Operating grants and subsidies in the accompanying statements of revenues and expenses include only operating grants from the indicated sources. PRT is permitted to utilize certain capital funds for operating expenses including labor, fringe benefits, materials and supplies, and other expense classifications. Capital funds used for

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

operating assistance represent capital grant funds applied to these expenses. Capital grants for the acquisition of property and equipment and other capital related expenditures are recorded as capital grant funding.

The Commonwealth of Pennsylvania (Commonwealth) created Act 44 to provide a dedicated source of funding called the Public Transportation Trust Fund (PTTF), which provides both operating and capital assistance to PRT as well as all other transit agencies in the Commonwealth. PTTF includes several existing sources of state funding as well as some new sources. Also, it eliminates the filing of separate applications to receive those funds.

The sources of revenue available to the Commonwealth to fund PTTF are:

1. A percentage from sales tax (4.4%).
2. Lottery funds for the Free Transit for Senior Citizens Program.
3. State bond funding for capital projects.
4. Remainder of Public Transportation Assistance Fund (PTAF) after funding payments on existing debt.
5. Annual payments from the Turnpike Commission.

Five program accounts have been created within the new trust fund: Transit Operating Assistance, Asset Improvement Program, Capital Improvements Program, New Initiatives, and Programs of Statewide Significance. Local matching funds are required to receive assistance under most of the programs.

Capital and Operating Funding for the Year Ended June 30, 2025

PRT received \$301.1 million in State Operating Assistance during fiscal year 2025. After recognizing unearned revenue for State Operating Assistance applied from prior years, PRT recognized \$312.6 million in State Operating Assistance for fiscal year 2025 under Act 44. The State operating assistance funds required a 15% local match of \$43.7 million. Allegheny County provided \$40.7 million of local match with an additional \$3 million provided by the Regional Asset District (RAD).

Because of existing debt agreements, PRT obtained capital funding under PTAF totaling \$18.4 million to use for debt service. Local matching share required for this funding was provided by the County.

PRT utilized \$180.6 million in capital funding for capital improvements, debt service payments, and to support bus purchases in fiscal year 2025. PRT applied \$73.5 million of

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

this capital funding in its operating budget including \$10.2 million of federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funds.

PRT utilized a total of \$13.0 million in capital funding from the County during fiscal year 2025, which was required to match federal and state capital grants.

As of June 30, 2025, the primary components of unearned revenue were: \$399.9 million of State operating assistance carryover, \$25.7 million of County funds to be used for capital grant matching, and \$8.2 million of State PTAF funds to be used for debt service.

Capital and Operating Funding for the Year Ended June 30, 2024

PRT received \$289.6 million in State Operating Assistance during fiscal year 2024. After recognizing unearned revenue for State Operating Assistance carried forward to future years, PRT recognized \$176 million in State Operating Assistance for fiscal year 2024 under Act 44. The State operating assistance funds required a 15% local match of \$42.1 million. Allegheny County provided \$39.1 million of local match with an additional \$3 million provided by the Regional Asset District (RAD).

Because of existing debt agreements, PRT obtained capital funding under PTAF totaling \$18.4 million to use for debt service. Local matching share required for this funding was provided by the County.

PRT utilized \$182.4 million in capital funding for capital improvements, debt service payments, and to support bus purchases in fiscal year 2024. PRT applied \$211.7 million of this capital funding in its operating budget including \$133.6 million of federal CRRSAA funds.

PRT utilized a total of \$13.3 million in capital funding from the County during fiscal year 2024, which was required to match federal and state capital grants.

As of June 30, 2024, the primary components of unearned revenue were: \$411.4 million of State operating assistance carryover, \$25.8 million of County funds to be used for capital grant matching, and \$7.9 million of State PTAF funds to be used for debt service.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows and inflows of resources. These separate financial statement elements represent a consumption (outflows) or addition (inflow) of net position that

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

applies to a future period and so will not be recognized as an outflow (expense) or inflow (revenue) of resources until then.

Compensated Absences

PRT recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee) during or upon separation from employment. The liability for compensated absences includes payments for benefits at the employee's current pay rate and includes salary-related benefits, where applicable.

Self-Insurance

PRT has a self-insurance program for public liability, property damage, and workers' compensation claims. Estimated costs of these self-insurance programs are accrued in the year the expenses are incurred, based upon the estimates of the claim liabilities made by management and legal counsel of PRT. Estimates of claim liabilities are accrued based on projected settlements for claims and include estimates for claims incurred but not reported. Any adjustments made to previously recorded reserves are reflected in current operating results.

Refunding Transactions

In accordance with applicable guidance, the excess of the reacquisition price over the net carrying amount of refunded debt is recorded as a deferred outflow of resources on the statements of net position and amortized as a component of interest expense over the shorter of the term of the refunding issue or refunded bonds.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Classification of Net Position

Accounting standards require the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- Restricted – This component of net position consists of constraints placed on assets through external restrictions, reduced by liabilities related to those assets.
- Unrestricted – This component of net position consists of assets that do not meet the definition of “restricted” or “net investment in capital assets.”

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans, as well as additions to and deductions from the pension plan fiduciary net position, have been determined on the same basis as they are reported in the financial statements of the pension plans. Employer contributions are recognized when due and the employer has a legal requirement to provide the contributions. Investments are reported at fair value.

Adoption of Accounting Pronouncements

The following GASB Statements were adopted for the year ended June 30, 2025: Statement Nos. 101 (Compensated Absences) and 102 (Certain Risk Disclosures). These statements had no significant impact on PRT’s financial statements for the year ended June 30, 2025.

Pending Pronouncements

GASB has issued statements that will become effective in future years including Statement Nos. 103 (Financial Reporting Model Improvements) and 104 (Disclosure of Certain Capital Assets). Management has not yet determined the impact of these statements on the financial statements.

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Reclassification

Certain items for 2024 have been reclassified to conform to the 2025 presentation. The reclassification had no effect on the change in net assets.

3. Cash and Investments

The investment and deposit policy of PRT funds is governed by the by-laws of PRT and the Second-Class County Port Authority Act. In accordance with these regulations, PRT has established investment procedures that require that monies be deposited with FDIC-insured banks in demand deposit accounts or certificates of deposit (which are required to be 100% collateralized by separately identified United States obligations, if not covered by FDIC insurance). Investments are limited to United States obligations and repurchase agreements. Repurchase agreements must be purchased from banks located within the Commonwealth and the underlying collateral securities must have a market value of at least 100% of the cost of the related repurchase agreement. PRT's investment procedures do not require the delivery of the underlying securities to PRT; however, it is the obligation of the bank to deposit the pledged obligations with either the Federal Reserve Bank, the trust department of the financial institution issuing the repurchase agreement, or another bank, trust company, or depository satisfactory to PRT. There were no deposit or investment transactions during 2025 and 2024 that were in violation of either state statutes or the policies of PRT. PRT does not have a formal investment policy which addresses custodial credit risk, interest rate risk, credit risk, or concentration of credit risk.

PRT's unrestricted cash and investments are available for general operating purposes and restricted cash and investments in the amount of \$18,815,310 are available for acquisition of assets under capital projects and scheduled payments of the Special Revenue Transportation Bonds (Note 5). Board-designated funds in the amount of \$47,684,677 are available to fund future operating deficits.

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GAAP requires disclosures related to the following deposit and investment risks: credit risk (including custodial credit risk and concentrations of credit risk), interest rate risk, and foreign currency risk. PRT's cash and investments as reported on the statements of net position consist of the following:

	2025		2024	
	Cash and Cash Equivalents	Restricted and Designated	Cash and Cash Equivalents	Restricted and Designated
Deposits	\$ 83,782,478	\$ -	\$ 44,008,588	\$ -
INVEST	311,316,719	57,201,456	364,817,743	47,006,674
Money Market	-	9,298,531	-	9,300,407
Total	<u>\$ 395,099,197</u>	<u>\$ 66,499,987</u>	<u>\$ 408,826,331</u>	<u>\$ 56,307,081</u>

The following is a description of PRT's deposit and investment risks:

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, PRT's deposits may not be returned to it. As of June 30, 2025 and 2024, respectively, \$84,078,374 and \$44,058,827 of PRT's bank balance of \$84,578,374 and \$44,558,827 were exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of PRT's investments. The investments noted above have maturities of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2025, PRT's investments in INVEST and money markets were rated AAA by Standard & Poor's.

PRT's investments in money markets and INVEST are reported at cost which approximates fair value. The fair value of PRT's investments in INVEST is the same as the value of the pool shares. All investments in an external investment pool that is not SEC registered are subject to oversight by the Commonwealth. PRT can withdraw funds from INVEST without limitations or fees.

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Pension Trust Funds

The pension trust funds are used to account for assets held by PRT in a trustee capacity for future payment of retirement benefits to employees or former employees. PRT's employees participate in three plans: the Plan for Employees Represented by Local 85 of the Amalgamated Transit Union (the ATU Plan), Plan for Employees Represented by Local Union 29 of the International Brotherhood of Electrical Workers (the IBEW Plan), and Plan for Employees who are Not Represented by a Union (the NonRep Plan) (collectively, the Funds).

The Funds' investments in money markets, equity and fixed-income funds, and guaranteed interest accounts are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book-entry form. Investments in common stock are not subject to the disclosure requirements of GASB Statement No. 40.

The following is a description of the pension trust funds' investment risks:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of bank failure, the Funds' deposits may not be returned to it. The Funds' investment policy does specifically cover custodial credit risk for deposits. As of December 31, 2024 and 2023, the Funds' cash and cash equivalents balance of \$40,162 and \$46,035, respectively, was fully insured and was not exposed to custodial credit risk. The carrying amounts of these deposits are the same as the bank balance.

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Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of the Plans' investments. According to the ATU Plan's investment policy, bond portfolios must not have a par-weighted average maturity of greater than seven years. According to the IBEW and NonRep Plans' investment policy, portfolio maturity or duration structures are left to the discretion of the investment managers with the understanding that performance will be evaluated to determine if total return is justified by the volatility of the returns incurred due to the maturity/duration profile. The following tables show investment maturities in years for the Plans' investments with maturities:

	2024 Fair Value	Maturity in years (amounts presented in thousands)					
		Less than 1 year	1-5 years	6-10 years	11-15 years	16-20 years	21+ years
U.S. government securities	\$ 96,656	\$ 750	\$ 25,752	\$ 20,899	\$ 2,392	\$ 7,859	\$ 39,004
Corporate debt	90,419	6,727	36,136	27,126	6,075	3,723	10,632
Municipal issues	4,493	-	943	1,387	1,877	286	-
Money market	40,743	40,743	-	-	-	-	-
Total	<u>\$ 232,311</u>	<u>\$ 48,220</u>	<u>\$ 62,831</u>	<u>\$ 49,412</u>	<u>\$ 10,344</u>	<u>\$ 11,868</u>	<u>\$ 49,636</u>

	2023 Fair Value	Maturity in years (amounts presented in thousands)					
		Less than 1 year	1-5 years	6-10 years	11-15 years	16-20 years	21+ years
U.S. government securities	\$ 88,223	\$ 3,062	\$ 23,497	\$ 17,510	\$ 3,227	\$ 7,033	\$ 33,894
Corporate debt	86,162	2,833	39,394	22,561	6,782	2,721	11,871
Municipal issues	4,152	-	849	1,456	1,411	436	-
Money market	29,934	29,934	-	-	-	-	-
Total	<u>\$ 208,471</u>	<u>\$ 35,829</u>	<u>\$ 63,740</u>	<u>\$ 41,527</u>	<u>\$ 11,420</u>	<u>\$ 10,190</u>	<u>\$ 45,765</u>

Credit Risk. The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The IBEW Plan and the NonRep Plan's investment policy provides that at least 50% of the convertible portfolio, measured at cost, should have a rating of "Baa/BBB" or better by a recognized rating service. Bonds, except 144A issues, generally must be rated investment grade "Baa/BBB" or equivalent. 144A issues purchased should demonstrate characteristics of investment grade securities in the opinion of the investment managers. For bond portfolios, the average par-weighted quality shall be no less than "Aa/AA." The ATU Plan's investment policy provides that at least 50% of the convertible portfolio, measured at cost, should have a rating of "Baa/BBB" or better by a recognized rating service. Bonds must be rated investment grade "Baa/BBB" or equivalent.

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Additionally, the average par-weighted quality of a given portfolio shall be no less than "Aa/AA."

As of December 31, 2024 and 2023, the pension trust funds' investments in fixed income bonds for the ATU Plan, the IBEW Plan, and the NonRep Plan rated as follows:

Standard & Poor's Quality Rating	2024							
	IBEW Plan & NonRep				ATU Plan			
	Corporate debt	U.S. Govt. sector	Money markets	Other	Corporate debt	U.S. Govt. sector	Money markets	Other
AAA	12%	0%	0%	0%	12%	0%	100%	30%
AA	10%	100%	0%	0%	7%	0%	0%	48%
A	51%	0%	0%	0%	31%	0%	0%	9%
BBB	25%	0%	0%	0%	44%	0%	0%	0%
BB	0%	0%	0%	0%	1%	0%	0%	0%
B	0%	0%	0%	0%	0%	0%	0%	0%
CCC	0%	0%	0%	0%	0%	0%	0%	0%
Not Rated	2%	0%	100%	0%	5%	0%	0%	13%

Standard & Poor's Quality Rating	2023							
	IBEW Plan & NonRep				ATU Plan			
	Corporate debt	U.S. Govt. sector	Money markets	Other	Corporate debt	U.S. Govt. sector	Money markets	Other
AAA	19%	0%	100%	0%	13%	0%	100%	44%
AA	11%	100%	0%	0%	6%	0%	0%	48%
A	43%	0%	0%	0%	34%	0%	0%	8%
BBB	27%	0%	0%	0%	43%	0%	0%	0%
BB	0%	0%	0%	0%	1%	0%	0%	0%
B	0%	0%	0%	0%	0%	0%	0%	0%
CCC	0%	0%	0%	0%	0%	0%	0%	0%
Not Rated	0%	0%	0%	0%	3%	0%	0%	0%

Concentration of Credit Risk. According to the Plan's investment policy, no more than 5% of the convertible section may be invested in one company, valued at market. Also, the maximum exposure to non-U.S. convertibles is 20% of the convertible portfolio with a target exposure of 10%. At no time should the total investment in 144A securities (private-sale issues available only to qualified institutional buyers) exceed 20% of the fixed income section, valued at market, and at no time should any one issuer of 144A securities account

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for more than 2.5% of the fixed income section, valued at market. Regarding the real estate section, no more than 50% of the portfolio may be invested in a single property type or geographic sector.

The Funds had no debt investments in any one issuer equal to or greater than 5% of trust net position at December 31, 2024 and 2023.

Fair Value Measurements

The following methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of the future fair values. Furthermore, although the Trust Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Common stock, U.S. government securities, corporate debt securities, other investments, and registered investment companies are valued using quoted marked prices in active markets for those securities (Level 1). The money market investment is cost based which approximates fair value. Further detail on the investments in common stock and registered investment companies is provided below:

Common Stock by Sector					
IBEW Plan & NonRep Plan			ATU Plan		
	2024	2023		2024	2023
Energy	9.1%	13.4%	Basic Materials	2.8%	2.4%
Materials	3.9%	3.2%	Consumer Discretionary	11.0%	12.1%
Industrials	15.8%	10.8%	Financial	16.1%	14.8%
Consumer Discretionary	10.8%	6.6%	Real Estate	2.2%	2.4%
Consumer Staples	7.1%	4.1%	Consumer Staples	4.1%	5.7%
Healthcare	13.6%	18.5%	Healthcare	10.4%	13.6%
Financials	28.1%	24.0%	Utilities	1.6%	2.0%
Information Technology	4.7%	10.7%	Communication	7.0%	7.3%
Telecommunications	1.2%	5.0%	Energy	2.9%	3.8%
Utilities	5.7%	2.9%	Industrials	10.8%	10.7%
Real Estate	0.0%	0.1%	Technology	31.1%	25.2%
Other	0.0%	0.7%			

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Registered Investment Companies by Type					
IBEW Plan & NonRep Plan			ATU Plan		
	2024	2023		2024	2023
Domestic Equity	44.4%	44.5%	Domestic Equity	11.8%	9.7%
Global Equity	13.5%	13.6%	Global Equity	0.0%	0.0%
International Equity	12.0%	13.3%	International Equity	81.0%	85.8%
Defensive Equity	10.0%	9.5%	Defensive Equity	0.0%	0.0%
Fixed Income	20.1%	19.1%	Fixed Income	7.2%	4.5%

The IBEW Fund and NonRep Fund pooled separate account – real estate and common collective trust - is valued at net asset value per share as determined by investment managers using the so-called “practical expedient.” The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using the method are met.

The IBEW Fund and NonRep Fund interest in the pooled separate account and common collective trust are valued at fair value, which is principally derived from the market value, as determined by external appraisals, of the underlying real estate holdings and real estate related investments. The pooled separate account and common collective trust sometimes hold securities as well. These are generally priced using values obtained from independent pricing sources. Unit values are calculated on a daily basis. The pooled separate account offers quarterly redemptions with at least 90 days’ notice and there are no unfunded commitments as of December 31, 2024 and 2023. The common collective trust account offers daily redemptions with no redemption notice period and there are no unfunded commitments as of December 31, 2024 and 2023.

The ATU Fund common/collective trusts and partnership/joint venture interests are valued at net asset value per share as determined by investment managers using the so-called “practical expedient.” The practical expedient allows net asset value per share to represent fair value for reporting purposes when the criteria for using the method are met. The net asset values are determined by the funds provided by the portfolio manager. Valuations are generally based on the compilation of prices from each fund’s underlying company or fund administrator. Upon completion of the fund valuations, the ATU Fund’s individual investor valuations are based upon their ownership share of each pool.

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The following table summarizes investments measured at fair value based on net asset value per share as of December 31, 2024 and 2023, respectively:

December 31, 2024	Fair Value *	Unfunded Commitments *	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Partnership/joint venture interests	<u>\$ 91,945</u>	<u>\$ -</u>	Quarterly	90 days
Common/collective trusts	<u>\$ 170,759</u>	n/a	Daily	n/a

* amounts in thousands

December 31, 2023	Fair Value *	Unfunded Commitments *	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Partnership/joint venture interests	<u>\$ 91,875</u>	<u>\$ -</u>	Quarterly	90 days
Common/collective trusts	<u>\$ 147,634</u>	n/a	Daily	n/a

* amounts in thousands

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4. Capital Assets/Accumulated Depreciation

A summary of changes in capital assets for the year ended June 30, 2025 is as follows:

	June 30, 2024	Increases	Decreases	June 30, 2025
Capital assets, not being depreciated:				
Land	\$ 95,953,095	\$ -	\$ -	\$ 95,953,095
Projects in progress	269,608,381	114,681,664	(72,392,180)	311,897,865
Total capital assets, not being depreciated	365,561,476	114,681,664	(72,392,180)	407,850,960
Capital assets, being depreciated:				
Buildings	381,690,282	17,307,293	-	398,997,575
Transportation equipment	718,292,885	67,641,449	(51,566,458)	734,367,876
Track, roadway, and subway stations	1,450,279,014	34,067,019	(20,870,139)	1,463,475,894
Other property, equipment, and assets	164,959,182	2,018,311	(410,538)	166,566,955
Right-to-use leased office space	12,608,540	-	-	12,608,540
Total capital assets being depreciated	2,727,829,903	121,034,072	(72,847,135)	2,776,016,840
Less: accumulated depreciation for:				
Buildings	(199,257,815)	(12,691,320)	-	(211,949,135)
Transportation equipment	(513,525,807)	(35,571,215)	51,091,630	(498,005,392)
Track, roadway, and subway stations	(961,060,829)	(43,690,225)	20,677,350	(984,073,704)
Other property, equipment, and assets	(133,131,583)	(3,885,305)	603,327	(136,413,561)
Right-to-use leased office space	(5,043,416)	(1,260,854)	-	(6,304,270)
Total accumulated depreciation	(1,812,019,450)	(97,098,919)	72,372,307	(1,836,746,062)
Total capital assets, being depreciated, net	915,810,453	23,935,153	(474,828)	939,270,778
Total capital assets, net	\$ 1,281,371,929	\$ 138,616,817	\$ (72,867,008)	\$ 1,347,121,738

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A summary of changes in capital assets for the year ended June 30, 2024 is as follows:

	June 30, 2023	Increases	Decreases	June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 95,953,095	\$ -	\$ -	\$ 95,953,095
Projects in progress	149,031,460	134,837,064	(14,260,143)	269,608,381
Total capital assets, not being depreciated	244,984,555	134,837,064	(14,260,143)	365,561,476
Capital assets, being depreciated:				
Buildings	372,464,585	9,225,697	-	381,690,282
Transportation equipment	719,685,338	12,842,992	(14,235,445)	718,292,885
Track, roadway, and subway stations	1,432,275,549	18,003,465	-	1,450,279,014
Other property, equipment, and assets	161,545,003	3,430,810	(16,631)	164,959,182
Right-to-use leased office space	12,608,540	-	-	12,608,540
Total capital assets being depreciated	2,698,579,015	43,502,964	(14,252,076)	2,727,829,903
Less: accumulated depreciation for:				
Buildings	(187,066,129)	(12,191,686)	-	(199,257,815)
Transportation equipment	(492,807,842)	(34,953,410)	14,235,445	(513,525,807)
Track, roadway, and subway stations	(922,259,851)	(38,800,978)	-	(961,060,829)
Other property, equipment, and assets	(130,000,576)	(3,147,638)	16,631	(133,131,583)
Right-to-use leased office space	(3,782,562)	(1,260,854)	-	(5,043,416)
Total accumulated depreciation	(1,735,916,960)	(90,354,566)	14,252,076	(1,812,019,450)
Total capital assets, being depreciated, net	962,662,055	(46,851,602)	-	915,810,453
Total capital assets, net	\$ 1,207,646,610	\$ 87,985,462	\$ (14,260,143)	\$ 1,281,371,929

5. Long-Term Debt

On December 2, 2020, PRT issued \$120,200,000 of the Special Revenue Transportation Bonds, Refunding Series of 2020 (the 2020 Bonds). The proceeds from the sale of the 2020 Bonds together with the amounts on deposit in the 2011 debt service reserve fund were used to provide funds required for refunding PRT's 2011 Bonds.

Interest on the 2020 Bonds is payable semiannually on each March 1 and September 1, commencing September 1, 2021. The interest rate is 5.00% throughout the term of the

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2020 Bonds. The 2020 Bonds were issued at a premium of \$24.3 million, which is being amortized over the life of the 2020 Bonds.

The 2020 Bonds are secured by funds distributed to PRT by the Commonwealth pursuant to Section 1310 of the Public Transportation Assistance Law, specifically including all monies distributed from PTAF. The 2020 Bonds are not subject to optional redemption prior to maturity.

The following is a summary of debt transactions of PRT for the year ended June 30, 2025:

	Balance at July 1, 2024	Issuance	Amortization/ Payments and Retirements	Balance at June 30, 2025
Series of 2020 Bonds	\$ 80,515,000	\$ -	\$ (14,575,000)	\$ 65,940,000
Unamortized net bond premium	14,001,688	-	(2,947,724)	11,053,964
Net outstanding	<u>\$ 94,516,688</u>	<u>\$ -</u>	<u>\$ (17,522,724)</u>	<u>76,993,964</u>
Less: current amount:				
Series of 2020 Bonds				<u>(15,300,000)</u>
Total long-term bonds payable, net				<u>\$ 61,693,964</u>

The following is a summary of debt transactions of PRT for the year ended June 30, 2024:

	Balance at July 1, 2023	Issuance	Amortization/ Payments and Retirements	Balance at June 30, 2024
Series of 2020 Bonds	\$ 94,390,000	\$ -	\$ (13,875,000)	\$ 80,515,000
Unamortized net bond premium	16,949,412	-	(2,947,724)	14,001,688
Net outstanding	<u>\$ 111,339,412</u>	<u>\$ -</u>	<u>\$ (16,822,724)</u>	<u>94,516,688</u>
Less: current amount:				
Series of 2020 Bonds				<u>(14,575,000)</u>
Total long-term bonds payable, net				<u>\$ 79,941,688</u>

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The annual debt service requirements related to the Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
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
Total	<u>\$ 65,940,000</u>	<u>\$ 8,443,000</u>	<u>\$ 74,383,000</u>

Restricted assets include approximately \$18.8 million of cash invested in a debt service fund restricted for debt service on the above bonds.

6. Lease Payable

During August 2017, PRT entered into an agreement to extend its agreement as lessee for office space for the period July 1, 2020 to June 30, 2030. An initial lease liability was established in the amount of \$12,608,540. As of June 30, 2025 and 2024, the lease liability was \$7,566,864 and \$8,678,246, respectively. PRT is required to make monthly principal and interest payments of \$126,671 for fiscal years 2020 to 2025 and \$142,796 for fiscal years 2026 to 2030. The lease has an interest rate of 5%. The value of the right-to-use asset, net of accumulated amortization, as of June 30, 2025 and 2024 was \$6,304,270 and \$7,565,124, respectively.

The following is a summary of lease transactions of PRT for the year ended June 30, 2025:

	Balance at July 1, 2024	Additions	Deletions	Balance at June 30, 2025
Lease payable	<u>\$ 8,678,246</u>	<u>\$ -</u>	<u>\$ (1,111,382)</u>	<u>\$ 7,566,864</u>

The following is a summary of lease transactions of PRT for the year ended June 30, 2024:

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
Lease payable	<u>\$ 9,735,536</u>	<u>\$ -</u>	<u>\$ (1,057,290)</u>	<u>\$ 8,678,246</u>

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The future principal and interest lease payments related to the lease is as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 1,366,237	\$ 347,316	\$ 1,713,553
2027	1,436,136	277,416	1,713,552
2028	1,509,612	203,941	1,713,553
2029	1,586,846	126,706	1,713,552
2030	1,668,033	45,520	1,713,553
Total	<u>\$ 7,566,864</u>	<u>\$ 1,000,899</u>	<u>\$ 8,567,763</u>

7. Compensated Absences

The following is a summary of the compensated absences of PRT for the year ended June 30, 2025:

	Balance at July 1, 2024	Additions	Deletions	Balance at June 30, 2025
Compensated Absences	<u>\$ 25,418,862</u>	<u>\$ -</u>	<u>\$ (1,064,917)</u>	<u>\$ 24,353,945</u>

The following is a summary of the compensated absences of PRT for the year ended June 30, 2024:

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
Compensated Absences	<u>\$ 23,743,920</u>	<u>\$ 1,774,942</u>	<u>\$ -</u>	<u>\$ 25,518,862</u>

8. ACCESS Program Services

PRT has a contract with Transdev Services, Inc. (d/b/a ACCESS Transportation Systems), which provides professional services to coordinate the paratransit system, ACCESS Transportation Systems, which provides transit services within the County for elderly and handicapped individuals. Expenses under this contract amounted to \$30.9 million and \$31.6 million for fiscal years 2025 and 2024, respectively.

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PRT currently receives partial reimbursement for these services from the Commonwealth in the form of a grant. The amount is based on ridership and average fare statistics. Revenue under this program totaled \$9.1 million and \$9.3 million in fiscal years 2025 and 2024, respectively.

9. Public Liability, Property Damage, and Workers' Compensation Claims

The Supreme Court of Pennsylvania has held PRT to be a Commonwealth Agency as defined in the Political Subdivision Tort Claims Act. As such, PRT is immune from certain claims and its liability is limited to \$1,000,000 per occurrence and \$250,000 per plaintiff claim arising out of an occurrence. As the result of this holding, it has not been necessary for PRT to purchase excess public liability insurance, and it is self-insured for public liability claims.

PRT is self-insured for its compensation and occupational disease liability in accordance with the provisions of Article III, Section 305 of the Pennsylvania Workmen's Compensation Act (Act). On a yearly basis, PRT carries excess workers' compensation insurance in the amount of \$5,000,000 over its self-insurance retention of \$1,000,000 per occurrence to further ensure that it can meet its obligation under the Workers' Compensation Act.

PRT maintains an estimate of its potential liability related to claims that have been filed as of June 30, 2025. The reserve balance is approximately \$10.7 million and \$9 million at June 30, 2025 and 2024, respectively.

10. Commitments and Contingencies

In the ordinary course of PRT's operations and capital grants projects, there have been various legal proceedings brought against PRT. Based on an evaluation that included consultation with an outside legal counsel concerning the legal and factual issues involved, management is of the opinion that these matters will not result in material adverse effect on PRT's operations and financial position.

PRT is subject to state and federal audits by grantor agencies. These laws and regulations are complex and subject to interpretation. PRT is not aware of any pending audit involving prior or current years; however, compliance with such laws and regulations can be subject to future reviews and interpretation which could result in disallowed costs.

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PRT continues to face discrimination claims and litigation from approximately 80 former employees who were separated from employment or opted to retire in lieu of complying with a vaccine mandate implemented by PRT in March 2022. PRT believes it has strong and meritorious defenses to these claims and continues to aggressively defend against these claims in federal court. Accordingly, no amounts have been accrued within these financial statements related to the outcome of this matter.

In September 2023, PRT began construction on the Bus Rapid Transit University Line project with a total budget of approximately \$230 million. Phase I of the project was completed in July 2025. PRT entered into a construction contract for phase II of the project in October 2024 and construction began in January 2025. As of June 30, 2025, the remaining budgeted balance of the project is approximately \$50 million.

11. Pension Plans

General Information About the Pension Plans. PRT offers three single-employer defined benefit retirement and disability plans for eligible employees. The three plans are as follows: Plan for Employees Represented by Local 85 of the Amalgamated Transit Union (the ATU Plan), Plan for Employees Represented by Local Union 29 of the International Brotherhood of Electrical Workers (the IBEW Plan), and Plan for Employees who are Not Represented by a Union (the NonRep Plan). The IBEW and NonRep Plans are closed to new participation.

Under each of the three plans, employees' eligibility for normal benefits begins at age 65, at which time the individual is entitled to an annual retirement benefit, payable monthly for life. This benefit is equal to 2.25% of the average annual compensation for the last 16 quarters of employment times the years and months of continuous service or the average of the highest four of the last eight years immediately preceding the date of retirement, whichever is highest.

Early retirement is available to all participants who have reached the age of 55 and have at least 10 years of service or who meet certain continuous service requirements. Early retirement with full pension benefits is available after 25 years of continuous service for all plans. Early retirement with full pension benefits is also available after age 55 to those participants meeting certain service requirements. Individuals not meeting these requirements who retire after age 55 but prior to the date for normal benefits receive reduced benefits. The cost sharing of health care benefits is provided from PRT operating

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revenues for ATU and IBEW employees. Health care benefits for retirees in the NonRep Plan were eliminated for those retiring on or after July 1, 2007.

For new hires, the plans have been amended to replace the eligibility requirement for unreduced early retirement benefits from 25 years of service without regard to age, to 25 years of service and age 55. These amendments were effective as of December 1, 2005 for the ATU and NonRep Plans and May 1, 2006 for the IBEW Plan.

No new employees are permitted to start participation in the NonRep and IBEW Plans effective September 2011 and January 2012, respectively. Current participants in the Plans have the option to continue participation in the Plan or to exit the Plan and roll their current accumulated contributions to a Section 457 deferred compensation plan. New employees are required to participate in the newly offered Section 457 deferred compensation plan.

Benefit provisions for the ATU and IBEW Plans are established and amended by the Retirement and Disability Allowance Committees for each plan, as stated in written agreements.

Management and Union Plans - Summary of Significant Accounting Policies

Financial information is presented on the accrual basis of accounting. Employer contributions to the Plans are recognized when earned. Benefits and refunds are recognized when incurred, in accordance with the terms of each Plan.

Each Plan's assets are reported at fair value. No Plan had any investment transactions with related parties during the year.

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Statements of Plan Net Position – ATU, IBEW, and NonRep Plans

COMBINING STATEMENT OF PLAN NET POSITION PENSION TRUST FUNDS

DECEMBER 31, 2024

	ATU	IBEW	NonRep	Total
Assets				
Receivables:				
Plan members	\$ 1,346,647	\$ 8,117	\$ 63,961	\$ 1,418,725
Employer	3,482,099	-	505,728	3,987,827
Proceeds from asset sales	2,126	-	-	2,126
Interest and dividends	1,812,290	-	-	1,812,290
Total receivables	6,643,162	8,117	569,689	7,220,968
Investments:				
Cash and cash equivalents	-	5,848	34,314	40,162
U.S. government securities	88,145,772	1,239,239	7,270,776	96,655,787
Money market	38,164,181	375,545	2,203,368	40,743,094
Corporate debt securities	83,900,297	949,254	5,569,399	90,418,950
Common stock	291,964,359	865,538	5,078,224	297,908,121
Common/collective trusts	170,759,461	2,934,420	17,216,625	190,910,506
Registered investment companies	125,413,637	10,061,754	59,033,611	194,509,002
Partnership/joint venture interest	91,944,919	-	-	91,944,919
Pooled separate accounts - real estate	-	639,659	3,752,962	4,392,621
Municipal issues	4,493,184	-	-	4,493,184
Other	-	3,276,956	19,226,322	22,503,278
Total investments	894,785,810	20,348,213	119,385,601	1,034,519,624
Total Assets	\$ 901,428,972	\$ 20,356,330	\$ 119,955,290	\$ 1,041,740,592
Liabilities and Net Position				
Liabilities:				
Accrued investment and administrative expense	\$ 854,707	\$ 7,336	\$ 53,769	\$ 915,812
Investment securities purchased	85,887	-	-	85,887
Employer contributions received in advance	-	136,576	-	136,576
Total Liabilities	940,594	143,912	53,769	1,138,275
Net Position:				
Restricted for pension benefits	900,488,378	20,212,418	119,901,521	1,040,602,317
Total Liabilities and Net Position	\$ 901,428,972	\$ 20,356,330	\$ 119,955,290	\$ 1,041,740,592

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YEARS ENDED JUNE 30, 2025 AND 2024

COMBINING STATEMENT OF PLAN NET POSITION PENSION TRUST FUNDS

DECEMBER 31, 2023

	ATU	IBEW	NonRep	Total
Assets				
Receivables:				
Plan members	\$ 1,286,055	\$ 8,885	\$ 65,444	\$ 1,360,384
Employer	6,519,238	-	52,861	6,572,099
Proceeds from asset sales	2,799,404	-	-	2,799,404
Interest and dividends	1,734,044	-	-	1,734,044
Total receivables	12,338,741	8,885	118,305	12,465,931
Investments:				
Cash and cash equivalents	-	6,958	39,077	46,035
U.S. government securities	80,838,559	1,116,191	6,268,648	88,223,398
Money market	27,357,872	389,360	2,186,686	29,933,918
Corporate debt securities	78,772,811	1,116,901	6,272,634	86,162,346
Common stock	278,393,362	820,184	4,606,239	283,819,785
Common/collective trusts	147,633,551	2,767,816	15,544,350	165,945,717
Registered investment companies	124,634,218	9,438,152	53,005,679	187,078,049
Partnership/joint venture interest	91,874,569	-	-	91,874,569
Pooled separate accounts - real estate	-	754,962	4,239,945	4,994,907
Municipal issues	4,152,092	-	-	4,152,092
Other	-	3,148,836	17,684,218	20,833,054
Total investments	833,657,034	19,559,360	109,847,476	963,063,870
Total Assets	\$ 845,995,775	\$ 19,568,245	\$ 109,965,781	\$ 975,529,801
Liabilities and Net Position				
Liabilities:				
Accrued investment and administrative expense	\$ 794,031	\$ 9,467	\$ 61,243	\$ 864,741
Investment securities purchased	183,472	-	-	183,472
Employer contributions received in advance	-	120,285	-	120,285
Total Liabilities	977,503	129,752	61,243	1,168,498
Net Position:				
Restricted for pension benefits	845,018,272	19,438,493	109,904,538	974,361,303
Total Liabilities and Net Position	\$ 845,995,775	\$ 19,568,245	\$ 109,965,781	\$ 975,529,801

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YEARS ENDED JUNE 30, 2025 AND 2024

Statements of Changes in Plan Net Position – ATU, IBEW, and NonRep Plans

COMBINING STATEMENT OF PLAN NET POSITION PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2024

	ATU	IBEW	NonRep	Total
Additions:				
Contributions:				
Plan members	\$ 16,955,871	\$ 109,694	\$ 818,547	\$ 17,884,112
Employer reimbursement for healthcare expenses	4,006,476	114,470	326,904	4,447,850
Employer - actuarially recommended	26,155,849	615,762	6,949,861	33,721,472
Total contributions	47,118,196	839,926	8,095,312	56,053,434
Investment income:				
Interest and dividends	15,349,955	384,965	2,227,482	17,962,402
Net increase (decrease) in fair value of investments	82,857,448	1,727,568	9,855,271	94,440,287
Investment expense	(2,576,061)	(36,778)	(207,956)	(2,820,795)
Total investment income	95,631,342	2,075,755	11,874,797	109,581,894
Total additions	142,749,538	2,915,681	19,970,109	165,635,328
Deductions:				
Retirement and disability allowances	86,938,525	2,106,256	9,903,936	98,948,717
Administrative expenses	340,907	35,500	69,190	445,597
Total deductions	87,279,432	2,141,756	9,973,126	99,394,314
Change in Net Position	55,470,106	773,925	9,996,983	66,241,014
Total net position - beginning	845,018,272	19,438,493	109,904,538	974,361,303
Total net position - ending	\$ 900,488,378	\$ 20,212,418	\$ 119,901,521	\$ 1,040,602,317

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YEARS ENDED JUNE 30, 2025 AND 2024

COMBINING STATEMENT OF PLAN NET POSITION PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2023

	ATU	IBEW	NonRep	Total
Additions:				
Contributions:				
Plan members	\$ 16,384,865	\$ 151,215	\$ 847,265	\$ 17,383,345
Employer reimbursement for healthcare expenses	3,710,456	107,055	312,181	4,129,692
Employer - actuarially recommended	38,273,309	803,369	7,417,081	46,493,759
Total contributions	58,368,630	1,061,639	8,576,527	68,006,796
Investment income:				
Interest and dividends	13,764,158	289,315	1,595,852	15,649,325
Net increase (decrease) in fair value of investments	98,627,605	1,853,671	10,153,576	110,634,852
Investment expense	(2,264,990)	(40,190)	(197,347)	(2,502,527)
Total investment income	110,126,773	2,102,796	11,552,081	123,781,650
Total additions	168,495,403	3,164,435	20,128,608	191,788,446
Deductions:				
Retirement and disability allowances	82,512,363	2,253,315	9,714,275	94,479,953
Administrative expenses	363,393	31,174	33,354	427,921
Total deductions	82,875,756	2,284,489	9,747,629	94,907,874
Change in Net Position	85,619,647	879,946	10,380,979	96,880,572
Total net position - beginning	759,398,625	18,558,547	99,523,559	877,480,731
Total net position - ending	\$ 845,018,272	\$ 19,438,493	\$ 109,904,538	\$ 974,361,303

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Employees Covered by Benefit Terms. As of the most recent actuarial valuations, the following employees were covered by the benefit terms:

	ATU	IBEW	NonRep	Total
Inactive plan members or beneficiaries				
currently receiving benefits	3,259	137	427	3,823
Participants who transferred to another plan	39	27	47	113
Inactive plan members entitled to but				
not yet receiving benefits	42	1	22	65
Active plan members	2,078	19	71	2,168
Total plan members	5,418	184	567	6,169

Contributions. Participants in the ATU Plan, IBEW Plan, and NonRep Plan contribute 10.5% of earnings to their respective plans. PRT's contributions to the plans are based on actuarially determined rates.

Net Pension Liability. PRT's net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of January 1, 2024. There were no plan changes between the January 1, 2024 valuation date and the December 31, 2024 liability measurement date. Standard actuarial techniques were used to roll forward the total pension liability from the valuation date to the measurement date.

Actuarial Assumptions. The total pension liability in the January 1, 2024 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method Individual entry age normal

Actuarial assumptions:

Investment rate of return: 7.25%

Underlying inflation rate 2.50%

Salary projection: 3.50%*

*with exceptions for years covered by the ATU and IBEW collective bargaining agreement

ATU. For healthy lives, mortality is in accordance with the RP-2000 Combined Mortality Table adjusted for blue collar employees with separate rates for employees and annuitants. Mortality improvements use 2004 as a base year and are projected through 2014 using

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100% of Scale AA after 2014 using 50% of Scale AA. For disabled lives, mortality is in accordance with the disabled mortality table specified in IRS Revenue Ruling 96-7 for disabilities occurring prior to 1995.

IBEW and NonRep. For healthy lives, mortality is in accordance with the PubG-2010(A) Retiree Table. For disabled lives, mortality is in accordance with the PubNS-2010 Disabled Retiree Table.

Actuarial assumptions are based on actuarial experience study for the period January 1, 2023 to December 31, 2023.

Change of Actuarial Assumptions. No significant changes were made from the prior valuation.

Long-Term Expected Rate of Return. The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2024:

Asset Class	IBEW and NonRep	
	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.0%	4.90%
International equity	17.0%	5.00%
Defensive equity	5.0%	3.60%
Global infrastructure	5.0%	4.30%
Core Real Estate	7.0%	3.80%
Private equity	5.0%	8.70%
Private credit	5.0%	6.90%
Fixed income	22.0%	2.50%
Cash	1.0%	0.50%
	<u>100.0%</u>	

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Asset Class	ATU	
	Target Allocation	Long-Term Expected Real Rate of Return
US large cap equity	39.0%	5.00%
Non-US developed markets	17.5%	5.40%
Non-US emerging markets	3.5%	5.90%
Private equity	2.5%	10.00%
Equity long/short	5.0%	8.20%
Fixed income	27.5%	2.50%
Absolute return	5.0%	8.20%
	<u>100.0%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that PRT's contributions will be made based on the actuarially determined contribution. Based on those assumptions, the fiduciary net position of each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability. Changes in PRT's net pension liability for the year ended June 30, 2025 are as follows:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/24	\$ 1,331,489,484	\$ 974,361,303	\$ 357,128,181
Changes for the year:			
Service cost	22,844,080	-	22,844,080
Interest	94,613,840	-	94,613,840
Differences between expected and actual experience	1,872,882	-	1,872,882
Changes of assumptions	-	-	-
Employer contributions	-	33,721,472	(33,721,472)
Member contributions	-	17,884,112	(17,884,112)
Net investment income	-	109,581,894	(109,581,894)
Benefit payments, including refunds of employee contributions	(98,948,717)	(98,948,717)	-
Employer reimbursement for healthcare expenses	4,447,850	4,447,850	-
Administrative expenses	-	(445,597)	445,597
Balances at 6/30/25	<u>\$ 1,356,319,419</u>	<u>\$ 1,040,602,317</u>	<u>\$ 315,717,102</u>

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YEARS ENDED JUNE 30, 2025 AND 2024

Changes in Net Pension Liability. Changes in PRT's net pension liability for the year ended June 30, 2024 are as follows:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances at 6/30/23	\$ 1,315,490,885	\$ 877,480,731	\$ 438,010,154
Changes for the year:			
Service cost	22,693,001	-	22,693,001
Interest	92,806,761	-	92,806,761
Differences between expected and actual experience	(9,144,975)	-	(9,144,975)
Changes of assumptions	(5,927)	-	(5,927)
Employer contributions	-	46,493,759	(46,493,759)
Member contributions	-	17,383,345	(17,383,345)
Net investment income	-	123,781,650	(123,781,650)
Benefit payments, including refunds of employee contributions	(94,479,953)	(94,479,953)	-
Employer reimbursement for healthcare expenses	4,129,692	4,129,692	-
Administrative expenses	-	(427,921)	427,921
Balances at 6/30/24	<u>\$ 1,331,489,484</u>	<u>\$ 974,361,303</u>	<u>\$ 357,128,181</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ATU, IBEW, and NonRep financial reports that can be obtained from PRT's Finance Department.

Sensitivity of the Net Pension Liability to Changes in Discount Rate. The following presents the net pension liability of PRT, calculated using the discount rate of 7.25%, as well as what PRT's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
ATU	\$ 407,880,595	\$ 292,686,779	\$ 194,176,112
IBEW	7,307,045	5,046,158	3,106,491
NonRep	30,753,247	17,984,165	7,033,920
	<u>\$ 445,940,887</u>	<u>\$ 315,717,102</u>	<u>\$ 204,316,523</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the years ended June 30, 2025 and 2024, PRT recognized pension expense of \$36,008,095 and \$30,195,403, respectively. Cash payments into the plan are included in fringe benefits on the statement of revenues, expenses, and changes in net position and any remaining excess (deficiency) is reported as pension expense, net.

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NOTES TO FINANCIAL STATEMENTS

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At June 30, 2025 and 2024, PRT reported deferred outflows of resources related to pensions from the following sources:

	2025	2024
Differences between expected and actual experience	\$ 650,595	\$ -
Changes of assumptions	13,371	24,514
Net difference between projected and actual earnings on pension plan investments	16,986,985	66,924,451
Contributions made subsequent to the measurement date	14,056,390	19,372,887
	<u>\$ 31,707,341</u>	<u>\$ 86,321,852</u>

At June 30, 2025 and 2024, PRT reported deferred inflows of resources related to pensions from the following sources:

	2025	2024
Differences between expected and actual experience	\$ 8,000,423	\$ 13,598,292
Changes of assumptions	-	2,441
	<u>\$ 8,000,423</u>	<u>\$ 13,600,733</u>

Deferred outflows of resources related to PRT pension contributions subsequent to the measurement date of \$14,056,390 and \$19,372,887 are recognized as a reduction of the net pension liability in the subsequent year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30,	
2026	\$ 9,831,726
2027	28,413,313
2028	(20,455,712)
2029	(8,138,799)
	<u>\$ 9,650,528</u>

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12. Post-Employment Benefits Other Than Pensions

General Information About the OPEB Plans. PRT provides certain post-retirement healthcare benefits to its retirees. In accordance with the ATU, IBEW, and NonRep Retirement and Disability Allowance Plans, post-retirement benefits are provided to those who become entitled to receive a pension allowance or a disability allowance. Post-retirement benefits consisting of medical, hospital, prescription, dental, and vision insurance coverage, and Medicare Part B premium reimbursement are provided for the retiree.

Plan membership as of the January 1, 2023 valuation was as follows:

	ATU	IBEW	NonRep	Total
Active participants	2,229	60	322	2,611
Retired employees:				
With medical coverage	1,903	61	192	2,156
Without medical coverage, but with other benefits	27	1	27	55
Spouses:				
Surviving spouses	264	4	20	288
Covered dependents under retiree medical	1,255	16	135	1,406
Total plan members	5,678	142	696	6,516

Benefits Provided. Healthcare benefits include medical, dental, and vision coverage for eligible employees as follows:

Effective January 1, 2009, ATU and IBEW employees who were hired prior to July 1, 2012 must meet one of the following conditions to receive lifetime postretirement healthcare benefits:

- Attainment of 30 years of service, or Age 65 with 10 years of service
- Age 62 with 20 years of service
- Attainment of 25 years of service by June 30, 2012

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ATU employees hired on and after July 1, 2012 and IBEW employees hired between July 1, 2012 and April 30, 2015 will receive a maximum of 3 years of healthcare benefits following retirement. Eligibility for an unreduced pension benefit is required to receive retiree healthcare coverage. Such participants must meet one of the following conditions:

- Age 55 with 25 years of service, or
- Age 55 with sum of age plus service equal to 85, or
- Age 65 with 10 years of service
- Disabled with 10 years of service

Effective December 31, 2018, ATU retirees are eligible to receive Medicare Part B premium reimbursement upon meeting the following requirements prior to retirement:

- 25 years of service and hired before December 1, 2005
- Age 55 with 10 years of service
- Receiving pension disability allowance

IBEW employees hired on or after May 1, 2015 will not be eligible for postretirement healthcare coverage.

NonRep employees who retired prior to July 1, 2007 receive postretirement healthcare benefits. Effective July 1, 2007, NonRep. employees who retire with eligibility for a pension benefit (25 years of service with no age requirement if hired before December 1, 2005; age 55 with 10 years of service; or disabled with 10 years of service) may elect to continue healthcare coverage with PRT but are required to pay the full amount of the premiums.

Contributions. PRT's contribution is based on projected pay-as-you-go financing requirements. For fiscal years 2025 and 2024, PRT contributed \$22 million and \$21 million (excluding the implicit rate subsidy), respectively, to the plans.

Plan members receiving benefits contributed \$2.3 million and \$2.2 million for fiscal years June 30, 2025 and 2024, respectively, through their contributions as required by the cost sharing provisions of the Plans. Under these provisions, retirees receiving benefits pay a certain percentage of any cost increases after the base year, as determined by the respective plans. Retiree cost sharing percentages for the ATU, IBEW, and Non-Rep Plans are based on the particular health care coverage that is selected by the retiree, the number of family members covered and the age of the retiree and each covered family member, and when retirement became effective.

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NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

OPEB Liability. PRT's OPEB liability was measured as of December 31, 2024 and 2023 and was determined by an actuarial valuation as of January 1, 2023. Standard actuarial techniques were used to roll forward the total pension liability from the valuation date to the measurement date.

Actuarial Assumptions. The methods and assumptions are as follows:

- Discount rate, using Fidelity Fixed Income Market Data for Municipal GO AA Yield Curve at 20 years: 4.15%
- Actuarial cost method: Individual Entry Normal Level Percent of Pay
- Plan participation: 100% of eligible ATU and IBEW employees (medical, dental, and vision coverage), 25% of eligible Non-Rep (medical coverage)
- Mortality:
 - IBEW and Non-Rep: Society of Actuaries (SOA) scale MP-2020
 - ATU: PRI-2012 Mortality Table, using separate rates for employees and annuitants, and adjusted for white collar employees
- Salary increases:
 - 1/1/2023: 4.00%
 - 1/1/2024: 3.00%
 - 1/1/2025: 3.00%
 - 1/1/2026: 2.75%
 - 1/1/2027 and later: 3.50%

Changes in Actuarial Assumptions are as follows:

The assumed discount rate was 4.15% at the December 31, 2024 measurement date.

The assumed discount rate was 3.77% at the December 31, 2023 measurement date.

The following changes were made for the January 1, 2023 valuation:

- Historical trend rates and experience were updated to reflect recent data
- Assumed Medicare Part B premium was updated

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Changes in the Total OPEB Liability. The changes in the total OPEB liability of PRT for the year ended June 30, 2025 were as follows:

	OPEB Liability
Balance at June 30, 2024	\$ 433,232,719
Changes for the year:	
Service cost	12,436,673
Interest	16,296,322
Differences between expected and actual	-
Change in benefit terms	-
Changes of assumptions	(16,819,580)
Benefits paid	(26,812,436)
Balances at June 30, 2025	<u>\$ 418,333,698</u>

Changes in the Total OPEB Liability. The changes in the total OPEB liability of PRT for the year ended June 30, 2024 were as follows:

	OPEB Liability
Balance at June 30, 2023	\$ 458,044,709
Changes for the year:	
Service cost	10,920,091
Interest	16,881,661
Differences between expected and actual	(47,032,796)
Change in benefit terms	-
Changes of assumptions	20,302,553
Benefits paid	(25,883,499)
Balances at June 30, 2024	<u>\$ 433,232,719</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following represents the total OPEB liability calculated using the stated discount rate, as well as what

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

the total OPEB liability would be if it was calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

1% Decrease (3.15%)	Current Discount Rate (4.15%)	1% Increase (5.15%)
<u>\$ 465,357,931</u>	<u>\$ 418,333,698</u>	<u>\$ 378,807,510</u>

Sensitivity of the Total OPEB Liability to Changes in the Medical Trend Rate – The following presents the total OPEB liability calculated using the stated medical trend assumption, as well as what the total OPEB liability would be if it was calculated using a medical trend rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease	Current	1% Increase
Initial rate, pre-Medicare	5.50%	6.50%	7.50%
Initial rate, post-Medicare	4.00%	5.00%	6.00%
Ultimate rate	3.00%	4.00%	5.00%
	<u>\$ 376,418,527</u>	<u>\$ 418,333,698</u>	<u>\$ 468,552,167</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. For the years ended June 30, 2025 and 2024, PRT recognized OPEB expense of (\$17,893,821) and (\$21,075,255), respectively. Cash payments into the plan are included in fringe benefits on the statement of revenues, expenses, and changes in net position and any remaining excess (deficiency) is reported as OPEB expense, net.

At June 30, 2025 and 2024, PRT reported deferred outflows of resources related to OPEBs from the following sources:

	2025	2024
Differences between expected and actual experience	\$ 7,806,214	\$ 20,816,574
Changes of assumptions	12,385,279	25,187,226
Contributions made subsequent to the measurement date	14,023,326	13,406,218
	<u>\$ 34,214,819</u>	<u>\$ 59,410,018</u>

PITTSBURGH REGIONAL TRANSIT

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

At June 30, 2025 and 2024, PRT reported deferred inflows of resources related to OPEBs from the following sources:

	<u>2025</u>	<u>2024</u>
Differences between expected and actual experience	\$ 27,018,840	\$ 67,148,528
Changes of assumptions	<u>65,365,377</u>	<u>80,855,232</u>
	<u>\$ 92,384,217</u>	<u>\$ 148,003,760</u>

Deferred outflows of resources related to PRT OPEB contributions subsequent to the measurement date of \$14,023,326 and \$13,406,218 are recognized as a reduction of the net pension liability in the years ended June 30, 2025 and 2024, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	
2026	\$ (29,468,397)
2027	(32,221,349)
2028	(7,413,666)
2029	<u>(3,089,312)</u>
	<u>\$ (72,192,724)</u>

REQUIRED SUPPLEMENTARY INFORMATION

PORT AUTHORITY OF ALLEGHENY COUNTY D/B/A PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF CHANGES IN THE NET
PENSION LIABILITY AND RELATED RATIOS - ATU

YEARS ENDED JUNE 30
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service cost	\$ 21,892,118	\$ 21,655,172	\$ 21,217,071	\$ 21,461,427	\$ 20,030,979	\$ 19,539,210	\$ 18,544,833	\$ 17,959,953	\$ 17,641,994	\$ 16,952,228
Interest	83,227,004	81,541,963	80,466,511	79,520,555	77,767,904	76,265,451	72,730,713	71,007,455	70,211,764	69,033,870
Differences between expected and actual experience	846,918	(9,034,204)	(11,654,477)	(1,775,103)	(5,675,816)	(237,838)	104,701	(2,103,754)	(2,141,941)	3,688,462
Changes of assumptions	-	-	46,800	-	1,072,873	25,042,154	-	(10,620,990)	(4,479,512)	47,574,706
Benefit payments, including refunds of member contributions and certain healthcare expenses	(86,938,525)	(82,512,363)	(81,287,339)	(77,477,387)	(75,158,721)	(72,447,485)	(69,091,544)	(66,892,328)	(65,950,889)	(65,427,602)
Employer reimbursement for healthcare expenses	4,006,476	3,710,456	3,681,651	3,195,487	3,063,357	2,807,460	2,333,274	2,033,015	1,936,792	1,864,037
Net Changes in Total Pension Liability	23,033,991	15,361,024	12,470,217	24,924,979	21,100,576	50,968,952	24,621,977	11,383,351	17,218,208	73,685,701
Total Pension Liability - Beginning	1,170,141,166	1,154,780,142	1,142,309,925	1,117,384,946	1,096,284,370	1,045,315,418	1,020,693,441	1,009,310,090	992,091,882	918,406,181
Total Pension Liability - Ending (a)	\$ 1,193,175,157	\$ 1,170,141,166	\$ 1,154,780,142	\$ 1,142,309,925	\$ 1,117,384,946	\$ 1,096,284,370	\$ 1,045,315,418	\$ 1,020,693,441	\$ 1,009,310,090	\$ 992,091,882
Plan Fiduciary Net Position:										
Plan member contributions	\$ 16,955,871	\$ 16,384,865	\$ 15,933,825	\$ 16,037,701	\$ 15,300,511	\$ 15,591,086	\$ 14,831,860	\$ 14,312,058	\$ 13,930,234	\$ 13,482,012
Employer actuarially recommended contributions	26,155,849	38,273,309	33,725,590	35,237,520	36,418,627	34,211,911	32,676,285	29,117,937	26,080,452	22,261,679
Net investment income	95,631,342	110,126,773	(167,958,320)	133,850,150	80,921,632	122,543,622	(46,218,752)	100,845,535	35,100,028	(2,750,524)
Benefit payments, including refunds of member contributions and certain healthcare expenses	(86,938,525)	(82,512,363)	(81,287,339)	(77,477,387)	(75,158,381)	(72,447,485)	(69,091,544)	(66,892,328)	(65,950,889)	(65,427,602)
Employer reimbursement for healthcare expenses	4,006,476	3,710,456	3,681,651	3,195,487	3,063,357	2,807,460	2,333,274	2,033,015	1,936,792	1,864,037
Administrative expense	(340,907)	(363,393)	(472,403)	(726,120)	(402,623)	(719,039)	(751,373)	(582,040)	(496,899)	(583,165)
Net Change in Plan Fiduciary Net Position	55,470,106	85,619,647	(196,376,996)	110,117,351	60,143,123	101,987,555	(66,220,250)	78,834,177	10,599,718	(31,153,563)
Plan Fiduciary Net Position - Beginning	845,018,272	759,398,625	955,775,621	845,658,270	785,515,147	683,527,592	749,747,842	670,913,665	660,313,947	691,467,510
Plan Fiduciary Net Position - Ending (b)	\$ 900,488,378	\$ 845,018,272	\$ 759,398,625	\$ 955,775,621	\$ 845,658,270	\$ 785,515,147	\$ 683,527,592	\$ 749,747,842	\$ 670,913,665	\$ 660,313,947
Net Pension Liability - Ending (a-b)	\$ 292,686,779	\$ 325,122,894	\$ 395,381,517	\$ 186,534,304	\$ 271,726,676	\$ 310,769,223	\$ 361,787,826	\$ 270,945,599	\$ 338,396,425	\$ 331,777,935
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.47%	72.22%	65.76%	83.67%	75.68%	71.65%	65.39%	73.45%	66.47%	66.56%
Covered-Employee Payroll	\$ 161,400,505	\$ 155,962,648	\$ 150,857,412	\$ 152,357,516	\$ 144,798,145	\$ 148,327,726	\$ 140,278,658	\$ 135,837,359	\$ 133,588,113	\$ 127,714,679
Net Pension Liability as a Percentage of Covered-Employee Payroll	181.34%	208.46%	262.09%	122.43%	187.66%	209.52%	257.91%	199.46%	253.31%	259.78%

See accompanying note to required supplementary pension schedules.

PORT AUTHORITY OF ALLEGHENY COUNTY D/B/A PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF CHANGES IN THE NET
PENSION LIABILITY AND RELATED RATIOS - IBEW

YEARS ENDED JUNE 30
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service cost	\$ 152,950	\$ 158,179	\$ 162,729	\$ 185,985	\$ 198,767	\$ 222,168	\$ 231,980	\$ 248,724	\$ 238,162	\$ 252,182
Interest	1,769,168	1,776,586	1,818,935	1,837,171	1,828,037	1,846,891	1,825,648	1,850,223	1,860,812	1,830,476
Changes of benefit terms	30,727	-	-	-	-	-	-	-	-	16,606
Differences between expected and actual experience	-	(453,118)	(201,297)	152,068	(305,663)	121,451	(454,188)	(234,234)	(259,056)	(327,711)
Changes of assumptions	-	(5,927)	-	(13,369)	-	96,811	-	-	650,549	669,288
Benefit payments, including refunds of member contributions and certain healthcare expenses	(2,106,256)	(2,253,315)	(2,161,455)	(2,151,182)	(2,096,598)	(2,087,052)	(2,010,653)	(2,058,112)	(2,108,295)	(2,095,130)
Employer reimbursement for healthcare expenses	114,470	107,055	111,320	101,061	97,506	85,856	70,829	59,062	60,528	60,633
Net Changes in Total Pension Liability	(38,941)	(670,540)	(269,768)	111,734	(277,951)	286,125	(336,384)	(134,337)	442,700	406,344
Total Pension Liability - Beginning	25,297,517	25,968,057	26,237,825	26,126,091	26,404,042	26,117,917	26,454,301	26,588,638	26,145,938	25,739,594
Total Pension Liability - Ending (a)	\$ 25,258,576	\$ 25,297,517	\$ 25,968,057	\$ 26,237,825	\$ 26,126,091	\$ 26,404,042	\$ 26,117,917	\$ 26,454,301	\$ 26,588,638	\$ 26,145,938
Plan Fiduciary Net Position:										
Plan member contributions	\$ 109,694	\$ 151,215	\$ 121,292	\$ 136,933	\$ 149,959	\$ 160,688	\$ 179,201	\$ 184,388	\$ 155,496	\$ 120,620
Employer actuarially recommended contributions	615,762	803,369	697,334	792,066	837,771	821,230	658,157	806,107	913,536	828,090
Net investment income	2,075,755	2,102,796	(1,888,849)	2,746,374	1,756,986	3,020,511	(819,490)	2,458,203	1,127,108	(62,544)
Benefit payments, including refunds of member contributions and certain healthcare expenses	(2,106,256)	(2,253,315)	(2,161,455)	(2,151,182)	(2,096,598)	(2,087,052)	(2,010,653)	(2,058,112)	(2,108,295)	(2,095,130)
Employer reimbursement for healthcare expenses	114,470	107,055	111,320	101,061	97,506	85,856	70,829	59,062	60,528	60,633
Administrative expense	(35,500)	(31,174)	(22,300)	(33,930)	(40,079)	(54,392)	(54,678)	(67,221)	(42,495)	(59,812)
Net Change in Plan Fiduciary Net Position	773,925	879,946	(3,142,658)	1,591,322	705,545	1,946,841	(1,976,634)	1,382,427	105,878	(1,208,143)
Plan Fiduciary Net Position - Beginning	19,438,493	18,558,547	21,701,205	20,109,883	19,404,338	17,457,497	19,434,131	18,051,704	17,945,826	19,153,969
Plan Fiduciary Net Position - Ending (b)	\$ 20,212,418	\$ 19,438,493	\$ 18,558,547	\$ 21,701,205	\$ 20,109,883	\$ 19,404,338	\$ 17,457,497	\$ 19,434,131	\$ 18,051,704	\$ 17,945,826
Net Pension Liability - Ending (a-b)	\$ 5,046,158	\$ 5,859,024	\$ 7,409,510	\$ 4,536,620	\$ 6,016,208	\$ 6,999,704	\$ 8,660,420	\$ 7,020,170	\$ 8,536,934	\$ 8,200,112
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.02%	76.84%	71.47%	82.71%	76.97%	73.49%	66.84%	73.46%	67.89%	68.64%
Covered-Employee Payroll	\$ 1,044,719	\$ 1,103,107	\$ 1,155,172	\$ 1,304,139	\$ 1,428,203	\$ 1,530,373	\$ 1,706,677	\$ 1,845,900	\$ 1,864,753	\$ 1,916,931
Net Pension Liability as a Percentage of Covered-Employee Payroll	483.02%	531.14%	641.42%	347.86%	421.24%	457.39%	507.44%	380.31%	457.81%	427.77%

See accompanying note to required supplementary pension schedules.

PORT AUTHORITY OF ALLEGHENY COUNTY D/B/A PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF CHANGES IN THE NET
PENSION LIABILITY AND RELATED RATIOS - NonRep

YEARS ENDED JUNE 30
LAST TEN YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service cost	\$ 799,012	\$ 879,650	\$ 930,569	\$ 917,711	\$ 921,666	\$ 1,026,743	\$ 1,072,258	\$ 1,116,566	\$ 1,176,670	\$ 1,155,659
Interest	9,617,668	9,488,212	9,393,172	9,299,853	9,134,016	9,138,606	8,993,603	8,974,766	8,864,104	8,602,050
Differences between expected and actual experience	995,237	342,347	219,709	1,360,492	(1,118,353)	287,727	(1,039,129)	275,652	904,469	362,560
Changes of assumptions	-	-	-	-	-	537,205	-	-	1,632,561	2,903,673
Benefit payments, including refunds of member contributions and certain healthcare expenses	(9,903,936)	(9,714,275)	(9,504,503)	(9,419,019)	(9,376,557)	(9,116,116)	(9,022,211)	(8,878,245)	(8,981,209)	(8,764,596)
Employer reimbursement for healthcare expenses	326,904	312,181	315,842	286,385	260,984	241,294	211,954	203,652	185,834	174,680
Net Changes in Total Pension Liability	1,834,885	1,308,115	1,354,789	2,445,422	(178,244)	2,115,459	216,475	1,692,391	3,782,429	4,434,026
Total Pension Liability - Beginning	136,050,801	134,742,686	133,387,897	130,942,475	131,120,719	129,005,260	128,788,785	127,096,394	123,313,965	118,879,939
Total Pension Liability - Ending (a)	\$ 137,885,686	\$ 136,050,801	\$ 134,742,686	\$ 133,387,897	\$ 130,942,475	\$ 131,120,719	\$ 129,005,260	\$ 128,788,785	\$ 127,096,394	\$ 123,313,965
Plan Fiduciary Net Position:										
Plan member contributions	\$ 818,547	\$ 847,265	\$ 874,669	\$ 893,852	\$ 900,096	\$ 984,218	\$ 1,003,129	\$ 1,025,619	\$ 1,090,555	\$ 1,111,025
Employer actuarially recommended contributions	6,949,861	7,417,081	6,568,807	7,108,002	7,437,394	7,129,273	5,701,085	6,118,561	6,190,809	5,667,461
Net investment income	11,874,797	11,552,081	(9,671,438)	13,792,304	8,610,366	13,631,723	(3,657,679)	10,398,441	4,657,193	(270,864)
Benefit payments, including refunds of member contributions and certain healthcare expenses	(9,903,936)	(9,714,275)	(9,504,503)	(9,419,019)	(9,376,557)	(9,116,116)	(9,022,211)	(8,878,245)	(8,981,209)	(8,764,596)
Employer reimbursement for healthcare expenses	326,904	312,181	315,842	286,385	260,984	241,294	211,954	203,652	185,834	174,680
Administrative expense	(69,190)	(33,354)	(80,617)	(87,249)	(209,483)	(125,325)	(115,060)	(194,676)	(113,635)	(140,666)
Net Change in Plan Fiduciary Net Position	9,996,983	10,380,979	(11,497,240)	12,574,275	7,622,800	12,745,067	(5,878,782)	8,673,352	3,029,547	(2,222,960)
Plan Fiduciary Net Position - Beginning	109,904,538	99,523,559	111,020,799	98,446,524	90,823,724	78,078,657	83,957,439	75,284,087	72,254,540	74,477,500
Plan Fiduciary Net Position - Ending (b)	\$ 119,901,521	\$ 109,904,538	\$ 99,523,559	\$ 111,020,799	\$ 98,446,524	\$ 90,823,724	\$ 78,078,657	\$ 83,957,439	\$ 75,284,087	\$ 72,254,540
Net Pension Liability - Ending (a-b)	\$ 17,984,165	\$ 26,146,263	\$ 35,219,127	\$ 22,367,098	\$ 32,495,951	\$ 40,296,995	\$ 50,926,603	\$ 44,831,346	\$ 51,812,307	\$ 51,059,425
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.96%	80.78%	73.86%	83.23%	75.18%	69.27%	60.52%	65.19%	59.23%	58.59%
Covered-Employee Payroll	\$ 7,795,751	\$ 8,069,266	\$ 8,330,246	\$ 8,512,962	\$ 8,572,438	\$ 8,914,879	\$ 9,553,580	\$ 9,767,772	\$ 9,976,365	\$ 10,581,158
Net Pension Liability as a Percentage of Covered-Employee Payroll	230.69%	324.02%	422.79%	262.74%	379.07%	452.02%	533.06%	458.97%	519.35%	482.55%

See accompanying note to required supplementary pension schedules.

PORT AUTHORITY OF ALLEGHENY COUNTY D/B/A PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF PRT CONTRIBUTIONS - PENSIONS

YEARS ENDED JUNE 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution:										
ATU	\$ 26,155,849	\$ 38,273,309	\$ 33,725,590	\$ 35,237,520	\$ 36,418,967	\$ 34,211,911	\$ 32,676,285	\$ 29,117,937	\$ 25,162,906	\$ 23,179,225
IBEW	615,762	803,369	697,334	792,066	837,771	821,230	658,157	806,107	913,536	828,090
NonRep	6,949,861	5,701,085	6,568,807	7,108,002	7,437,394	7,129,273	5,701,085	6,118,561	6,190,809	5,667,461
	<u>33,721,472</u>	<u>44,777,763</u>	<u>40,991,731</u>	<u>43,137,588</u>	<u>44,694,132</u>	<u>42,162,414</u>	<u>39,035,527</u>	<u>36,042,605</u>	<u>32,267,251</u>	<u>29,674,776</u>
Contributions in relation to the actuarially determined contribution:										
ATU	26,155,849	38,273,309	33,725,590	35,237,520	36,418,967	34,211,911	32,676,285	29,117,937	25,162,906	23,179,225
IBEW	615,762	803,369	697,334	792,066	837,771	821,230	658,157	806,107	913,536	828,090
NonRep	6,949,861	5,701,085	6,568,807	7,108,002	7,437,394	7,129,273	5,701,085	6,118,561	6,190,809	5,667,461
	<u>33,721,472</u>	<u>44,777,763</u>	<u>40,991,731</u>	<u>43,137,588</u>	<u>44,694,132</u>	<u>42,162,414</u>	<u>39,035,527</u>	<u>36,042,605</u>	<u>32,267,251</u>	<u>29,674,776</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll:										
ATU	\$ 161,400,505	\$ 157,685,047	\$ 152,400,958	\$ 153,757,623	\$ 151,885,562	\$ 144,568,395	\$ 142,111,013	\$ 137,756,902	\$ 133,588,113	\$ 127,714,679
IBEW	1,044,719	1,103,977	1,106,785	1,232,230	1,420,920	1,506,183	1,551,817	1,750,302	1,885,119	1,916,931
NonRep	7,795,751	8,822,859	8,261,278	8,434,819	8,826,652	8,829,432	8,822,859	9,632,840	9,976,365	10,581,158
	<u>\$ 170,240,975</u>	<u>\$ 167,611,883</u>	<u>\$ 161,769,021</u>	<u>\$ 163,424,672</u>	<u>\$ 162,133,134</u>	<u>\$ 154,904,010</u>	<u>\$ 152,485,689</u>	<u>\$ 149,140,044</u>	<u>\$ 145,449,597</u>	<u>\$ 140,212,768</u>
Contributions as a percentage of covered-employee payroll										
ATU	16.21%	24.27%	22.13%	22.92%	23.98%	23.66%	22.99%	21.14%	18.84%	18.15%
IBEW	58.94%	72.77%	63.01%	64.28%	58.96%	54.52%	42.41%	46.06%	48.46%	43.20%
NonRep	89.15%	64.62%	79.51%	84.27%	84.26%	80.74%	64.62%	63.52%	62.05%	53.56%
Annual money-weighted rate of return, net of investment expense										
ATU	10.30%	15.10%	-16.00%	16.10%	10.70%	18.40%	-6.20%	15.80%	5.60%	-0.50%
IBEW	10.20%	12.22%	-7.81%	11.09%	10.03%	17.84%	-4.20%	14.30%	6.69%	-0.21%
NonRep	10.20%	12.22%	-7.81%	11.09%	10.03%	17.84%	-4.20%	14.30%	6.69%	-0.21%

Note to Required Supplementary Pension Schedules:

Valuation date: Actuarial calculations are performed each year as of January 1. Contributions noted above are as of each pension plan's calendar year ending December 31 using actuarially determined contribution rates calculated as of January 1, one year prior to the end of the calendar year in which contributions are reported.

Methods and assumptions used to determine the contribution rates:

Actuarial cost method	Individual Entry Age Normal
Amortization method	Level-dollar monthly payments
Remaining amortization period	15 years
Asset valuation method	Smoothed market value (with phase-in)
Inflation	2.50%
Salary increases	3.00% (with exceptions for years covered by the ATU and IBEW collective bargaining agreement)
Investment rate of return	7.25% IBEW and NonRep (8.00% for 2013 and prior) 7.63% ATU (8.00% for 2016 and prior)
Mortality	ATU: For healthy lives, mortality is in accordance with the RP-2000 Combined Mortality Table adjusted for blue collar employees with separate rates for employees and annuitants. Mortality improvements use 2004 as a base year and are projected through 2014 using 100% of Scale AA after 2014 using 50% of Scale AA. For disabled lives, mortality is in accordance with the disabled mortality table specified in IRS Revenue Ruling 96-7 for disabilities occurring prior to 1995. For beneficiary and QDRO lives, mortality is in accordance with the RP-2000 mortality table for annuitants adjusted for white collar employees. Mortality improvements use 2000 as a base year and are projected using 100% of Scale AA for all years. IBEW and NonRep: Society of Actuaries Scale MP-2021. For non-disabled participants: PubG-2010(a) Retiree Table. For disabled participants: PubNS-2010 Disabled Retiree Table. For surviving beneficiaries: Pub-2010(a) Contingent Survivor Table.

The NonRep plan was closed to new participants effective September 1, 2011

The IBEW plan was closed to new participants effective January 1, 2012

* Preliminary contributions of \$22,261,679 had been determined for the 2015 plan year. The final contribution determination for 2015, reflecting changes approved by the Retirement Committee, was completed in January 2017. A final contribution of \$917,546 toward the 2015 plan year funding was made by the Authority in February 2017.

PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS - ATU

YEARS ENDED JUNE 30
LAST TEN YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service cost	\$ 12,107,732	\$ 10,587,937	\$ 17,681,658	\$ 16,605,085	\$ 15,342,073	\$ 11,063,966	\$ 9,523,002	\$ 7,862,601
Interest	15,142,164	15,646,050	10,123,125	10,629,945	16,847,765	18,376,049	18,351,223	18,970,326
Differences between expected and actual experience	-	(40,526,033)	-	54,661,166	(182,014,952)	(62,586,492)	-	-
Change in benefit terms	-	-	-	-	-	6,327,280	24,477,127	-
Changes of assumptions	(15,717,987)	18,973,897	(127,708,933)	5,900,894	44,231,497	104,356,787	(26,986,489)	55,044,733
Benefit payments	(24,522,264)	(23,553,821)	(23,819,511)	(22,414,708)	(25,389,479)	(24,118,471)	(27,352,586)	(26,713,212)
Net Changes in Total OPEB Liability	(12,990,355)	(18,871,970)	(123,723,661)	65,382,382	(130,983,096)	53,419,119	(1,987,723)	55,164,448
Total OPEB Liability - Beginning	401,802,322	420,674,292	544,397,953	479,015,571	609,998,667	556,579,548	558,567,271	503,402,823
Total OPEB Liability - Ending (a)	<u>\$ 388,811,967</u>	<u>\$ 401,802,322</u>	<u>\$ 420,674,292</u>	<u>\$ 544,397,953</u>	<u>\$ 479,015,571</u>	<u>\$ 609,998,667</u>	<u>\$ 556,579,548</u>	<u>\$ 558,567,271</u>
Covered-Employee Payroll	<u>\$ 163,805,216</u>	<u>\$ 158,228,538</u>	<u>\$ 155,750,877</u>	<u>\$ 149,474,375</u>	<u>\$ 145,777,201</u>	<u>\$ 140,863,321</u>	<u>\$ 131,806,885</u>	<u>\$ 128,520,603</u>
OPEB Liability as a Percentage of Covered-Employee Payroll	237.36%	253.94%	270.09%	364.21%	328.59%	433.04%	422.27%	434.61%

* Until a full 10-year trend is compiled, the required information for the Plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules -
other postemployment benefits (OPEBs).

PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS - IBEW

YEARS ENDED JUNE 30
LAST TEN YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service cost	\$ 100,623	\$ 99,822	\$ 233,245	\$ 226,659	\$ 257,011	\$ 200,062	\$ 301,690	\$ 277,648
Interest	342,422	360,530	264,829	280,902	452,565	522,209	606,359	644,668
Differences between expected and actual experience	-	(1,801,985)	-	1,463,685	(5,208,621)	(2,009,026)	-	-
Changes of benefit terms	-	-	-	450,926	-	184,596	-	-
Changes of assumptions	(380,278)	409,245	(3,617,222)	(277,062)	1,448,408	845,192	(1,121,548)	1,169,548
Benefit payments	(588,780)	(550,726)	(561,541)	(537,711)	(632,460)	(661,629)	(737,990)	(696,907)
Net Changes in Total OPEB Liability	(526,013)	(1,483,114)	(3,680,689)	1,607,399	(3,683,097)	(918,596)	(951,489)	1,394,957
Total OPEB Liability - Beginning	9,276,603	10,759,717	14,440,406	12,833,007	16,516,104	17,434,700	18,386,189	16,991,232
Total OPEB Liability - Ending (a)	<u>\$ 8,750,590</u>	<u>\$ 9,276,603</u>	<u>\$ 10,759,717</u>	<u>\$ 14,440,406</u>	<u>\$ 12,833,007</u>	<u>\$ 16,516,104</u>	<u>\$ 17,434,700</u>	<u>\$ 18,386,189</u>
Covered-Employee Payroll	<u>\$ 3,116,911</u>	<u>\$ 3,272,686</u>	<u>\$ 2,867,879</u>	<u>\$ 2,983,475</u>	<u>\$ 2,997,599</u>	<u>\$ 3,069,187</u>	<u>\$ 2,950,858</u>	<u>\$ 3,018,623</u>
OPEB Liability as a Percentage of Covered-Employee Payroll	280.75%	283.46%	375.18%	484.01%	428.11%	538.13%	590.83%	609.09%

* Until a full 10-year trend is compiled, the required information for the Plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules -
other postemployment benefits (OPEBs).

PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS - NonRep

YEARS ENDED JUNE 30
LAST TEN YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:								
Service cost	\$ 228,318	\$ 232,332	\$ 294,369	\$ 295,891	\$ 206,300	\$ 187,362	\$ 226,112	\$ 206,778
Interest	811,736	875,081	631,199	693,747	1,229,175	1,516,159	1,747,860	1,924,121
Differences between expected and actual experience	-	(4,704,778)	-	3,722,803	(15,028,909)	(6,143,926)	-	-
Changes of benefit terms	-	-	-	-	-	265,483	-	-
Changes of assumptions	(721,315)	919,411	(7,282,813)	(87,666)	3,191,640	2,505,100	(2,567,989)	3,300,173
Benefit payments	(1,701,392)	(1,778,952)	(2,083,925)	(2,271,645)	(2,780,922)	(2,846,595)	(3,174,213)	(3,120,071)
Net Changes in Total OPEB Liability	(1,382,653)	(4,456,906)	(8,441,170)	2,353,130	(13,182,716)	(4,516,417)	(3,768,230)	2,311,001
Total OPEB Liability - Beginning	22,153,794	26,610,700	35,051,870	32,698,740	45,881,456	50,397,873	54,166,103	51,855,102
Total OPEB Liability - Ending (a)	<u>\$ 20,771,141</u>	<u>\$ 22,153,794</u>	<u>\$ 26,610,700</u>	<u>\$ 35,051,870</u>	<u>\$ 32,698,740</u>	<u>\$ 45,881,456</u>	<u>\$ 50,397,873</u>	<u>\$ 54,166,103</u>
Covered-Employee Payroll	<u>\$ 24,336,809</u>	<u>\$ 26,839,523</u>	<u>\$ 21,991,284</u>	<u>\$ 23,473,110</u>	<u>\$ 19,839,664</u>	<u>\$ 21,458,198</u>	<u>\$ 18,269,218</u>	<u>\$ 19,182,175</u>
OPEB Liability as a Percentage of Covered-Employee Payroll	85.35%	82.54%	121.01%	149.33%	164.81%	213.82%	275.86%	282.38%

* Until a full 10-year trend is compiled, the required information for the Plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules -
other postemployment benefits (OPEBs).

PITTSBURGH REGIONAL TRANSIT

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS (OPEBS)

YEAR ENDED JUNE 30, 2025

Valuation Date

The actuarial valuation date was performed as of January 1, 2023. The liability measurement date was performed as of December 31, 2024. Standard actuarial techniques were used to roll forward the OPEB liability from the valuation date to the measurement date.

Funding Policy

PRT's funding policy is to pay for plan benefits when they become due each year, as such no actuarially determined contribution is calculated. There is no accumulation of assets in a trust for the plans.

Actuarial Methods and Assumptions

The methods and assumptions are as follows:

- Discount rate, using Fidelity Fixed Income Market Data for Municipal GO AA Yield Curve at 20 years: 4.15%
- Actuarial cost method: Individual Entry Normal Level Percent of Pay
- Plan participation: 100% of eligible ATU and IBEW employees (medical, dental, and vision coverage), 25% of eligible Non-Rep (medical coverage)
- Mortality:
 - Society of Actuaries (SOA) scale MP-2021
- Salary increases:
 - 1/1/2023: 4.00%
 - 1/1/2024: 3.00%
 - 1/1/2025: 3.00%
 - 1/1/2026: 2.75%
 - 1/1/2027 and later: 3.50%

PITTSBURGH REGIONAL TRANSIT

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS (OPEBS)

YEAR ENDED JUNE 30, 2025

- Assumed rates of retirement are as follows:

ATU

Age	Service		Bridge eligible*
	10 to 24 years	25 or more years	
Below 54	0.0%	40%	50%
55-59	0.2%	30%	50%
60-61	0.5%	10%	50%
62	10.0%	80%	60%
63-64	3.0%	30%	35%
65	80.0%	80%	100%
66-69	30.0%	30%	100%
Over 70	100.0%	100%	100%

Rate is 0% for employees hired on or after December 1, 2005

* Employees who attained 25 years service by June 30, 2012, who are eligible for retiree medical benefits

IBEW and Non-Rep

Age	Percentage of retirement based on pension eligibility	
	Reduced benefits for early retirement	Unreduced benefits
Below 54	0.0%	40%
55-59	3.0%	40%
60-64	10.0%	40%
65	0.0%	70%
66-69	0.0%	30%
Over 70	0.0%	100%

Rate is 0% for IBEW employees hired on or after May 1, 2006

PITTSBURGH REGIONAL TRANSIT

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS (OPEBS)

YEAR ENDED JUNE 30, 2025

- Healthcare cost trend rates are as follows:

Year	Medical and Drug		Dental	Vision	Medicare
	Pre-Medicare	Post-Medicare			Part B
Short term:					
2023	7.00%	4.75%	3.00%	2.00%	6.00%
2024	6.75%	4.75%	3.00%	2.00%	6.00%
2025	6.50%	5.00%	3.00%	2.00%	6.00%
2026	6.25%	5.00%	3.00%	2.00%	6.00%
2027	6.00%	5.00%	3.00%	2.00%	6.00%
2028	6.00%	5.00%	3.00%	2.00%	6.00%
2029	5.75%	5.00%	3.00%	2.00%	6.00%
2030	5.50%	5.00%	3.00%	2.00%	6.00%
2031	5.25%	5.00%	3.00%	2.00%	6.00%
Long term:					
2032-2037	5.00%	5.00%	3.00%	2.00%	5.00%
2038-2072	4.50%	4.50%	3.00%	2.00%	4.50%
2073 and later	4.00%	4.00%	3.00%	2.00%	4.00%

Changes in Actuarial Assumptions

The assumed discount rate was 4.15% at the December 31, 2024 measurement date.

The assumed discount rate was 3.77% at the December 31, 2023 measurement date. Historical trend rates and experience have been updated to reflect recent data. The assumed Medicare Part B premium has been updated.

The assumed discount rate was 4.05% at the December 31, 2022 measurement date.

Salary increases were updated to the following:

- 1/1/2023: 4.00%
- 1/1/2024: 3.00%
- 1/1/2025: 3.00%
- 1/1/2026: 2.75%
- 1/1/2027 and later: 3.50%

The assumed discount rate was 1.84% at the December 31, 2021 measurement date.

PITTSBURGH REGIONAL TRANSIT

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS (OPEBS)

YEAR ENDED JUNE 30, 2025

The annual mortality improvement scale was updated from MP-2020 to MP-2021 and the long term trend rates for dental and vision was updated at the December 31, 2021 measurement date.

The assumed discount rate was 2.00% at the December 31, 2020 measurement date.

The assumed benefit provisions included a reduction of insurance premiums costs of approximately 50% at the December 31, 2020 measurement date.

The following changes were made for the January 1, 2019 valuation:

- Mortality and mortality improvement assumptions were updated for IBEW and Non-rep
- ATU retirement rates were updated
- Short and long term historical trend rates for healthcare costs were updated
- Assumptions related to the removal of the ACA Cadillac Tax

The assumed discount rate was 3.71% at the December 31, 2018 measurement date.

The assumed discount rate was 3.31% at the December 31, 2017 measurement date.

An update to the retirement assumption for ATU employees was made to reflect plan experience for the December 31, 2017 measurement date.

SUPPLEMENTARY INFORMATION

PITTSBURGH REGIONAL TRANSIT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

<u>Federal Grantor / Pass-Through Grantor / Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Grantor Number or Pass-Through Grantor Number</u>	<u>Amount Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<u>DEPARTMENT OF TRANSPORTATION:</u>				
<u>FEDERAL TRANSIT ADMINISTRATION:</u>				
Federal Transit Cluster:				
<u>Federal Transit - Capital Investment Grants:</u>				
PA-2023-020 Trams Grant	20.500	PA-03-0400	-	4,290,213
PA-2023-026 Trams Grant	20.500	PA-03-0401	-	9,525,882
Total ALN 20.500			-	13,816,095
<u>Federal Transit - Formula Grants:</u>				
PA-2016-027-00 Trams Grant	20.507	PA-95-0001	-	104,721
PA-2021-042-00 Flex Grant	20.507	PA-2021-042-00	-	1,000,000
PA-2022-035-00 Flex Grant CMAQ	20.507	PA-2022-035-00	-	36,301
PA-2022-052 Super Grant	20.507	PA-90-Y044	-	6,594,292
PA-2023-023 Trams Grant	20.507	PA-34-0093	-	220,996
COVID-19 PA-2021-047-00 CRRSAA 5307 Funds	20.507	PA-2021-047-00	-	10,206,764
PA-2022-052 Super Grant	20.507	PA-54-X029	-	2,774,878
PA-2022-052 Super Grant	20.507	PA-95-0169	-	6,172,200
PA-2022-052 Super Grant	20.507	PA-90-Y088	-	4,442,659
PA-2023-062	20.507	PA-95-X178	-	3,524,189
PA-2024-028	20.507	PA-90-Y117	-	15,273,796
PA-2023-046 Trams Grant	20.507	PA-81-0001	-	120,458
Total ALN 20.507			-	50,471,254
<u>State of Good Repair Grants Program:</u>				
PA-2022-052 Super Grant	20.525	PA-54-X029	-	16,504,716
PA-2024-028	20.525	PA-54-0037	-	20,889,938
Total ALN 20.525			-	37,394,654
<u>Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs:</u>				
PA-2022-052 Super Grant	20.526	PA-34-0097	-	3,259,685
PA-2023-040 Trams Grant	20.526	PA-34-0093	-	2,583,775
Total ALN 20.526			-	5,843,460
TOTAL FEDERAL TRANSIT CLUSTER			-	107,525,463
TOTAL FEDERAL TRANSIT ADMINISTRATION			-	107,525,463
<u>Metropolitan Transportation Planning:</u>				
Passed through the Commonwealth of Pennsylvania:				
Transit Services Programs Cluster:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	520906-5	-	452,715
TOTAL TRANSIT SERVICES PROGRAM CLUSTER			-	452,715
Highway Planning and Construction	20.205	CSPC	-	184,000
TOTAL DEPARTMENT OF TRANSPORTATION			-	108,162,178
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
Passed through Allegheny County				
Targeted Airshed Grant Program	66.956	261256	-	400,000
TOTAL ENVIRONMENTAL PROTECTION AGENCY			-	400,000
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ -	\$ 108,562,178

See accompanying notes to schedule of expenditures of federal awards.

PITTSBURGH REGIONAL TRANSIT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Port Authority of Allegheny County d/b/a Pittsburgh Regional Transit (PRT) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of PRT, it is not intended to and does not present the net position, changes in net position, or cash flows of PRT.

2. Summary of Significant Accounting Policies

The accompanying schedule is presented using the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. For the year ended June 30, 2025, PRT did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit**

Independent Auditor's Reports
Required by the Uniform Guidance

Year Ended June 30, 2025

**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards**

**Board of Directors
Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate other fund information of the Port Authority of Allegheny County d/b/a Pittsburgh Regional Transit (PRT), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise PRT's basic financial statements, and have issued our report thereon dated January 30, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered PRT's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PRT's internal control. Accordingly, we do not express an opinion on the effectiveness of PRT's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Board of Directors
Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit
Independent Auditor's Report on Internal Control over Financial
Reporting and on Compliance and Other Matters

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether PRT's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maher Duessel

Pittsburgh, Pennsylvania
January 30, 2026

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

**Board of Directors
Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Port Authority of Allegheny County d/b/a Pittsburgh Regional Transit's (PRT)'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of PRT's major federal programs for the year ended June 30, 2025. PRT's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, PRT complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of PRT and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of PRT's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to PRT's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on PRT's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about PRT's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding PRT's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of PRT's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of PRT's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Board of Directors
Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit
Independent Auditor's Report on Compliance for Each Major
Program and on Internal Control over Compliance

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mahe Duessel

Pittsburgh, Pennsylvania
January 30, 2026

PITTSBURGH REGIONAL TRANSIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2025

I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified, prepared in accordance with Generally Accepted Accounting Principles

2. Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no

Significant deficiencies identified that are not considered to be material weakness(es)?
☐ yes ☒ none reported

3. Noncompliance material to financial statements noted? ☐ yes ☒ no

4. Internal control over major program:

Material weakness(es) identified? ☐ yes ☒ no

Significant deficiencies identified that are not considered to be material weakness(es)?
☐ yes ☒ none reported

5. Type of auditor's report issued on compliance for major program: Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? ☐ yes ☒ no

7. Major Programs:

Federal ALN(s)

20.500, 20.507,
20.525, and 20.526

Name of Federal Program or Cluster

Federal Transit Cluster

8. Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

9. Auditee qualified as low-risk auditee? ☒ yes ☐ no

II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

No matters were reported.

III. Findings and questioned costs for federal awards.

No matters were reported.

PITTSBURGH REGIONAL TRANSIT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2025

NONE

**SCHEDULES REQUIRED BY THE
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION**

Independent Auditor's Report

**Board of Directors
Port Authority of Allegheny County
d/b/a Pittsburgh Regional Transit**

We have audited the financial statements of the Port Authority of Allegheny County d/b/a Pittsburgh Regional Transit (PRT), a component unit of Allegheny County, as of and for the year ended June 30, 2025, and have issued our report thereon dated January 30, 2026, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules required by the Commonwealth of Pennsylvania Department of Transportation are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
January 30, 2026

Expenses (FY 24-25)**Service Mode: Bus (LR)**

	Vehicle Operation	Vehicle Maintenance	Facility Maintenance	General Admin	Totals
Operating Expenses					
Operators' Salaries and Wages (5011)	\$ 5,548,698	\$ -	\$ -	\$ -	\$ 5,548,698
Operators' Paid Absences (5012)	718,633	-	-	-	718,633
Other Salaries and Wages (5013)	4,844,141	10,786,356	14,155,839	2,339,497	32,125,833
Other Paid Absences (5014)	729,790	1,387,227	1,727,695	357,785	4,202,497
Fringe Benefits (5015)	7,002,140	7,264,588	9,538,656	1,571,183	25,376,567
Services (5020)	239,969	96,313	1,247,744	1,943,711	3,527,737
Fuel and Lubricants (5031)	-	85,666	-	-	85,666
Tires and Tubes (5032)	-	2,629	-	-	2,629
Other Materials and Supplies (5039)	38,191	5,564,359	1,778,033	72,107	7,452,690
Utilities (5040)	2,782,019	-	-	1,969,801	4,751,820
Casualty and Liability Costs (5050)	-	-	-	443,866	443,866
Taxes (5060)	-	-	-	-	-
Purchased Transportation Expenses (5100)	-	-	-	-	-
Miscellaneous Expenses (5090)	9,492	33,652	48,481	332,964	424,589
Total System Expenses	\$ 21,913,073	\$ 25,220,790	\$ 28,496,448	\$ 9,030,914	\$ 84,661,225

Expenses (FY 24-25)**Service Mode: Bus (IP)**

	Vehicle Operation	Vehicle Maintenance	Facility Maintenance	General Admin	Totals
Operating Expenses					
Operators' Salaries and Wages (5011)	\$ 280,088	\$ -	\$ -	\$ -	\$ 280,088
Operators' Paid Absences (5012)	37,513	-	-	-	37,513
Other Salaries and Wages (5013)	8,630	15,796	510,851	30,360	565,637
Other Paid Absences (5014)	799	5,098	111,988	4,607	122,492
Fringe Benefits (5015)	192,891	10,553	342,017	20,430	565,891
Services (5020)	4,167	2,269	251,793	16,308	274,537
Fuel and Lubricants (5031)	-	132	-	-	132
Tires and Tubes (5032)	-	46	-	-	46
Other Materials and Supplies (5039)	320	1,720	17,383	714	20,137
Utilities (5040)	24,310	-	-	14,007	38,317
Casualty and Liability Costs (5050)	-	-	-	7,707	7,707
Taxes (5060)	-	-	-	-	-
Purchased Transportation Expenses (5100)	-	-	-	-	-
Miscellaneous Expenses (5090)	81	20	1,259	5,666	7,026
Total System Expenses	\$ 548,799	\$ 35,634	\$ 1,235,291	\$ 99,799	\$ 1,919,523

Expenses (FY 24-25)**Service Mode: Bus (MB)**

	Vehicle Operation	Vehicle Maintenance	Facility Maintenance	General Admin	Totals
Operating Expenses					
Operators' Salaries and Wages (5011)	\$ 69,648,735	\$ -	\$ -	\$ -	\$ 69,648,735
Operators' Paid Absences (5012)	9,127,600	-	-	-	9,127,600
Other Salaries and Wages (5013)	19,110,689	38,184,033	12,306,355	26,289,395	95,890,472
Other Paid Absences (5014)	2,157,027	5,450,567	1,731,387	3,987,954	13,326,935
Fringe Benefits (5015)	60,010,051	25,746,693	8,262,283	17,690,145	111,709,172
Services (5020)	3,567,053	292,019	647,368	14,866,168	19,372,608
Fuel and Lubricants (5031)	16,807,079	762,567	-	-	17,569,646
Tires and Tubes (5032)	2,083,632	39,076	-	-	2,122,708
Other Materials and Supplies (5039)	340,122	23,681,263	1,483,944	628,289	26,133,618
Utilities (5040)	174,356	-	-	4,453,660	4,628,016
Casualty and Liability Costs (5050)	-	-	-	7,621,461	7,621,461
Taxes (5060)	-	-	-	-	-
Purchased Transportation Expenses (5100)	-	-	-	-	-
Miscellaneous Expenses (5090)	108,241	96,837	146,945	5,433,974	5,785,997
Total System Expenses	\$ 183,134,585	\$ 94,253,055	\$ 24,578,282	\$ 80,971,046	\$ 382,936,968

Expenses (FY 24-25)**Service Mode: Demand Response (DR)**

	Vehicle Operation	Vehicle Maintenance	Facility Maintenance	General Admin	Totals
Operating Expenses					
Operators' Salaries and Wages (5011)	\$ -	\$ -	\$ -	\$ -	\$ -
Operators' Paid Absences (5012)	-	-	-	-	-
Other Salaries and Wages (5013)	-	-	-	18,821	18,821
Other Paid Absences (5014)	-	-	-	2,681	2,681
Fringe Benefits (5015)	-	-	-	9,882	9,882
Services (5020)	-	-	-	10,099	10,099
Fuel and Lubricants (5031)	-	-	-	-	-
Tires and Tubes (5032)	-	-	-	-	-
Other Materials and Supplies (5039)	-	-	-	420	420
Utilities (5040)	-	-	-	3,863	3,863
Casualty and Liability Costs (5050)	-	-	-	4,845	4,845
Taxes (5060)	-	-	-	-	-
Purchased Transportation Expenses (5100)	21,721,571	7,062,363	1,300,369	9,167,208	39,251,511
Miscellaneous Expenses (5090)	-	-	-	3,464	3,464
Total System Expenses	\$ 21,721,571	\$ 7,062,363	\$ 1,300,369	\$ 9,221,283	\$ 39,305,586
Demand Response Service Type					
Service Types	Amount				
ADA Expenses (5910.00)	\$ 8,100,628				
General Public Expense	30,546,786				
Department Approved Service Expenses	658,172				
Total	\$ 39,305,586				

Reconciling Items (FY 24-25)

	<u>Amount</u>
Interest Expenses (5210)	\$ 1,912,485
Operating Lease Expenses (5220)	7,422,368
Capital Leases (5230)	-
Related Parties Lease Agreements (5240)	-
Voluntary Non-Exchange Transactions (5250)	-
Depreciation (5260)	
Depreciation of Publicly-Funded Assets (5260.01)	<u>97,098,919</u>
Total Depreciation (5260)	<u>97,098,919</u>
Amortization of Intangibles (5270)	-
Extraordinary and Special Items (5280)	-
Other Reconciling Items (5290)	<u>(47,736,725)</u>
Total	<u>58,697,047</u>
Demand Response Service Type	
ADA Related Reconciling Items (5920.00)	<u><u>\$ -</u></u>

Expense Summary (FY 24-25)

	Vehicle Operation	Vehicle Maintenance	Facility Maintenance	General Admin	Totals
Operating Expenses					
Operators' Salaries and Wages (5011)	\$ 75,477,521	\$ -	\$ -	\$ -	\$ 75,477,521
Operators' Paid Absences (5012)	9,883,746	-	-	-	9,883,746
Other Salaries and Wages (5013)	23,963,460	48,986,185	26,973,045	28,678,073	128,600,763
Other Paid Absences (5014)	2,887,616	6,842,892	3,571,070	4,353,027	17,654,605
Fringe Benefits (5015)	67,205,082	33,021,834	18,142,956	19,291,640	137,661,512
Services (5020)	3,811,189	390,601	2,146,905	16,836,286	23,184,981
Fuel and Lubricants (5031)	16,807,079	848,365	-	-	17,655,444
Tires and Tubes (5032)	2,083,632	41,751	-	-	2,125,383
Other Materials and Supplies (5039)	378,633	29,247,342	3,279,360	701,530	33,606,865
Utilities (5040)	2,980,685	-	-	6,441,331	9,422,016
Casualty and Liability Costs (5050)	-	-	-	8,077,879	8,077,879
Taxes (5060)	-	-	-	-	-
Purchased Transportation Expenses (5100)	21,721,571	7,062,363	1,300,369	9,167,208	39,251,511
Miscellaneous Expenses (5090)	117,814	130,509	196,685	5,776,068	6,221,076
Applied					9,334,853
Non Applied					97,098,919
Total System Expenses	\$ 227,318,028	\$ 126,571,842	\$ 55,610,390	\$ 99,323,042	\$ 615,257,074

Revenues (FY 24-25)

Service Mode: Bus (LR)

	Bus (MB) Directly Operated	Total
Passenger Fares (4110)		
Passenger-Paid Fares (4111)		
Full Passenger Fare Payment (4111.99)	\$ 1,851,780	\$ 1,851,780
Total Passenger-Paid Fares (4111)	1,851,780	1,851,780
Organization-Paid Fares (4112)		
Other Funding Sources (4112.99)	1,183,424	1,183,424
Total Organization-Paid Fares (4112)	1,183,424	1,183,424
Totals Passenger Fares (4110)	\$ 3,035,204	\$ 3,035,204

Revenues (FY 24-25)

Service Mode: Bus (IP)

	Bus (MB) Directly Operated	Total
Passenger Fares (4110)		
Passenger-Paid Fares (4111)		
Full Passenger Fare Payment (4111.99)	\$ 299,188	\$ 299,188
Total Passenger-Paid Fares (4111)	299,188	299,188
Organization-Paid Fares (4112)		
Other Funding Sources (4112.99)	201,363	201,363
Total Organization-Paid Fares (4112)	201,363	201,363
Totals Passenger Fares (4110)	\$ 500,551	\$ 500,551

Revenues (FY 24-25)

Service Mode: Bus (MB)

	Bus (MB) Directly Operated	Total
Passenger Fares (4110)		
Passenger-Paid Fares (4111)		
Full Passenger Fare Payment (4111.99)	\$ 33,468,209	\$ 33,468,209
Total Passenger-Paid Fares (4111)	33,468,209	33,468,209
Organization-Paid Fares (4112)		
Other Funding Sources (4112.99)	20,688,712	20,688,712
Total Organization-Paid Fares (4112)	20,688,712	20,688,712
Totals Passenger Fares (4110)	\$ 54,156,921	\$ 54,156,921

Revenues (FY 24-25)**Service Mode: Demand Response (DR)**

	Demand Response (DR) Directly Operated	Total
Passenger Fares (4110)		
Passenger-Paid Fares (4111)		
Senior Shared Ride Program Copayments (4111.01)	\$ 462,975	\$ 462,975
Persons with Disabilities Program Copayments (4111.02)	85,832	85,832
ADA Complementary Paratransit Fares (4111.03)	147,394	147,394
All Other Program Copayments (4111.04)	67,573	67,573
Full Passenger Fare Payment (4111.99)	-	-
Total Passenger-Paid Fares (4111)	763,774	763,774
Organization-Paid Fares (4112)		
Senior Shared Ride Program Funding (4112.01)	-	-
Persons with Disabilities Program Funding (4112.02)	-	-
Senior Shared Ride Program Sponsors (4112.07)	765,544	765,544
Medical Assistance Transportation Program Funding (4112.08)	4,711,529	4,711,529
Medical Assistance Transportation Program Senior Shared Ride Program Sponsorship(4112.08)	332,622	332,622
Other Funding Sources (4112.99)	1,743,421	1,743,421
Total Organization-Paid Fares (4112)	7,553,116	7,553,116
Totals Passenger Fares (4110)	\$ 8,316,890	\$ 8,316,890

Other Revenues (FY 24-25)

Other Forms of Revenue

Park-and-Ride Parking Revenue (4120)	\$ 112,307
Non-Public Transportation Revenues (4130)	-
Advertising Revenues (4141)	1,835,192
Concessions (4142)	92,445
Other Auxiliary Transportation Revenues (4149)	-
Other Agency Revenues (4150)	8,631,134
Revenues Accrued through a Purchased Transportation Agreement (4160)	-
Subsidy from Other Sectors of Operations (4170)	-
Extraordinary and Special Items (4180)	-
Total Recoveries (4190)	654,365
Contributed Services (4610)	-
Voluntary Non-Exchange Transactions (4620)	-
Sales and Disposals of Assets (4630)	
Sales and Disposals of Publicly-Funded Assets (4630.01)	-
Total Sales and Disposals of Assets (4630)	-
Transportation Development Credits (4640)	-
Total Other Funds	<u><u>\$ 11,325,443</u></u>

Revenue Summary (FY 24-25)

Passenger Fares (4110)

Passenger-Paid Fares (4111)

Senior Shared Ride Program Copayments (4111.01)	\$ 462,975
Persons with Disabilities Program Copayments (4111.02)	85,832
ADA Complementary Paratransit Fares (4111.03)	147,394
All Other Program Copayments (4111.04)	67,573
Full Passenger Fare Payment (4111.99)	<u>35,619,177</u>

Total Passenger-Paid Fares (4111)	<u><u>36,382,951</u></u>
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Organization-Paid Fares (4112)

Senior Shared Ride Program Funding (4112.01)	-
Persons with Disabilities Program Funding (4112.02)	-
Senior Shared Ride Program Sponsors (4112.07)	765,544
Medical Assistance Transportation Program Funding (4112.08)	4,711,529
Medical Assistance Transportation Program Senior Shared Ride Program Sponsorship(4112.08)	332,622
Other Funding Sources (4112.99)	<u>23,816,920</u>

Total Organization-Paid Fares (4112)	<u><u>29,626,615</u></u>
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Other Forms of Revenue	<u><u>11,325,443</u></u>
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Total	<u><u>\$ 77,335,009</u></u>
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Operations Subsidies (FY 24-25)**Service Mode: Bus (LR)****Federal Subsidy**

Section 5303 - FTA Metropolitan Planning Funds (4500.01)	\$ 36,389
Section 5307 - FTA Urban Area Formula Program Funds (Capital Assistance Spent On Operations) (4500.03)	4,198,905
Section 5307- CRRSA Act Urbanized Area Program Funds (4500.07)	2,018,579
Total Federal Subsidy	6,253,873

State Subsidy

Section 1513 Funding (4420.01)	61,449,849
Other State Transportation Funds (4420.99)	2,931,462
Total State Subsidy	64,381,311

Local Subsidy

Section 1513 Funding Local Match (4310.01)	8,645,442
Local Match for Other State Funds (4310.98)	1,393,570
Other Local Government Funds (4310.99)	-
Total Local Subsidy	10,039,012
Grand Total Subsidies	\$ 80,674,196

Operations Subsidies (FY 24-25)**Service Mode: Bus (IP)****Federal Subsidy**

Section 5303 - FTA Metropolitan Planning Funds (4500.01)	\$ 637
Section 5307 - FTA Urban Area Formula Program Funds (Capital Assistance Spent On Operations) (4500.03)	73,518
Section 5307- CRRSA Act Urbanized Area Program Funds (4500.07)	35,343
Total Federal Subsidy	<u>109,498</u>

State Subsidy

Section 1513 Funding (4420.01)	1,075,922
Other State Transportation Funds (4420.99)	51,327
Total State Subsidy	<u>1,127,249</u>

Local Subsidy

Section 1513 Funding Local Match (4310.01)	151,373
Local Match for Other State Funds (4310.98)	24,400
Other Local Government Funds (4310.99)	-
Total Local Subsidy	<u>175,773</u>
Grand Total Subsidies	<u>\$ 1,412,520</u>

Operations Subsidies (FY 24-25)**Service Mode: Bus (MB)****Federal Subsidy**

Section 5303 - FTA Metropolitan Planning Funds (4500.01)	\$ 146,973
Section 5307 - FTA Urban Area Formula Program Funds (Capital Assistance Spent On Operations) (4500.03)	16,958,969
Section 5307- CRRSA Act Urbanized Area Program Funds (4500.07)	8,152,843
Total Federal Subsidy	<u>25,258,785</u>

State Subsidy

Section 1513 Funding (4420.01)	248,189,976
Other State Transportation Funds (4420.99)	11,839,892
Total State Subsidy	<u>260,029,868</u>

Local Subsidy

Section 1513 Funding Local Match (4310.01)	34,918,101
Local Match for Other State Funds (4310.98)	5,628,494
Other Local Government Funds (4310.99)	-
Total Local Subsidy	<u>40,546,595</u>
Grand Total Subsidies	<u><u>\$ 325,835,248</u></u>

Operations Subsidies (FY 24-25)

Service Mode: Demand Response (DR)

Federal Subsidy

Section 5303 - FTA Metropolitan Planning Funds (4500.01)	\$ -
Section 5307 - FTA Urban Area Formula Program Funds (Capital Assistance Spent On Operations) (4500.03)	15,273,795
Section 5310- FTA Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (Capital Assistance Spent on Operations) (4500.15)	452,715
Total Federal Subsidy	15,726,510

State Subsidy

Section 1513 Funding (4420.01)	1,856,823
Other State Transportation Funds (4420.99)	13,282,218
Total State Subsidy	15,139,041

Local Subsidy

Section 1513 Funding Local Match (4310.01)	-
Local Match for Other State Funds (4310.98)	123,145
Other Local Government Funds (4310.99)	-
Total Local Subsidy	123,145
Grand Total Subsidies	\$ 30,988,696

Capital Subsidies (FY 24-25)**Service Mode: Bus (MB)****Federal Subsidy**

Section 5307 - FTA Urbanized Area Formula Program Funds (4500.02)	27,633,015
Section 5309 FTA Capital Investment Grant (4500.10)	13,816,095
Section 5337 State of Good Repair Program Funds (4500.34)	16,504,716
Section 5339- FTA Bus and Bus Facilities Funds (4500.35)	3,259,685

Total Federal Subsidy	61,213,511
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State Subsidy

Section 1514 Funding (4420.02)	113,577,561
Other State Transportation Funds (4420.99)	-

Total State Subsidy	113,577,561
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Local Subsidy

Section 1514 Funding Local Match (4310.02)	5,786,101
Other Local Government Funds (4310.99)	-

Total Local Subsidy	5,786,101
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Grand Total Subsidies	\$ 180,577,173
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Service Mode: Demand Response (DR)**Federal Subsidy**

Section 5310 - FTA Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (4500.14)	\$ -
Section 5311 - FTA Formula Grants for Rural Areas (4500.18)	-

Total Federal Subsidy	-
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State Subsidy

Section 1514 Funding (4420.02)	-
Section 1516 Funding (4420.03)	-

Total State Subsidy	-
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Local Subsidy

Section 1514 Funding Local Match (4310.02)	-
Other Local Government Funds (4310.99)	-

Total Local Subsidy	-
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Grand Total Subsidies	\$ -
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Local Match Provided (FY 24-25)

Contributor: Allegheny County

Date of Final Payment: 6/6/2025

Section 1513 Funding Local Match (4310.01)
(4420.01)

\$ 40,714,916

-

Contributor: Regional Asset District

Section 1513 Funding Local Match (4310.01)
(4420.01)

\$ 3,000,000

Totals

\$ 43,714,916

Carryover (FY 24-25)**Funds Available at Fiscal Year Start**

Section 1513 Funding Local Match (4310.01)	\$ -
Section 1513 Funding (4420.01)	411,383,781

Adjustments to Funds Available

Section 1513 Funding Local Match (4310.01)	-
Section 1513 Funding (4420.01)	2,404

Funds Received During Fiscal Year

Section 1513 Funding Local Match (4310.01)	43,714,916
Section 1513 Funding (4420.01)	291,432,765

Funds Expended During Fiscal Year:**Operations**

Section 1513 Funding Local Match (4310.01)	43,714,916
Section 1513 Funding (4420.01)	312,572,570

Capital

Section 1513 Funding Local Match (4310.01)	-
Section 1513 Funding (4420.01)	-

Interest Earned on Funds as of Fiscal Year End

Section 1513 Funding Local Match (4310.01)	-
Section 1513 Funding (4420.01)	9,617,275

Funds Available at Fiscal Year End

Section 1513 Funding Local Match (4310.01)	-
Section 1513 Funding (4420.01)	\$ 399,863,655

Reserve % of Public Transportation Operating Expenses

Section 1513 Funding Local Match (4310.01)	0%
Section 1513 Funding (4420.01)	0%